CAA BOTSWANA

CIVIL AVIATION AUTHORITY OF BOTSWANA

ANNUAL REPORT 2024/25

Innovating Aviation Infrastructure: Modernising and Certifying Airports

TABLE OF CONTENTS

ABBREVIATIONS AND ACRONYMS

A

AFCAC	African Civil Aviation Commission
AGA	Aerodromes and Ground Aids
AIP	Aeronautical Information Publication
AIR	Airworthiness of Aircraft
AIS	Aeronautical Information Services
AMEL	Aircraft Maintenance Engineer's License
AME VAL	Aircraft Maintenance Engineer Validation
AMHS	Air Traffic Services Message Handling System
AMO	Approved Maintenance Organisation
ANS	Air Navigation Services
ANSP	Air Navigation Services Provider
ASFO	Aviation Security and Facilitation Oversight
ASIM	Aviation Security Inspector Manual
ASSO	Aviation Safety Standards Oversight
ATC	Air Traffic Control
ATCO	Air Traffic Controller
ATCOL	Air Traffic Control Officer License
ATM	Air Traffic Management
ATO	Approved Training Organisations
ATPL	Airline Transport Pilot License
AVSEC	Aviation Security

B

BABS	Beam Approach Beacon System
BOPEU	Botswana Public Officers' Union

C

CAA	Civil Aviation Authority
CAAB	Civil Aviation Authority of Botswana
CCM	Cabin Crew Member
CCML	Cabin Crew Member License
CEE	Citizen Economic Empowerment
CMA	Continuous Monitoring Approach
CNS	Communication, Navigation and Surveillance
CoE	Conditions of Employment
CORSIA	Carbon Offsetting and Reduction Scheme for International Aviation
CPL	Commercial Pilot License

D

DAI	Directorate of Accidents Investigation
DCA	Department of Civil Aviation
DFSO	Directorate of Flight Safety Oversight

E

EI	Effective Implementation
EMS	Environmental Monitoring System
ERM	Enterprise Risk Management
ESAF	Eastern and Southern African Region
EVP	Employee Value Proposition

F

FIDS	Flight Information Display System
FIR	Flight Information Region
FOO	Flight Operations Officers
FOOL	Flight Operations Officer License
FCL VAL	Flight Crew License Validation

I

IATA	International Air Transport Association
ICAO	International Civil Aviation Organization
ICT	Information and Communication Technology
ICVM	ICAO Coordinated Validation Mission
ISRPs	ICAO Standards and Recommended Practices
IT	Information Technology

K

KIA	Kasane International Airport

M

MIA	Maun International Airport
MICE	Meetings, Incentives, Conferences and Exhibitions

N

NAHPA	National Health Promotion Agency
NASP	National Aviation Safety Programme
NCASCP	National Civil Aviation Security Certification Programme
NCASFC	National Civil Aviation Security Facilitation Committee
NCASP	National Civil Aviation Security Programme
NCASQCP	National Civil Aviation Security Quality Control Programme
NCASTP	National Civil Aviation Security Training Programme
NOTAM	Notice to Airmen

P

PGMIA	PG Matante International Airport
PMO	Project Management Office
PPL	Private Pilot License

R

RCC	Rescue Coordination Centre
RPAL	Remotely Piloted Aircraft License

S

SACAA	South African Civil Aviation Authority
SAR	Search and Rescue
SARPs	Standards and Recommended Practices
SASO	SADC Aviation Safety Organisation
SPL	Student Pilot License
SSC	Significant Safety Concerns
SSKIA	Sir Seretse Khama International Airport
SSP	State Safety Programme

T

TAABOT	Travel Agents Association of Botswana

U

USAP	Universal Security Audit Programme
USOAP	Universal Safety Oversight Audit Programme

ABOUT CAAB

The Civil Aviation Authority of Botswana ***("CAAB" or 'The Authority")*** is a statutory body established, as a parastatal organisation, by and under the Civil Aviation Authority Act of 2004 (Cap 71:04) and continued operations under the Civil Aviation Act No. 11 of 2011. CAAB was formed as a transformation of the then Government Department of Civil Aviation (DCA) into a parastatal authority and commenced operations and assumed full operational responsibilities on the 1st April 2009.

The primary objective of the Authority is to promote the safe, regular, secure and efficient use and development of civil aviation in Botswana; To regulate and develop air transport, by providing air navigation services, managing airports and advising the Botswana Government on all aspects of civil aviation.

The Authority is responsible for:

- Advising the Government on policy matters concerning civil aviation
- Advising the Government with regards to international conventions relating to civil aviation and the adoption of measures necessary to give effect to the standards and recommended practices under those conventions
- The licensing of air transport
- The establishment, maintenance, development, operation and ownership of aerodromes
- The provision of air navigation services
- The provision of assistance and information including aeronautical information services
- The co-ordination and direction of search and rescue services
- The registration of aircraft
- The safety regulation of civil aviation
- The control of air traffic

Botswana is a signatory to the 1944 Convention on International Civil Aviation, the Chicago Convention, which established the International Civil Aviation Organization (ICAO). CAAB is the country's representative member of ICAO. ICAO is an agency of the United Nations that coordinates the principles and techniques of international air navigation and fosters the planning and development of international air transport to ensure safe and orderly growth. It (ICAO) develops Standards and Recommended Practices (SARPs) for aviation safety, security, efficiency and regularity, and environmental protection.

Botswana's independence from Britain occurred on September 30, 1966, and shortly after, the new nation of Botswana became a member of ICAO. The Chicago Convention, which established ICAO, came into effect on April 4, 1947. As a member, Botswana was assigned new nationality registration marks, ***"A2",*** by ICAO. On the 28th December 1978, Botswana ratified the Chicago Convention on International Civil Aviation, thus noticing its adherence to the Chicago Convention.

CAAB's mandate can best be categorised under the following three (3) core civil aviation functions, viz. Regulatory Authority, Management of Airspace (Air Navigation) and Management of Airports.

1. Civil Aviation Regulation

CAAB is the country's regulatory body in the field of Civil Aviation, primarily dealing with safety and security issues. It is responsible for the development of the Civil Aviation industry, overseeing the regulation of air transport services to, from and within Botswana and for the development and enforcement of civil aviation air regulations, air safety and airworthiness standards.

2. Air Navigation Services (ANS)

Safety is the main concern of the aviation industry. ANS refers to the various services, with the common goal of securing and facilitating safe, regular and efficient air traffic operations. These services include communication, navigation and surveillance (CNS), meteorological services for air navigation (MET), air traffic management (ATM), aeronautical information services (AIS) and search and rescue (SAR). Effective ANS requires cooperation between airlines, aerodromes and the Air Navigation Service Provider (ANSP), making it a big part of the whole air traffic system.

3. Airports Operations and Management

The Authority currently manages a network of four (4) international airports; two (2) domestic airports and twenty (20) strategic airfields (airstrips) around the country (Botswana). There are a further six (6) undeveloped airfields around the country.

OUR MISSION AND VISION

Our Mission

We regulate the aviation industry and sustainably provide airport and airspace services.

Our Vision

A transformative, agile, high-performance civil aviation authority.

Our Values

CAAB's Values describe the principles and standards that guide the Authority's ethical decisions in all its operations and interactions, both internally within CAAB and externally with various stakeholders. The Authority has coined these five guiding principles and standards, ***"The CAAB Pentagon of Values"***

- One Team
- Integrity
- Passion
- Innovation
- Customer First

LOOKING BACK: KEY MILESTONES IN THE EVOLUTION OF CIVIL AVIATION IN BOTSWANA

Civil Aviation Evolution Milestones

Civil aviation is one of two major categories of flying, representing all non-military and non-state aviation, which can be both private and commercial. Civil aviation includes three major categories: Commercial air transport, including scheduled and non-scheduled passenger and cargo flights. Aerial work, in which an aircraft is used for specialised services such as agriculture, photography, surveying, search and rescue, etc.

Aviation dates back to 1903, when the Wright brothers achieved the first powered, controlled and sustained flight on December 17, 1903. Locally, civil aviation in Botswana can be traced back to 1919 with the construction of the first airfield in Palapye.

The following section chronicles key milestones in Botswana's civil aviation history, extending back to the Bechuanaland Protectorate era;

Date Stamp	Milestone Activity
1919	The first aerodrome is constructed at Palapye, measuring 600 x 600 yards (approx. 549m x 549m)
1920	Temporary aerodromes are made at Serowe, Francistown and Artesia at which the flying machines landed during the same year. ▪ The very first landing of an aircraft takes place at Palapye on March 16, 1920. ▪ The first aircraft to land is called the DH9 "VOOTREKKER."
1925	The first airfield in the country, the Palapye Aerodrome, is reconstructed at the cost of twenty- four Sterling Pounds (£24.00).
1927	The first overseas aircraft landing in Bechuanaland ▪ This is by the Royal Air Force aircraft and the landing site is Palapye. ▪ The historical landing takes place on April 16.
1934	The first air service in Bechuanaland and the first flight to Maun took place on Saturday, May 18, 1934. It was conducted using a D.H. Leopard Moth aircraft that flew from Johannesburg to Mafikeng, then continued to Serowe, Rakops and finally Maun. The plane carried mail and accommodated two passengers, with Captain Francis as the pilot.
1939	In September 1939, the world went to war (World War II), resulting in the suspension of all flights and related operations. ▪ Junkers aircraft were commandeered by the South African Air Force and converted into bombers as they had originally been designed for that purpose. ▪ These aircraft were later deployed to Kenya, where they participated in the bombing of Addis Ababa during the campaign against Italian forces in Ethiopia.
1943	The world prepares for post WW-II aviation. Training plans are being proposed for aviation personnel that would be required once the war is over. ▪ The training is for various aviation-related professions such as: Pilots, Navigators, Air Traffic Controllers, Meteorologists, Aircraft Engineers, Radio and Signal Engineers, Operational and Traffic Experts, etc.
1944	The International Civil Aviation Organisation (ICAO) was established on December 7, 1944, following the Chicago Convention, to foster the safe and orderly growth of international civil aviation.
1947	Following ratification of the Chicago Convention, by 26 states, ICAO officially came into being on April 4, 1947, with the first session of the Assembly held in Montreal.
1948	The first correspondence from ICAO is received. ▪ This is four years since the formation of the world aviation supreme body. The correspondence is signed by L. Bedin, a Paris-based ICAO representative for the European African Office. ▪ Central African Airways starts an air service from Bulawayo to Mafikeng via Francistown-Mahalapye-Gaborone. The airline is operating an 8-seater aircraft, the Dove.
1955	Bechuanaland Protectorate (Control of Flying) Regulations come into effect. ▪ These are issued under High Commissioner's Notice No: 102 of the same year.
1959	The question of aircraft registration in Bechuanaland is discussed and Mr. J.K. Haumann becomes the first applicant to register an aircraft. His aircraft is Piper PA-22 150.
1960	The first Certificate of Registration is issued to Mr. Grail of Ghanzi. ▪ His aircraft, Piper PA-22 160, is assigned the letters VQZ-EZ.

Date Stamp	Milestone Activity
1965	Honourable D.J.C. Morgan becomes the first Minister of Works and Communications, which is responsible for civil aviation in the country.
1966	The new nation, Republic of Botswana, is born and consequently, the world body, ICAO, assigns the new state new Nationality Marks: A2 instead of VQZ as it was previously.
1967	The Department of Civil Aviation (DCA) is established.
1971	The first Motswana gains wings. Mr. Tumelo Mokaila becomes the first national pilot after graduating from Air Service Training in Perth, Scotland.
1972	Air Botswana is formed and takes over from its forerunner, Botswana Airways Corporation (BAC). ICAO and the Botswana Government join hands to develop the aviation infrastructure and train appropriate personnel. ▪ Under this development assistance project, international experts are contracted to the department (DCA), mainly, to train local counterparts, which was consistent with the Government's localisation policy.
1976	Air Transport (Temporary Air Service Permits) Regulations (ATRs) are published as Statutory Instrument 126, 1976.
1977	The Botswana Civil Aviation Act (CAA), CAP. 70:01 becomes effective. The Botswana Air Navigation Regulations (ANRs) are enacted by Parliament and published as Statutory Instrument 84, 1977.
1978	The ANRs are amended as Statutory Instrument 82, 1978. The ATRs are amended as Statutory Instrument 121, 1978. Botswana in the same year ratifies the Chicago Convention on International Civil Aviation.
1980	Air Navigation (Prohibited Areas) Order (ANO) is established as Statutory Instrument No. 32, 1980.
1982	New Gaborone Airport (Controlled Area) Order (NGAO) is established as Statutory Instrument 71, 1982
1983	The Botswana Civil Aviation (Investigation of Accidents) Regulations (CARs) are enacted by Parliament and published as Statutory Instrument 49 & 66, 1983.
1984	Construction of Sir Seretse Khama International Airport (SSKIA) is completed and is opened for use in December. ▪ The first major international carrier to fly into SSKIA is the former British Caledonia. Other carriers being Comair, Air France, British Airways, Kenya Airways, Air Zimbabwe, Zambian Airways and others.
1987	Air Botswana becomes a corporation and moves its base from Johannesburg, South Africa, to Gaborone, Botswana. The first aircraft maintenance organisation, Northern Air Maintenance, is established in Maun. This provides relief to the Maun-based general aviation industry as well as other transiting or visiting aircraft.
1989	Official opening of the Sir Seretse Khama International Airport takes place. Construction of the new Kasane Airport commences. A Piper Chirokee aircraft crashes in Kasane, at the old airfield and kills all six people on board including the pilot. ▪ For the first time, the Investigator-In-Charge (IIC) is a national of Botswana.
1990	The new Kasane Airport is complete and the old airstrip is closed.
1991	The Flight Information Region (FIR) project is completed and Botswana takes control of her air space.
1995	The new Kasane Airport is inaugurated and at the same time Maun Airport extension works are nearing completion. The Maun runway extension is complete and in use. Air Botswana's BAe 146 is, thus able to fly in and out of Maun.
1996	The official opening of the extended Maun Airport takes place.
1998	The Director of Civil Aviation, Mr. K. J. Mosupukwa, becomes SADC Representative to the ICAO Council in Montreal, Canada. ▪ This is a three-year assignment. The US President, Bill Clinton, pays official visit to Botswana and his Air Force-1 lands safely at SSKIA. He later flies into Kasane Airport on his way to a safari resort in the Delta
1999	Air Botswana loses all its fleet. ▪ The country records the first accident ever to involve a national carrier.
2004	The Civil Aviation Authority of Botswana (CAAB) is established by the CAA Act of 2004 passed by parliament, which mandates CAAB to promote aviation safety and security and ensure the regular and efficient use and development of Civil Aviation in Botswana.
2006	CAAB Inception Board appointed.
	ICAO audit Botswana and rates the country at a lowly 27% on the Effective Implementation (EI) of ICAO Safety standards and recommended practices.

Date Stamp	Milestone Activity
2009	The Authority commenced full operations on 1st April 2009 as a statutory corporation under the Ministry of Transport and Communications (MTC). ▪ CAAB becomes responsible, under the Act, for regulation of air transport, providing air navigation services, managing airports and advising the government on all aspects of civil aviation. ▪ Most of these functions were formerly being handled by the former Department of Civil Aviation (DCA).
2011	The Civil Aviation Authority Act of 2011 is tabled before parliament. The Act replaces and repeals previous Civil Aviation Authority Act of 2004.
	The Newly refurbished Francistown International Airport is opened for traffic.
2012	The Maun International Airport runway is extended to 3.7 km in length.
2013	The ICAO conducts a Safety audit on Botswana and acknowledges the Country's commendable progress, noted significant improvement made in almost all safety related areas made, since the earlier audit of 2006. ▪ At the end of the audit, Botswana was given a Safety EI Score of 54% against 27.8% in 2006. ▪ Following the audit, ICAO imposes two (2) Significant Safety Concerns (SSCs) on Botswana, in the areas of: 1. Airworthiness related issues 2. Flight Operations related issues
2015	The refurbished SSKIA airport is unveiled by His Excellency Lt. Gen Dr. Seretse Khama Ian Khama
	The two (2) SSCs imposed on Botswana in 2013 are lifted.
2016	The European Union excludes Botswana air carriers from the list of carriers subjected to an operation ban within the European Union.
	Botswana becomes the first African Country to receive the ICAO Council President Certificate award in recognition of the country's progress in resolving its Safety Oversight deficiencies and improving effective Implementation of applicable ICAO Standards and Recommended Practices (SARPS)
2020	The World Health Organisation (WHO) on March 11, 2020, declared the novel coronavirus (COVID-19) outbreak a global pandemic. The pandemic had a significant impact on the aviation industry due to travel restrictions and a decimation in demand among travellers. According to ICAO reports: ▪ Globally, international and domestic air travel demand dropped by 75.6% and 48.8%, respectively in year 2020. ▪ Net losses of 126.4 billion USD, on revenue loss of 373 billion USD by airlines were observed in the year 2020.
2021	Botswana attained an ICAO Security EI score of 75.98%. May 2021 – Maun (MIA) terminal refurbished to reduce passenger congestion by providing additional area in passenger lounges and increased passenger circulation space.
2022	Botswana underwent an ICAO Coordinated Validation Mission (ICVM) audit, in 2022 and attained a Safety EI Score of 80.1%
2024	Botswana underwent an ICAO Universal Safety Oversight Audit Programme Continuous Monitoring Approach (USOAP CMA) audit, in June 2024. Attained an Effective Implementation (EI) score (for the state) of 85.78%; a 5.86% increase from the 80.1% EI score attained in 2022.
	Local civil aviation regulations reviewed, ensuring alignment with ICAO standards and recommended practices and enhancement of the local civil aviation regulatory environment and industry: ▪ Aerodrome Design and Operation ▪ Civil Aviation Certification and Licensing of Aerodrome ▪ Civil Aviation Remotely Piloted Aircraft Enacted through publication in the Government Gazette - 18 June 2024.

Key Performance Highlights – Relative to FY2023/24 Performance

Financial Performance Highlights

Generated Revenue
P325m
from P265m in FY2023/24
23%
Increase

Revenue (Including Grant)
P467m
from P402 in FY2023/24
16%
Increase

Operating Expenses
P432m
from P375m in FY2023/24
15%
Increase

Cost to Income (Without Grant)
133%
from 148% in FY2023/24
15%
Decrease

Cost to Income (With Grant)
93%
from 97% in FY2023/24
4%
Decrease

Air Transport Key Performance Highlights

Aircraft Movement

Aircraft Movement (Total)
75, 874
from 70, 195 in FY2023/24
8.1%
Increase

Aircraft Movement (International)
15, 203
from 15, 300 in FY2023/24
0.6%
Decrease

Aircraft Movement (Domestic)
60, 671
from 54, 895 in FY2023/24
10.5%
Increase

Passenger Movement

Passenger Movement (Total)
859, 341
from 784, 832 in FY2023/24
9.5%
Increase

Passenger Movement (International)
500, 144
from 433, 767 in FY2023/24
15.3%
Increase

Passenger Movement (Domestic)
359, 197
from 351, 065 in FY2023/24
2.3%
Increase

Enroute Overflights

Aircraft Movement (Total)
43, 323
from 40,767 in FY2023/24
6.3%
Increase

Cargo Volumes

Handled cargo Volumes (Tons)
1, 435
from 1, 484 in FY2023/24
3.3%
Decrease

Aviation Safety and Security

Safety Effective Implementation (EI) Score
85.78%
from 80.1% in 2022
5.6%
Increase

Security Effective Implementation (EI) Score
75.98%
audited in 2021

OUR BOARD OF DIRECTORS

CHAIRMAN'S STATEMENT

I am most honoured and privileged to present to you the CAAB annual report for the financial year 2024-25. The annual report comes on the backdrop of the first complete year, following the Board's approval of the Authority's Transformation Strategy 2024-2029, under the theme "Transforming CAAB Into an Agile High-Performance Civil Aviation Authority – A New Beginning". Our corporate performance results showcase another solid performance, with most of our key performance indicators on a continued upward trend, following on the positive performance trends of the financial year 2023-24.

At a global level, passenger, aircraft movement and cargo numbers continue to grow, reaching and even exceeding pre-pandemic figures. A ccording to the ACI World Airport Traffic Forecasts (WATF) 2024–2053, the aviation industry reached a significant milestone in 2024, with global passenger traffic not only recovering but also surpassing the pre-pandemic levels of 2019, marking a new era of growth. Bringing it home, our recovery to post pandemic levels has been slower than anticipated, particularly as relates to aviation numbers. Our aircraft movement numbers, at 89% are 11% shy of the 2019-20 pre pandemic figures, passenger, cargo and enroute traffic figures are much closer, at 97% of the pre-pandemic levels. Despite the relatively slow recovery by the local aviation industry, we anticipate a full recovery to pre-covid numbers by the end of the next financial year (FY2025/26).

Our financial performance continued to have a good and positive trajectory, with the Authority returning to a positive Equity position of P34.6m. A marked improvement from the negative P2.2m recorded in the previous reporting period.

Corporate Governance

A well-defined and effectively implemented corporate governance structure is crucial for the success and sustainability of any organization. It provides a framework for responsible and ethical conduct, promoting accountability and contributing to the organization's overall effectiveness. Being a statutory body, the Authority is governed by the Civil Aviation Act. The Authority is further guided by principles of good governance, as espoused in the King IV Report on Corporate Governance, in its quest towards attainment of as ethical and effective leadership. In order to achieve the core governance outcomes of an ethical culture, good performance, effective control and legitimacy, the Board is committed to upholding the principles of good governance.

I cannot overemphasise the importance of the Board of Directors. The Board is critical to the success of the Authority, and we remain, individually and collectively, ultimately responsible for its success or demise. Collectively we bear the legal responsibility to govern the Authority. Our individual and collective duties and responsibilities, as the Board of Directors, are clearly defined. Through the Board and Committee Charters, expectations on each individual Board member are fully articulated. It is imperative that Board members fully appreciate what is expected and needed of them and be held accountable when we get off track.

During the reporting period, the Authority experienced some minor challenges with regards requisite governance structures. During the period April 2024 to August 2024, the Board was nonfunctional due to lack of a quorum. A ll Board members' tenure lapsed at the end of March 2024 and were only reappointed in August 2024. The Board was therefore unable to meet between April and August 2024. With only four Board members reappointed, the Board was unable to constitute committees, further compromising Board's agility and effectiveness.

Leveraging the provisions of Section 22 of the Civil Aviation Act, which provides for the Board to invite any person whose presence it considers necessary to attend and participate in its meetings, the Board co-opted two independent non-executive Directors to enhance its complement, and particularly to ensure continuity of the Board Finance, Audit and Risk committee (FARC), which the Board deemed core to ensuring sound governance and oversight over Management. Unfortunately, the Board has had to halt operations of the other Board Committees until such a time that the Board membership would have been increased to accommodate full and complimentary Committee membership. In order to effectively deliver on its oversight mandate over the executive, it is important that the Board is appropriately informed with timely and reliable information at all times. Borad meetings are a crucial avenue towards meeting this statutory obligation, ensuring members better understand the Authority's performance and make timely, informed decisions. I am pleased to report that, notwithstanding the fact that there were four ordinary statutory Board meetings scheduled during the reporting period, the Board met six times, primarily due to the fact that without Board Committees, the Board's Agenda has become quite lengthy, often requiring more than one sitting to do justice to the specific agenda issues, as the Board had no benefit of in-depth and rigorous technical engagements, normally done at committee level.

The Organisation and Our People

An effective organisational structure is crucial for implementing strategy by aligning resources, clarifying roles, and facilitating communication. In our increasingly digitized economy, information technology (IT) has become fundamental to support, sustain and grow organizations. Successful organizations leverage the digital innovation potential but also understand and manage the risks and constraints of technology. To this end, during the reporting period, the Board approved the organisational structure optimisation, which introduced new positions of Director Information Technology and Manager Projects to enhance operational efficiency. The position of Data Protection Officer was also approved by the Board and recruited for by Management, towards compliance with the requirements of the Data Protection Act of 2024.

Promoting Botswana's Aviation Attractiveness

One of our core mandates as CAAB, is the promotion and development of civil aviation in Botswana. We are further tasked with advising Government on policy matters relating to civil aviation. Aviation in Botswana has a significant potential to boost the national economy. The sector plays a crucial role in tourism, trade, and regional connectivity, and is poised for further growth with strategic development and policy reforms. Through the Botswana Air Access project, a CAAB championed collaborative effort with BB, BITC, BTO, HATAB and TAABOT, CAAB is actively working on strategies to improve the country's aviation attractiveness through the promotion of MICE initiatives, in alignment with the national Vision 2036. The project aims to promote increased air connectivity to Botswana through securing air route retention, expansions, and introduction of new routes, through strategic engagements with domestic, regional and international carriers.

Strategy and Corporate Performance

Our vision of becoming a transformative, agile and highperformance civil aviation authority, is anchored by our strategic intent (the Big Hairy Audacious Goals – BHAG), which has financial performance targets as well as aviation safety and security performance targets with a five-year outlook. The strategic intent provides a predetermined direction and a framework within which Management can operate and build functional strategies to achieve the corporate level strategy. This helps motivate CAAB employees by clearly articulating values and targets; focusing the entire CAAB on the same vision.

Financial Performance

I am happy to report that, against a financial year FY2028-29 earned revenue strategic intent target of P500m, the Authority returned total earned revenues of P325m.

P325m
Revenue earned during FY2024/25

A year-on-year increase of
23%

The Authority is on a steady trajectory to achieve the half a billionrevenue target within the next four years.

The cost-to-income ratio, which shows the Authority's operational efficiency in generating revenues, showed an improvement from 1.42:1 the previous year to 1.33:1 at end of the financial year. Our long-term stretch target is 0.83:1, by FY2028-29 Cognisant of the laws of diminishing returns, a lot of effort in improved productivity and operational efficiency will be required to achieve this target.

Strategy and financial performance are intrinsically linked: an effective corporate strategy guides an organization towards achievement of a competitive advantage and long-term financial success, while financial management provides the resources and analysis necessary to execute that strategy. Challenges in availability of financial resources have negatively impacted project delivery roadmap and attainment of strategic objectives. There has been a significant reduction in capital expenditure development funding, exacerbated by the decline in Government revenues, who are the main funders of the Authority development budget. The Authority has had to slow down the implementation of some of its capital projects, such as renovation works for strategic airfields and some of the airspace management and surveillance programmes. In some instances, the programmes have had to be differed to later dates.

Aviation Safety and Security Performance

Aviation is a highly regulated industry, with safety and security a primary concern, as such adherence to aviation regulations and standards is most paramount. Effective corporate governance ensures compliance with these regulations and promotes a safety and security conscious culture. I am pleased to share with you that the Country attained an Effective Implementation (EI) score of 85.68% for safety in 2024, and stands at 75.98% for security, as assessed in 2021. The EI score is a measure of the State's safety and security oversight capabilities, and not just of the Authority. These underpin significant achievements for the country, as they place Botswana amongst the top performers in Africa and the region. The EI performance scores bode well for the country as it endeavours to attract international and regional airlines to the country.

Looking Ahead

As we look ahead to the coming year, we remain focused on expanding our aviation routes network and impact, with strategic initiatives set to address emerging challenges and unlock new opportunities for growth. We are confident that this continued momentum will drive us closer to achieving our ambitious goals

In an endeavour to strengthening its commitment to a strong oversight system, based on ICAO's SARP, the Government of Botswana in March 2025 commenced the process of transforming the triple play operations of CAAB into two separate organisations, i.e., an autonomous Civil Avian Regulatory Authority, and an Airport and Air Navigation Services Provision company. It is anticipated that once the pre-requisite legislative process is concluded, at the end of the FY2025/26 financial year, the separation and transformation shall begin in earnest.

Appreciation

On behalf of the CAAB Board of Directors, I take this opportunity to thank the Executive Leadership Team and employees of the Authority for their continued commitment and dedicated contribution to the results of the 2024-25 financial year. We could not have achieved our performance milestones without support from our shareholder, the Botswana Government. To his end, special thanks go to the team at the Ministry of Transport and Infrastructure, whose guidance and support ensured our eyes were kept on the proverbial ball. Our valued customers and the aviation industry stakeholders' unwavering support has been paramount to the success of CAAB during the year, for this, we thank you.

I wish to also recognise and appreciate the CAAB Board of Directors, individually and collectively, for their dedication and continued commitment to transforming CAAB into a world class aviation regulatory authority. Special thanks go to Nomsa Jim and Keetsemang Nkoko, who supported the Authority, through their dedicated work in the Finance, Audit and Risk Committee, during the course of the year, when the Board was unable to form committees, and continue to serve. A special thank you goes to the former chairman of the Technical and Customer Services Committee, Joseph Motse, whose tenure in the Board came to an end, at the end of the last financial year 2023-24, for outstanding services to the company.

Thank you.

BASIMANE BOGOPA
BOARD CHAIRMAN


ATC

THE BOARD OF DIRECTORS

Basimane Bogopa
Board Chairman

Mr. Bogopa has been the Chairman of the Civil Aviation Authority of Botswana's Board of Directors, since May 2021; having been first appointed to the CAAB Board of Directors, as an ordinary member, in November 2018.

Mr. Bogopa is the Managing Partner at Bogopa, Manewe, Tobedza & Co. He is an attorney, conveyancer and notary public admitted to practice in the High Court of Botswana, Court of Appeal and Subordinate Courts since 2001. He obtained an LL. B degree from the University of Botswana and has 25 (Twenty- Five) years of practical legal experience in Botswana, being 5 (five) years in the public service and 20 (Twenty) years in private practice.

Mr. Bogopa's area of practice focuses on drafting conveyancing and securitisation documents, corporate and commercial litigation, criminal and civil litigation – specialising in administrative law and intellectual property law (enforcement and protection of registered trademarks). Mr Bogopa possesses a Master's Degree in International Trade Law from the University of Turin, Italy. He has since gained expertise in the drafting of international contracts, dispute resolution, mediation, arbitration and international investment contracts. Mr. Bogopa is a seasoned trial lawyer and an experienced fraud recovery litigation practitioner with specific focus on recovering proceeds of fraud committed within the banking sector and other financial institutions.

Mr. Bogopa has served in several boards of State-Owned Entities (SOE's), was trained in Corporate Governance by the Institute of Directors in Southern Africa (IoDSA) and gained valuable practical experience in the area of Corporate Governance.

Kaone Rubicellé Kamanakao
Board Member

Ms. Kamanakao is an accomplished commercial pilot, certified flight instructor and International Civil Aviation Organisation (ICAO) Aviation Safety Inspector. She was appointed to the Board of Directors of the Civil Aviation Authority of Botswana (CAAB) in May 2021, bringing with her over a decade of diverse experience in the aviation sector.

At the age of 21, Ms. Kamanakao obtained her Commercial Pilot Licence from Blue Chip Flight School in Pretoria, Republic of South Africa, where she was honoured with the 2012 South African Designated Flight Examiner Award for exceptional aircraft handling and professionalism. She later earned her Flight Instructor Rating from the same institution and went on to serve as a Flight Instructor at the Botswana Flying Academy.

Her career includes roles as Line Pilot, Training Captain, Flight Operations Manager and Flight Operations Inspector with CAAB. Prior to her appointment to the Board, she served as Aviation Ground Manager for Wilderness Air Botswana.

A graduate of the Young African Leaders Initiative (YALI), Ms. Kamanakao is the Executive Director of the Girl Fly Program in Africa Foundation (GFPA) Botswana and the Founding President of Women in Aviation; Botswana Chapter, both of which focus on mentoring and empowering women and girls pursuing careers in aviation and aerospace.

Major General Hendrick Thuthu Rakgantswana
Board Member

Major General Rakgantswana brings over thirty (30) years of distinguished service in the military and was appointed to the Board of Directors of the Civil Aviation Authority of Botswana (CAAB) in May 2021. He currently serves as the Air Arm Commander in the Botswana Defence Force (BDF).

Throughout his career, Major General Rakgantswana has held several key command and leadership positions within the BDF, including Air Base Commander, Director of Air Operations, Squadron Commander and Head of VIP Operations for Presidential Flights and Instructional Operations.

He is a graduate of the University of Nairobi, holding a degree in International Studies and has further specialised in Diplomacy and International Relations, Strategic Planning and National Security, Warfare Planning (Operational Level), Military Air Transport Command, VVIP Flight Operations and Corporate Aircraft Operations. His career and training have also taken him to prestigious institutions in Canada, the United States of America, India and Tanzania.

Martha Basadi Seipato
Chairperson – Finance,
Audit & Risk Committee

Ms. Seipato is a Fellow Chartered Accountant (FCA/FCCA) and was appointed to the Board of Directors of the Civil Aviation Authority of Botswana (CAAB) in May 2021. She brings to the Board over twenty five (25) years of extensive experience gained from serving in management, senior management and executive roles across multiple sectors in Botswana.

During her career, Ms. Seipato has held several leadership positions, including Finance Manager-Corporate Services, Relationship Manager-Employee Benefits and Operations Manager-High Value Corporate Business at Botswana Life Insurance, where she served for eleven (11) years. She has also served as Head of Finance/Senior Manager – Finance and Administration at the Motor Vehicle Accident Fund and as Finance and Administration Manager at both Fairground Holdings and the Competition Authority. In addition, she is a Founding Director of BASMOD (Pty) Ltd, her own consultancy firm.

She is a member of both the Botswana Institute of Chartered Accountants (BICA) and the Association of Chartered Certified Accountants (ACCA). She holds a Master of Business Administration (MBA) from the University of Derby, a Management Development Programme (MDP) certificate from the University of Stellenbosch and a Certificate of Proficiency (COP) from the Insurance Institute of South Africa. She has also completed various executive programs in Strategic Leadership, Corporate Governance and Compliance and currently serves on the Finance, Audit, Risk and Compliance (FARC) Committee at BA ISAGO University.

Nomsa Neo Jim
Co-opted Board Member
Finance, Audit & Risk Committee

Ms. Jim brings over 19 years of experience in the financial services sector, including 11 years as a seasoned insurance professional. Her expertise spans financial auditing, life insurance and risk management, complemented by a proven record of leadership, relationship management and delivering exceptional client service. She has held key positions at Ernst & Young Botswana, G4S Botswana, Aon Botswana (Pty) Ltd and First National Bank of Botswana and currently manages key Bancassurance accounts at Hollard Life Botswana.

A fellow member of both the Association of Chartered Certified Accountants (ACCA) and the Botswana Institute of Chartered Accountants (BICA), Ms. Jim is also an Associate member of the Insurance Institute of South Africa (IISA) and a member of the Chartered Insurance Institute (CII) in the United Kingdom. She holds a Bachelor of Accountancy from the University of Botswana and has obtained additional certifications in Enterprise Risk Management, Insurance and Retirement Funds. She currently serves as Chairperson and Independent Non-Executive Trustee of the Minet Beneficiary Fund and is a member of the Finance, Audit and Risk (FARC) Committee of the Civil Aviation Authority of Botswana (CAAB) Board of Directors.

She is passionate about mentoring emerging professionals, fostering a positive organisational culture and driving business excellence through a commitment to exceptional client experience and continuous professional growth.

Keetsemang Nkoko
Co-Opted Board Member
Finance, Audit & Risk Committee

Ms. Nkoko is an accomplished Chartered Accountant with over twenty one (21) years of experience in the accounting and investment sectors. Her expertise spans investment management, accounting and financial reporting, underpinned by a strong record of leadership and governance across both public and private institutions.

She has held several senior leadership roles at the Motor Vehicle Accident Fund (MVA Fund), Alexander Forbes Financial Services Botswana, the Botswana University of Agriculture and Natural Resources (BUAN) and the Competition and Consumer Authority (CCA). She is a fellow member of both the Association of Chartered Certified Accountants (ACCA) and the Botswana Institute of Chartered Accountants (BICA). She also holds a Master of Business Administration (MBA) from the University of Derby and a Bachelor of Accounting from the University of Botswana.

In addition to her academic achievements, Ms. Nkoko has completed several executive development programmes, including the Senior Management Development Programme (SMDP) and Management Development Programme (MDP) at the University of Stellenbosch Business School, as well as certifications in Fraud and Risk Management (BICA) and King IV Corporate Governance (Bussynet Advanced Training). She has previously served as a Board Member of BoFiNet and currently sits on the Finance, Risk and Audit Committee of Bomaid. Ms. Nkoko is also a member of the Finance, Audit and Risk Committee (FARC) of the Civil Aviation Authority of Botswana (CAAB) Board of Directors.

THE BOARD OF DIRECTORS

Dr. Bao Rasebolai Mosinyi
Chief Executive Officer
(Ex Officio Member of the Board)

Dr. Mosinyi appointed Chief Executive Officer of the Civil Aviation Authority of Botswana (CAAB) on the 1st July 2021.

An Aerospace Engineer, he is armed with a broad experience in Aviation and Aerospace matters acquired in a period spanning over 20 years. His extensive experience has seen him working for an Aviation Regulator, an Airline, Aircraft Manufacturer in addition to an Aircraft Engine Manufacturer in the United States of America.

Dr Mosinyi joined CAAB from Pratt & Whitney where he held the position of Associate Director. He had previously served at the US Federal Aviation Administration as a Senior Research Engineer and at Airbus as an Aircraft Structures Engineering expert.

Bao Mosinyi holds both Bachelor and Master of Science degrees in Aerospace Engineering from Embry-Riddle Aeronautical University, and a Doctor of Philosophy in Mechanical Engineering & Mechanics from Drexel University – specializing in Aircraft Structures. He also holds an MBA degree (Strategy & Finance) from Duke University's Fuqua School of Business.

THE CEO'S STATEMENT

This has been yet another significant year for CAAB. We have delivered another set of unprecedented results over the past 12 months, as we continue to transform our business and the local aviation sector. The year has been particularly defined by the continued dedication and hard work from the entire team here at CAAB. This year's report comes on the backdrop of yet another sound financial performance, with our revenues continuing to hit record highs. The future of aviation is bright. The International Air Transport Association (IATA) expects air passenger volumes to double by 2040, with the African region a key potential region of growth. There are thus tremendous opportunities for Botswana to ride this growth potential.

In the past year, we took pivotal steps to position Botswana as an attractive destination for airlines. We launched our vision and strategy to redefine CAAB's operations and strategic direction towards a transformative, agile, high-performance civil aviation authority; a civil aviation authority that is sustainable, powered by innovation, digital transformation and committed to developing the next generation of aviation professionals.

The Global Aviation Sector

Looking back slightly, a surge in domestic travel demand was felt in all major markets during 2023. Total domestic traffic surpassed the record of 2019 as international traffic rose steadily worldwide. The industry's growth momentum continued its resilience as 2024 began, despite various economic and geopolitical headwinds pressuring airlines and consumers. In 2023, industrywide passenger traffic rebounded toward pre-pandemic levels. Growing from that higher base, the industry's annual growth has eased but is still expanding at a rapid pace. In March 2024, total traffic rose 13.8% YoY as the industry continued to perform above pre-pandemic levels. This robust pace is attributable not only to the ongoing ramp-up in international operations but also to market expansions in various countries.

Here at home, air passenger traffic has also been on the rise. From a low of 106,971 passengers that went through our airports, during the financial year FY2020-21, the air passenger traffic reached 859,341, at the end of the financial year, reflecting an increase of 9.5% from the previous year and approximately 3.1% from pre-pandemic figures.

Development and enhancement of the air cargo business is central to the Authority's transformation strategy, going forward. A key initiative in furthering this strategic objective is the development of the CAAB air cargo business. We have therefore taken considered steps towards establishing a cargo business unit, from the next financial year. We believe the business unit shall help diversify the Authority's revenue stream, moving us a step closer to our half a billion Pula target.

Our Strategy

The Board approved our five-year transformation strategy towards the end of the financial year FY2023-24, ensuring implementation starts in earnest, with the financial year. FY2024-25 was therefore the first year in our journey to transforming CAAB into a world class high-performance civil aviation regulatory authority.

We anchored our vision on tangible actions, including the launch of the Botswana Air Access Project, the establishment of the Cargo Business Unit and the elevation of our information technology department to a more strategic level. These are bold and critical steps we take now, towards building a future-ready local civil aviation sector for the future generations of Batswana.

We have set ourselves ambitious goals and taken decisive and immediate action on the challenges we faced. In a very deliberate way, we have made the necessary changes and adjustments needed to re-energise the business operations. Our efforts are guided by our strategic true north, as defined by our key results areas of Sustainable Environment, Customer Service, Aviation Safety and Security, and Profitability. At the end of our strategic planning period, in 2029, we aim to have achieved the following key performance targets:

Earned revenues of

P500m

A Cost to Income Ratio of

0.83:1

ICAO safety and security EI scores of

95%

Our first year of strategy execution has been mainly focused on improving our financial performance and reinforcing our safety and security compliance to ICAO's Standards and Recommended Practices, a key pre-requisite for building consumer confidence and consequently improved customer service and attraction of airlines into the country.

In 2025, CAAB celebrated its 16th anniversary. The Authority has come a long way in the last 16 years since we were tasked with the mandate of further developing the local civil aviation sector, facilitating Botswana's connection to the world and likewise, connecting the world to Botswana. We have had our fair share of challenges, crises, and achievements along the way. The Significant Safety Concerns (SSCs) of 2013 being one such crisis; the pandemic of 2019 a major challenge to CAAB and the industry at large; and the attainment of an ICAO's Safety Effective Implementation score of 85.78 in 2024 a major milestone achievement for the Authority and Country.

Our People

Our workforce remains the backbone of our mission to ensuring a sustainable, profitable aviation authority with the highest standards of safety, security, and efficiency. The relationship between the Authority and its employees is vital and underpins the continued good corporate performance and results we have achieved since the Covid induced rock-bottom performance of financial year FY2020-21. We are most cognisant of the fact that our employees are the driving force behind the Authority's success and profitability.

The effectiveness of an organization rests greatly on good management and leadership in mobilizing organizational resources towards the attainment of corporate goals and objectives, ensuring organizational success. This encompasses how the company's talent is managed, motivated, and leveraged to create value, particularly intangible assets in the digital economy.

We recognize and prioritize talent as an important metric for business success and the attainment of operational and strategic success. Over the past year, in our endeavour towards enhanced customer experience and, aviation safety and security, much focus was placed on recruitment and upskilling of specialist skills in regulatory oversight and ICT innovation.

We invested over P9 million in training, skills development and competency enhancement interventions to over 400 employees throughout the year. The upskilling programmes covered topics such as risk management, cargo operations and logistics, innovation and cyber security and a variety of ICAO-compliance trainings on aviation safety and air navigation services.

Our strategy calls for leveraging technology towards enhanced business capabilities, building operational efficiencies and effectiveness, increasing agility, encouraging collaboration, ensuring greater customer satisfaction, and reducing costs through leveraging ICT technologies. To this end, we have elevated the IT function to Director level, facilitating quicker decision making and action.

Financial Performance

Profitability, liquidity and capital resources, and the financial position of the Authority in FY2024-25 were mainly influenced by the continued rebound of the aviation sector. The Authority's revenues surpassed the P300 million mark during the reporting period, reaching a historic high of P325 million, 72% of which was contributed by the aeronautical revenue stream and 28% from non-aeronautical products and services. The increase in revenues represents a 23% increase compared to the same period in the prior year (P265 million). Whilst the ultimate goal is to maximize profit (Revenue – Costs), our costs continue to rise along with increasing revenues, albeit at a slower rate. Total expenditure for the year reached P432 million, representing an increase of P57 million (15.2%) from the previous year's P375 million. The increase was mainly attributable to employee costs, salaries and allowances, training, and travel expenses, amongst others.

The Government's financial support continues to go a long way in ensuring the Authority maintains and delivers on its mandate, particularly the regulatory arm of the business, which is a net cost centre. The Authority received a financial support grant of P115.8 million for the year under review, additionally, supplementary funding of P26.6 million was allocated for maintenance activities, bringing the total grant received to P142.4 million.

The Authority's Equity position improved significantly, from a negative P2.2 million in March 2024, to a positive P34.6 million during the reporting period. This improvement is attributable to a P36.9 million surplus recorded during this period.

Aviation Safety and Security

As a civil aviation regulatory authority, we remain committed to continuous safety and security enhancements, consistent with ICAO's safety and security oversight objectives. The Authority is committed to a strong regulatory oversight system, with the highest standards of safety and security, and consequently works closely with all aviation industry stakeholders in compliance with the ICAO Standards and Recommended Practices. In support of this goal, the Authority in partnership with the Ministry of Transport and Infrastructure is scheduled to host an industry stakeholder consultative forum in Q2 of the financial year 2025-26, coined "Pitso", which literally translates to "A Call"

Key achievements safety and security achievements include:

- Successfully certifying the Kasane International Airport; this being the third of the four international airports earmarked for certification.
- Attainment of safety effective implementation score (EI) of 85.78% from a previous score of 80.1%, thus placing Botswana amongst Africa's top aviation safety implementation achievers.

Strengthening Botswana's Air Connectivity

The Country's aviation industry is primarily focused on connecting the country to regional and international destinations through its major airports, with the national carrier, Air Botswana, playing a key role alongside other regional carriers. The sector serves as a crucial driver for economic growth, particularly in tourism (especially to the Okavango Delta), mining, and overall trade. The government aims to leverage the aviation sector for economic diversification. While the industry is recovering postpandemic, challenges exist in creating a truly thriving sector, leading the Authority to take strategic measures to transform the Country into a noteworthy aviation hub.

In the past year, we took pivotal steps to position Botswana as an attractive destination for airlines. The national Vision 2036 identifies MICE (Meetings, Incentives, Conferences and Exhibitions), as a key economic enabler. The CAAB Transformation Strategy 2024-2029 also recognises the fact that aviation is a key enabler of many other economic activities, particularly airfreight cargo, business travel and tourism. The effective implementation of the national MICE strategy is critically dependent on an effective and efficient local civil aviation sector. In order to attract airlines and travellers to the country, coordinated efforts are required from all stakeholders, as the industry is a multi-sector agenda.

In an endeavour to promote the local aviation sector, through increased travel to Botswana, we spearheaded a joint collaborative effort with key stakeholders in the ease of doing business and adjoining MICE sectors, to promote the attraction and retention of airlines to Botswana's airports. The project, coined Botswana Air Access, is a strategic partnership between CAAB and the Botswana Tourism Organisation (BTO), Botswana Investment and Trade Centre (BITC), Hospitality and Tourism Association of Botswana (HATAB), Business Botswana (BB) and Travel Agents Association of Botswana (TAABOT). To this end, an MOU, underscoring the collaborative commitment of the parties to the project, was signed in August 2024.

The primary objective of the Botswana Air Access project is to put Botswana on the global aviation map, as an attractive destination. Luring airlines to the country is a long and tedious process, with no shortcuts and quick returns. This notwithstanding, there is interest and early signs of airlines showing interest in landing in our airports.

The Authority's revenues surpassed the

P300 million mark

during the reporting period

reaching a historic high of

P325 million

72% of which was contributed by the aeronautical revenue stream and **28%** from non-aeronautical products and services.

to a positive

P34.6 million

during the reporting period.

Future Outlook

The foundation we've built this year is strong, and we are excited to embark on the next chapter of our transformation journey, continuing to develop and promote aviation in the Country, serving our customers and stakeholders with excellence and dedication. The impeding structural separation of CAAB into a regulatory body and a service provision company shall provide a strong foundation for taking the local aviation sector to even greater heights. Appreciation

I wish to express my sincere gratitude, on my behalf and that of my fellow Board members, to our shareholder, the Government of Botswana, and our parent ministry, The Ministry of Transport and Infrastructure, for their continued dedicated support over the years and believing in our capability to deliver on this noble mandate.

To our stakeholders and customers, we are able to achieve the results we do because of your unwavering support and feedback. To the CAAB Executive Leadership Team and staff, we thank each one of you for your contribution and for working hard to build up Botswana's aviation sector. We appreciate your efforts in making us a proud organization and urge you to continue putting in more effort as we take this country and nation to greater aviation heights.

Thank you.

BAO R. MOSINYI (PhD)
CHIEF EXECUTIVE OFFICER

THE EXECUTIVE LEADERSHIP TEAM

Kabelo B. Gaonyadiwe
Corporate Secretary

Kealeboga Mogaetsho
Internal Auditor

Kebagaise Keedo Segakise
Director Finance & Procurement

Mr. Gaonyadiwe is a seasoned attorney with over 15 years of experience in the legal fraternity, bringing a wealth of expertise in both civil and criminal law. He is duly admitted to practice before all courts of Botswana, including the Magistrates Court, High Court and Court of Appeal.

He holds a Bachelor of Laws (LLB) degree from North-West University, South Africa and a Diploma in Human Rights.

He began his legal career in 2008 as a Prosecutor at the Directorate of Public Prosecutions before transitioning into private practice as an attorney. Over the years, he has also served as a Legal Advisor within Local Government, providing legal counsel and representation across various domains. His professional journey reflects extensive experience in legal advisory services, litigation and compliance across multiple sectors.

He joined the Civil Aviation Authority of Botswana (CAAB) in 2022 and has since advanced to his current role. His responsibilities include providing legal advisory services to the Authority and its Board of Directors, overseeing contract drafting and negotiation, ensuring regulatory compliance and contributing to the development of legal frameworks and policies.

Mr. Mogaetsho is a seasoned Internal Auditor with over 20 years of experience in internal auditing and compliance. His extensive career spans the public sector, including Central Government and Parastatals, as well as the private sector, with notable experience in the banking industry.

He joined the Civil Aviation Authority of Botswana (CAAB) in February 2014 and currently serves as Head of Internal Audit, reporting directly to the Board of Directors. He holds a Master of Science in Internal Audit from City University, London.

In his role, he is responsible for the planning and coordination of the Authority's internal audit function, providing independent and objective assurance aimed at adding value, enhancing governance and improving the Authority's overall operations.

Ms. Segakise joined the Civil Aviation Authority of Botswana (CAAB) in 2019 as Director of Finance and Procurement, bringing with her extensive experience in pension administration and investment fund management services. In her current role, she provides strategic leadership in the development and implementation of financial and procurement strategies that foster operational efficiency, statutory compliance and financial sustainability across the Authority.

A Chartered Accountant, Ms. Segakise is a member of the Botswana Institute of Chartered Accountants (BICA), the Chartered Institute of Management Accountants (CIMA) and a Chartered Global Management Accountant (CGMA).

She is a results-driven professional with a proven record in financial management, statutory reporting and investment decision-making. She is an inspirational leader who promotes excellence through empowerment, delegation and coaching and has been instrumental in driving the successful transformation of CAAB's finance function towards greater efficiency and regulatory compliance.

Christopher Ofentse Ferguson
Director Flight Safety Oversight

Mr. Ferguson serves as the Director of Flight Safety Oversight at the Civil Aviation Authority of Botswana (CAAB), a position he has held since 2017. A retired Lieutenant Colonel of the Botswana Defence Force (BDF) Air Arm, Mr. Ferguson brings over two decades of distinguished military aviation experience, having served as a Fighter Pilot, Fighter Pilot Instructor and Directing Staff at the Defence Command and Staff College.

He holds a Commercial Pilot's Licence and has held key leadership and instructional positions within the BDF, including Fighter Squadron Commander and Air Power Studies Lecturer at the Defence Command and Staff College.

He qualified as an Aviation Safety Inspector in all operational safety sectors in 2017 and currently oversees the planning, management and direction of CAAB's aviation safety and regulatory oversight functions. His mandate includes ensuring adherence to International Civil Aviation Organisation (ICAO) Standards and Recommended Practices, as well as compliance with national aviation regulations and government policies governing Botswana's air transportation system.

Isaac Mabote
Director Airport Services

Mr. Mabote was appointed Director of Airport Services at the Civil Aviation Authority of Botswana (CAAB) in January 2022. He brings to the role over two decades of experience in the aviation industry and seven years in the telecommunications sector, with proven expertise spanning airline and airport operations, airport certification, business development, customer relationship management, sales and marketing, project management, quality auditing and transport logistics.

His extensive career includes leadership roles at Air Botswana, where he served as Acting Director of Customer and Ground Services, Passenger and Delivery Services Manager, Country Manager – South Africa and Sales Manager. Notably, he became the first Business Development Manager at CAAB in 2009, where he was instrumental in establishing and operationalising the Authority's Business Development Office.

He holds a Bachelor of Commerce (Management) and a Master's in Sustainable Air Transport Management and has completed professional development programmes including Project Management Foundations at the University of Cape Town and the Aviation Leadership Development Programme from Harvard Business School Publishing.

Ontibile Shado Radira
Director Human Capital & Administration

Ms. Radira is a seasoned Human Resources professional with over 20 years of experience spanning both the parastatal and private sectors in Botswana. She holds a Bachelor of Arts (Honours) in Personnel Management from the University of Plymouth, England and is a Certified Professional Business Coach from Gordon Institute of Business Science (University of Pretoria). In 2020, she was conferred the Professional Director designation by the Directors Association of South Africa, following completion of the Professional Director Programme, which focuses on corporate governance, business law and the roles and responsibilities of board directors.

She currently serves as Director of Human Capital and Administration at the Civil Aviation Authority of Botswana (CAAB), where she provides strategic leadership and direction to ensure that the Authority maintains high standards of human capital management and organisational competence.

Through initiatives focused on culture transformation, leadership development and employee well-being, she drives the implementation of progressive HR strategies that promote operational excellence and align the workforce with the Authority's broader mandate.

The Executive Leadership Team (continued)

Christopher Mmusi Diswai
Director Airport Engineering & Maintenance

Mr. Diswai joined CAAB as Director of Airport Engineering and Maintenance in January 2023. He is a seasoned executive with a distinguished career spanning over 25 years in ICT, both in Botswana and internationally. Prior to CAAB, he served as Executive Director and CEO of the Botswana National Productivity Centre (BNPC).

He brings extensive expertise in corporate governance, strategic planning and execution, program and project management, business transformation and operations management. He holds a Bachelor's degree in Electrical Engineering and an MBA. He is also a Certified Strategy Management Officer (Germany), an Oxford Advanced Management and Leadership Programme (OAMLP) alumnus and a KPI Practitioner and Professional certified by The KPI Institute.

He has played a pivotal role in multinational programmes and projects, including serving on management committees for the multibillion-dollar international telecommunications fibre cable consortia: the East African Submarine System (EASSy) and the West African Cable System (WACS). His board experience includes membership on the BNPC Board, the West Indian Ocean Cable Company (WIOCC) international consortium and the Southern African Telecommunications Association (SATA), where he also served as Board Chairperson.

At CAAB, Christopher leads the engineering, operations and maintenance functions, setting strategic direction in alignment with corporate objectives and ensuring operational excellence to deliver a safe and secure aviation experience.

One S. Pharatlhatlhe
Director Information Technology

Mr. Pharatlhatlhe joined CAAB in March 2025 as Director of Information Technology, following the elevation of the IT function to a fully-fledged executive-level Directorate. He brings over 14 years of experience across diverse sectors, including Consulting, Health Informatics and Public Financial Services, with a proven track record in managing enterprise IT and delivering high-value system projects.

In his current role, he is responsible for positioning IT as a strategic enabler across all aspects of the Authority's operations, ensuring alignment with corporate objectives and contributing directly to the successful achievement of strategic goals.

He holds a Bachelor of Computer Engineering (Honors) from the University of Melbourne and a Master of Science in Electrical/Electronic Engineering from the University of Botswana. He is a certified Project Management Professional (PMP) and a certified Strategy Implementation Professional (SIP) and has completed a Management Development Programme at the University of Stellenbosch.

A results-driven and hands-on IT leader, he is known for driving performance improvements at both team and individual levels through mentoring, fostering intrinsic motivation and instilling pride in professional excellence.

Colonel Daniel Lentletse Moampe
Director Air Navigation Services

Col. Moampe joined CAAB in April 2025 as Director Air Navigation Services after serving Botswana Defence Force for 33years continuously. He graduated from the University of Miami, Florida, USA in 2002 with a BSc in Electrical Engineering. He has master's degree in military Operational Art and Science from Air University, Alabama, USA obtained in 2015.

Mr Moampe is a well experienced Aviation Communication, Navigation and Surveillance systems maintenance engineer and ensured compliance to ICAO Standards and Recommended Procedures. In addition to systems maintenance, Mr Moampe is also knowledgeable in Air Operations Planning which include Airspace Management. As an Air Power Studies instructor, he brings expertise that enables CAAB to provide a continuous, safe and efficient air navigation service. Furthermore, his experience in effective leadership will contribute in inspiring and motivating ANS towards fulfilling its mandate.

OUR STRATEGY

OUR STRATEGY

"When companies commit to a strategy and communicate **'This is how we win' a**nd can align execution with corporate objectives, they begin to create a culture of performance."

Drive Business Performance, Enabling a Culture of Intelligent Execution, Bruno Aziza & Joey Fitts.

Our Strategic Foundations

CAAB's strategic foundations are the core principles, elements and frameworks that underpin the Authority's strategic plan. They provide a roadmap for decision-making, resource allocation and overall direction, ensuring alignment towards desired outcomes. The strategic foundations (vision, mission and values) are reflective of the Authority's transformation agenda.

Our Mission and Vision

Mission
We regulate the aviation industry and sustainably provide airport and airspace services.

CAAB will continuously monitor and scan the global aviation industry with a view to ensuring best in class industry regulation, promoting a sustainably thriving safe and secure aviation industry.

The aim is to strategically place CAAB at the centre of the national MICE strategy, ensuring Botswana is globally connected.

Vision
A transformative, agile, high-performance civil aviation authority

In delivering its mandate, CAAB will proactively embrace technological advancements. The Authority shall be at the forefront in embracing digital technologies.

Internally CAAB shall embrace a high-performance culture and be agile in addressing environmental changes and customer issues.

Figure: CAAB's Strategic Foundations – Mission & Vision

OUR VALUES

One Team

We work effectively and efficiently collaborate in the workplace with the pursuit of reaching a common goal. We continuously exhibit teamwork and build each other up, as we create value for Batswana.

Passion

We are zealous about creating value for Batswana, as we deliver our mission with pride and purpose. We passionately work towards ensuring our skies remain safe and secure, taking accountability for the quality of our efforts and the organisation.

Integrity

We are committed to always doing what is right. Each member of our team reflects resolute integrity by displaying transparency and accountability in all internal and external engagements. We exhibit a persevering determination to perform our tasks. We understand our priorities, honor our commitments and provide safe and secure, quality experience no matter the obstacles.

Customer First

We are committed to being customer-centric in everything we do. Every decision we make is made with the needs of the customer in mind. We commit to the best customer experience through effective, efficient and agile service delivery within defined time frames.

Innovation

We are flexible to embrace and adapt to environmental changes. At CAAB, every challenge is an opportunity to create human-centered solutions using creative solutions and technology.

Figure: CAAB's Strategic Foundations – Our Values

OUR STRATEGY MAP

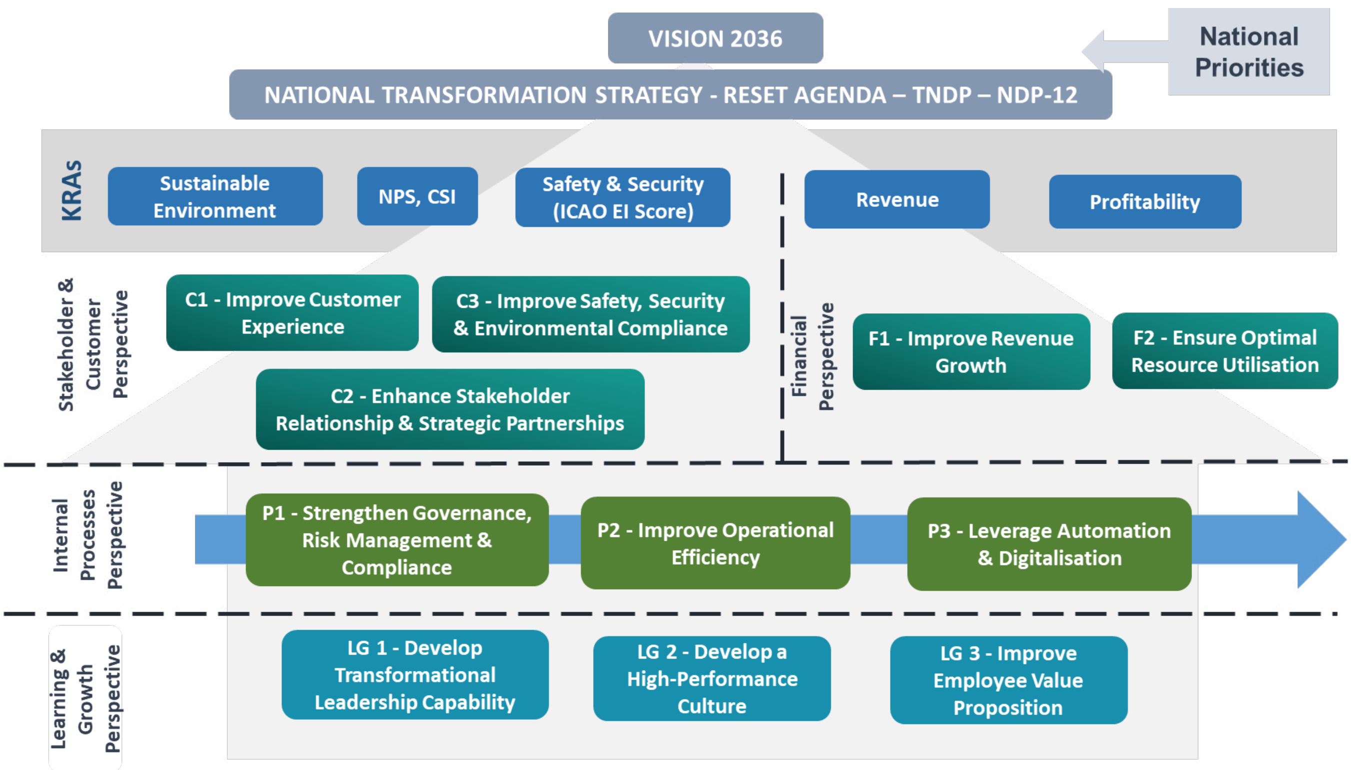


Figure: CAAB Strategy Map - 2024/2029

OUR STRATEGIC INTENT

In order to operationalise the transformation vision, a strategic intent statement, which provides a long-term focus for the next five (5) years, was developed:

> "We will transform CAAB into an innovative high-performance organisation that contributes to the development of a sustainable and environmentally friendly aviation industry. Through investment in our human capital, we will increase our earned revenue to P500m by 2029, ensuring financial sustainability through attainment of a 0.83:1 Cost to Income Ratio.
>
> Safety and security remain top priority in the aviation sector. To this end, we shall achieve an Effective Implementation (EI) of Safety and Security of at least 95% by 2029, as defined by the ICAO EI standards."

Looking back: Our Strategy Performance Review

Our Strategic Direction

Redefined Business Direction → **Corporate Strategy**

Strategic Direction

- Improved Customer Experience
- Improved Safety & Security
- A Sustainable Environment
- Enhanced Stakeholder Relationships & Strategic Partnerships
- Improved Profitability Through Revenue Growth and Cost Control
- Strengthened Governance, Risk Management & Compliance
- Improved Operational Efficiency Through Automation & Digitalisation
- Instilled High-Performance Culture
- A Compelling Employee Value Proposition
- Transformational Leadership Capability

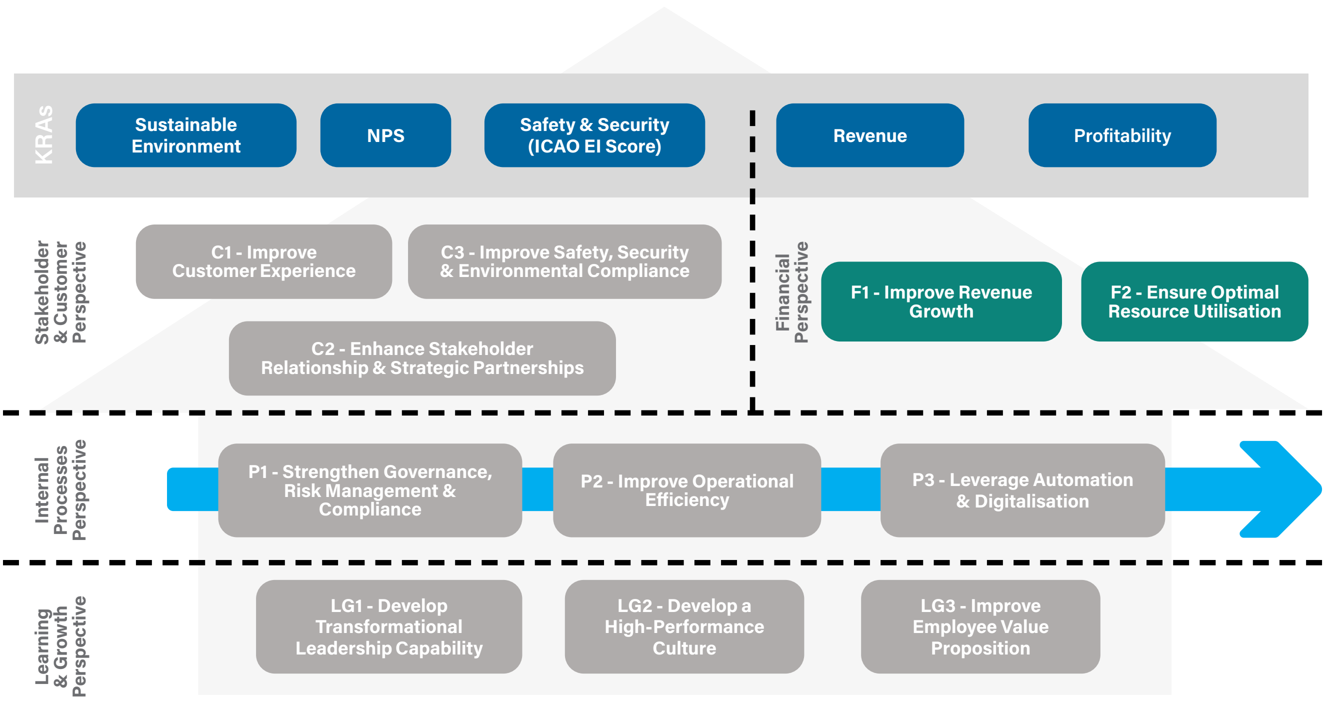
2028/29 KEY PERFORMANCE INDICATORS

- P500m Earned Revenue
- 0.83:1 - Cost/Income Ration
- 95% EI - ICAO Safety & Security Standards

Transformation Strategy 2024-2029

Figure: CAAB's Strategic Direction – 2024/2029

Improving Profitability - Revenue Growth & Optimal Usage of Resources



CAAB Strategic Plan 2024 - 2029

Figure: CAAB's Strategy - Financial Perspective

Improve Revenue Growth

- Apart from the Government subvention, CAAB generates its revenues from two basic streams, viz. revenues from aviation (aeronautical) activities such as aircraft landing and parking fees, air navigation services etc. and revenues from non-aeronautical activities, such as rental of space and facilities (Concessions) at its airports. Both revenue streams have seen substantial growth during the first year of the strategy delivery period.
- The Authority has seen continued significant growth, both in terms of passenger and aircraft movement. As at the end of FY2024/25, year on year passenger and aircraft movements through the national airports had grown by 9.5% and 8.1%, compared to 8.1% and 4.3%, for the financial year 2023/24 levels, highlighting the continued positive trajectory.
- There has been a steady increase in revenue during the review period, with FY2024/25 earned revenues, at P325m, having increased by 23% compared to FY2023/24.

Passenger & Aircraft Movements up by

9.5% & 8.1%

respectively, as at the end of FY2024/25

FY2024-25 earned revenues:

at P325m

having increased by 23% compared to FY2023/24

Ensure Optimal Resource Utilisation

- In an endeavour to ensure the Authority's balance sheet reflects the true value of assets, the Authority undertook a comprehensive organisation wide asset verification exercise. The asset verification exercise further helped ensure the Authority maintains accurate records, manages risks and ensures operational efficiency in the deployment and use of its assets.
- There has been a general continued decline, averaging 4% PA, in Government subvention (P150m in FY2019/20 to P115.8m in FY2024/25). With the general decline in the national revenues, the Government has had to halt some on the envisaged Transitional National Development Plan (TNDP) projects. There has thus been a significant decline in CAPEX (Development) funding, consequently dictating a halt of uncommitted capital projects, such as Airport Security Gates, CCTV and Access Control Security Systems and some Air Space Management and Surveillance Programmes.
- The cost-to-income ratio, which shows the relationship between the Authority's income (revenues) and the cost of acquiring that income, was 1.33:1 at end of the financial year. Though on a positive trend, from 1.42:1 a year ago, it remains above the optimal 1:1 ratio.

Average Reduction in Subvention

4%

(FY2019/20 - FY2024/25)

in Government Subvention

P150m

in FY2019/20

to P115.8m

in FY2024/25

Enhancing Customer & Stakeholder Experience

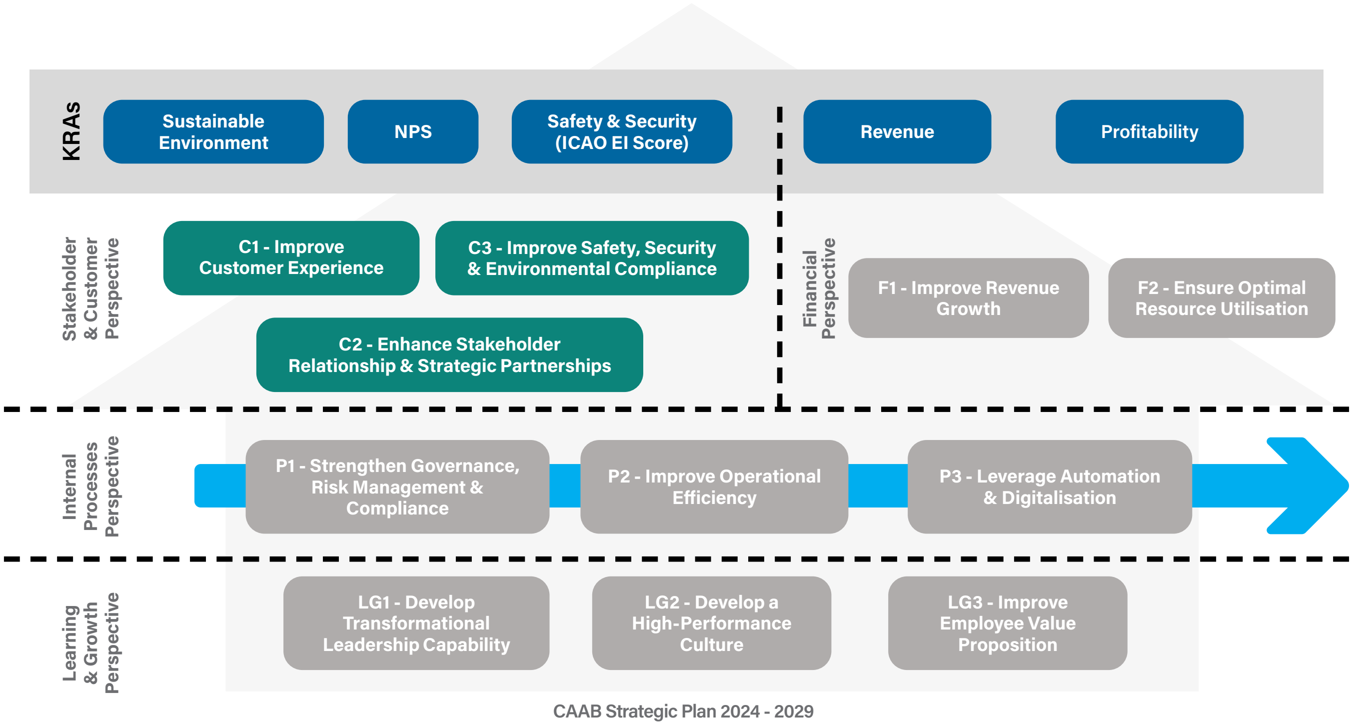


Figure: CAAB's Strategy - Customer & Stakeholders

Ensure Optimal Resource Utilisation

Key initiatives towards enhanced customer experience during the reporting period include:

- Upgrade and automation of the customer paid parking system at Sir Seretse Khama International Airport.
- Refurbishment of the Mugg & Bean restaurant at the Sir Seretse Khama International Airport and introduction of a new restaurant, the Kegg and Elephant.
- Construction and opening of an airport restaurant at the Maun International Airport.
- A new restaurant is planned to be opened in Kasane in Q1 FY2025/26.

Improve Safety, Security & Environmental Protection

- **State Safety Audit:** Botswana underwent an ICAO Universal Safety Oversight Audit Programme Continuous Monitoring Approach (USOAP CMA) audit, in June 2024. The Audit focused on Aerodromes & Ground Aids (AGA), which had not been audited during the 2022 Audit; and covered Legislation (LEG) and Organisation (ORG).
- The country attained an Effective Implementation (EI) score of 85.78%; a 5.68% increase from the 80.1% EI score attained in 2022. This is a significant achievement for the country, as it is places Botswana amongst the top performers in Africa and the region.
- **Aviation Security:** The current security EI score is 75.98%, as assessed in 2021. The Authority plans to motivate ICAO for a full security audit, to guide the local aviation security enhancement action plan going forward.
- **Environmental Protection:** Consistent with CAAB's transformation strategy 2024-29 and the Authority's mitigation measures to offset CO_2 emissions from aviation, includes green energy solutions and usage of low energy lighting solutions in our airports. To this end, the following are being progressed:
  - The SSKIA AGL system has been replaced with low energy LED solutions, to considerably lower the energy consumption. Furthermore, the Compact Fluorescent Lights (CFL) requiring replacement, are replaced with LED lights, to further reduce energy consumption and offset aviation related CO_2 emissions.
  - A solar photovoltaic (PV) panel shaded parking has been proposed for SSKIA customer car park. The project is currently at procurement stage.

attained a Safety Effective Implementation (EI) of **85.78%;**

a 5.68% increase from the 80.1%

EI score attained in 2022

The current security EI score is

75.98%

as assessed in 2021

Enhance Stakeholder Relationships & Strategic Partnership

- Stakeholder (Internal & external) consultative engagement forums are held regularly, particularly following the enactment of the amended civil aviation regulations, to ensure adequate dissemination and appreciation by key stakeholders.
- CAAB has partnered, through a Memorandum of Understanding, with key stakeholders in the MICE sector (Botswana Investment and Trade Centre (BITC), the Hotel and Tourism Association of Botswana (HATAB), Botswana Tourism Organisation (BTO), the Travel Agents Association of Botswana (TAABOT) and Business Botswana (BB), in a project (Botswana Air Access Programme) towards attracting international airlines into the country.
- CAAB has entered into a Memorandum of Agreement (MoA), in July 2017, with the Special Economic Zones Authority (SEZA), towards joint development of a Special Economic Zone (SEZ) within the SSKIA airport land (i.e. the SSKIA SEZ). Through the MoA, CAAB and SEZA are to jointly develop the identified and ring-fenced SEZ land, on an equal shareholding basis. The land is currently undergoing infrastructural developments towards servicing the land. Investors are currently being courted towards investment and development in the land.
- An all-hands stakeholder engagement forum, coined "**Aviation Pitso",** is planned for FY2025/26.

Enhancing Governance & Internal Operational Efficiencies

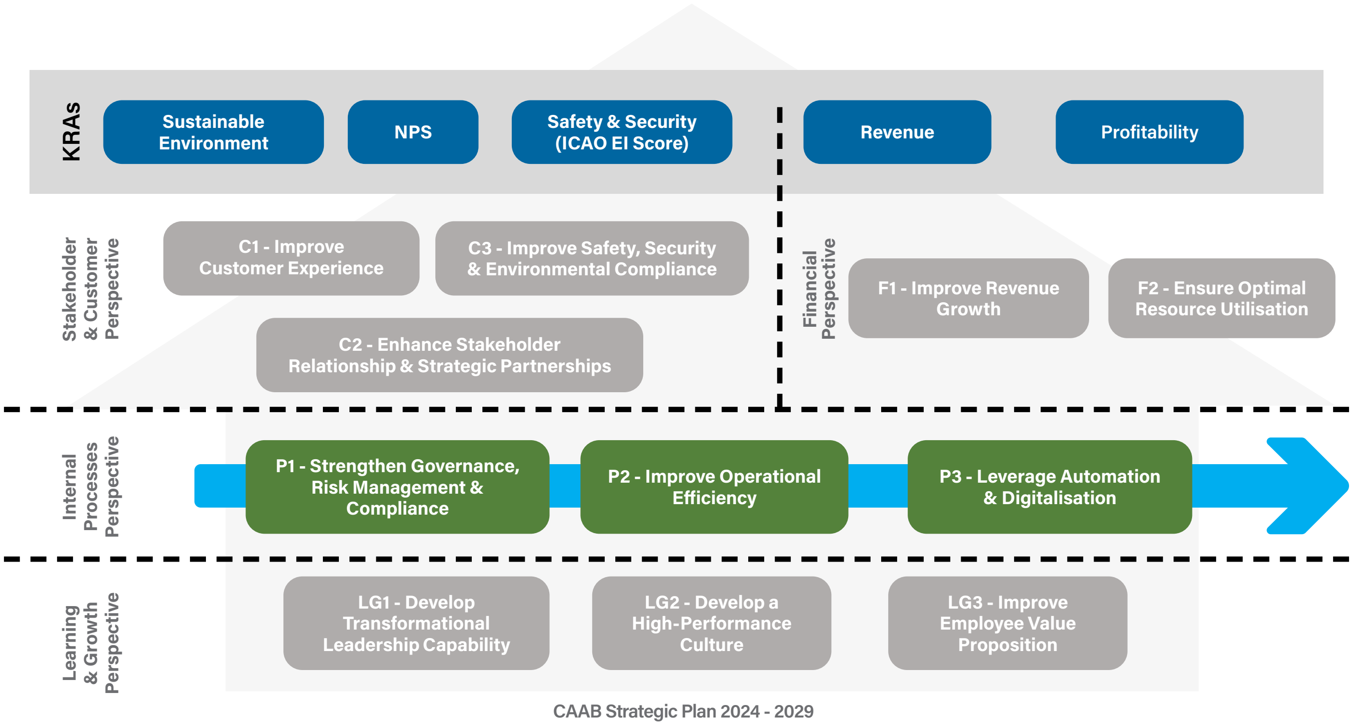


Figure: CAAB Strategy – Internal Processes

Strengthening Governance, Risk Management & Compliance

- **Civil Aviation Regulations**
  - The Authority has made significant progress in ensuring the enactment of requisite civil aviation legislation and regulations. Through its Legislative Review Committee, these are regularly reviewed, updated and shared with stakeholders, consistent with global aviation trends and ICAO Standards and Recommended Practices (SARPs).
  - During the reporting period, the Authority reviewed the following Civil Aviation Regulations, with a view to ensuring alignment with ICAO Standards, recommended practices and enhancement of the local civil aviation regulatory environment and industry:
    1. Aerodrome Design and Operation
    2. Civil Aviation Certification and Licensing of Aerodrome
    3. Civil Aviation Remotely Piloted Aircraft
  - The regulations were enacted through publication in the Government Gazette of 18th June 2024.
- ICAO requires its member states to certify aerodromes used for international operations, through an appropriate regulatory framework, in order to ensure the highest practicable degree of global uniformity. The Authority owns and operates four (4) such qualifying international airports, viz. PGMIA, SSKIA, KIA and MIA. Three (3) have been certified, with PGMIA the only one pending and scheduled for certification during financial year FY2026/27. Compliance to ICAO SARPs remains a high priority, as evidenced by attainment of the high ICAO EI Safety and Security Scores of 85.78% and 75.98% respectively.
- The Authority is in the process of implementing an enterprise-wide risk management programme, with extensive organisation wide awareness workshops having been concluded. A draft policy with associated risk appetite and reporting tools is undergoing internal reviews. It is anticipated that a comprehensive enterprise-wide, risk management framework should be in place by the end of the financial year 2025/26.
- Data Protection (Amendment Act) of 2024 – The Authority underwent an information and awareness workshop, facilitated by the Information and Data Protection Commissioner. The Authority is in the process of operationalising the Act, with the appointment of a Data Protection Officer in October 2024.

Improving Operational Efficiency

The PGMIA airport has experienced significant decline in passenger and aircraft movement over the years following the closure of the local and regional mines. Because of the relatively high fixed costs associated with operating the airport, the airport has been returning net financial losses over the past several years, operating a 06:00 to 22:00hrs shift. In order to mitigate the operational losses, the Authority has changed the airport operations to a single 07:00 to 17:00hrs day shift.

Leveraging Automation & Digitalisation

- The CAAB strategy calls for a digitalised business environment that promotes operational efficiency. In an endeavour towards leveraging automation & digitalisation technologies, for enhanced business capabilities and operational excellence, the IT function has been elevated to Director level, thus positioning it at a strategic level.
- Key strategic initiatives and achievements during the reporting period include the following:
  - Minimising printing and usage of paper copies, towards a paperless office environment. This also provides for quicker and more efficient transmission, sharing and storage and retrieval of documents.
  - Process Automation - The Authority is in the process of automating some of its repetitive processes, through leveraging technology to automate the repetitive tasks and business processes. It is envisaged, barring initial process optimisation challenges, the automation shall help enhance efficiency, reduce errors and improve overall operational performance for the Authority. The project is in its first phase and will be rolled out over the strategic planning period.
  - Implementation of the EMPIC solution, a configurable modular regulatory safety oversight management software, that provides all the requisite aviation oversight management functions. The Personal Licensing modules has been commissioned for use.
  - The upgraded Employee Self-Service (ESS) digital platform facilitates and empowers employees to independently access, manage and update their personal and job-related information, where they can view payslips, apply for any type of leave (time off duty), update contact details and access various other HR resources. The ESS helps streamline HR processes, reducing administrative burden on the HR department and enabling employees to efficiently handle their HR related tasks, in pursuit of operational excellence and a high-performance culture.

Inculcating a High-Performance Culture

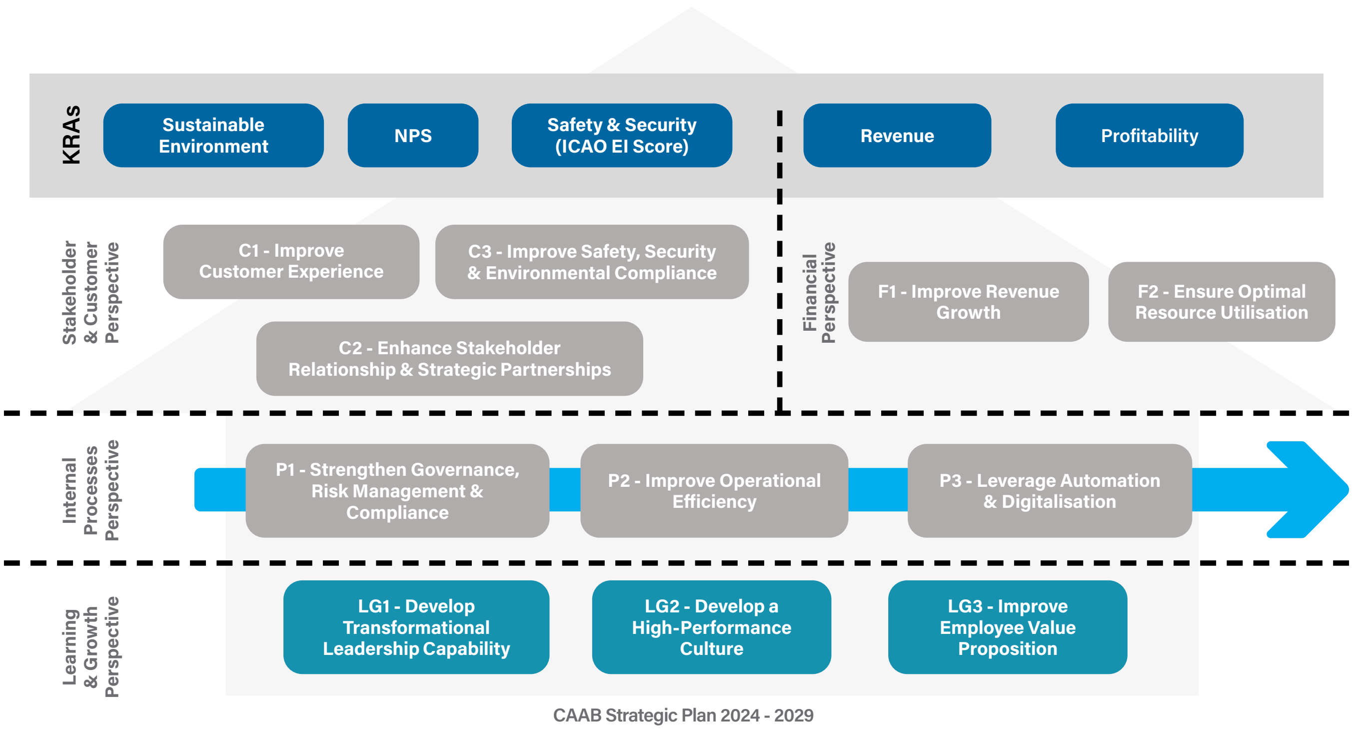


Figure: CAAB Strategy – Learning & Growth Process

Developing Transformational Leadership Capability

Twenty Two (22) middle managers, across various CAAB Directorates were exposed to higher levels of management through Stellenbosch Business School Management Development Program. The program focused on enhancing their management and leadership competencies, empowering the participants to perform their roles more effectively.

Developing a High-Performance Culture

CAAB's strategic change agenda calls for an action oriented, High-Performance results driven culture that supports the Authority's mandate and critical business operations. The strategy recognises the need to position effective project management and relevant technology as strategic pillars of the organisation's evolvement towards global excellence. To this end, the organisational structure was optimised by introducing positions of Director Information Technology and Manager Projects to enhance operational efficiency.

Improving Employee Value Proposition (EVP)

The organisation continues to enhance its EVP through a medley of welfare initiatives that promote both physical and mental wellbeing of employees, which cause higher levels of productivity. The CAAB's corporate value system and its people management instruments aim to not only ensure a conducive environment for all but recognises the importance of and abides by creating a healthy work life balance for employees. Systems are in place where employees are safely assisted through work, relationship, financial and other social stressors.

STRATEGIC PROGRAMMES AND PROJECTS

Strategic projects are those initiatives designed to significantly advance CAAB's overall goals and objectives. They are not merely about completing tasks but rather about aligning the Authority's projects with the company's long-term vision of a transformative, agile, high-performance civil aviation authority and ensuring that projects contribute to the strategic direction of the organisation.

Technology is fast evolving and has the potential to propel organisational efficiencies and effectiveness across all levels, consequently stimulating economic growth. CAAB continues to take advantage of innovation and advancements in digital technologies and transformation to enhance business process efficiencies and effectiveness for improved service delivery and customer experience. The Improvement of ICT and other Infrastructure projects commenced during the FY2023/24 and continued during FY2024/25, with some targeted for completion during FY2025/26.

Through the Government Transitional National Development Plan (TNDP) 2023-2025, over P500m had been budgeted for various infrastructural development programmes planned for implementation over the two financial years F2023/24 and FY2024/25. However, due to the acute financial challenges facing the Government's financial coffers, many of the projects had to be put on hold, pending improvement of the financial budgetary situation.

Key projects progressed during the reporting period include the following:

Upgrade of ESS Platform

During the year the organisation invested in an improved version of the Employee Self-Service system (ESS), enhancing the integrity and accessibility of people data, most notably leave and payroll. A new E-Records system was also launched which transitioned all our manual records to digital, making it easier to catalogue, access and easily identify and manage both live and obsolete records. CAAB is therefore aligned in terms of cataloguing and classification of records with the Government's Department of Archives.

Cargo Business

Air cargo (including Air freight) are indispensable components of the global economy, enabling the swift and efficient movement of goods across countries and continents. Development and enhancement of the air cargo business is central to the Authority's transformation strategy. A key initiative in furthering this strategic objective is the development of the CAAB air cargo business. This entails, as a first step, management and operation of the SSKIA cargo facility by CAAB, from financial year 2025/26. The Authority has thus taken over the operations and maintenance of the SSKIA cargo facility effective 1st April 2025, creating a new cargo business unit.

Jwaneng & Orapa Mines Instrument Approach Procedures

Instrument Approach Procedures (IAPs) are a series of pre-determined manoeuvres using flight instruments to guide an aircraft from the enroute phase of flight to a point where a safe landing can be made. The procedures are published on approach charts which contain all the necessary information for the procedure, including plan views, profile views, minimums and missed approach instructions. The IAPs ensure a safe and orderly transition from the enroute structure to the terminal area, allowing pilots to navigate to the runway when visual references are limited.

Debswana has contracted CAAB for the design of Instrument Approach Procedures (IAPs) for its Orapa and Jwaneng Aerodromes. These are estimated to be completed during the financial year FY2025/26. As CAAB does not have internal capacity to design such procedures, these have been further outsourced to the ICAO-established African Flight Procedure Programme (AFPP), which is mandated to support African states that do not have the capability to develop own IAPs. It is important to note here that AFPP provides support to states and not to individual organisations. In this regard active member-states are eligible to receive such assistance at discounted prices. Through this project, Botswana activated its AFPP membership.

Maun International Airport Feasibility Study

The primary objective of the project is to undertake a detailed market and environmental assessment and to generate strategic options (alternative development scenarios) for the growth and development of a futuristic, fit for purpose general civil aviation airport, to serve the village of Maun and surrounding areas. The feasibility study is meant to review and update the 2000 study by applying current and future factors/trends envisaged to affect local airport development and aviation industry over the next twenty five (25) years. The final report is expected by August 2025.

Maun International Airport - Airport Lounge

At the beginning of the financial year FY2024/25 there were no airport lounge facilities at MIA and as such there were no provision of customer hospitality facilities, such as more comfortable seating, quieter environments and differentiated customer service offerings. Government VVIP and Commercially Important Persons (CIPs), passing through MIA are also treated like ordinary passengers, often with compromised privacy and security. The recent increase in scheduled and no-scheduled flights into Maun has heightened the urgent need for such lounge facilities to further improve CAAB's customer service offerings.

A new airport lounge has been constructed at the airport, strategically located within the terminal building, to serve both departing and arriving passengers, as well as, potentially, non-travelling visitors to the airport. The construction works and fittings were completed in March 2025, with the lounge subsequently opened to customers in April 2025.

Improvement of Airport Safety and Security

ICAO sets international standards and recommended practices for aviation safety and security. The overarching goal of aviation safety and security is to ensure the safe and secure operation of civil aviation, protecting passengers, crew, ground personnel and the general public from acts of unlawful interference, accidents and incidents, through rigorous safety management systems, robust oversight and continuous improvement.

The projects undertaken under this heading include the implementation of the new automated paid parking system at SSKIA; The integrated software based regulatory oversight management system, aimed at enhancing CAAB's aviation safety and security oversight service delivery, enhancing regulatory compliance and the procurement of three (3) Aircraft Rescue and Fire Fighting (ARFF) vehicles to be used at airports to handle emergencies involving aircraft.

OPERATIONS REVIEW

Our Organisation and People

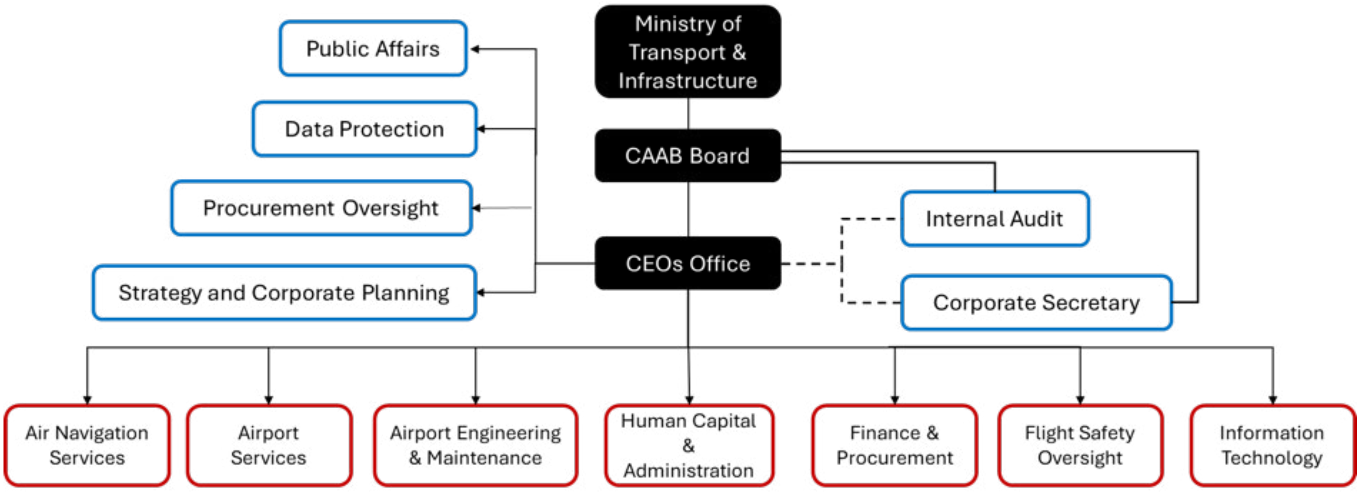


Figure: The CAAB Organizational Structure

Recent staff organisational structure optimisation includes the following two key strategic adjustments:

- Following the coming into effect of the Data Protection Act of 2024 in October 2024 and in compliance with the requirements of the Act, CAAB has appointed a Data Protection Officer, reporting to the CEO, in compliance with the requirements of the Act.
- The CAAB strategic direction calls for leveraging technology towards enhancing business capabilities, building operational efficiencies and effectiveness, increasing agility, encouraging collaboration, ensuring greater customer satisfaction and reducing costs through leveraging ICT technologies. The IT function has been elevated to Director level, towards attainment of this strategic objective.

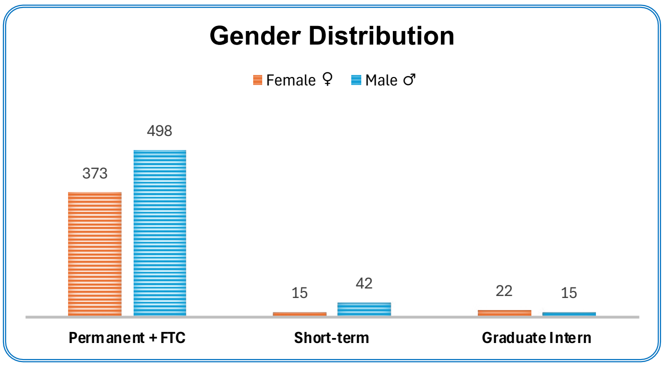


Figure: CAAB Gender Distribution (March 2025)

Staff Profile

As at the end of the financial year, our total workforce comprised 965 employees, with 90% (871) permanent and fixed-term contract staff; 6% (57) short-term contracts and 4% (37) graduate interns.

Our overall gender distribution metrics continued to show a healthy 43% female representation against 57% male employees in a predominantly male dominated industry. At executive level the female to male ratio declined slightly from 29:71 in the previous financial year to 25:75 during the current reporting period due to the introduction of the position of Director Information Technology, into which a male employee has been recruited.

For the average industry in general, we are relatively ahead of the curve at 43% females in gender distribution, as women are still underrepresented in most Southern African States. At executive level however, CAAB trails behind at 25% females against a regional CAA average of 50%.

our total workforce comprised of

965 employees

90%

(871) permanent employees

6%

(57) short-term contracts

4%

(37) graduate interns

Employee Turnover

- Turnover remained low, at an average of 3%. of the forty (40) who exited the CAAB employ, eleven (11) were retirees. The Authority experienced its highest turnover rate among Inspectors who made up 12.5% of all voluntary exits in the year. Primary reasons cited for the voluntary exits are varied, ranging from competitive pay packages, greater access to flying opportunities and modern aviation systems to international exposure.
- Various employee retention strategies, especially where the organisation is bleeding staff most, are being tested for effectiveness and introduction into the organisation's conditions of employment as necessary.

The Authority continues to invest in employee training, skill development and clear career paths, demonstrating its firm commitment to employee's long-term success, consequently encouraging stay with the organisation.

During the year, structured and targeted recruitment and training aimed at creating robust bench strength for critical roles such as Air Traffic Controllers and Aviation Inspectors, was undertaken.

Eighteen (18) new positions were added to the structure as part of the Authority's structure optimisation strategy, prioritising critical functions such as Information Technology and Project Management, which are critical for the achievement of the Authority's transformation strategy 2024-29.

Investment in Talent

Empowering a Safe and Skilled Aviation Workforce

At CAAB, we recognise and prioritise talent as an important metric for business success and the attainment of operational and strategic success. Over the past year, in our endeavour towards enhanced customer experience, civil aviation safety and security, much focus was placed on recruitment and upskilling of specialist skills in regulatory oversight and ICT innovation.

Investment in the development of our people skills, competencies and overall knowledge acquisition remains a priority and will continue as we strive towards achievement of our 2024-29 Strategic Plan.

Towards a High-Performance Culture

Over P9 million was invested in training, skills development and competency enhancement interventions to +400 employees throughout the year. The upskilling programmes covered topics such as risk management, cargo operations and logistics, innovation and cyber security and a variety of ICAO-compliance trainings on aviation safety and air navigation services.

over

P9 million

invested in training, skills development and competency enhancement interventions to **+400 employees**

Women in Aviation

Despite women making up 41% of the global aviation workforce today, the representation of female pilots, air traffic controllers and maintenance technicians is still a disproportionately low 5.1%, according to the 2024 IATA Gender In Aviation report.

The aviation sector continues to grapple with its gendered legacy. This underrepresentation means the industry is missing out on the wealth of diverse perspectives, leadership styles and experiences that women bring.

Increasing access to higher education, sponsoring programs that encourage young women to pursue STEM and offering scholarships and financial support will allow more women to enter the field. CAAB recognises the important role played by women in aviation, who also act as inspiration to the girl child dreaming of a career in the industry. The Authority secured a scholarship with the Korea Aerospace University for one female employee to pursue a master's degree in Global Aviation Policy through AFCAC and the Republic of Korea's Ministry of Land, Infrastructure and Transport (MOLIT).

The journey towards gender equality in aviation is not just about dismantling barriers, it's also about amplifying the voices of women and inspiring the next generation. As part of empowering the woman in aviation therefore, forty (40) CAAB ladies were taken through a 6-week resilience training course, whose aim was to equip them with skills to navigate life challenges, regulate their emotions and adapt effectively to workplace demands in a male dominated industry. Post-training feedback indicates a significant increase in self-belief and confidence amongst the course participants.

EMPLOYEE WELFARE

CAAB recognises and upholds the belief that effective employee welfare programs lead to increased job satisfaction, engagement and productivity. The Authority's welfare programs encompassing health benefits, financial and psycho-social support and personal development opportunities continue to shape and further enhance employee satisfaction and loyalty.

The CAAB Men's Sector Committee hosted the commemoration of the International Men's Day in November 2024 under the theme "Positive Male Role Models". The event was graced by speakers from the National Health Promotions Health Agency (NAPHA) and Diagnofirm. Health screening for prostate cancer was offered to the participating male employees as part of the health awareness interventions.

CAAB continues to invest in employee assistance programs and initiatives such as individual and family counselling, personal finance management workshops and mental health support.

The Authority proactively encourages employees to participate in company-sponsored community initiatives, providing employees with opportunities for social interaction outside of work. To this end, CAAB sponsored employee participation in recreational activities, including marathons health (Cancer) awareness walks. These activities are also effective as team building and stress bursting activities.

Wellness programs including stress management, trauma management, dealing with GBV and resilience training for CAAB ladies, reached more than 70% of female employees.

Compensation and Benefits

Offering fair and competitive pay, comprehensive benefits packages and opportunities for financial growth can increase employee satisfaction and improve their engagement levels and productivity. CAAB, through the Joint Negotiation & Consultative Committee (JNCC), made up of representatives from the Botswana Public Employees' Union (BOPEU) and the CAAB management, negotiated and settled on an across board salary increment of 10%. This was another successful negotiation for the organisation, having awarded a 9% increment the previous year, further fostering a positive and inclusive work culture where employees feel valued, respected and supported by management.

Employee Recognition

Recognising and rewarding employees for their contributions and achievements can be a moral booster and foster a sense of belonging. CAAB celebrated eleven (11) retirees, who had served CAAB an average of twenty (20) years each, with a befitting send-off session and tokens of appreciation for their cumulative service of 201 years to the Authority.

CAAB Has Talent

CAAB hosted its first **"CAAB Has Talent"** show during the year; a gift-reviving performance of many talents where employees were given an opportunity to showcase their unique artistic selves in various performing arts categories as shown in the table, Table: CAAB Has Talent – Acts of 2024

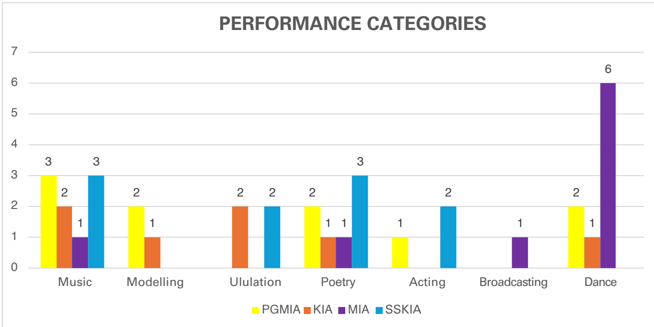


Figure: CAAB Gender Distribution (March 2025)

The talent show is an initiative aimed at driving the strategic objective of creating a high-performance culture through improving employee engagement, morale, teamwork and collaboration. The show came as a catalyst to driving the organisation's culture and fostering a sense of belonging amongst employees, by supporting their skills and passions outside work.

Through living the corporate value of 1-Team, a total of 199 employees across our airports, came together to form choirs, dance groups, poetry partners, modelling ensembles, etc., to participate in the shows as solo performers, duets, trios and groups. The show provided an opportunity for CAAB collaboration with the Botswana Defence Force (BDF), showcasing employees' artistic talents on a large stage. The top three (3) acts at every stage were awarded cash prizes while other participants received medals. This is an initiative that shall be celebrated every two (2) years; with the next one slated for 2026.

Empowering our Youth

CAAB participated in the Commemoration of the Month of Youth Against AIDS (MYAA) held in March 2025 under the theme "Take the Right Path, My Health, My Right".

The Commemoration was held to reaffirm the collective commitment by the Ministry of Youth, Sports and Culture (MYSC) and our parent Ministry, the Ministry of Transport and Infrastructure (MTI), as key stakeholders in the support and empowerment of youth as members of communities.

The 2-day event propelled the youth to take the lead in the fight against HIV/ AIDS and other social ills such as Gender Based Violence (GBV), the use of alcohol and drugs, etc. four (4) employees under the age of thirty five (35), one from each airport, graced the important event.

Looking Ahead

In the coming year, we aim to optimise our employees and use profiling instruments to not only improve job match but to ensure targeted training, development and support for certain categories and jobs. Women in Aviation remain a big development focus for us and plans are simmering to host the first CAAB Women's Conference.

As the Authority will be in the second year of its Strategic Plan, it remains critical that we refine our retention strategies for positions such as Inspectors.

Staff welfare initiatives will also remain a critical part of our 2025/26 activities as we aim to increase our engagement score to 80% and our participation to 60%.

By aligning HR strategies with our vision of a transformative, agile and high-performance civil aviation authority, we will continue to successfully uphold safety and excellence in global aviation.

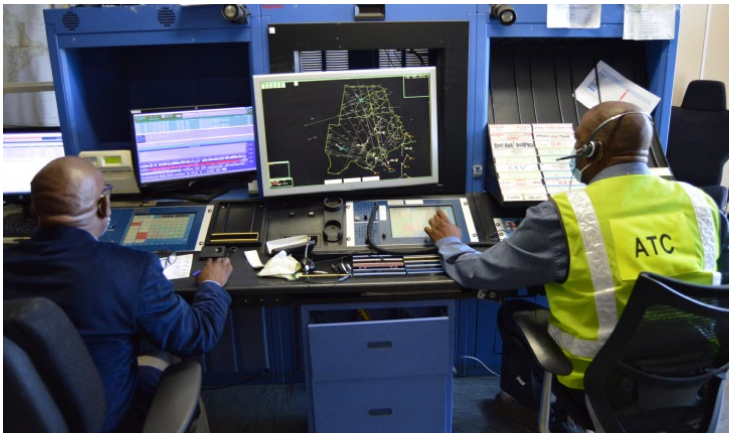
we aim to increase our engagement score to

80%

and our participation to

60%

"Great things in business are never done by one person. They are done by a team of people"
- Steve Jobs



INFORMATION TECHNOLOGY

Driving Business Innovation Through ICT

In today's rapidly evolving digital landscape, Information and Communication Technology (ICT) has become an essential tool for businesses looking to stay competitive and drive innovation.

In this era of digital transformation, businesses that harness the power of ICT are better positioned to drive growth, increase productivity and create a competitive edge in the marketplace.

The role of ICT in driving business innovation cannot be overstated. From enabling real-time communication and collaboration among employees to providing valuable data insights through analytics and business intelligence, ICT empowers businesses to make informed decisions and adapt to changing market conditions.

Recognising the importance of innovation and ICT, CAAB has embraced innovation, as one of its core values. The Authority aims to fundamentally change how it operates and delivers value, through digital transformation and integrating digital technology into all key areas of the business. The Authority's 2024-29 transformation strategy seeks to leverage automation & digitalisation to enhance business capabilities, building operational efficiencies and effectiveness, increasing agility, encouraging collaboration, ensuring greater customer satisfaction and reducing costs

Positioning IT as A Strategic Business Partner

The Information Technology function in CAAB evolved from being a small section within the Air Navigation Services (ANS) directorate during CAAB's formation in 2009, to a fully-fledged directorate in 2025, placing strategically as a key business function.

Recognising its role as a crosscutting supporting function for the entire business, the IT function was decoupled from ANS to become a standalone function under the office of the CEO, albeit still in the same organisational form. Over the years, following the decoupling from ANS, IT was able to play a more supportive role for the Authority.

With the global trend of IT becoming pervasive in all aspects of organisational operations, in 2025, CAAB moved to elevate its IT function to a strategic business level and appointed its first Director of IT (DIT) in March 2025, consequently turning its IT function into a fully-fledged Directorate that now participates at both executive and Board of Director forums.

In an endeavour to positioning IT as a strategic partner to the business, the Authority has adopted the methodology outlined below, with a view establishing a baseline IT maturity level, within CAAB:

1. Review of critical documentation including past audit reports, projects closure reports, risk registers, ongoing contracts, service level agreements, etc.
2. Physical visits and assessment of IT installations and infrastructure, across all CAAB airports.
3. Engagements and consultation with staff and executive management.

It is envisaged that the evolved and transformed IT function will be ably positioned to realise the aspirations of the 2024-2029 business transformation strategy, through enhanced confidence of the Authority's staff, leadership and board on the ability of IT to provide efficient and agile solutions to the business.

Several reputable think tanks have over the years developed IT maturity assessment models which have grown to be well accepted by the enterprise IT industry. Though they are diverse, the majority propose a 5-level score assessment, starting from **"chaotic IT service"** at the very bottom with a score of one (1), progressing to "consistent IT delivery, but with elements of operating in a fire-fighting mode" at the midpoint of three (3) and **"IT as a strategic business partner"** at the highest score of five (5). CAAB can currently be classified as being at the midpoint of this maturity level.

The Authority aims to transition IT to a level where it can play a more meaningful and strategic role in the transformation to a High-Performance Organisations (HPO). This shall entail development of a digital transformation roadmap, in alignment with the corporate strategy. The envisaged roadmap shall include for the alignment and optimisation of the IT function, capacitating it to ably deliver on the business strategy. Some of the identified capabilities to be strengthened include cyber security, systems development & integration, as well as business intelligence & data analytics, in the medium to long term.

CAAB'S Digital Transformation Journey

CAAB has embraced the use of technology to automate processes and to minimise the usage of paper on day-to-day operations through digitisation and digitalisation. These initiatives are aimed at improving efficiency, reducing cost and growing the employee value proposition by eliminating redundant manual work.

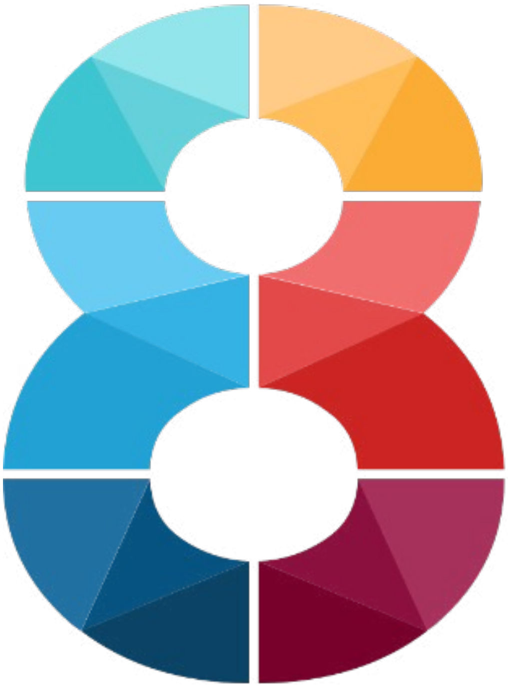
Key IT projects over the reporting period are highlighted below. Because of their long-term nature, the projects were first initiated during the previous strategic planning period, 2021-2024:

Strategic Initiative	Measure (KPI)	Strategic Outcome
Digitalisation of Critical Business Processes	No. of automated processes	▪ Acquisition of technology that will empower the creation of workflows to automate processes, digitisation of existing paper-based forms as well as the ability to deploy an enterprise business intelligence capability.
Paperless Initiative	Amount of printing ▪ # Paper Copies Made; ▪ # Cost of Printing (Paper, Printer Cartridges, Printer Maintenance, etc.)	▪ Significant reduction in the need for printing across all offices, reducing paper, printer and printer consumable costs. ▪ Faster turn-around time in the organisation's approval process increasing overall efficiency
Cyber threats and Data Protection Awareness	▪ No. of employees attending cyber threats exercises; ▪ No of Attacks	▪ Improved employee awareness of popular cybercriminal tactics leading to a reduction in successful phishing attacks
Deployment of Passenger Boarding Pass Verification Systems (eGates)	▪ System Uptime ▪ Boarding gate queues at peak travel period ▪ Detected fraudulent boarding pass	▪ Improved airport security and safety as well as an enhanced customer centric travel experience.
EMPIC Enterprise Resource Planning (ERP) System for Flight Safety Oversight (FSO).	▪ System Uptime ▪ Hours of regained productivity time i.e. Man-Hours.	▪ End to automation and integration of the FSO which is entrusted with the regulatory function.

REGULATING THE LOCAL CIVIL AVIATION INDUSTRY

Flight Safety Oversight & ICAO

ICAO's primary objective is to ensure that international civil aviation develops in a safe, orderly and sustainable manner. This involves regular updating of standards and procedures, promoting innovative technologies and collaborating closely with other international organisations. The Chicago Convention and its supporting nineteen Annexes establish several key obligations for the contracting States. Annex 19, on Safety Management, identifies eight critical elements (CE) that assist States in meeting the obligations related to the oversight of various aviation entities and activities. The eight critical elements of a state's safety oversight system, as defined by ICAO, are detailed in Figure: Eight Critical Elements of a Safety Oversight System.



Critical Elements

Establish The Safety Oversight System

CE - 1: Primary Aviation Legislation
CE - 2: Specific Operating Regulations
CE - 3: State System and Function
CE - 4: Qualified Technical Personnel
CE - 5: Technical Guidance Tools and Provision of Safety Critical Information

Implement The Safety Oversight System

CE - 6: Licensing, Certification, Authorisation and Approval Obligations
CE - 7: Surveillance Obligations
CE - 8: Resolution of Safety Issues

The eight (8) elements are crucial for a state's ability to effectively oversee civil aviation safety. They are assessed through ICAO's Universal Safety Oversight Audit Programme (USOAP).

Botswana, through CAAB, stands committed to fulfilling ICAO's number one priority of ensuring a safe and secure global aviation system in the country. The Authority strives to continually assure the safety, security and regulatory compliance of air transport services in Botswana; aligning the country's civil aviation operations with the international standards and recommended practices.

The Authority's regulatory function, the **"Flight Safety Oversight"** Directorate, is tasked with the mandate of ensuring that all aspects of civil aviation operations adhere to national and international standards; safeguarding passengers, personnel and the public at large.

The Directorate is responsible for the development and implementation of aviation standards and regulatory frameworks; the continuous certification of aircraft airworthiness and maintenance organisation surveillance; the approval and inspection of air operator procedures to ensure operational safety and the licensing and monitoring of aviation personnel to ensure competence are at the core of the oversight function deliverables.

The Directorate's deliverables include regulating the economic and safety of air transport operators through inspectorate programs, as well as protecting airports and aircraft through aviation security measures and facilitation oversight. Combined, these roles provide a standardized, risk-controlled aviation system that complies with the best international practices. The various flight safety oversight inspectorates' functions and key achievements during the FY2024/25 are outlined in the following sections and paragraphs.

The Airworthiness Inspectorate

Regulatory Oversight of Maintenance Organisations – During the review period, the Airworthiness Inspectorate maintained regulatory oversight over nine (9) locally Approved Maintenance Organisations (AMOs) operating in Botswana. This involved continuous monitoring and assessment of:

- Organisational compliance with approved scopes (e.g., airframe, powerplant, avionics, etc.).
- Operational readiness across the country, including maintenance organisations outside Botswana that are maintaining Botswana registered aircraft.

Schedule of Locally Approved Maintenance Organisations (AMOs)

There was a notable expansion in foreign AMOs certified under Botswana's jurisdiction, with forty-five (45) AMO approvals granted during the reporting period. This increase reflects Botswana's growing engagement with international maintenance service providers and underscores the Authority's globally expanding inspectorate surveillance footprint.

No.	Maintenance Organisation	Base of Operations	Scope of Approval
1.	Air Botswana Engineering	SSKIA - Gaborone	Airframe & Powerplant maintenance
2.	Kalahari Air Services	SSKIA - Gaborone	Airframe & Powerplant, Avionics, Sheetmetal Repair and Aircraft Painting
3.	Major Blue Air	SSKIA Gaborone & Maun	Airframe and Powerplant
4.	208 Aviation Botswana	Matsieng Airstrip & MIA - Maun	Airframe and Powerplant
5.	Northwest Air	MIA - Maun	Airframe and Powerplant, avionics and sheet metal repairs
6.	Helicopter Horizons	MIA - Maun	Airframe and Powerplant (Rotorcraft)
7	Northern Air Maintenance	MIA - Maun	Airframe and Powerplant, avionics and sheet metal repairs
8.	GML Aviation	MIA - Maun	Sheet metal repairs
9.	Absolute Aviation	MIA - Maun	Airframe and Powerplant

Aircraft Registration and Certification Activities

Inspectorate personnel facilitated the registration of aircraft in Botswana, reaching a total of 255 by the end of the reporting period. This included:

- Processing new entries into the Botswana Civil Aircraft Register.
- Issuance of Certificates of Airworthiness and Permits to fly.
- Oversight of increased foreign permits to fly resulting from private aviation visits and special events.

This expansion signals a rising demand for technical certification services and necessitates robust procedural adherence to airworthiness protocols.

Certification and Surveillance Operations

The Inspectorate executed thirty (30) surveillance activities, notably expanding oversight of foreign AMOs. These audits were aligned with regulatory schedules and aimed at maintaining safety and operational standards.

By ensuring the certification, oversight and surveillance of both domestic and foreign aviation maintenance providers, the Authority's Inspectorate contributes directly to upholding international aviation safety standards, enabling regulatory agility in response to market growth and supporting operational continuity and technical integrity of Botswana's civil aviation sector.

The Aircraft Operations Inspectorate

The local aviation industry has experienced noteworthy expansion, underscored by the acquisition of twelve (12) additional aircraft by operators across the country. This growth reflects both an increased market demand and operator confidence in the country's regional and international connectivity. Key drivers of this expansion include rising demand for domestic and cross-border operations and advancements in maintenance and certification.

Certification Of Major Operators: Efforts to enhance operational scope continue among the country's airlines.

- Air Botswana has incorporated the Embraer E175 into its operations specifications, aiming to increase route flexibility and efficiency.
- KASAC is progressing with certification procedures to add the Embraer E120, expanding capacity and enhancing service offerings.
- Mack Air has completed the certification process for King Air 200, which is now formally included in its operations specifications, marking a milestone in its fleet modernization strategy.

These certifications represent robust regulatory engagement and consistent alignment with safety oversight standards.

Emerging Operators and Certification Activities: There are currently four (4) prospective operators undergoing the five-phase certification process. This is a systematically structured approach used to assess and approve organisations or operations. It typically involves: 1) pre-application, 2) formal application, 3) document evaluation, 4) demonstration and inspection and finally,5) certification (approval or denial). The process is used for various approvals, including Air Operator Certificates (AOC), Approved Maintenance Organisations (AMO) and Approved Training Organisations (ATO).

The new entrants signal industry dynamism and potential for greater air service diversification.

Additionally, a cargo warehouse operator is engaged in a certification process for the handling and transportation of Dangerous Goods, a critical capability aligned with international cargo safety requirements and ICAO provisions. Dangerous goods, also known as hazardous materials, are those substances or articles that pose a risk to health, safety, property, or the environment during transport. These can include a wide range of materials, from flammable liquids and gases to corrosive substances and explosives.

The aircraft operations landscape reflects a healthy trajectory toward modernisation and improved safety oversight. CAAB is expected to continue supporting operators through, strengthening inspectorate capacity, streamlining certification and promoting compliance.

Personnel Licensing Inspectorate

Personnel Licensing (PEL) lays out the minimum requirements for obtaining and maintaining various aviation licenses and ratings. It plays a vital role in ensuring that aviation personnel, i.e., pilots, engineers and instructors, meet internationally recognised standards. This serves as a foundation for ensuring a safe and competent aviation workforce, by establishing consistent licensing and qualification standards worldwide. The CAAB PEL Inspectorate is responsible for overseeing all matters related to aviation personnel qualifications, including licensing, training and examinations, as well as advising on aviation personnel's medical fitness assessment, which is critical to flight safety.

While day-to-day licensing operations remained steady, strategic developments were made to strengthen safety, compliance and workforce sustainability across the local civil aviation sector.

This work ensures the safe operation of aircraft, protects the flying public and supports Botswana's standing in the global aviation community. Approving aviation training organisations (ATOs) is central to ensuring high-quality industry instruction. Below is the status of current applicants:

Organisation	Status	Notes
Kalahari Shaheen Aviation	Certification suspended	Applicant chose to pause the process
Mack Air	Document Evaluation Phase	Undergoing 5-Phase simulator training certification
Wilderness Air	Certification Complete (Approved)	C208 Simulator Approved
Helicopter Horizons	Formal Application Stage	Awaiting document review
NGAP Aviation Training (ATO)	Renewal Approved	
Kapula Aviation Training Centre	New Application	Pending evaluation
NKJ Aviation Investment	New Application	Pending evaluation

Table: ATO Application Status

The EMPIC system regulator management software is being rolled out, across the Authority, to digitise PEL licensing and workflow management. The Authority is currently actively working on a sustainable solution for regional medical coverage for integration with the software.

The inspectorate continues to safeguard aviation safety by upholding high standards for individual qualifications. From certifying training providers to modernising systems and engaging stakeholders, the unit's work ensures that Botswana's aviation personnel are competent, compliant and fit to operate in an evolving global environment.

Summary of issued licenses and certificates under the personnel licensing, during the planning period are showcased below.

Figure: Summary Licenses and Certificates During FY2024/25.

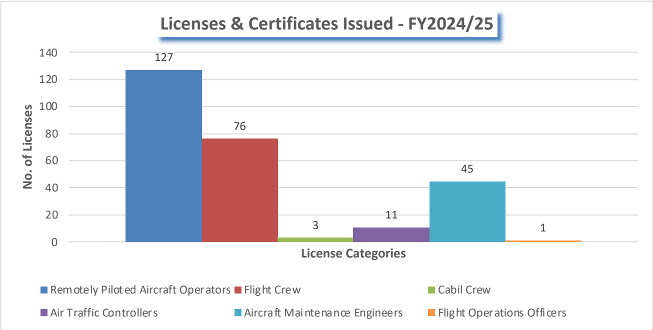


Figure: Summary Licenses and Certificates During FY2024/25

The Aviation Standards and Safety Oversight Inspectorate

The Aviation Standards and Safety Oversight (ASSO) Inspectorate continued to fulfil its mandate by conducting routine surveillance across critical air navigation operations. Although no major new initiatives were launched within the Inspectorate, key developments in Search and Rescue (SAR), airport certification and safety auditing significantly advanced the State's safety objectives.

Search And Rescue (SAR) Initiatives: In alignment with the 2012 Abuja Declaration, where African Ministers responsible for aviation endorsed sixteen (16) safety initiatives. The Authority, through its ASSO inspectorate, was scheduled to participate in a multi-agency SAR coordination meeting scheduled for the 17th April 2025. The anticipated outcome was a National SAR Plan, which was to be reviewed and validated. The plan aimed to outline how SAR services were to be organised, implemented and supported nationally. The initiative supports broader regional commitments, including formal SAR agreements with neighbouring states and multi-state SAR exercises aimed at improving readiness and interoperability.

Certification of International Airports: Progress was made on airport certification which is a critical Abuja initiative. In December 2024, the Kasane International Airport was successfully certified by CAAB, working through the aerodromes and ground aids inspectorate unit and the aerodrome operators. This marked the third certified international airport in Botswana, following earlier certification of Sir Seretse Khama International Airport, in 2022 and the Maun International Airport in 2023. Certification processes are underway for the Francistown international airport (PGMIA).

The ICAO Universal Safety Oversight Audit Programme Continuous Monitoring Approach (USOAP-CMA): The ICAO USOAP-CMA Audit was conducted from 18th – 27th June 2024, covering Legislation (LEG), Organisation (ORG) and Aerodrome and Ground Aids (AGA). Notably AGA had not been audited since 2015, having been excluded from audits in 2018 and 2022, primarily due to delays in the Authority's airport certifications programme. The 2024 audit, which was at CAAB's request, reflected recent improvements, including certification of major international airports and reinforced safety measures. The Audit Outcome increased the State's safety Effective Implementation (EI) score from 80.1% to 85.78%, placing Botswana above both regional and global averages.

The country's aviation safety has improved significantly over the years, through technological advancements, enhanced training, stricter regulations, regulatory and safety oversight.

Figure: Botswana's ICAO Safety EI Scores, showcases the safety improvement trends, through the State's Effective Implementation of ICAO Safety standards and recommended practices, over the years.

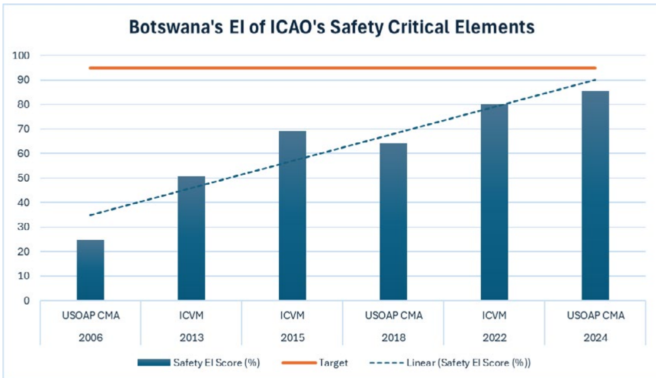


Figure: Botswana's ICAO Safety EI Scores

The Aviation Security and Facilitation Oversight (ASFO) Inspectorate

Aviation security oversight and facilitation function enables States to ensure the effective implementation of security-related Standards and Recommended Practices (SARPs) contained in the security-related Annexes to the Chicago Convention and other related ICAO documents.

An individual State's responsibility for aviation security oversight is the foundation upon which global aviation security is built. With respect to aviation security, it is particularly important to maintain worldwide uniform standards, since the level of protection deriving from the implementation of security standards is only as strong as the weakest link in the global aviation network.

The Aviation Security and Facilitation Oversight (ASFO) Inspectorate fulfilled its regulatory and oversight responsibilities through proactive policy implementation, rigorous compliance monitoring, stakeholder engagement and international collaboration. The incorporation of global standards, especially Amendment 18 to ICAO Annex 17, marked a significant stride in aligning Botswana's aviation security systems with international best practice. The amendment, which focuses on Aviation Security, was adopted and became effective in July 2022. The amendment includes new and revised provisions related to security culture, aircraft operator security programs, methods for detecting explosives in hold baggage and outlines essential elements of a national civil aviation security quality control program.

The inspectorate is responsible for developing aviation security regulations and the National Civil Aviation Security Programme (NCASP), reviewing and approving security programmes for operators such as airports, airlines, catering services and cargo handlers, conducting audits, inspections and tests to monitor compliance, certifying aviation security screeners and instructors and providing technical guidance and security-critical information to stakeholders

Audits conducted show that scheduled airlines are performing well, with no major security incidents reported, audits were completed for Maun and Kasane International Airports and fifteen (15) aviation security screeners were certified from private airport applicants.

CAAB screeners across CAAB airports successfully maintained their certification. Six (6) instructors received certification, five (5) from CAAB and one (1) from the national airline, Air Botswana.

As with safety oversight, there are also eight critical elements to an effective State aviation security oversight system. These encompass the whole spectrum of civil aviation security activities, consistent with *Figure: Eight Critical Elements of a Safety Oversight System.*

The effectiveness of the State's aviation security oversight system is assessed through the Universal Security Audit Programme Continuous Monitoring Approach (USAP-CMA). The primary objective of the USAP-CMA is to promote global aviation security through auditing and continuous monitoring of aviation security performance, in order to enhance their aviation security compliance and oversight capabilities. Botswana's performance over the years is depicted in the graph, *Figure: Botswana's ICAO Security EI Scores.*

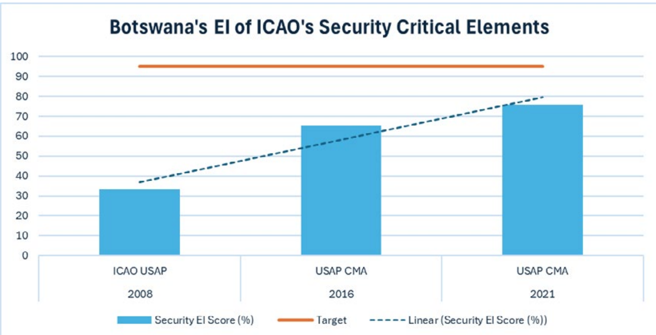


Figure: Botswana's ICAO Security EI Scores

the aviation industry supports an estimated

86.5 million jobs

around the world

by 2043, global air transport is forecast to support about

135.4 million

jobs and contributed US $8.5 trillion to the global economy

Regional And International Collaboration

The Authority, through ASFO, deepened cooperation with international organisations, supporting capacity-building and knowledge exchange:

- European Civil Aviation Conference (ECAC) via CASE II Project:
  - Insider Risk Management, May 2024, Gaborone
  - Security Culture, May 2024, Gaborone
- International Law Enforcement Academy (ILEA): Interdiction Air Cargo Course, June 2024 at Police College, Otse
- ICAO USAP-CMA Audit: CAAB's ASFO Manager (a certified USAP-CMA Auditor) participated in the ICAO Universal Security Audit Programme Continuous Monitoring Approach audit
- Third Interregional Seminar on Innovation & Cybersecurity, July 2024, Casablanca, Morocco.

The Authority continues to enhance aviation security standards in Botswana through proactive regulatory development, rigorous oversight and strong international partnerships. The 2024/25 period reflects significant progress, especially in aligning national procedures with global frameworks and fostering a robust security culture across stakeholders. The next phase will focus on elevating national capabilities and fostering a proactive security culture across the aviation industry.

AIR TRANSPORT

Air transport is at the heart of global economic growth. It creates employment, facilitates trade, enables tourism and supports sustainable development around the world. Aviation is a key driver of global economic development. A third of all trade by value is sent by air, making aviation a key component of business worldwide.

According to the December 2024 edition of the ATAG publication, Aviation: Benefits Beyond Borders:

- **Supporting Employment:** The aviation industry supports an estimated 86.5 million jobs around the world. Some of these roles are within the industry itself, at airports, within airlines and in civil aerospace and air navigation services; while other jobs are supported by the economic activity that air travel creates.
- **Enabling Trade:** Air transport facilitates international trade, particularly for valuables and perishable goods. Around a third of world trade by value travels by air.
- **Future Outlook:** The aviation market is expected to grow significantly in the coming decades. By 2043, global air transport is forecast to support about 135.4 million jobs and contribute US $8.5 trillion to the global economy.

The local air transport sector continues to show momentum as shown by the continued increase in demand for air travel over the past three years, following the Covid-19 induced depression, thanks to targeted government investment and the growing interest of international airlines in establishing regional connectivity via Botswana.

The aviation sector continued to show strong growth during the financial year FY2024/25, with key developments, including Ethiopian Airlines launching the Addis Ababa – Maun - Ndola route, in June 2024, strengthening links between Southern Africa and the Horn of Africa. Fly Namibia commenced services on the Maun-Windhoek route in July 2024, bolstering cross-border accessibility. Air Botswana, the national carrier, added the Gaborone-Durban route to its network, in December 2024, further enhancing regional tourism and trade access routes. These new route additions reflect rising demand for regional connectivity and Botswana's growing relevance in Southern African aviation.

Air Traffic Trend Financial Years 2018/19 To 2024/25
Aircraft Movement

A total of 75,874 aircraft movements were recorded across CAAB's six (6) major airports. Although this figure reflects an 11% decrease compared to the all-time peak of 85,230 recorded during the financial year FY2019/20, it represents a strong rebound and is consistent with the country's post-pandemic recovery trajectory.

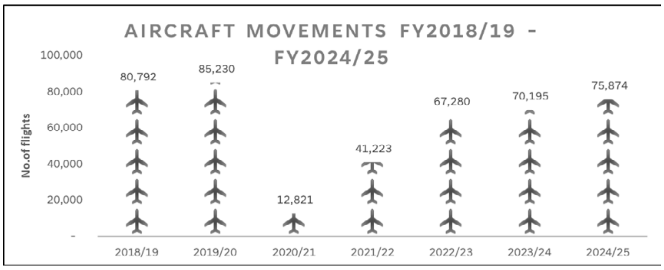


Figure: Aircraft Movement Trends FY2018-19 to FY2024-25

Aircraft movement refers to landings or take-offs of aircraft operating scheduled or non-scheduled services. The table, Table: **Aircraft Movement by Airport,** indicates proportional contribution of airports in terms of aircraft traffic handled during the financial year under review. MIA, as in the preceding years, continues to dominate the domestic sector, whilst SSKIA takes a larger share of the international aircraft movement. Overall, MIA makes up the majority of the movement traffic, with about 68.2%, followed by KIA and SSKIA and the rest of the aerodromes contributed very minimal numbers to the total. There was a total of seventy-five thousand eight hundred and seventy-four (75,874) registered airplanes movements, an increase of 8.1% from the previous year.

A total of
75,874
aircraft movements were recorded across CAAB's 6 major airports

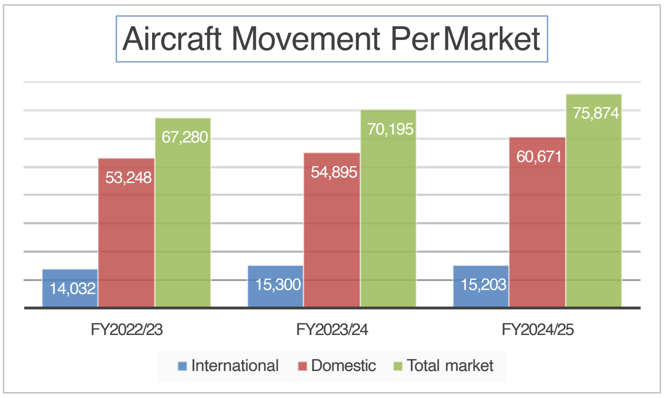


Figure: Aircraft Movement Per Market

AIRCRAFT MOVEMENT BY AIRPORT				
Airport	**International**	**Domestic**	**Total**	**%share**
Sir Seretse Khama International Airport	7,806	2,949	10,755	14.2
Maun International Airport	4,051	47,702	51,753	68.2
Kasane International Airport	3,001	8,817	11,818	15.6
Phillip Matante International Airport	319	1,085	1,404	1.9
Selebi Phikwe Airport	-	50	50	0.1
Ghanzi Airport	26	68	94	0.1
Total	**15,203**	**60,671**	**75,874**	**100.0**

Table: Aircraft Movement by Airport

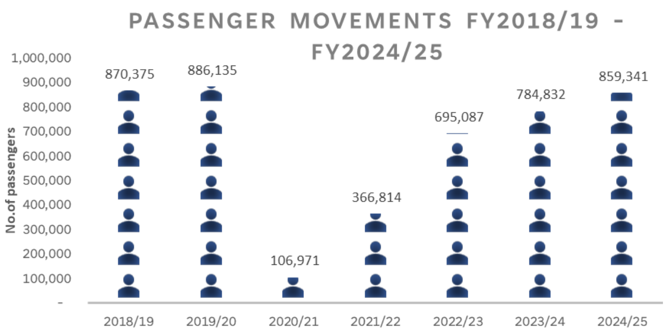


Figure: Passenger Movements FY2018/19 to FY2024/25

Air passenger traffic has been on the rise from a low of one hundred and six thousand nine hundred and seventy-one (106,971) during the financial year FY2020/21. The traffic reached eight hundred and fifty-nine thousand three hundred and forty one (859,341) at the end of the financial year FY2024/25, reflecting an increase of 9.5% from previous year and approximately 3.1% from pre-Covid figures.

Table: Passenger Movement by Airport, shows the distribution of passenger traffic handled per airport, indicating SSKIA as the busiest airport by passenger numbers, an overall share of 47.5%, followed by MIA with a contribution of about 37.5%.

PASSENGER MOVEMENT BY AIRPORT				
Airport	**International**	**Domestic**	**Total**	**%share**
Sir Seretse Khama International Airport	343,767	64,046	407,813	47.5
Maun International Airport	121,187	200,885	322,072	37.5
Kasane International Airport	34,185	72,235	106,420	12.4
Phillip Matante International Airport	960	21,666	22,626	2.6
Selebi Phikwe Airport	-	151	151	0.0
Ghanzi Airport	45	214	259	0.0
Total	**500,144**	**359,197**	**859,341**	**100.0**

Table: Passenger Movement by Airport

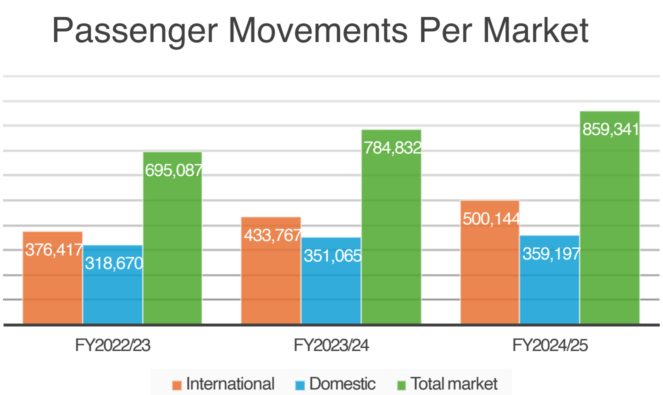


Figure: Passenger Movements Per Market

BOTSWANA'S SCHEDULED ROUTES NETWORK

Airport	Scheduled Airline	Scheduled Route
Sir Seretse Khama International Airport	Air Botswana	Gaborone - Johannesburg - Gaborone
		Gaborone - Cape Town - Gaborone
		Gaborone – Harare - Lusaka - Gaborone
		Gaborone - Maun - Gaborone
		Gaborone - Francistown - Gaborone
		Gaborone - Kasane - Gaborone
	Ethiopian Airlines	Addis Ababa - Victoria Falls – Gaborone - Addis Ababa
	SA Airlink	Johannesburg - Gaborone - Johannesburg
Maun International Airport	Air Botswana	Maun - Johannesburg - Maun
		Gaborone - Maun - Gaborone
		Maun - Windhoek - Maun
		Maun - Kasane - Maun
	Cemair	Johannesburg - Maun - Johannesburg
	Fastjet Zimbabwe	Victoria Falls - Maun - Victoria Falls
	SA Airlink	Johannesburg - Maun - Johannesburg
		Cape Town - Maun - Cape Town
Kasane International Airport	Air Botswana	Francistown - Kasane - Francistown
		Maun - Kasane - Maun
	Mack Air	Kasane - Victoria Falls - Kasane
	SA Airlink	Johannesburg - Kasane - Johannesburg
PG Matante International Airport	Air Botswana	Gaborone - Francistown - Gaborone
		Francistown - Kasane - Francistown
Selebi Phikwe Airport	No Scheduled Airline	N/A
Ghanzi Airport	No Scheduled Airline	N/A

Table: Botswana's Scheduled Route Network

Enroute (Overflight) Traffic

The Figure: Enroute (Overflight) Traffic, graph below presents traffic trend from 2019/20, of all flights that went through Botswana's airspace. Similarly, there is significant growth of 6.3% from last year with a short fall of around 2.6% from the 2019/20 recordings.

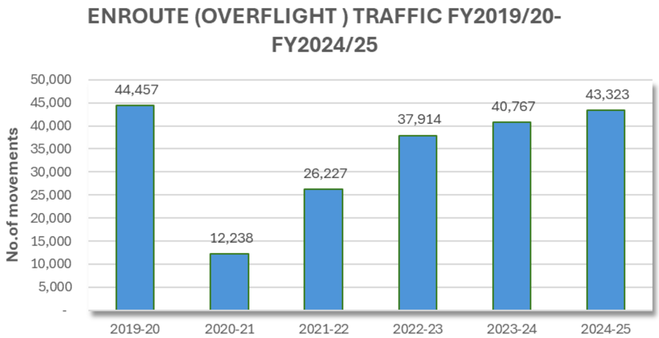


Figure: Enroute (Overflight) Traffic: FY2019/20 to FY2024/25

Cargo Movement

Cargo operations were anchored at SSKIA dedicated cargo facility and were sustained by commercial operators and ad hoc charter services. Ninety-five (95%) of all cargo was transported as belly freight aboard scheduled commercial flights while four point eight (4.8%) came from chartered cargo flights, offering critical logistical support for urgent and freight needs. These figures highlight ongoing economic resilience and the importance of aviation in supply chain operations, especially for time-sensitive deliveries. Monthly volumes handled at the SSKIA cargo facility during the financial year FY2024/25 are depicted in the figures, ***Figure: Monthly Cargo Volumes: FY2024/25*** ***and Figure: Annual Cargo Volumes: FY2022/23 to FY2024/25***

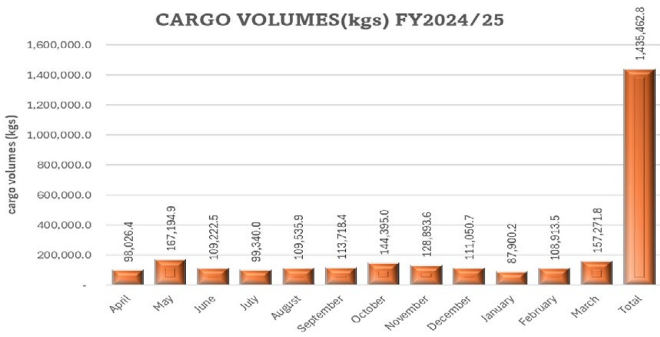


Figure: Monthly Cargo Volumes: FY2024/25

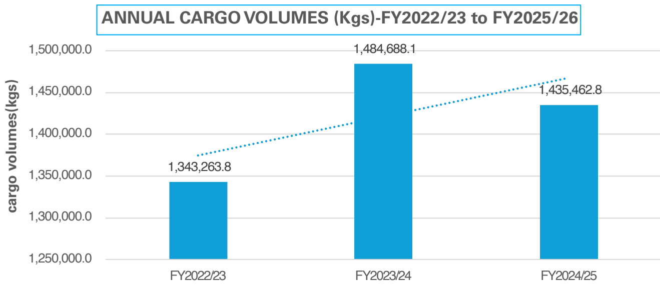
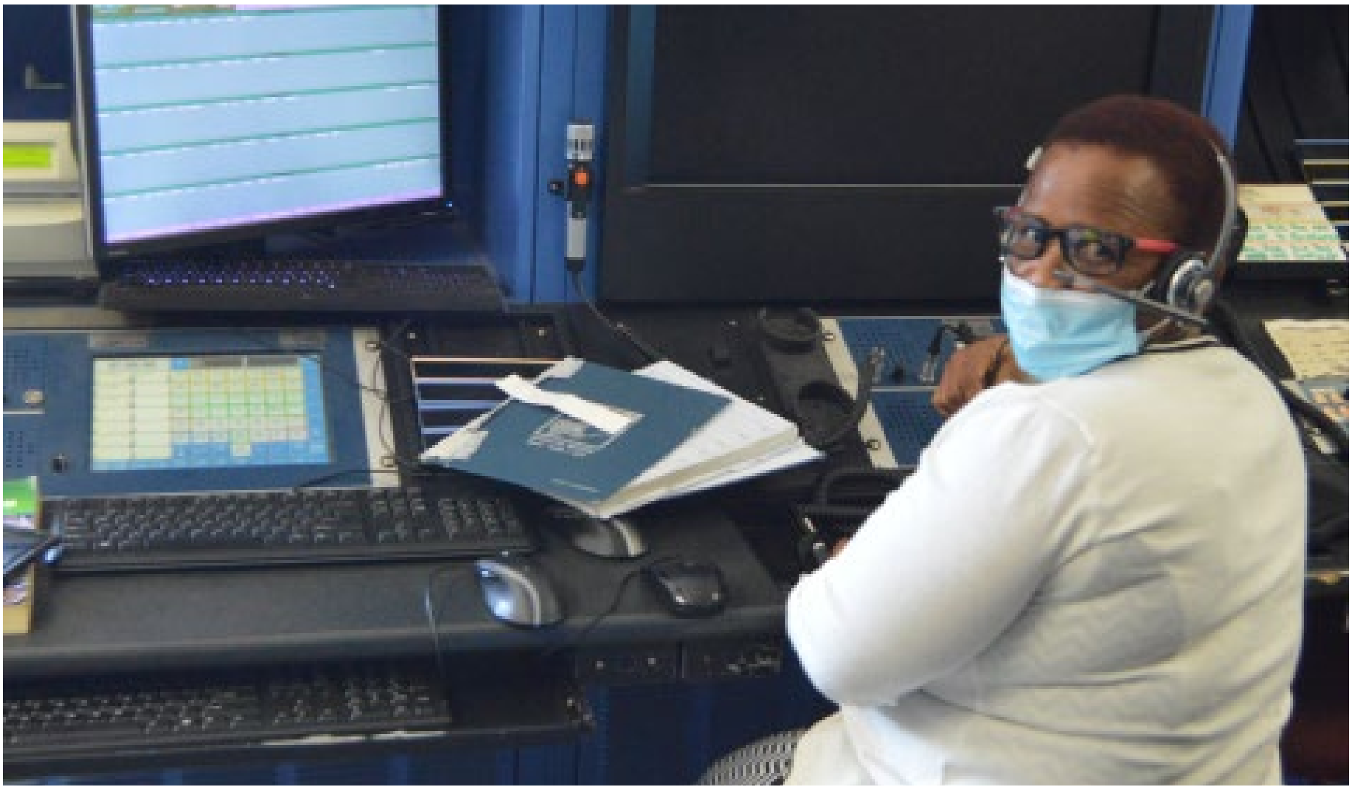


Figure: Annual Cargo Volumes: FY2022/23 to FY2024/25



NAVIGATING THE AIRSPACE

Air Navigation Services

According to ICAO literature, the fundamental purpose of the air navigation service is to ensure safe separation of aircraft in the air and on the ground and to provide the necessary capacity in a safe, efficient and environmentally responsible manner.

Air Navigation Services (ANS) thus encompass the essential services needed for the safe and efficient movement of aircraft. These services include air traffic management (ATM), communication, navigation and surveillance systems (CNS), meteorological (MET) services, aeronautical information services (AIS) and search and rescue (SAR). ANS ensures the safe flow of air traffic throughout all phases of flight, from take-off to landing, within a designated airspace.

Managing The Airspace - Flight Information Regions

A Flight Information Region (FIR) is a designated volume of airspace where flight information and alerting services are provided. These regions are defined by geographical boundaries and are managed by a specific air traffic control centre. ICAO delegates the operational control of FIRs to individual countries. Each FIR is managed by a designated air traffic control centre, which is responsible for the provision of services within that region. Every country has its own FIR and such FIRs are contiguous around the globe. This ensures seamless and continuous FIR coverage, enabling easy coordination of aircraft movement around the globe.

FIRs are responsible for the provision of the following services:

- **Flight Information Service**
  Providing pilots with information about weather, traffic and other conditions relevant to their flight.
- **Alerting Service**
  Notifying relevant search and rescue authorities if an aircraft is in distress.

Our Flight Information Region

The Authority's ANS Directorate is responsible for the management of the Botswana airspace, commonly known as the Gaborone Flight Information Region, by the aviation community. The Gaborone FIR covers the territorial boundary of Botswana from ground level to infinity and includes delegated airspace management over portions of the Namibian airspace over the Caprivi Strip, from Flight Level 145 (i.e., 14 500 feet above mean sea level) to infinity.

Our ANS Organisation and Core Functions

- **Air Traffic Management (ATM)**
  ATM is a core component of ANS, responsible for the safe and efficient flow of air traffic. It includes air traffic control (ATC), which manages aircraft movements in specific areas and flow management, which optimises traffic flow to prevent congestion.

  The function is responsible for the provision of Air Traffic Control, Airspace Management within the Gaborone FIR and the delegated airspace over the Caprivi strip (Namibia). ATM ensures that aircraft are safely separated from one another during all phases of flight, including take-off, landing and enroute travel.

- **Aeronautical Information Management Services (AIM/AIS**
  AIS provides pilots with essential information about airspace restrictions, navigational aids and other relevant data for safe flight operations.

  The function is responsible for the provision and exchange of quality assured digital aeronautical data in collaboration with all parties, i.e., air space users and airspace management companies.

It ensures that aeronautical data and aeronautical information necessary for the safety, regularity and efficiency of air navigation are made available. AIM Services includes distribution services of aeronautical products, i.e.:

- Notice to Airmen (NOTAM)
- Aeronautical Information Circulars (AIC)
- Aeronautical Charts
- Pre and Post Flight Information Bulletins.
- Aeronautical Information Publication (AIP), amendments and supplements.

These services are available at our four international airports, viz, Gaborone, Maun, Kasane and Francistown.

- **Communication, Navigation and Surveillance (CNS)**

  These systems provide the necessary infrastructure for pilots and air traffic controllers to communicate, determine aircraft position and track their movement. The function is thus responsible for the provision of Communication, Navigation and Surveillance facilities used for provision of air traffic services.

  a. Communication: This includes voice communication between pilots and air traffic controllers as well as data communication for flight information.
  b. Navigation: ANS provides navigation aids such as Instrument Landing Systems (ILS), VOR (VHF Omnidirectional Range) and NDB (Non-Directional Beacon) to assist pilots in determining their position and course.
  c. Surveillance: This involves monitoring aircraft positions using radar systems Technologies to ensure situational awareness for both pilots and air traffic controllers. These facilities are at SSKIA, Maun, Francistown, Selebi-Phikwe and Kasane airports as well as communication infrastructure at Shakawe, Ghanzi, Kang, Letlhakane, Mahalapye, Khutse, Jwaneng, Hukuntsi and Tsabong.

- **Aeronautical Information Regulation and Control (AIRAC)**
  Aeronautical Cartography: Development of aeronautical cartography charts through all the phases of flight that are essential for the safe and efficient navigation of aircraft. Aeronautical charts are used by pilots to facilitate the safe navigation of flights from taxing to take off, en-route, approach, landing and docking. This service is available in SSKIA.

  Instrument Flight Procedure Design (Procedures for Air Navigation Services – Aircraft Operations (PANS-OPS)): For development, validation, Maintenance and obstacle assessment of flight procedures. Instrument approach procedures are used by pilots flying in accordance with instrument flight rules to provide guidance during departures, arrival and approaches in low visibility and/or complex airspace. The service is available in SSKIA.

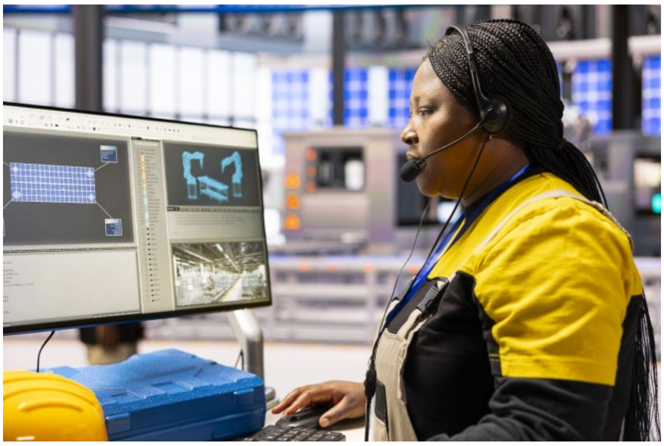
- **Meteorological Services (MET):**
  These services provide weather information crucial for flight planning and safety, including forecasts and real-time updates.

  Air Navigation Services provides aeronautical meteorological information which is outsourced from the Government's Department of Meteorological Services (DMS). The DMS provides current airport meteorological conditions to Air Traffic Control (ATC). The ATC relays the meteorological information to aircraft in flight thereby enabling safe and efficient departure, enroute and landing operations.

- **Search and Rescue (SAR) Services**
  SAR services are vital for locating and assisting aircraft in distress. ATM is responsible for coordinating search and rescue activities in the Gaborone SAR region. The region is coincidental with the geopolitical boundary of Botswana.

  The country's Rescue Coordination Centre (RCC) is situated at the Sir Seretse Khama International Airport. The RCC is responsible for the overall coordination of SAR operations in the Gaborone SAR. There are rescue sub-centres at Francistown, Maun and Kasane, which function under the direction of the RCC.

  ICAO member states are required to carry out a national exercise on Aeronautical Search and Rescue at least every two years to assess the readiness of a state to respond to an air disaster that may occur within Botswana. The next such exercise is due in 2025



Quality Management System (QMS)

A Quality Management System (QMS) provides a structured approach to managing and improving processes within an organisation to ensure consistent quality of products and services. It involves defining quality policies, establishing quality objectives, implementing processes, monitoring performance and continuously improving operations. In the context of aeronautical information systems, a QMS is essential for ensuring the accuracy, reliability and timeliness of aeronautical information, which is critical for air navigation safety and efficiency.

ICAO mandates that AIS providers implement a QMS to ensure the quality of aeronautical information, recommending use of the ISO 9000 series of quality assurance standards when developing a QMS for AIS. The QMS helps AIS providers manage the entire data chain, from data origination to distribution, ensuring that the information meets predefined quality requirements.

CAAB has adopted ISO 9001:2015 as the QMs standard for its aeronautical information systems management. The system is regularly audited by the Botswana Bureau of Standards (BOBS), in conformance with the requirements of the standard, with the latest audit passed in February 2025.

Key Achievements

Supplier Relationship Management
Supplier relationship management (SRM) in procurement is a strategic approach to managing interactions with suppliers to foster strong partnerships, optimise performance and ensure effective communication.

In an endeavour to strengthen supplier relations, the Authority held a supplier engagement workshop in Gaborone, themed and centred around ANS products and services.

By developing strong supplier relationships, the Authority aims to gain a competitive edge by bringing suppliers closer to the Authority through enhanced appreciation of the ANS supplier value proposition and the CAAB procurement processes. This further accorded the ANS function access to better products, services and innovation.

Calibration of Navigational Aids and Instrument Landing Systems
Calibration of navigational aids and instrument landing systems (ILS) is a crucial process to ensure the accuracy and reliability of these systems, which are essential for safe aircraft navigation, especially during approaches and landings in low visibility conditions, when pilots rely on them for landings. This involves regular testing and adjustment to meet ICAO standards and maintain safe operations. Properly calibrated systems contribute to efficient air traffic management by ensuring reliable navigation for aircraft.

The calibration of navigational aids and ILS was successfully completed for the four international airports, in accordance with ICAO recommended standards.

CAAB has entered into a strategic partnership with the Botswana Defence Force, through a three (3) year joint CAAB/BDF flight calibration of navigation and instrument landing systems, outsourced from the South African Civil Aviation Authority (SACAA).

Training and Development

The Authority conducted various technical training interventions for ANS personnel, aimed at equipping them with competencies requisite for keeping our skies safe. These interventions were mainly focused on Air Traffic Services operations and management, under the ATS Surveillance Operations programme.

The following programmes were completed during the financial year.

Course	Number of Trainees	Course Date
Transition from AIS to AIM	12	June 2024
AIXM Basic/Advanced	6	July 2024
ADS-B	6	June 2024
Systems Networking Course	6	June - July 2024
Aeronautical Data Quality	4	January 2025
Terrain Obstacle Data	5	January 2025
AMHS for ATSEP	6	February 2025
ADS-B	6	February 2025

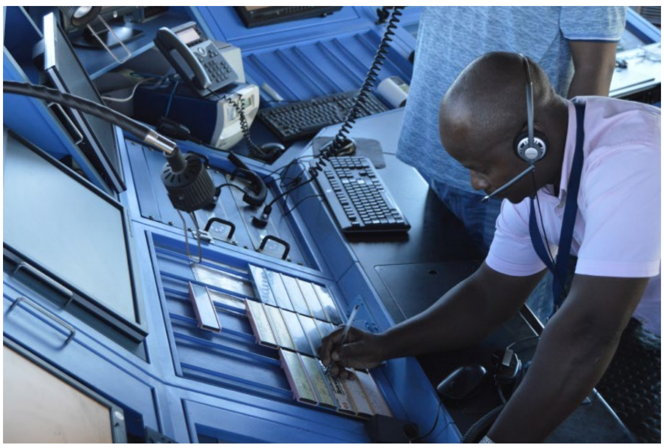
Table: Capacity Building on ATS Surveillance Operations – Part-1

Course	Number of Trainees	Course Date
Approach Surveillance Control	5	June - August 2024
Aerodrome and Approach Procedural Control	12	June - December 2024
Approach Control Procedural & Approach Control Surveillance	7	January - April 2025
Approach Control Procedural & Approach Control Surveillance	9	January - April 2025

Table: Capacity Building on ATS Surveillance Operations – Part-2

Course	Number of Trainees	Course Date
Area Control Procedural and Area Control Surveillance	9	April 2025 - 26 July 2025

Table: Capacity Building on ATS Surveillance Operations – Part-2 (Future Training)



MANAGING OUR AERODROMES

Our Aerodromes

Facilitation of passengers and cargo to their destinations as smoothly as possible by air remains the core of our mandate and service offerings. To this end, we continuously maintain and optimise our airport infrastructure but also invest in improving passenger experience through improved operational efficiency across the passenger facilitation value chain.

Across all our airports, our passengers come first, a dictum from our corporate strategy. Whether they want to shop, eat or drink before departure, we strive to give them a taste of everything that each of our airports can offer. Furthermore, we continuously work on their experience: we pay special attention to the cleanliness of our airports, serviceability of airport systems and friendly customer information desks. The full automation of paid public parking system at SSKIA in December 2024 is a case in point. The solution offers a greater convenience, improved safety and security for vehicles, bringing peace of mind to both passengers and airport users.

CAAB owns and manages a network of four (4) international airports, namely PG Matante International Airport (PGMIA) in Francistown, Sir Seretse Khama International Airport (SSKIA) in Gaborone, Kasane International Airport (KIA) and the Maun International Airport (MIA). There are also two (2) domestic airports, i.e., Ghanzi and Selebi-Phikwe airports. There are a further twenty three (23) airfields (airstrips) strategically located around the country, hence the coined name, "Strategic Airfields".

Some of the significant milestones executed during the reporting period include:

MIA Pavement Classification Number

The Authority continues to lure airlines, including the long-haul operators, to fly into Maun. The airport runway/pavement carrying capacity (as defined by the Pavement Classification Number (PCN)) appears to be the major limiting factor, as it does not match some of the envisaged wide-bodied aircraft's relative loading effect on the runway pavement and other movement areas, the Aircraft Classification Number (ACN). To this end, a physical verification of the pavement rating was conducted to ascertaining the PCN. This indicated capacity to accommodate heavier aircraft, albeit with a relatively reduced pavement lifespan.

- The PCN is a standardised rating system used to indicate the load-bearing capacity of airport pavements (runways, taxiways, aprons) for unrestricted aircraft operations. The PCN provides a way to assess and communicate the strength of pavement to allow for safe aircraft operations without restrictions.
- Following the determination and validation of PCN at MIA, a revised Aeronautical Information Publication (AIP) published by CAAB in December 2024 indicates that the airport is now able to accommodate larger aircraft, paving the way for improved access to the incredible Okavango Delta. This supports the aspirations of Botswana Air Access to attract long haul flights into MIA.

Airport Certification

- As a signatory to the Chicago Convention, Botswana is committed to providing airports and air traffic services in conformance with standards and practices established under the Convention. ICAO member states are required to certify aerodromes used for international operations through an appropriate regulatory framework, in order to ensure the highest practicable degree of uniformity.

Table: CAAB International Airports Certification Schedule

Airport	Certification Date
Sir Seretse Khama International Airport (SSKIA)	October 2022
Maun International Airport (MIA)	February 2024
Kasane International Airport (KIA)	December 2024
PG Matante International Airport (PGMIA)	Target Certification Date: March 2026

Table: CAAB International Airports Certification Schedule

Enhancing Our Rescue & Fire Fighting Services

- The principal objective of Rescue and Firefighting Services (RFS) is to save lives in the event of an aircraft accident or incident occurring at, or in the immediate vicinity of an aerodrome. Airport fire trucks, commonly referred to as Aviation Rapid Intervention Fire Fighting vehicles or ARFF (Aircraft Rescue and Fire Fighting) vehicles, are specialized vehicles designed for rapid response to aircraft emergencies at airports and airfields.
- The level of protection (Airport Fire Category) provided at an airport is determined based on the size and frequency of operations, of the aeroplanes normally using the airport. The number and capacity of the ARFF vehicles ultimately determine the fire cover category. In an endeavour to maintain our airports' categories, two (2) new fire trucks were received in December 2024, with the 3rd one expected in September 2025. The two (2) received ARFF vehicles were allocated to SSKIA and KIA and the 3rd one will be allocated to MIA. The three 6x6 trucks have been procured at a total cost of P44m. The new trucks mean CAAB will now be better placed to consistently provide an appropriate level of fire category cover, commensurate with the published rescue and firefighting categories of our international airports.

Passenger Boarding Verification System (E-Gates)

- A boarding pass document verification system helps streamline the boarding process by automating the verification of passenger identity and travel documents. The system enhances security, reduces processing times and improves the overall passenger experience.
- As part of automating the customer experience processes, developments to automate passenger boarding verification at security check points are being deployed. The objective being to ultimately digitise and automate the management of end-to-end passenger processing and mostly to ensure that only authorized people enter the Airport's restricted areas. The system was installed at the SSKIA international departures in February 2025, with plans to expand to other airports in the future.

Optimising PGMIA Operations

- The PGMIA airport is characterised by extremely low traffic volumes, both aircraft and passenger. It has Air Botswana's 3-times a week as the only scheduled flights in and out of the airport. Despite being designated an international airport, there are no scheduled international flights in and out of the airport. Prior to February 2025, the airport operated a 06:00 to 22:00 Hrs daily schedule, rendering the airport's operations highly inefficient and unsustainable. Due to the low aircraft and passenger activity at the airport, the consequential effect on non-aeronautical activities has been quite dire, with resultant low non-aeronautical revenues (ground handling, advertising rental concessions, etc.), exacerbated by the rather subdued economic activity in City of Francistown.
- In order to optimise PGMIA operations, the airport has converted to a day operation, effective February 2025. The airport now operates Mondays to Fridays from 08H00 – 17H00, with limited operating hours on Sundays to service the one scheduled flight on the day. The airport is closed on Saturdays. Notwithstanding the foregoing, emergency landings and faceoffs are accommodated as and when the need arises.

Ensuring Safe and Secure Airports

Safety and Security continue to be top priority for CAAB. The Authority is committed to creating a safety and security conscious culture across all its airports and airfields; this involves employees and stakeholders using the aviation services and facilities.

Aviation safety and security are crucial for ensuring public confidence in air travel. The economic success of civil aviation relies on a solid safety and security record, where even minor lapses can have dire consequences in terms of human lives and financial impact. Regulatory authorities like ICAO mandate rigorous safety audits, continuous oversight and training programs to ensure operators comply with international safety norms.

The Authority continue to invest in training of our employees to maintain and improve their competency in areas of safety and security. Furthermore and very important is that CAAB continues to invest in the improvement of safety and security infrastructure at all our airports, working closely with the Botswana Police Service, other Government security agencies and contracted private security companies to minimises safety and security risks at our airports.

Safety - Safety of airport employees, passengers, contractors and visitors alike remains key. CAAB strives to create a safe airport environment by following guidelines as provided by ICAO and our domesticated manuals and procedures. Though CAAB Safety Management System (SMS) is still in its infancy, its principles are embraced and applied in our daily operations. The Authority has established Airport Runway Safety Committees, which are operational at all the Authority's international airports. The committees continue to organise and execute regular Foreign Object Debris (FOD) removal walks, to ensure the safety of runways and aircraft.

Consistent with best practice recommendations, the Authority undertakes emergency response exercises on a biennial basis. The exercises involve various scenarios, such as fire, evacuation and medical emergencies and help CAAB personnel practice their roles, improve coordination and identify areas for improvement. The exercises help CAAB airports and key supporting stakeholders such as Police, medical emergency response, etc, prepare for and respond to emergencies, ensuring the safety of passengers and crew. Emergency response exercises are required to be held at least every 48 months at each international airport.

As at March 2025, firegrounds, used for conducting rescue and firefighting practice drills, had been constructed at SSKIA and MIA, with the KIA fireground undergoing construction. The PGMIA fireground is planned for construction during the financial year FY2026/27.

To further enhance our response capacity at the airports, SSKIA, MIA and KIA have fully equipped Emergency Operations Centres (EOC). These serve as central hubs for managing, coordinating responses and distributing information during aviation emergencies. The PGMIA EOC will be setup as part of the airport's certification programme during financial year FY2025/26.

Reducing wildlife strikes is essential for preventing accidents and ensuring the safety of passengers and crew. Because of the necessarily huge airport acreage and vegetation (trees, shrubs and grass) growth, the Authority's airports have become attractive to various species of wildlife (both animals and birds).

Wildlife management at airports is crucial to minimise bird and animal strikes, by reducing their presence and conflict with aircraft. This entails habitat management, wildlife control procedures, and implementing a comprehensive wildlife hazard management plan. Interventions the Authority has put in place to minimise wildlife strikes risks include the following:

- **Vegetation Control:** Maintaining appropriate grass length, removing bushes and trees, and managing vegetation to reduce habitat for birds and other animals.
- Fencing: Ensuring the airport perimeter fences are maintained to restrict animal movement into airport restricted areas.
- **Visual and Auditory Deterrents:** Using visual and auditory scare tactics like vehicle runway sweeping, employing distress calls, noisemakers, etc., to scare away birds and animals prior to landings and take-offs.
- **Collaboration and Communication:** Effective wildlife management requires collaboration between airport staff, wildlife biologists, and other relevant authorities. The Department of Wildlife and National Parks (DWNP) was engaged, during the dry season in June 2024, to conduct a wildlife (ecological) assessment at SSKIA. The assessments help in identifying high-risk areas and species, which inform appropriate interventions.
- **Monitoring and reporting:** The Authority monitors and reports wildlife activity and strikes at its international airports and logs the same on the International Bird strikes Information System (IBIS) database.
- Aviation wildlife management experts were engaged in September 2024 to undertake a review of wildlife hazard management for SSKIA and MIA in order to provide a recommended, targeted action plan for areas of greatest need.

Wildlife hazard mitigation plans, including training, are currently being implemented.

Port Health Services

Port Health Services are crucial for protecting the country's population from the introduction and spread of diseases from other parts of the world. By implementing effective surveillance, screening, and control measures, port health services help to minimize the risk of public health emergencies and ensure the safety and well-being of the population. The international airports serve as critical points of entry into the country, and as such, in liaison with the Ministry of Health, provide port health services to arriving travellers.

In mid-2024, the World Health Organisation (WHO) declared the MPox disease a Public Health Emergency of International Concern (PHEIC). In alignment with this declaration, Africa Centre for Disease Control (CDC) declared the MPox disease a Public Health Emergency of Continental Security (PHECS). CAAB facilitated the Ministry of Health, through the Botswana Public Health Institute (BPHI), to carry out screening activities at our international airports, being ports of entries into the country, during the emergency period.

Aviation Security

The Primary Objective of Aviation Security is to ensure the safety of passengers, crew, ground personnel and the general public in all matters related to safeguarding against acts of unlawful interference with civil aviation.

ICAO defines aviation security as a combination of measures, human and material resources intended to safeguard civil aviation against acts of unlawful interference. In its simplest form, aviation security is about the protection of air navigation and airport facilities, aircraft, passengers, crew, members of the public, cabin and hold baggage, cargo, mail, and catering supplies from criminal acts of sabotage, hijacking, or terrorism.

Working together with Airport Police and other contracted private security companies, the CAAB Aviation Security (AvSec) personnel lead the mission to ensuring safety and security across all the Authority's airports.

Several initiatives were implemented to enhance security at our airports, such as collaboration with the US Transport Security Administration (TSA), who provided an Aviation Risk Management workshop in September 2024 for a total of 20 Aviation Security Officers from all CAAB's airports, and the installation of boarding pass verification system at SSKIA in February 2025.

Business Development

Revenue diversification helps reduce business risks during economic downturns and provides a source of income for CAAB's operations and infrastructure improvements. More importantly, it helps attract new business interests and broaden the tenant mix at the airports. CAAB, through its business development function, continues to find ways to diversify and enhance its revenue streams, for a continuously improved financial stability.

Commercial Concessions - CAAB had 228 terminal commercial concessions, across the 4 international airports, with an overall occupancy rate of 81% during the reporting period. Efforts continue, to attract would be tenants to the vacant commercial spaces through solicitation of proposals from the market while at the same time ensuring retention of the existing tenants.

Additions to our commercial portfolio during the reporting period include the Keg and Elephant restaurant and Orange BW mobile store, which all opened for business in January 2025 at SSKIA.

Customer Parking - During the financial year, emphasis was placed on optimising the Airport paid public parking customer experience, advertising and ground handling. These are key revenue drivers for the Authority, consequently, it is important to optimise their performance.

MIA Airport Lounge - A new airport lounge was completed in March 2025 at MIA and was scheduled to open for business in April 2025. The lounge will be managed by the Grand Emporium, the concessionaire managing Nthula airport lounges at SSKIA and KIA.

Land Development - CAAB has abundant unserviced land available and is looking to leverage this estate, through strategic partnerships, for commercial and industrial opportunities. An exercise to identify and compile records of all available land for commercial and industrial development was started at the beginning of 2025. The land inventory database will be used to inform a real estate strategy for the Authority.

Commercial Outlook - The Authority's commercial pipeline includes the following:

- Restaurant space in KIA awarded in February 2025 and the restaurant was planned to open for business in May 2025.
- Passenger lounge in KIA awarded in March 2025 and expected to be operational in 3rd quarter of 2025.
- Hotel Development - negotiations with CAAB on potential equity partnership started and on-going.
- Filling station – Currently undergoing Gaborone City Council Physical Planning approval process. It is envisaged the filling station shall be operational during the financial year FY2026/27.

Botswana Air Access Development

The national Vision 2036 identifies MICE (Meetings, Incentives, Conferences and Exhibitions), as a key economic enabler. The CAAB Transformation Strategy 2024-2029 recognises the fact that the aviation industry is a key enabler of many other economic activities, particularly airfreight cargo, business travel and tourism. The effective implementation of the national MICE strategy is critically dependent on an effective and efficient local civil aviation sector. In order to attract airlines and travellers to the country, coordinated efforts are required from different stakeholders, as the aviation industry value chain cuts across multiple sectors.

In early 2024 CAAB embarked on a programme to improve air connectivity for the country, through new routes and expanding the existing ones. CAAB continues to actively engage regional and international carriers to consider Botswana as a destination for their airlines. The Authority also continues to provide support to the existing carriers to ensure their sustainability and continued operation in and out of our airports and country.

In an endeavour to promoting the local aviation sector, through increased travel to Botswana, CAAB has spearheaded a joint collaborative effort with key stakeholders in the ease of doing business and adjoining MICE sectors. The project, coined Botswana Air Access, is a strategic partnership between CAAB and the Botswana Tourism Organisation (BTO), Botswana Investment and Trade Centre (BITC), Hospitality and Tourism Association of Botswana (HATAB), Business Botswana (BB) and Travel Agents Association of Botswana (TAAB). To this end, a Memorandum of Agreement (MOU), detailing the working relations and commitment of the parties to the project, was signed in August 2024.

The primary objective of the Botswana Air Access project is to put Botswana on the global aviation map, as an attractive destination.

Botswana Air Access - Key Milestone Achievements

- In kickstarting the route development initiatives, CAAB attended its first air service development conference, AviaDev 2024, held in June 2024, Windhoek, Namibia. The primary objective of attending the conference was to introduce international carriers to Botswana's route development programme; develop relationships with international carriers; determine carriers' interest in Botswana and develop a carrier attraction strategy and roadmap.
- Following the coming into effect of the MoU in August 2024, the Botswana Air Access attended and exhibited at the Routes World 2024 conference in Kingdom of Bahrain, in October 2024. The project was represented by CAAB and BITC. The conference served as a key marketing intervention for the air access project. Routes World brings together airlines, airports and aviation stakeholders from across the world to build air services and global economic growth.
- The Botswana Air Access team participated at the Botswana Travel & Tourism Expo (BTTE) Conference in November 2024, Kasane. The BTTE, hosted by Botswana Tourism Organisation (Botswana Air Access partner) is an expo aiming to provide international travel agents with a direct, immersive experience of Botswana's diverse tourism offerings. It also serves as a platform for connecting international buyers with local tourism operators, fostering discussions, networking opportunities and the potential for new business deals.
- CAAB introduced "The Carrier Incentive Scheme", aimed at incentivising airlines to establish new routes to and from the various CAAB managed airports under the Botswana Air Access programme. The goal being to foster the sustainable growth of route networks within Botswana and to enhance passenger volumes.
- Botswana Air Access submitted an official bid, in November 2024, to host AviaDev 2026 in Gaborone. The bid submission was followed by the bid physical inspection visit in February 2025. The outcome was expected in June 2025. AviaDev is the premier platform dedicated to growing connectivity to, from, and within the African continent. Winning the bid to host would mark a significant milestone towards boosting the country's aviation, tourism, investment, and trade; key objectives of MICE initiatives. The winning bid was expected to be announced at the June 2025 AviaDev conference in Zanzibar, Tanzania, at which the Botswana Air Access team would be in attendance.

MANAGING OUR FINANCIAL RESOURCES

Summary Financial Performance Highlights

SUMMARY FINANCIAL PERFORMANCE

Maturity Analysis	BWP'000 2018/19	BWP'000 2019/20	BWP'000 2020/21	BWP'000 2021/22	BWP'000 2022/23	BWP'000 2023/24	BWP'000 2024/25
Government Grant	150,000	150,000	195,768	184,338	129,923	137,534	142,430
Revenue Generated	158,469	176,323	61,891	101,834	181,126	264,560	324,566
Total Revenue	**308,469**	**326,323**	**257,659**	**286,172**	**311,049**	**402,094**	**466,996**
Expendiure including net Finance costs	366,852	355,527	291,021	281,464	296,360	391,924	430,137
Surplus/(Deficit)	**-58,383**	**-29,204**	**-33,362**	**4,708**	**14,689**	**10,170**	**36,859**

ANNUAL REVENUE TREND

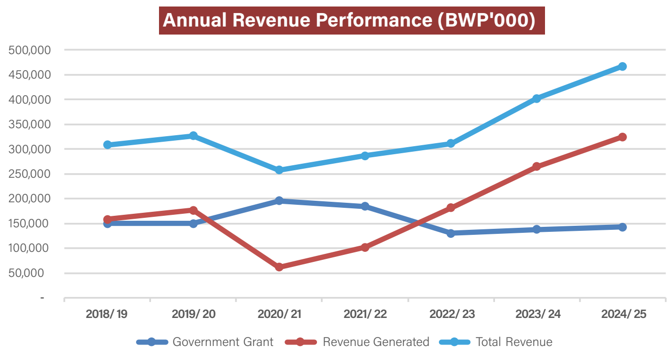


Figure: Annual Revenue Performance

PROFITABILITY TREND

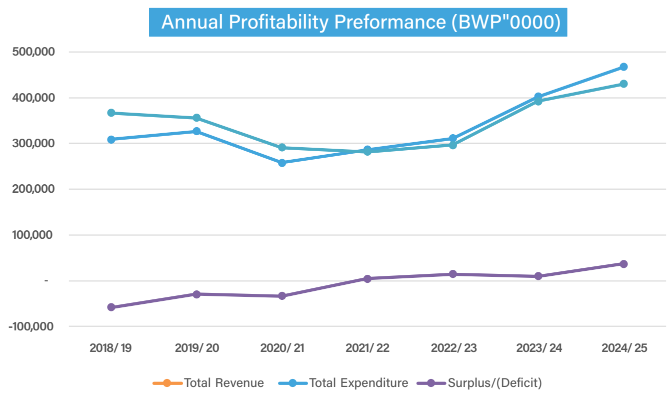
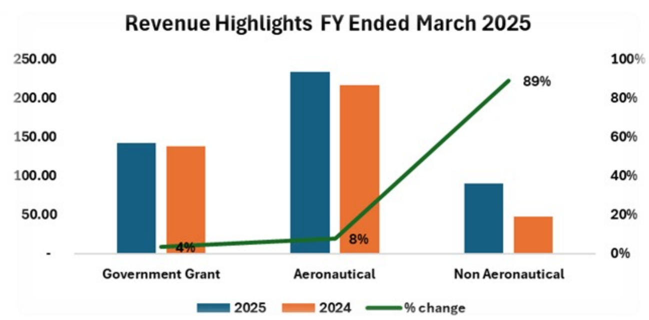


Figure: Annual Profitability Performance

INCOME STATEMENT

Total Income



Government Grant

The approved grant for the 2024/25 financial year was P121.9 million. The Authority received P115.8 million for the year under review, after a drawdown of P6.1 million by the Shareholder. In addition, supplementary funding of P26.6 million was allocated for maintenance activities, bringing the total grant received to P142.4 million.

Revenue Earned

Total revenue earned for the year ended 31st March 2025 was P325 million, 72% of which is contributed by the aeronautical revenue stream and 28% from non-aeronautical. This represents a 23% increase compared to the same period in the prior year (P265 million).

Figure: Revenue Earned

Aeronautical

These recorded positive variances in comparison to prior year due to improved Aircraft traffic. An increase in aeronautical fees of 5% also contributed to the positive variance.

Under this category, enroute navigation charges contributed 51%, followed by passenger fees (passenger tax and security charges) at 37%, landing charges at 7%, terminal control charges at 4% and parking charges at 1%.

Non-aeronautical

Non-Aeronautical revenue is 89% higher than prior year due to a fuel levy concession of P7.7 million which was earned in preceding years. There was also an introduction of concession fee on self-handling airlines for Mack Air and Airlink.

Other airport income (gain on disposal of assets; foreign exchange gains; identity cards) contributed 55% of the non-aeronautical revenue, followed by rental income at 36% and regulatory charges at 7%.

Operating Expenses

Operating expenditure amounted to BWP 432 million, representing an increase of BWP 57 million (15.2%) from the previous year's BWP 375 million.

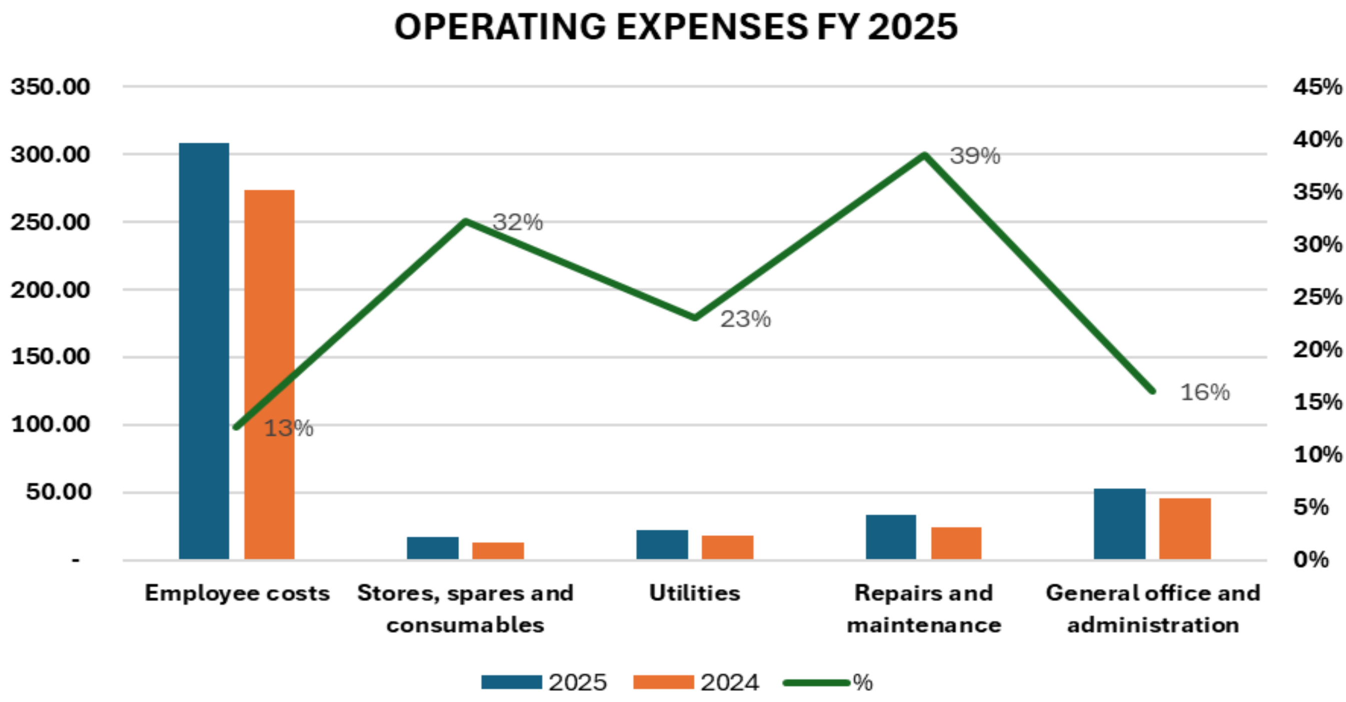


Figure: Operating Expenses FY2024/25

Employee Costs

Employee costs were 13% higher than the previous year, mainly due to an across the board salary increment of 10% at the beginning of the financial year FY2024/25. Training, seminars and the associated travel expenses further contributed to the negative variance, due to an increase in travel allowances. Air Traffic Control capacity building training was intensified in the financial year under review.

Stores spares and consumables

These are 32% higher than the previous year, primarily due to an increase in fuel costs and increased procurement of spares as airports certification exercises were being carried out.

Utilities

These are 23% higher than the previous year. During the FY2024/25, there was a significant increase in the usage of electricity due to an increase in tenancy at different airports.

Repairs and Maintenance

The Authority was able to carry out significant maintenance activities during FY2024/25 due to extra funding received from the government. This resulted in an increase of 39% in repairs and maintenance in comparison to the previous year.

General Office and Administration

These are 16% higher than the previous year due to:

1. Consulting costs associated with the Botswana Air Service Development Project and the Maun International Airport (MIA) feasibility study.
2. Annual escalation of insurance premiums.
3. Increased advertising and publicity, with special articles featured in Forbes Africa.

STATEMENT OF FINANCIAL POSITION

	Notes	2025 Pula	2024 Pula
Assets			
Non-Current Assets			
Property, plant and equipment	9	24,488,863	15,951,306
Intangible assets	10	2,791,902	3,443,322
Right of use assets	11	3,786,573	264,228,486
Deferred lease assets	12	5,461,889	7,386,838
		36,529,227	**291,009,952**
Current Assets			
Deferred lease assets	12	1,062,827	1,132,106
Inventories	13	1,055,576	1,055,576
Trade and other receivables	14	110,376,323	47,534,351
Cash and cash equivalents	15	58,719,878	50,588,149
		171,214,604	**100,310,182**
Total Assets		**207,743,831**	**391,320,134**
Funds and Liabilities			
Funds			
Capital funds		20,958,037	20,958,037
Accumulated Surplus/Deficit		13,665,653	(23,193,625)
		34,623,690	**(2,235,588)**
Non-Current Liabilities			
Lease liabilities	16	3,231,945	252,984,154
		3,231,945	**252,984,154**
Current Liabilities			
Lease liabilities	16	946,710	48,319,135
Trade and other payables	17	89,837,003	71,830,977
Deferred income - Government grants advance	18	79,104,483	20,421,456
		169,888,196	**140,571,568**
Total Liabilities		**173,120,141**	**393,555,722**
Total Equity and Liabilities		**207,743,831**	**391,320,134**

Total Assets

Total assets amounted to BWP208 million, reflecting a 47% decrease from BWP391 million recorded in the financial year ended 31 March 2024. The decline is primarily attributable to

1. The Right of Use Asset, resulting from the derecognition of leases that are related to the government land board.
2. Intangible Assets have also decreased by 19% due to the corresponding amortization in the current financial year.

Current assets increased by 75%, notably in:

1. Trade and Other receivables by 140% mainly attributable to the difficulty in collecting dues from Air Botswana which is the Authority's largest customer.
2. Cash and Cash Equivalents by 16% due to funds received from government towards projects.

Total Liabilities

Total liabilities amounted to BWP173 million, representing a 56% decrease compared to the prior year's total of BWP393 million. This significant reduction is attributable to the decrease in Lease Liabilities arising from the derecognition of leases relating to the significant downward revision of land board rates.

Current liabilities increased 20%, primarily from Trade and other Payables increase of 25%.

Deferred Income – Government Grants Advance also significantly increased by 287% due to delay in commencement of refurbishment of Palapye Airfield for which funds have been received.

EQUITY

STATEMENT OF CHANGES IN FUNDS

for the year ended 31 March 2025

	Capital funds Pula	Accumulated deficit/ Surplus fund	Total Pula
Balance at 1 April 2023	20,958,037	(33,363,642)	(12,405,605)
Total comprehensive surplus for the year	-	**10,170,017**	**10,170,017**
Balance at 31 March 2024	20,958,037	(23,193,625)	(2,235,588)
Total comprehensive income for the year	-	**36,859,278**	**36,859,278**
Balance at 31 March 2025	20,958,037	13,665,653	*34,623,690*

The Authority's Equity position improved from a negative P2.2 million in March 2024, to a positive P34.6 million. The improvement is attributable to the P36.9 million surplus recorded during this period.

The surplus of P36.9 million recorded is characterized by the following significant once-off/ non-recurring items being:

1. The downward revision of land board rates resulted in derecognition of lease liabilities causing a gain on the derecognition of the lease liability (credit to the income statement) of P9 million.
2. Following the finalization of the SSKIA fuel levy concession, Puma made a payment dating back to December 2022 of P7.7 million during the current financial year.
3. The additional government funding of P26 million includes P5.7 million that would ordinarily be funded from CAAB recurrent budget, such as subscription of Microsoft licenses and calibration of NAVAIDS.

The overall performance for the Authority is depicted in the table, *Table: CAAB's Summary Financial Performance – FY2024-25.*

Key indicators

	ACTUAL	TARGET	VARIANCE
	BWP'mil	BWP'mil	
Government subvention	116	121	
Revenue	325	290	
Expenses	432	432	
Surplus	37	11	
Cost to Income (excluding subvention)	1.33	1.49	
Cost to Income (including subvention)	0.93	0.97	
Working Capital	1.03	1	

Table: CAAB's Summary Financial Performance – FY2024-25

below target
on target
Above target

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE

Organisational Information

A well-defined and effectively implemented corporate governance structure is crucial for the success and sustainability of any organisation. It provides a framework for responsible and ethical conduct, promoting accountability and contributing to the organisation's overall effectiveness. In CAAB's governance structure, the board of directors provides oversight, while senior management, the Executive Leadership Team, is responsible for day-to-day operations and decision-making. The board also appoints senior management and ensures that the company's performance aligns with its goals. The Authority's key organisational information is detailed below:

Area	Function Description
Legal Form	Body Corporate
Shareholder	Government of Botswana
Mandate	Promote the safe, regular, secure and efficient use and development of civil aviation in Botswana
Responsibility	Regulation of air transport, provision of air navigation services, management of airports and advising the Government of the Republic of Botswana on all aspects of civil aviation
Place of Domicile	Gaborone, Botswana
Board Members (Non-Executive)	Mr. Basimane Bogopa – Appointed November 2018 Ms Martha Seipato – Appointed May 2021 Ms. Kaone Kamanakao – Appointed May 2021 Major General H.T. Rakgantswana – Appointed May 2021
Chairperson of the Board	Mr. Basimane Bogopa – Appointed Chairman May 2021
Chief Executive Officer (Ex Officio Member of the Board)	Dr. Bao Rasebolai Mosinyi – Appointed July 2021
Secretary to the Board	Mr. Kabelo Boseyong Gaonyadiwe
Board Resignations/Retirements	Mr. Montebedi Joseph Motse (Retired 31st March 2024)
Registered Office	Plot 70667 Unit Building 1, 3rd Floor Fairscape Precinct, Fairgrounds Gaborone Botswana
Postal Address	P.O. Box 250 Gaborone Botswana
Bankers	Stanbic Bank Botswana Limited Absa Bank of Botswana Access Bank Botswana
Auditors	Grant Thornton Botswana

Figure: CAAB Key Organisational Information

CORPORATE GOVERNANCE STATEMENT

CAAB's existence and operations are governed by the Civil Aviation Act (Cap 71:04) No. 11 of 2011. The Authority has adopted the King IV Code for corporate governance as a guideline for best practice corporate governance. The Authority is committed to good governance as espoused in the King IV, as ethical and effective leadership, in order to achieve the core governance outcomes of an ethical culture, good performance, effective control and legitimacy.

Aviation is a highly regulated industry and adherence to aviation regulations and standards is most paramount. Effective corporate governance ensures compliance with these regulations and promotes a safety-conscious culture. The Civil Aviation Act No. 11 of 2011, ("the Civil Aviation Act" or "the Act") and the regulations made in terms thereof, set out the objects and powers of CAAB and contain specific provisions relating to the composition, powers and functioning of its Board of Directors.

CAAB is led by a five (5) member Board of Directors, consisting of four (4) non-executive directors and one (1) ex-officio member, who is also the Chief Executive Officer (CEO). All members of the Board, except for the CEO, who is appointed by the Minister, on the recommendation of the Board, are appointed by the Minister responsible for the aviation sector in terms of the Civil Aviation Act.

In pursuit of the Authority's commitment to good corporate governance, the Board has put in place a Charter which sets out the duties and responsibilities of the Board and those of the Management. The Charter seeks to enhance delivery on the CAAB mandate within a corporate governance framework which provides a clear, consistent and transparent set of principles by which the Board and Management agree to be bound in the discharge of their duties.

THE BOARD OF DIRECTORS

The Board is the governing body of the Authority. It is the focal point and custodian of corporate governance within the Authority. The operations of the Board are governed by the Act and Board Charter which prescribe statutory obligations and minimum performance standards designed to promote high standards of compliance and corporate governance.

The Board of the Authority is charged with oversight responsibility to ensure delivery of the regulatory, airspace and airport management, aviation sector development, as well as Government advisory role, as detailed in the Civil Aviation Act.

Some of the Board's primary duties include:

- Ensure that the Authority achieves its mandate, as defined by the Shareholder through the Authority's founding statute (the Civil Aviation Act) and Shareholder Compact. In this regard the Board assumes ultimate accountability for governance and oversight in respect of the affairs of the Authority.
- Ensuring that an adequate and effective process of corporate governance is established and maintained and that compliance is met with the Civil Aviation Act and in alignment with the King IV Report on Corporate Governance (King IV) best practice recommendations and any other latest and pertinent legislative frameworks whose provisions have a significant bearing on the Authority.
- Provide strategic guidance to management in the formulation and review of corporate strategy and is responsible for the approval of all governance policies. Management, led by the Chief Executive Officer, retains the responsibility for the execution of the Board approved strategy within the confines of the mandate and directions.
- Ensure that the technology and systems used in the Authority are adequate to run the business properly for it to compete through the efficient use of its assets, process and human resources.

CO-OPTED BOARD MEMBERS

Section 22 of the Civil Aviation Act provides that the Board may invite any person whose presence it considers necessary to attend and participate in its meetings, but such person shall have no right to vote. Consistent with the provisions of this section, the Board co-opted two (2) independent non-executive Directors to enhance the Board compliment and particularly to ensure continuity of the Board Finance, Audit and Risk Management committee, which is deemed core to ensuring sound governance and oversight within the Authority.

During the period between April 2024 and August 2024, the Board was non-functional due to an insufficient quorum. Board members were reappointed in August 2024.

As at the end on of the financial year FY2024/25 (31st March 2025), the following constituted the Board:

Non-Executive Directors

1. Mr. Basimane Bogopa - Board Chairperson
2. Ms Martha Seipato - Board Member
3. Ms Kaone Kamanakao - Board Member
4. Major General Hendrick Thuthu Rakgantswana - Board Member

Co-Opted (Non-Executive) Directors

5. Ms Nomsa N. Jim - Co- opted Member
6. Ms Keetsemang Nkoko - Co-opted Member

Ex-Officio Director & Chief Executive Officer

7. Dr Bao Rasebolai Mosinyi - Chief Executive Officer

Board Committees

Section 25 of the Civil Aviation Act authorises the Board to form committees to assist it in the execution of its duties, powers and authorities. Board committees consist of Board members or other persons as the Board may deem it fit. Delegating authority to the Board committees does not absolve or abdicate the Board from its responsibilities or its ultimate accountability.

The Board has established three (3) committees to effectively deliver on its oversight mandate. The three (3) committees are, the Finance, Audit and Risk, the Human Capital and Administration and the Technical and Customer Services Committee. The committees are chaired by a non-executive Director, with the CEO attending, as the executive Director, plus two other Board members, completing the committee composition of four (4) standing members.

With only four (4) Directors, the composition of the Board was insufficient for the establishment of the Committees. The circumstances would mean that all the three Committees would be comprised of the three ordinary members, who will be eligible to vote on the business of the Committees during meetings. The same members would therefore not be able to subsequently vote on matters emanating from the respective Committees at the full Board meetings.

With the exception of the Finance Audit and Risk Management Committee (FARC), which is deemed critical to sound corporate governance practices, operations of the other Board Committees had been held in abeyance until such time that the Board membership would have been increased to accommodate full and complimentary Committee membership. The effect of these circumstances was that, save for the FARC, all business that would ordinarily be held at the two (2) Committees was now dealt with at full Board level. The Board, further leveraging the provisions of Sub Section 2 of Section 25, the Board appointed the two Co-opted Board members to the FARC, to facilitate business continuity.

From Third Quarter (Q3, FY2024/25)

Board Finance, Audit and Risk Committee

1. Mrs. Martha Seipato – Chairperson
2. Ms Nomsa N. Jim
3. Ms Keetsemang Nkoko
4. Dr. Bao Rasebolai Mosinyi (CEO)

Human Capital and Remuneration Committee (HCRC)	Oversees and advices the Board on Management's human resources and compensation strategies, ensuring alignment with the organisation's overall goals and good governance practices.
Technical and Customer Services Committee (T&CSC)	Acts as a bridge between the Board and the technical aspects of CAAB, overseeing aviation regulatory and service provider matters, ensuring compliance with ICAO standards (SARPs), in alignment with strategic goals and compliant with relevant regulations. Reviews customer service initiatives, overseeing the functions of Management and evolving innovative measures for enhancing the quality of customer service and improvement in the overall satisfaction level of customers.
Finance, Audit and Risk Management Committee (FARC)	The Committee is a critical component of corporate governance, responsible for overseeing an organisation's financial reporting, internal controls, audit processes and risk management practices. Acts as a bridge between management and the Board, ensuring transparency and accountability in these key areas.

Figure: The CAAB Board Committees

BOARD MEMBERS' REMUNERATION

Board Members are remunerated for attendance of meetings in accordance with the schedule of fees, as advised by the Government of Botswana from time to time and a retainer fee for each quarter of the year. During the period under review, the members' fees were paid at the following rates:

Position in Board	Board Fees	
	Retainer Fee (P/Quarter)	**Sitting Allowance (P/Sitting)**
Board Chairperson	P10, 500.00	P8, 000.00
Ordinary Board Member	P9, 500.00	P7, 000.00

Table: Schedule of Board Fees

Board Meetings

The Civil Aviation Act, 2011 requires the Board to meet at least once every three months. Dates for ordinary meetings of the Board are set at the beginning of the financial year. Special meetings are held as and when dictated by the business or other requirements of the Authority. During the period under review, a total of four (4) full ordinary Board meetings and four (4) special Board meetings were held. Table: Board and Committee Attendance Summary, shows the attendance of Board meetings and meetings of Board Committees by respective Members. In addition to the above, the Board Chairman, Mr. Bogopa, also attended three (3) extra-ordinary meetings with the Minister and CEO; two locally and one externally (the Aviation Africa Meeting).

Board Member	Board	Finance & Audit Committee	Human Capital & Admin. Committee	Technical Services Committee	Earned Remuneration (BWP)
Mr. Basimane Bogopa	8/8	-	-	-	P130, 000.00
Ms. Martha Seipato	8/8	2/2	-	-	P108, 000.00
Ms. Kaone Kamanakao	8/8	-	-	-	P94, 000.00
Major General H. T. Rakgantswana	8/8	-	-	-	P94, 000.00
Ms. Nomsa N.Jim	4/8	2/2	-	-	P61, 000.00
Ms. Keetsemang Nkoko	4/8	2/2	-	-	P61, 000.00
TOTAL					**P548,000.00**

Table: Board & Committee Attendance and Remuneration

Disclosure Of Interest

At every meeting of the Board or Committee of the Board, each Member is required, in compliance with Section 23 of the Civil Aviation Act, 2011, to disclose any direct or indirect interest in a private capacity that he/she might have on any of the matters which are the subject of discussion at such meeting. Besides being asked by the Chairperson to state if they have any interest, Members are required to each fill out a declaration of interest form, indicating whether or not they have any such interest.

Secretary To the Board

The Secretary to the Board is responsible for the provision of Board administrative and legal advisory services as well as corporate governance advice to the Board and Management. The Secretary is the custodian of the legal transactions of the Authority.

The Company Secretary is appointed by and accountable to the Board to provide professional corporate governance services for, inter alia:

- Ensuring that Board procedures are followed and reviewed regularly;
- Ensuring that applicable rules and regulations for the conduct of the affairs of the Board are complied with;
- Maintaining statutory records in accordance with legal and legislative requirements;
- Guiding the Board as to how their responsibilities should be properly discharged in the best interest of the Authority;

INTERNAL AUDIT REPORT

Internal Audit as A Strategic Business Partner

The Internal Audit function brings independent, risk-focused and objective advice to both the CAAB Board and Management, offering not just insight on what's happening now, but foresight for what's ahead. The function's independent assurance role is unique within an organisation, positioning the function to play a vital role in value creation and protection. Independence is critical to the internal audit function's objectivity, authority and credibility. In line with the Authority's Internal Audit Charter, the Internal Audit Manger report functionally to the Board, through the Finance Audit and Risk Committee and administratively to the Chief Executive Officer. This is to ensure independence and avoid undue influence.

In compliance with the Institute of Internal Auditors (IIA) professional standards (i.e., the IAA's Global Internal Audit Standards), the Authority uses risk-based internal audit planning. This enables internal audit function to properly align and focus the limited resources on producing insightful, proactive and future-focused assurance and advice on the Authority's most pressing issues.

Following the appointment of an IT Auditor during the financial year, annual audit plans now incorporate IT audits. It is anticipated that internal IT Audit shall provide a systematic review of CAAB's IT systems, infrastructure and controls for effective compliance with standards and alignment with the organisational strategic objectives. The audit helps identify risks, evaluate governance processes and recommend improvements to enhance security, data integrity and operational efficiency.

The 2024-25 Internal Audit Plan

The Internal Audit Plan for financial year FY2024/25 prioritised high impact risks, that could impede the achievement of the Authority's strategic objectives, ensuring audit efforts are focused on areas critical to organisational success. As much as possible, the function proactively identifies opportunities to add value and support the Authority's strategic direction, rather than simply responding to past events.

The annual plan, as approved by the Board, is detailed in the table, Table: Internal Audit Plan FY2024/25, with performance against each audit area detailed. Figure: Internal Audit Plan FY2024/25 Performance Summary, indicates that 46% of the planned audits were concluded, with 31% still in progress and 23% not commenced and differed for consideration in the following planning period, FY2025/26. Challenges with concluding the planned audits include emergent unplanned audits, unexpectedly long audit turnaround times, due to the complex nature of the audit and resource constraints against the wide geographical coverage of the team based at head-office in Gaborone. Going forward the audit plans shall be stress tested for alignment with available resources.

2024/25 Audits

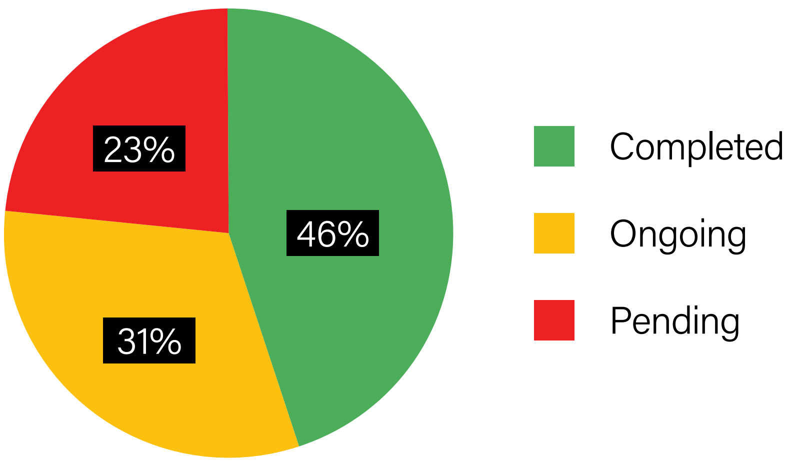


Figure: Internal Audit Plan FY2024-25 Performance Summary

Audited Directorate (Business Function)	Audit Area	Audit Objectives	Status (RAG)
Information Technology & Air Navigation Systems	IT and Systems Governance	To assess the level of IT strategy's alignment to the overall CAAB business objectives and controls in place to ensure alignment.	Concluded
Information Technology	IT Risk Management	To review processes in place to continually identify, assess, address and analyse IT-related risks that could affect CAAB's ability to attain its objectives.	Concluded
Information Technology	Cybersecurity Management	To review the effectiveness of Cybersecurity controls in place to identify, protect, detect, respond and recover from any cyber breaches.	**Audit Done;** Report Undergoing Quality Assurance Review
Information Technology	IT Business Continuity and Disaster Recovery	Assessment of the authority's disaster preparedness and ability to continue with business-critical operations during a disruption and fully recover/restore operations to normalcy, afterwards, within agreed timelines and minimum data loss.	**Deferred.** To be considered with the FY2025/26 audit plan
Information Technology	Identity & Access Management (IAM)	To provide management with an evaluation of the design and operating effectiveness of the implemented IAM controls.	Concluded
Governance (Corporate Secretary)	CAAB Reporting Structures	To assess the effectiveness and efficiency of the CAAB Governance Structures.	**Deferred.** To be considered with the FY2025/26 audit plan
Air Navigation Services	Aeronautical Revenue	To assess revenue completeness.	Concluded
Payroll	Payroll Management & Control	To provide assurance over payroll management and controls in place.	**Deferred.** To be considered with the FY2025/26 audit plan
Human Capital and Admin Services	Utilities - Fuel, Power & Water	To provide assurance over utility management and the adequacy of controls in place.	**Audit Done;** Report Undergoing Quality Assurance Review
Human Capital and Admin Services	Overtime	To provide assurance that claims are in line with CAAB policy.	Post Audit Monitoring
All Directorates	Projects Inventory Management	To provide assurance over Assets acquired through Projects.	**Audit Done;** Report Undergoing Quality Assurance Review
Finance	Billing	To assess the adequacy of CAAB billing processes and controls in place to mitigate risk and extract value.	Concluded
Procurement	Procurement		Concluded

Table: Internal Audit Plan FY2024/25

AUDITED FINANCIAL STATEMENTS

CONTENTS

GENERAL INFORMATION

Civil Aviation Authority of Botswana has been incorporated under Civil Aviation Act, 2011 and is domiciled in Botswana.

Principal Activities:	To promote the safe, regular, secure and efficient use and development of civil aviation in Botswana.
Registered Address:	Fairscape Precinct, Plot 70667 Unit Building 1, 3rd Floor, Fairground, Gaborone, Botswana
Members of the Board:	Mr. Basimane Bogopa (Chairperson) - Appointed 1 October 2024 Ms. Martha Basadi Seipato - Appointed 1 May 2024 Ms. Kaone Rubicelle Kamanakao - Appointed 1 May 2024 Major General Hendrick Thuthu Rakgantswana - Appointed 1 May 2024 Ms. Neo Jim - Appointed 11 October 2024 (Co-opted) Ms. Keetsemang Nkoko - Appointed 11 October 2024 (Co-opted) Dr. Bao Mosinyi (Chief Executive Officer) - Ex-Officio
Executive Management:	Mr. Christopher Ferguson - Director, Flight Safety and Oversight Ms. Kebagaise Segakise Director, Finance & Procurement Ms. Ontibile Shado Radira - Director, Human Capital & Administration Mr. Isaac Mabote - Director, Airports Services Mr. Christopher Diswai - Director, Airports Engineering & Maintenance Mr. One Pharatlhatlhe - Director, Information Technology Colonel Daniel Moampe - Director, Air Navigation Services
Corporate Secretary:	Kabelo Gaonyadiwe
Independent Auditors:	Grant Thornton Firm of Certified Auditors
Bankers:	Absa Bank Botswana Limited Access Bank Botswana Limited Stanbic Bank Botswana Limited

(The financial statements are expressed in Pula, the currency of Botswana)

STATEMENT OF RESPONSIBILITY BY THE MEMBERS OF THE BOARD AND APPROVAL OF ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Statement of responsibility by the Members of the Board

The Members of the Board of the Civil Aviation Authority of Botswana (the "Authority") are responsible for the maintenance of adequate accounting records and the preparation, integrity and fair presentation of the financial statements. The financial statements, which comprise of the statement of financial position at 31 March 2025 and the statements of comprehensive income, changes in funds, cash flows for the year then ended and the explanatory notes to the financial statements, which include a summary of material accounting policies, have been prepared in accordance with International Financial Reporting Standards.

The Authority maintains systems of internal control which are designed to provide reasonable assurance that the records accurately reflect its transactions and to provide protection against serious misuse or loss of the Authority's assets. The Members of the Board are also responsible for the design, implementation, maintenance and monitoring of these systems of internal financial control. Nothing has come to the attention of the Board to indicate that any significant breakdown in the functioning of these system has occurred during the year under review.

The going concern basis has been adopted in preparing the annual financial statements. The Ministry of Transport and Infrastructure as the representative of the shareholder has confirmed the commitment of the Government of Botswana to provide necessa1y support to the Authority through annual subvention. The Members of the Board of Directors have no reason to believe that the Authority will not be a going concern in the foreseeable future.

Our external auditors conduct an examination of the financial statements in conformity with International Standards on Auditing, which include tests of transactions and selective tests of internal accounting controls. Regular meetings are held between management and our external auditors to review matters relating to internal controls and financial reporting. The independent auditors have unrestricted access to the Board.

Approval of annual financial statements

The financial statements set out on pages 99 to 117 and other supplementary information on pages 118 to 119 were approved andauthorised for issue by the Board **on 13th August 2025** and are signed on its behalf by:

Chairperson of the Board

Chief Executive Officer

Grant Thornton

Chartered Accountants

Grant Thornton
Acumen Park, Plot 50370
Fairgrounds, Gaborone
P O Box 1157
Gaborone, Botswana

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Independent Auditor's Report

To the Members of Civil Authority Aviation Botswana

Report on the audit of the Annual Financial Statements

Opinion

We have audited the annual financial statements of Civil Aviation Authority Botswana set out on pages 7 to 34 , which comprise the statement of financial position as at 31 March 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the annual financial statements, including material accounting policy information.

In our opinion, the annual financial statements give a true and fair view of, the financial position of Civil Aviation Authority Botswana as at 31 March 2025, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the annual financial statements section of our report. We are independent of the Authority in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts 1,3 and 4A) (IESBA Code) and other independence requirements applicable to performing audits of annual financial statements in Botswana. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Botswana. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements, and in forming our opinion thereon.

We have no key audit matters to report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled 'Civil Aviation Authority Botswana annual report 31 March 2025". Other information does not include the annual financial statements and our auditor's report thereon.

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Partners
[illegible]

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Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standards, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial Statements, the directors are responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Authority or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

Auditor's responsibilities for the audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these annual financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

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- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all the relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the annual financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law and regulation preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on legislative requirements

As required under Section 37(2) of the Civil Aviation Act, 2011, we

a) Have received all the information and explanation which, to the best of our knowledge and belief, were necessary for the performance of our duties.
b) the accounts and related records of the Authority have been properly kept.
c) the Authority has complied with all the financial provision of this act with which it is its duty to comply with; and
d) the statement of accounts prepared by the Authority was prepared on a basis consistent with that of the preceding year and represents a true and fair view of the transactions and financial affairs of the Authority.

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Grant Thornton
Firm of Certified Auditors
Practising Member: Madhaven Venkatachary (CAP 0017 2025)

25 AUG 2025
Gaborone

STATEMENT OF COMPREHENSIVE INCOME

	Notes	2025 Pula	2024 Pula
Government grants	3.1	142,429,990	137,533,949
Revenue earned	3.2	324,565,734	264,560,452
Net cash used in investing activities		**466,995,724**	**402,094,401**
Employee costs	4	(308,154,825)	(273,617,725)
Impairment of trade receivable	14	592,685	(1,067,460)
Other operating costs	5	(124,784,948)	(100,016,020)
Total expenditure		**(432,347,088)**	**(374,701,205)**
Surplus for the year before finance cost and income		**34,648,636**	**27,393,196**
Finance cost	7	(339,901)	(18,945,567)
Finance income	8	2,550,543	1,722,388
Surplus for the year		**36,859,278**	**10,170,017**
Other comprehensive income			
Total comprehensive surplus for the year		**36,859,278**	**10,170,017**

STATEMENT OF FINANCIAL POSITION
as at 31 March 2025

	Notes	2025 Pula	2024 Pula
Assets			
Non-Current Assets			
Property, plant and equipment	9	24,488,863	15,951,306
Intangible assets	10	2,791,902	3,443,322
Right of use assets	11	3,786,573	264,228,486
Deferred lease assets	12	5,461,889	7,386,838
		36,529,227	**291,009,952**
Current Assets			
Deferred lease assets	12	1,062,827	1,132,106
Inventories	13	1,055,576	1,055,576
Trade and other receivables	14	110,376,323	47,534,351
Cash and cash equivalents	15	58,719,878	50,588,149
		171,214,604	**100,310,182**
Total Assets		**207,743,831**	**391,320,134**
Funds and Liabilities			
Funds			
Capital funds		20,958,037	20,958,037
Accumulated Surplus/Deficit		13,665,653	(23,193,625)
		34,623,690	**(2,235,588)**
Non-Current Liabilities			
Lease liabilities	16	3,231,945	252,984,154
		3,231,945	**252,984,154**
Current Liabilities			
Lease liabilities	16	946,710	48,319,135
Trade and other payables	17	89,837,003	71,830,977
Deferred income - Government grants advance	18	79,104,483	20,421,456
		169,888,196	**140,571,568**
Total Liabilities		**173,120,141**	**393,555,722**
Total Equity and Liabilities		**207,743,831**	**391,320,134**

STATEMENT OF CHANGES IN FUNDS

for the year ended 31 March 2025

	Capital funds Pula	Accumulated deficit/ Surplus fund	Total Pula
Balance at 1 April 2023	**20,958,037**	**(33,363,642)**	**(12,405,605)**
Total comprehensive surplus for the year	-	10,170,017	10,170,017
Balance at 31 March 2024	**20,958,037**	**(23,193,625)**	**(2,235,588)**
Total comprehensive income for the year	-	36,859,278	36,859,278
Balance at 31 March 2025	**20,958,037**	**13,665,653**	**34,623,690**

STATEMENT OF CASH FLOWS
for the year ended 31 March 2025

	Notes	2025 Pula	2024 Pula
Cash flows from operating activities			
Surplus for the year before finance income and finance cost		34,648,636	27,393,196
Non-cash items adjustments:			
Depreciation of property, plant and equipment	9	3,479,744	3,172,530
Amortisation of intangible assets	10	651,420	651,420
Depreciation of right of use asset	11	1,056,717	7,465,486
Movement in deferred lease assets	12	1,994,228	731,304
Disposal of property, plant and equipment	9	467,480	-
Work-in-progress expensed	9	1,311,176	-
Gain on derecognition of Lease		(9,652,346)	
Impairement/ (Reversal of impairement) on trade receivables		(592,685)	1,067,460
Government Grant - Utilised for Operating expenditure		(3,806,805)	
Trade receivables written off during the year		(7,000,215)	(6,779,298)
Net cash flow from operating activities before working capital adjustments		**22,557,350**	**33,702,098**
Working capital adjustments:			
(Increase) / decrease in trade and other receivables	14	(55,249,072)	(4,415,668)
Government Grant Recieveables	18	5,997,769	-
Increase / (decrease) in trade and other payables	17	18,006,026	(11,179,461)
Reclassification between accruals and lease liabilities	16	(27,290,282)	7,433,740
Net cash flow (used in)/ from operating activities		**(35,978,209)**	**25,540,710**
Cash flows from investing activities			
Interest received	8	2,550,543	1,722,388
Purchase of property, plant and equipment	9	(13,795,957)	(3,603,850)
Government capital grant utilised - Capital	18	(109,413,692)	(17,760,987)
Net cash used in investing activities		**(120,659,106)**	**(19,642,449)**
Cash flows from financing activities			
Government capital grant received	18	165,905,755	19,600,024
Repayments on lease liabilities	16	(796,810)	(1,022,580)
Finance cost on lease liabilities	16	(339,901)	(171,962)
Net cash generated from financing activities		**164,769,044**	**18,405,483**
Net increase in cash and cash equivalents		8,131,729	24,303,743
Cash and cash equivalents at beginning of the year		50,588,149	26,284,406
Cash and cash equivalents at end of the year	15	**58,719,878**	**50,588,149**

MATERIAL ACCOUNTING POLICIES

for the year ended 31 March 2025

Corporate Information

Civil Aviation Authority of Botswana (CAAB) is a statutory body established in terms of the Civil Aviation Act of 2011. It has its operations in four international aerodromes in Gaborone, Francistown, Maun and Kasane aswell as other aerodromes in Botswana with the head office in Gaborone.

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards.

Basis of preparation

The financial statements are presented in Botswana Pula, which is also the Authority's functional currency. All financial information presented in Botswana Pula has been rounded to the nearest Pula. The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued and effective at the date of preparing these financial statements. The financial statements have been prepared on the historical cost basis except where described otherwise. The financial statements incorporate the following principal accounting policies which have been consistently followed in all material respects except for the changes set out in the section "Adoption of new and revised International Financial Reporting Standards ".

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Authority's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Authority's financial statements are disclosed in the "Critical accounting estimates and assumptions " section of the financial statements.

Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Authority and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

The residual value, useful life of each asset and, depreciation methods are reviewed at each financial period-end and adjusted prospectively if appropriate. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

Land is not depreciated. Property, plant and equipment in the course of construction are not depreciated as they are not yet available for use. Depreciation is provided on property, plant and equipment on a straight line basis taking into account any residual value. Property, plant and equipment acquired/received through capital grants are depreciated on net of capital grants. The estimated useful lives assigned to property plant and equipment categories are:

Buildings	30 to 50 years
Furniture and fittings	up to 10 years
Equipment	5 to 25 years
Motor vehicles	6 to 10 years
Office equipment	5 to 25 years
Computer equipment	3 to 5 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income in the year the asset is de-recognised.

Work-In-Progress

Work-in-progress includes buildings under construction and machinery under assembly at the reporting date. It is measured by reference to the costs incurred as at the reporting date. The Work-in-progress is capitalised at the date when the economic benefits of the underlying asset start to accrue to the Authority. The capitalised asset will follow the depreciation policy of the related asset class.

MATERIAL ACCOUNTING POLICIES (continued)

for the year ended 31 March 2025

Property, plant and equipment (continued)

Intangible assets

Intangible assets are non-monetary assets which are without physical substance and identifiable (either being separable or arising from contractual or other legal rights). Intangible assets meeting the relevant recognition criteria are initially measured at cost. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Costs associated with maintaining computer and air navigation software programmes are recognised as expenses as incurred. Costs that are directly associated with identifiable and unique software products controlled by the Authority that will probably generate economic benefits exceeding costs beyond one year are recognised as intangible assets. Direct costs include staff costs of the software development team and an appropriate portion of relevant overheads. Intangible assets that are still being developed are disclosed as work-in-progress.

Expenditure which enhances or extends the performance of computer software programmes beyond their original specifications is recognised as a capital improvement and added to the original cost of the software.

Intangible assets are amortised over the economic useful life using the straight-line method and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in deficit/surplus for the year. Intangible assets acquired/received through capital grants are amortised on net of capital grants. The estimated useful life used for arriving at amortisation rate is:

Intangible assets	10 years

Impairment of non-financial assets

The Authority assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Authority makes an estimate of the asset's recoverable amount.

The recoverable amount is the higher of the asset's or cash generating unit's fair value less cost to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written-down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the assets. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by available fair value indicators.

Impairment losses are recognised in surplus or deficit in expense categories consistent with the function of the impaired asset. An assessment is made at each reporting date whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Authority estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in surplus or deficit.

Foreign currencies

a. **Functional currency:** Items included in the financial statements of the Authority are measured using the currency of the primary economic environment in which the Authority operates (functional currency). The financial statements are presented in Botswana Pula ("the presentation currency"), which is the Authority's functional currency.
a. **Transactions and balances:** Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of the transaction. Customers are billed at a monthly average exchange rate. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation of the year end balances of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

MATERIAL ACCOUNTING POLICIES (continued)

for the year ended 31 March 2025

Provisions

Provisions are recognised when the Authority has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Employee entitlements to annual leave and contractual gratuities are recognised when they accrue to employees as a result of services rendered by employees up to the reporting date.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Employee benefits

a. Short-term employee benefits: The cost of short-term employee benefits, those payable within 12 months after the service is rendered, such as annual leave are recognised in the period in which the service is rendered and are not discounted. The short -term employee benefits of the Authority include the following : salaries, paid annual leave and paid sick leave and non-monetary benefits (car, housing, medical aid and subsidised goods and services).

   The cost of termination benefits is recognised only if the Authority is demonstrably committed without any realistic possibility of withdrawing the commitment, by a formal plan to pre-maturely terminate an employee's employment.

b. Defined contribution plan: The Pension Fund was established with effect from 1 March 2011 and was registered as a defined contribution scheme pension fund, in terms of the Pension and Provident Funds Act (Chapter 27:03).

   All permanent employees of the Authority are members of the Pension Fund. Employees contribute 5% of their basic salaries towards the Fund and the Authority contributes 15% of the members pensionable earnings towards the Fund to finance retirement benefits, death benefits and Fund expenses. The Authority does not have any legal or constructive obligation to pay further contributions, if the Fund fails to meet employee benefits at the end of service. For those employees who do not participate in the Pension Fund, provision is made for severance benefits in terms of the Employment Act (Cap 47.01).

Leases
Lessee accounting

Leases are recognised, measured and presented in line with IFRS 16: "Leases ". The Authority recognises a right-of-use asset and a lease liability at the commencement date of the contract for all leases conveying the right to control the use of an identified asset for a period of time.

The right-of-use asset is initially measured at cost, which comprises of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date of the lease and deferred lease asset amount relating to the lease contract at the beginning of the reporting period.

The right-of-use assets are depreciated using the straight line method over the shorter of the assets' useful life and the lease term. The lease term refers to the contractual duration of the lease arrangement while useful life of the assets refers to the time period in which it is anticipated the asset will be able to generate economic benefits. The authority has got right of use assests being operating leases of duration varying from 5 to 50 years.

The right-of-use asset is subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease. Lease payments included in the measurement of the lease liability comprise of the fixed payments and the variable lease payments that depend on the Consumer Price Index (CPI).

The lease liability is subsequently measured at amortised cost using effective interest rate method.

The Authority presents the Right-of-Use Asset separately under Non-current Assets and the Lease Liability separately under Current and Non-Current Liabilities.

MATERIAL ACCOUNTING POLICIES (continued)

for the year ended 31 March 2025

Leases (continued)

Leases of low value assets

The Authority has elected not to recognise right-of-use assets and lease liabilities for leases of low value assets including IT equipment. The Authority recognises lease payments associated with such leases as an expense in the statement of comprehensive income.

Lessor accounting

IFRS 16 does not change substantially how a lessor accounts for leases. Under IFRS 16, a lessor continues to classify leases as either finance leases or operating leases and account for those two types of leases differently.

The Authority only has operating leases for its land and buildings. Revenue generated from these operating leases is accounted for on a straight line basis over the lease term. The Authority makes an allowance for expected credit losses on the operating lease receivables as required by IFRS 9.

As a lessor, the entity retains ownership of underlying leased assets and is exposed to various risks including credit risk, asset deterioration, obsolescence and residual value risk. These risks are actively monitored and managed through regular asset assessments and contractual safeguards embedded in lease agreements.

The Authority employs the following strategies to manage and reduce risks associated with its retained rights in leased assets: Insurance Coverage, Security Deposit, regular inspection and maintenance and lease terms. These measures are intended to safeguard the residual value of the leased assets and ensure continued income generation throughout and beyond the lease term.

Inventory

Inventory is valued at lower of cost and net realisable value at the end of each reporting period. Cost include the cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Obsolete or damaged goods are disposed of or scrapped at the amount they are carried at on the books. Physical stock counts are conducted periodically and at the end of the reporting period.

Financial instruments: IFRS 9

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Authority becomes a party to the contractual provisions of the instrument. Financial instruments held by the Authority are classified in accordance with provisions of IFRS 9 “Financial Instruments” . Broadly, the classification possibilities, which are adopted by the Authority, as applicable, are as follows:

Financial assets which are debt instruments:

Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows); or

Financial liabilities:
Amortised cost

Trade and other receivables

Classification

Trade and other receivables, excluding prepayments, are classified as financial assets subsequently measured at amortised cost. They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and the Authority’s business model is to collect the contractual cash flows on trade and other receivables.

MATERIAL ACCOUNTING POLICIES (continued)

for the year ended 31 March 2025

Financial instruments (continued)

Recognition and measurement

Trade and other receivables are recognised when the Authority becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any. They are subsequently measured at amortised cost. The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

IFRS 9 also requires a simplified approach for measuring the loss allowance at an amount equal to lifetime ECL for trade receivables, contract assets and lease receivables in certain circumstances.

Measurement and recognition of expected credit losses

The Authority adopted simplified approach in determining the expected credit losses on Trade receivables. Expected Credit Loss ("ECL") on Trade receivables has been assessed using provision matrix by grouping customers with shared credit risk characteristics and days past due. The matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both current and forecast direction of conditions at the reporting date. Expected loss rates are determined based on historical losses adjusted to reflect current and forward looking macroeconomic factors, where relevant, affecting the customer's ability to settle the outstanding amount. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

An impairment gain or loss is recognised in profit or loss with a corresponding adjustment to the carrying amount of trade and other receivables, through use of a loss allowance account. The impairment loss is included in the income statement within 'general and administration expenses'.

Credit Management practices

The Authority considers a financial asset to be in default if it is ninety (90) days past due. All reasonable efforts would have been taken within the credit window to collect the dues. All financial assets that are in default are considered to be credit impaired. Credit risk increases once the financial asset becomes past due since origination.

The Authority performs credit risk assessment before onboarding a client based on the nature of services to be rendered and the method of collection. Low credit risk is determined based on the significance of the service being rendered to the customer, availability of alternative service providers to the customer and historical dealings with the customer.

Write off policy

The Authority writes off a receivable when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Receivables written off may still be subject to enforcement activities under the Authority's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Set off policy

Financial assets and liabilities are offset and the net amount reported in the statement of financial position only when there is a current legally enforceable right to offset the amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty or company.

Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value. Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments with original maturities of three (3) months or less and bank overdrafts that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Cash and cash equivalent are measured at amortised cost.

MATERIAL ACCOUNTING POLICIES (continued)

for the year ended 31 March 2025

Financial instruments (continued)

Derecognition of financial assets

The Authority derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Authority neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Authority recognises its retained interest in the asset and an associated liability for amounts it may have to pay. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Classification

Trade and other payables, excluding amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

They are recognised when the Authority becomes a party to the contractual provisions and are measured, at initial recognition, at fair value plus transaction costs, if any. They are subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

If trade and other payables contain a significant financing component and the effective interest method results in the recognition of interest expense, then it is included in profit or loss in finance costs. Trade and other payables expose the Authority to liquidity risk and possibly to interest rate risk.

Derecognition of financial liabilities

The Authority derecognises financial liabilities when and only when, the Authority's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Capital funds

Capital funds refer to the initial capital injected into the Authority by the Government of Botswana and is measured at the fair value of the consideration given. Any additional capital injected is measured on a similar basis.

MATERIAL ACCOUNTING POLICIES (continued)

for the year ended 31 March 2025

Financial instruments (continued)

Government grants

Government grants are recognised when there is reasonable assurance that the Authority will comply with the conditions attached to them and the grants will be received.

a. Government grants related to assets (capital grants)

These are grants whose primary condition is that for the Authority to qualify for them the Authority should purchase, construct or otherwise acquire long-term assets. Subsidiary conditions may also be attached restricting the type or location of the assets or the periods during which they are to be acquired or held.

The Authority presents the grant related to assets in the statement of financial position by deducting the carrying value of the grant against the carrying amount of the asset. The grant is recognised in statement of comprehensive income over the useful lives of depreciable assets as reduced depreciation expenses.

b. Government grants related to income

These are government grants other than those related to assets. These are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate.

A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Authority with no future related costs is recognised as income of the period in which it becomes receivable.

When the grant relates to an expense item, it is recognised on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

Government grants related to income are presented as income in the statement of comprehensive income.
The utilisation of a grant related to income is applied first against any un-amortised deferred credit set up in respect of the grant. To the extent that the repayment exceeds any such deferred credit, or where no deferred credit exists, the repayment is recognised immediately as an expense.

MATERIAL ACCOUNTING POLICIES (continued)

for the year ended 31 March 2025

Deferred income - Government grant advance

Grant received in advance or grant received, but not spent for the purpose of which it is received by the end of reporting date is deferred in the statement of financial position.

Revenue
Aeronautical and Non- Aeronautical Services

The Authority renders Aeronautical and Non- Aeronautical Services. Aeronautical services include en-route navigation, landing, parking and passenger related services. Non-Aeronautical Revenue consists of leases, utility charges and other non-aviation related charges. Utility charges include power and water charges which are recovered from users of such utilities. Revenue from leases is accounted for as per the requirements of IFRS 16 while all other revenue streams are accounted for as per the requirements of IFRS 15. The directors assessed that the provision of Aeronautical and Non- Aeronautical Services constitutes performance obligations that are distinct with revenue recognised at a specific point in time. Revenue is measured based on the consideration to which the Authority expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties.

Step 1: Identify the contract(s) with a customer
Step 2: Identify the performance obligations in the contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to the performance obligations in the contract
Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

- Revenue from rendering navigation services is calculated based on the Maximum Take-Off Weight (MTOW) of aircraft and recognised when the performance obligation has been satisfied.
- Revenue for Landing and parking is based on the Maximum Take-Off Weight (MTOW), subject to a minimum charge and parking duration in the apron of the airport and recognised when the performance obligation has been satisfied.
- Passenger service charge is recognised at the time of departing international and local passengers.
- Regulatory charges are recognised once the performance obligation has been satisfied.
- Revenue contracts are explicitly held with rental customers only.

Debtors are required to pay within thirty (30) days from the invoice date and due to this short term nature debtors are not subject to any financing component.

Rental income

Rental income from operating leases (net of any incentives given to the lessees) is recognised on a straight-line basis over the lease term. This treatment applies regardless of the timing of actual lease payments, ensuring that income is recognised evenly over the period in which the economic benefits from the leased asset are derived.

Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets and recognised on an accrual basis.

Related party transactions

Related parties are defined as those entities where there are common shareholders and directors. Related party transactions consist of amounts due to or from entities under common ownership or control of shareholders and directors. Related party transactions are conducted on mutually agreed terms and conditions in the normal course of business.

Amounts due from related parties are carried at cost, which is the fair value of consideration to be received in the future for goods and services rendered.

Related parties comprise the Government of Botswana, other Government-related entities, directors and senior management of the Authority.

Income tax

The Authority is exempt from income tax under Part I of the second schedule of the Income Tax Act (52:01).

MATERIAL ACCOUNTING POLICIES (continued)

for the year ended 31 March 2025

Adoption of new and revised International Financial Reporting Standards

In the current year, the entity has adopted all the new and revised standards and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective for annual periods beginning on or after 01 April 2024. There has been no significant impact on the financial statements of the Authority resulting from adoption of new and revised International Financial Reporting Standards.

New Standards and Interpretations

Title	Effective date	Impact on the Financials
IFRS S1 - General Requirements for Disclosure of Sustainability - related Financial Information	Annual periods beginning on or after 1 January 2024.	The objective of IFRS S1 is to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to the primary users of general purpose financial reports in making decisions relating to providing resources. This standard has no impact on the Authority's financial reporting.
IFRS S2 - Climate-related Disclosures	Annual periods beginning on or after 1 January 2024.	IFRS S2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing This standard has no impact on the Authority's financial reporting.
Amendment to IFRS 16 – Leases on sale and leaseback	Annual periods beginning on or after 1 January 2024.	These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are This amendment has no impact on the Authorities financial reporting.
Amendment to IAS 7 and IFRS 7-Supplier finance arrangements	The effective date of the amendment is for years beginning on or after 01 January 2024.	IAS 7 and IFRS 7 addresses the disclosure requirements to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. No impact on the Authorities Financial Reporting.
Ammendment to IAS 1-Classification of Liabilities as Current or Non-current	The effective date of the amendment is for years beginning on or after 01 January 2024.	The amendments: a. Specify that an entity's right to defer settlement must exist at the end of the reporting period; b. Clarify that classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement; c. Clarify how lending conditions affect classification; and d. Clarify requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments. e. No impact on the Authorities Financial Reporting
Amendment to IAS 1-Non-current liabilities with covenants	The effective date of the amendment is for years beginning on or after 01 January 2024.	The amendment clarifies the criteria for clasifying liabilities with covenants as current or non current. It will also require entities to provide additional information to stakeholders. No impact expected on the Authority.

MATERIAL ACCOUNTING POLICIES (continued)

for the year ended 31 March 2025

Adoption of new and revised International Financial Reporting Standards (continued)
New Standards and Interpretations (continued)

International Financial Reporting Standards, interpretations and amendments issued but not effective for March 2025 year-end

Title	Effective date	Impact on the Financials
IFRS 18 - Presentation and Disclosure in Financial Statements	The effective date is from 1 January 2027.	IFRS 18 replaces IAS 1 Presentation of Financial Statements. ▪ Requiring additional defined subtotals in the statement of profit or loss; ▪ Requiring disclosures about management-defined performance measures; and ▪ Adding new principles for grouping (aggregation and disaggregation) of information. The Authority will adopt the standard when it becomes effective.
Amendment to IAS 21- Lack of Exchangeability	Annual periods beginning on or after 01 January 2025.	IAS 21 Provides guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. No impact expected. The Authority will adopt the standard when it becomes effective.
IFRS 19 - Subsidiaries without Public Accountability: Disclosures	Annual periods beginning on or after 1 January 2027.	IFRS 19 objective is to specify the disclosure requirements an entity is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards. [IFRS 19:1]. An entity may elect to apply this Standard in its consolidated, separate or individual financial statements if and only if, at the end of the reporting period: [IFRS 19:7] ▪ It is a subsidiary; ▪ It does not have public accountability; and ▪ It has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards. No impact expected on the Authority.
Contracts Referencing Nature-dependent Electricity-Amendments to IFRS 9 and IFRS 7	Annual reporting periods beginning on or after 1 January 2026. Companies can apply the amendments earlier.	Current accounting requirements may not adequately capture how nature dependent electricity contracts affect a company's performance. The amendments include: ▪ Clarifying the application of the 'own-use' requirements; ▪ Permitting hedge accounting if these contracts are used as hedging instruments; and ▪ Adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows. No impact expected on the Authority.
IAS 7 - Statement of Cash Flows	The amendments need to be applied when IFRS 18 is applied which is effective for annual periods beginning on or after 1 January 2027.	The amendments require all companies to use the operating profit subtotal as defined in IFRS 18 as the starting point for the indirect method of reporting cash flows from operating activities. Additionally, the presentation alternatives for cash flows related to interest and dividends paid and received will be removed. No impact expected. The Authority will adopt the standard when it becomes effective.

MATERIAL ACCOUNTING POLICIES (continued)

for the year ended 31 March 2025

Adoption of new and revised International Financial Reporting Standards (continued)
New Standards and Interpretations (continued)

International Financial Reporting Standards, interpretations and amendments issued but not effective for March 2025 year-end

Title	Effective date	Impact on the Financials
Ammendments to IFRS 1 - First Time Adoption of International Financial Reporting Standards	The amendments are effective for annual reporting periods beginning on or after 1 January 2026.	Hedge accounting by a first-time adopter. The amendment addresses a potential confusion arising from an inconsistency in wording between paragraph B6 of IFRS 1 and requirements for hedge accounting in IFRS 9 Financial Instruments. No impact expected on the Authority
IFRS 10 Consolidated Financial Statements	The amendments are effective for annual reporting periods beginning on or after 1 January 2026.	Determination of a 'de facto agent'. The amendment addresses a potential confusion arising from an inconsistency between paragraphs B73 and B74 of IFRS 10 related to an investor determining whether another party is acting on its behalf by aligning the language in both paragraphs. No impact expected on the Authority
IFRS 10/IAS 28 — Sales or contributions of assets between an investor and its associate/joint venture	Deferred indefinitely by amendments.	Amendments to IAS 28 ▪ The requirements on gains and losses resulting from transactions between an entity and its associate or joint venture have been amended to relate only to assets that do not constitute a business. ▪ A new requirement has been introduced that gains or losses from downstream transactions involving assets that constitute a business between an entity and its associate or joint venture must be recognised in full in the investor's financial statements. ▪ A requirement has been added that an entity needs to consider whether assets that are sold or contributed in separate transactions constitute a business and should be accounted for as a single transaction. Amendments to IFRS10 ▪ An exception from the general requirement of full gain or loss recognition has been introduced into IFRS 10 for the loss control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method. ▪ New guidance has been introduced requiring that gains or losses resulting from those transactions are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement at fair value of investments retained in any former subsidiary that has become an associate or a joint venture that is accounted for using the equity method are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2025

1 Critical accounting estimates and judgements

In preparing the financial statements management is required to make estimates and assumptions that affect reported income, expenses, assets, liabilities and disclosures of contingent assets and liabilities. Use of available information and the application of judgement are inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the financial statements.

In applying the Authority's accounting policies, the following estimates and judgements have been made which carry the risk of causing significant material adjustments to the carrying value of asset and liabilities within the next year:

a. **Treatment of grants received from Government:** Taking into account its nature and substance, the Authority considers amounts that it receives from the Government to fall within the scope of IAS 20 Accounting for Government Grants and Disclosure of Government Assistance . In reaching this conclusion, the Authority considers the terms attached to each of the grants received and the current practice adopted by other parastatals in Botswana. Accordingly, the Authority recognises the amounts received in accordance with the accounting policy as included in note 4.1 - Government grants.

b. **Impairment of trade receivable:** The measurement of the expected credit loss allowance for financial assets measured at amortised cost is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses). A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as: choosing appropriate models and assumptions for the measurement of ECL; Establishing groups of similar financial assets for the purposes of measuring ECL.

   The Authority adopted the simplified approach in determining the expected credit losses on trade receivables. Expected Credit Losses ("ECL") on trade receivables have been assessed using provision matrix by grouping customers with shared credit risk characteristics and days past due.

   Expected loss rates are determined based on historical losses adjusted to reflect current and forward looking macroeconomic factors, where relevant, affecting the customer's ability to settle the outstanding amount. For trade receivables, one (1) year historical data are used to determine the historical loss rate as no reliable data was available for the period beyond. Further, it was deemed appropriate as recent data provides loss pattern and there's no any cyclical impact in Authority's operations.

   In relation to forward looking macroeconomic factors, consideration was made based on country's GDP and it is assessed to be stable. As a result, the impact of macro economic factors is considered to be insignificant. Further, due to short term nature of receivable, it is anticipated that no significant changes impacting credit losses will occur in the short term.

c. **Useful lives of property, plant and equipment:** The Authority reviews the estimated useful lives of property, plant and equipment and residual values at the end of each reporting period. If there is any material changes in the condition of the assets that significantly affects the useful lives of the item of property, plant and equipment, an adjustment is made prospectively.

d. **Impairment of property, plant and equipment:** The Authority reviews the carrying amount of property, plant and equipment to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

e. **Provision for obsolete inventory:** The authority reviews the net realisable value (NRV) of inventories on a periodic basis in order to determine whether the inventory is being held in the books at the lower of cost and NRV.

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2025

2 Risk Management

Capital Risk Management

The Authority's objectives when managing capital are to safeguard the Authority's ability to continue as a going concern in order to provide benefits for stakeholders. In managing capital, the Authority strives to provide maximum benefits to stakeholders at the lowest possible cost. There were no borrowings during the year under review. There are no externally imposed capital requirements and there have been no changes to what the Authority manages as capital, the strategy for capital maintenance or externally imposed capital requirements from the previous year. The Authority regards its retained earnings as capital. The Authority's capital is as follows:

	2025 Pula	2024 Pula
Capital Funds	20,958,037	20,958,037
Retained Earnings	13,665,653	(23,193,625)
	34,623,690	**(2,235,588)**

Financial Risk Management

The Authority's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Authority's financial performance. Risk management is carried-out under policies approved by the Board. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments, non-derivative financial instruments and investment of excess liquidity.

The Authority's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. Exposure to interest risk and credit risk is experienced in the normal course of business. However, the Authority does not hold or issue derivative financial instruments for trading purposes which are more vulnerable to such risks. Instead, the Authority's principal financial liabilities comprise trade and related party payables. The Authority also has various financial assets such as receivables, cash and short-term deposits which arise directly from its operations.

a. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Authority's income or the value of its financial instruments. The objective of the market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the return.

Foreign exchange risk

In the normal course of business, the Authority enters into some transactions denominated in foreign currencies. In addition, the Authority has receivables and liabilities in foreign currencies mainly in the United States Dollars (USD), the Great Britain Pounds (GBP), the Euro (EUR) and the South African Rand (ZAR). As a result, the Authority is exposed to fluctuations in foreign currency exchange rates. To manage the foreign exchange risk arising from these transactions the Authority keeps the revenue received and expenses incurred in customer or vendor currency in foreign currency bank accounts from which all foreign currency denominated goods and services are paid.

At 31 March 2025, if Botswana Pula had strengthened by 10% against the other currencies with all other variables held constant, the favourable impact to income statements is P3,958 477 (2024: P2,470,347). At 31 March 2025, if Botswana Pula had weakened by 10% against the other currencies with all other variables held constant, the unfavourable impact to income statements is P1,011,031 (2023: P 2,077,006).

Price Risk

The Authority is not exposed to price risk as it does not have any financial instruments that will fluctuate due to changes in market prices.

Interest rate risk

Fluctuations in interest rates impact on the value of short-term cash investments and financing activities, giving rise to interest rate risk. Surplus funds are invested in a manner to achieve maximum returns while minimising risk. An increase of 1% in the interest rate in short-term cash deposits would increase interest income by P574, 999 (2023: P178,875).

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

2 Risk Management (continued)
Financial Risk Management (continued)

b. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close-out market positions. Due to the dynamic nature of the underlying businesses, management of the Authority aims to maintain flexibility in funding by keeping committed credit lines available.

The following tables detail the Authority's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Authority can be required to pay.

	2025 Pula	2024 Pula
Less than 1 year		
Lease liabilities	946,710	48,319,135
Trade and other payables	52,839,062	23,869,559
	53,785,772	**72,188,694**
More than 1 year		
Lease liabilities	**3,231,945**	**252,984,154**

c. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Authority. As at 31 March 2025, the Authority's maximum exposure to credit risk which will cause a financial loss due to failure to discharge an obligation by the counterparties arises from the carrying amount of the respective recognised financial assets as stated in the statement of financial position.

In order to minimise credit risk, the Authority has adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. Credit approvals and other monitoring procedures are also in place to ensure that follow-up action is taken to recover overdue debts. Furthermore, the Authority reviews the recoverable amount of each trade debt on an individual basis at the end of each month to ensure that adequate loss allowance is made for irrecoverable amounts. In this regard, the directors consider that the Authority's credit risk is significantly reduced. The Authority does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets. Financial assets of the Authority, which are subject to credit risk, consist mainly of trade and other receivable and cash resources. The Authority holds cash deposits with reputable financial institutions.

The Authority applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all short-term receivables. To measure the expected credit losses, short-term receivables have been grouped based on shared credit risk characteristics and the days past due. The loss allowance as at 31 March 2025 is determined as follows.

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2025

2 Risk Management (continued)
Financial Risk Management (continued)
C. Credit Risk (continued

Expected Credit loss Default Rates at 31 March 2025

Customer Grouping	Current	1-30 Past due	31-60 Past due	61-90 Past due	Over 90 Past due
Utilities	1%	2%	2%	-	4%
Rental	1%	2%	3%	4%	91%
IATA	0%	12%	14%	-	40%
Overflights	1%	2%	3%	3%	70%
Aeronautics	1%	2%	3%	3%	100%
ATNS	9%	20%	24%	29%	85%
SITA	1%	-	-	-	8%
Air Botswana	15%	15%	14%	14%	10%

Expected Credit loss Default Rates at 31 March 2024

Customer Grouping	Current	1-30 Past due	31-60 Past due	61-90 Past due	Over 90 Past due
Local Aviation Debtors	1%	1%	3%	3%	77%
Rental Debtors	3%	4%	9%	0%	99%
IATA Debtors	0%	7%	9%	10%	11%
Overflight Debtors	4%	9%	36%	62%	141%
Utilities Debtors	4%	6%	9%	9%	12%
Air Botswana	21%	21%	20%	20%	13%
ATNS Debtors	7%	26%	32%	32%	96%
SITA Switzerland Sarl	2%	0%	7%	0%	17%

Trade Receivables: Gross Carrying Amounts at 31 March 2025

Customer Grouping	Current	1-30 Past due	31-60 Past due	61-90 Past due	Over 90 Past due	Total
	Pula	Pula	Pula	Pula	Pula	Pula
Utilities	47,319	39,304	11,917	-	617,660	716,200
Rental	729,639	328,856	218,209	182,903	7,985,563	9,445,170
IATA	19,741,242	108,450	219,996	-	3,040,106	23,109,794
Overflights	32,667	10,281	7,644	78	52,702	103,373
Aeronautics	8,350,888	1,648,867	164,552	57,992	575,826	10,798,125
ATNS	958,209	433,974	355,303	521,487	3,496,870	5,765,844
SITA	331,623	-	-	-	152,611	484,235
Air Botswana	3,566,934	6,031,391	3,835,657	427,775	21,535,180	35,396,937
Total	**33,758,522**	**8,601,123**	**4,813,278**	**1,190,235**	**37,456,518**	**85,819,676**

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2025

2 Risk Management (continued)
Financial Risk Management (continued)
C. Credit Risk (continued

Trade Receivables: Gross Carrying Amounts at 31 March 2024

Customer Grouping	Current	1-30 Past due	31-60 Past due	61-90 Past due	Over 90 Past due	Total
	Pula	Pula	Pula	Pula	Pula	Pula
Local Aviation Debtors	5,475,119	1,456,996	15,835	170,641	4,477,194	11,595,785
Rental Debtors	967,814	500,086	550,650	-	12,929,486	14,948,036
IATA Debtors	15,502,732	380,054	635,872	442,191	5,842,587	22,803,436
Overflight Debtors	12,315	36,364	3,473	11,845	2,313,693	2,377,690
Utilities Debtors	46,437	62,304	133	5,123	592,970	706,967
Air Botswana	2,665,755	965,463	31,000	436,317	3,675,567	7,774,102
ATNS Debtors	1,798,482	422,687	296,000	339,478	2,309,267	5,165,914
SITA Switzerland Sarl	290,458	-	147,137	-	47,212	484,807
Total	**26,759,111**	**3,823,954**	**1,680,101**	**1,405,595**	**32,187,976**	**65,856,737**

Expected Credit Loss (ECL) Allowance at 31 March 2025

Customer Grouping	Current	1-30 Past due	31-60 Past due	61-90 Past due	Over 90 Past due	Total
	Pula	Pula	Pula	Pula	Pula	Pula
Utilities	330	644	274	-	26,888	28,136
Rental	7,786	6,483	6,538	6,823	7,243,007	7,270,636
IATA	39,809	13,340	31,510	-	1,225,772	1,310,431
Overflights	179	165	196	3	36,648	37,192
Aeronautics	66,801	29,788	4,346	1,938	576,156	679,028
ATNS	88,202	87,806	85,901	149,307	3,009,875	3,421,091
SITA	2,649	-	-	-	11,446	14,095
Air Botswana	542,405	895,261	555,293	60,349	2,115,484	4,168,793
Total	**748,161**	**1,033,488**	**684,059**	**218,420**	**14,245,276**	**16,929,403**

Expected Credit Loss (ECL) Allowance at 31 March 2024

Customer Grouping	Current	1-30 Past due	31-60 Past due	61-90 Past due	Over 90 Past due	Total
	Pula	Pula	Pula	Pula	Pula	Pula
Local Aviation Debtors	33,650	17,111	431	4,641	3,429,778	3,485,611
Rental Debtors	30,284	21,259	51,179	-	12,740,193	12,842,914
IATA Debtors	38,792	26,694	54,648	44,307	662,178	826,619
Overflight Debtors	519	3,142	1,257	7,323	3,268,074	3,280,315
Utilities Debtors	1,883	3,664	12	475	71,254	77,288
Air Botswana	567,361	200,168	6,254	85,555	470,699	1,330,038
ATNS Debtors	120,620	111,706	93,761	107,533	2,222,298	2,655,918
SITA Switzerland Sarl	5,525	-	10,029	-	8,045	23,599
Total	**798,636**	**383,743**	**217,571**	**249,834**	**22,872,518**	**24,522,302**

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2025

2 Risk Management (continued)
Financial Risk Management (continued)
C. Credit Risk (continued

Financial assets with the maximum exposure to credit risk at the year-end were as follows:

	2025 Pula	2024 Pula
Trade receivables (gross)	85,819,676	65,856,739
Other receivables	36,754,357	2,407,750
Less: Impairment provision	(16,929,403)	(24,522,303)
Net trade and other receivables	**105,644,630**	**43,742,186**
Cash and cash equivalents:		
Access Bank Botswana Limited	20,326,584	9,575,640
Stanbic Bank Botswana Limited	34,268,456	35,163,498
ABSA Bank Botswana Limited	4,105,570	5,820,450
	58,700,610	**50,559,588**
Total maximum amount exposed to credit risk	**164,345,240**	**94,301,774**

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2025

	2025 Pula	2024 Pula
3 INCOME		
3.1 Government grants		
Government subvention income	142,429,990	137,533,949
	142,429,990	**137,533,949**
3.2 Revenue earned		
Performance obligations satisfied at a point in time		
Aeronautical revenue	233,915,493	216,559,720
Performance obligations satisfied over time		
Non-aeronautical revenue	90,650,241	48,000,732
	324,565,734	**64,560,452**

Maturity Analysis	< 1 year	1–2 years	2–3 years	3–4 years	4–5 years
Lease payments (Pmt)	25,147,732	27,159,550	29,332,314	31,678,899	34,213,211
Lease Total	**25,147,732**	**27,159,550**	**29,332,314**	**31,678,899**	**34,213,211**

	2025 Pula	2024 Pula
4 EMPLOYEE COST		
Salaries and allowances	272,585,715	255,126,278
Group insurance	3,906,559	4,635,134
Other staff costs	31,662,551	13,856,313
	308,154,825	**273,617,725**
Average number of employees		
Permanent	877	875
Temporary	57	33
Defined pension contribution plan expenses included in the above salaries and allowances are as follows:		
Authority's contribution	**26,279,599**	**23,710,116**
5 OTHER OPERATING COSTS		
Stores, spares and consumables	17,434,564	13,178,873
Utilities	22,043,238	17,923,616
Repairs and maintenance	32,839,194	23,699,767
General office and administration	52,467,952	45,213,764
	124,784,948	**100,016,020**

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2025

	2025 Pula	2024 Pula
6 SURPLUS/DEFICIT FOR THE YEAR FROM OPERATING ACTIVITIES		
Surplus/deficit for the year from operating activities is stated after charging the following:		
Remuneration paid to executive management	6,625,972	6,625,972
Accounts receivable impairment/ (reversal) charges	(592,685)	1,067,460
Auditors remuneration	594,634	535,659
Sitting allowance for Board members	558,176	381,217
Employee costs	301,528,853	266,991,753
Depreciation of property, plant and equipment	3,479,744	3,172,530
Amortisation of intangible asset	651,420	651,420
Depreciation on lease right-of-use asset	1,056,717	7,465,486
Motor vehicle expenses	8,793,131	6,627,019
Consumables	8,641,433	6,551,854
Water charges	5,844,898	5,289,168
Electricity	16,198,340	12,634,448
Repairs and maintenance	32,839,194	23,699,767
Insurance	8,785,935	7,690,963
Communication expenses	4,839,594	4,877,389
Subscriptions	2,609,482	3,699,628
Legal and other professional fees	9,010,271	3,591,482
Other general office and administration	20,881,979	13,147,990
7 FINANCE COST		
Interest on lease liability	339,901	18,945,567
	339,901	**18,945,567**
8 FINANCE INCOME		
Interest income on bank deposits	2,550,543	1,722,388

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2025

9 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment funded by capital grants

	Land Pula	Buildings Pula	Furniture and Fittings Pula	Equipment Pula	Office equipment Pula	Computer equipment Pula	Motor vehicles Pula	Work-in-progress Pula	Total Pula
For the year ended 31 March 2024									
COST									
At beginning of the year - as previously stated	160,424,458	3,874,712,500	11,730,598	490,262,899	83,822,767	14,282,943	56,852,667	17,834,358	4,709,923,190
Additions	-	-	-	-	-	-	-	17,760,987	17,760,987
Transfers from work-in-progress	-	-	-	-	-	-	-	(4,927,077)	-
Work-in-progress expensed	-	-	-	4,927,077	-	-	-	(486,666)	(486,666)
	160,424,458	**3,874,712,500**	**11,730,598**	**495,189,976**	**83,822,767**	**14,282,943**	**56,852,667**	**30,181,602**	**4,727,197,511**
Accumulated Depreciation									
At beginning of the year	-	845,438,866	5,503,837	299,429,669	45,361,097	8,811,212	41,750,959	-	1,246,295,640
Depreciation charge for the year	-	82,441,570	558,601	29,713,769	5,976,331	874,794	2,307,540	-	121,872,605
	-	**927,880,436**	**6,062,438**	**329,143,438**	**51,337,428**	**9,686,006**	**44,058,499**	**-**	**1,368,168,245**
Net Book Value									
At beginning of the year	160,424,458	3,029,273,634	6,226,761	190,833,230	38,461,670	5,471,731	15,101,708	17,834,358	3,463,627,550
At the end of the year (restated)	**160,424,458**	**2,946,832,064**	**5,668,160**	**166,046,538**	**32,485,339**	**4,596,937**	**12,794,168**	**30,181,602**	**3,359,029,266**
Carrying value of capital grant	**(160,424,458)**	**(2,946,832,064)**	**(5,668,160)**	**(166,046,538)**	**(32,485,339)**	**(4,596,937)**	**(12,794,168)**	**(30,181,602)**	**(3,359,029,266)**
Net book value at end of the year	-	-	-	-	-	-	-	-	-
For the year ended 31 March 2025									
COST									
At beginning of the year	160,424,458	3,874,712,500	11,730,598	495,189,976	83,822,767	14,282,943	56,852,667	30,181,602	4,727,197,511
Additions	-	-	-	-	-	-	27,805,192	78,453,151	106,258,343
Transfers from work-in-progress	-	-	-	10,008,762	-	8,492,993	-	(18,501,754)	-
Work-in-progress expensed	-	-	-	-	-	-	-	(6,897,235)	(6,897,235)
Disposals	-	-	(78,612)	(134,125)	(24,156)	(124,061)	(214,394)	-	(575,347)
	160,424,458	**927,880,436**	**11,651,986**	**505,064,613**	**83,798,612**	**22,651,875**	**84,443,465**	**83,235,764**	**4,825,983,272**
Accumulated Depreciation									
At beginning of the year	-	927,880,436	6,062,438	329,143,438	51,337,428	9,686,006	44,058,499	-	1,368,168,245
Depreciation charge for the year	-	82,294,326	557,400	28,744,649	5,918,380	1,551,010	2,475,519	-	121,541,284
Disposals	-	-	(128,693)	(178,655)	(79,683)	(111,654)	(192,955)	-	(691,639.63)
	-	**1,010,174,762**	**6,491,145**	**357,709,432**	**57,176,125**	**11,125,362**	**46,341,063**	**-**	**1,489,017,889**
Net Book Value									
At beginning of the year	160,424,458	2,946,832,064	5,668,160	166,046,538	32,485,339	4,596,937	12,794,168	30,181,602	3,359,029,266
At the end of the year	**160,424,458**	**2,864,537,738**	**5,160,841**	**147,355,181**	**26,622,486**	**11,526,513**	**38,102,403**	**83,235,764**	**3,336,965,383**
Carrying value of capital grant	(160,424,458)	(2,864,537,738)	(5,160,841)	(147,355,181)	(26,622,486)	(11,526,513)	(38,102,403)	(83,235,764)	(3,336,965,383)
Net book value at end of the year	-	-	-	-	-	-	-	-	-

*Work-in-progress includes buildings under construction and machinery under assembly at the reporting date.
*Fully depreciated assets included above have a cost value of P132,151,152 with a net book value of P13,214,236.

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2025

9 Property, plant and equipment (continued)

(b) Property, plant and equipment financed through internally generated funds

	Land Pula	Buildings Pula	Furniture and Fittings Pula	Equipment Pula	Office equipment Pula	Computer equipment Pula	Motor vehicles Pula	Work-in-progress Pula	Total Pula
For the year ended 31 March 2024									
COST									
At beginning of the year	-	3,017,118	4,187,386	17,870,804	3,097,524	15,703,741	1,477,976	2,259,015	47,613,564
Transfers from work-in-progress	-	-	-	-	-	-	-	-	-
Work-in-progress expensed	-	-	-	-	-	-	-	-	-
Additions	-	62,000	275,348	526,484	171,166	1,043,852	1,525,000	-	3,603,850
	-	**3,079,118**	**4,462,734**	**18,397,288**	**3,268,690**	**16,747,593**	**3,002,976**	**2,259,015**	**51,217,414**
Accumulated Depreciation									
At beginning of the year	-	2,968,071	4,152,890	12,207,538	1,695,507	9,676,811	1,392,761	-	32,093,578
Depreciation charge for the year	-	16,266	302,228	754,805	162,180	1,729,887	207,164	-	3,172,530
	-	**2,984,337**	**4,455,118**	**12,962,343**	**1,857,687**	**11,406,698**	**1,599,925**	**-**	**35,266,108**
Net Book Value									
At beginning of the year	-	49,047	34,496	5,663,266	1,402,017	6,026,930	85,215	2,259,015	15,519,986
At the end of the year	**-**	**94,781**	**7,616**	**5,434,945**	**1,411,003**	**5,340,895**	**1,403,051**	**2,259,015**	**15,951,306**
For the year ended 31 March 2025									
COST									
At beginning of the year	-	3,079,118	4,462,734	18,397,288	3,268,690	16,747,593	3,002,976	2,259,015	51,217,414
Transfers from work-in-progress	-	858,280	654,825	229,040	392,631	125,001	-	(2,259,777)	-
Work-in-progress expensed	-	-	-	-	-	-	-	(1,311,176)	(1,311,176)
Additions	-	-	682,180	1,626,570	236,576	3,541,141	-	7,709,491	13,795,957
Disposals	-	-	(251,075)	(144,359)	(188,053)	(795,405)	(759,589)	-	(2,138,482)
	-	**3,937,398**	**5,548,663**	**20,108,539**	**3,709,844**	**19,618,330**	**2,243,387**	**6,397,552**	**61,563,713**
Accumulated Depreciation									
At beginning of the year	-	2,984,337	4,455,118	12,962,343	1,857,687	11,406,698	1,599,925	-	35,266,108
Depreciation charge for the year	-	102,008	305,756	874,512	189,779	1,733,190	274,500	-	3,479,744
Disposals	-	-	(166,691)	(51,619)	(111,306)	(657,756)	(683,630)	-	(1,671,002)
	-	**3,086,345**	**4,594,182**	**13,785,236**	**1,936,160**	**12,482,132**	**1,190,795**	**-**	**37,074,850**
Net Book Value									
At beginning of the year	-	94,781	7,616	5,434,945	1,411,003	5,340,895	1,403,051	2,259,015	15,951,306
At the end of the year	**-**	**851,053**	**954,481**	**6,323,302**	**1,773,684**	**7,136,198**	**1,052,592**	**6,397,552**	**24,488,863**

*Work-in-progress includes buildings under construction and machinery under assembly at the reporting date.
*Fully depreciated assets included above have a cost value of P15,339,005 with a net book value of P1,533,896.

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2025

10 INTANGIBLE ASSETS

(a) Intangible assets funded by capital grants

	Computer software Pula	Work-in progress Pula	Total Pula
For the year ended 31 March 2024			
COST			
Balance at beginning of the year	71,627,028	-	71,627,028
Balance at end of year	**71,627,028**	**-**	**71,627,028**
Accumulated Armotisation			
Balance at beginning of year	63,124,425	-	63,124,425
Amortisation during the year	4,619,800	-	4,619,800
Balance at end of year	**67,744,224**	**-**	**67,744,224**
Net Book Value			
At beginning of the year	8,502,603	-	8,502,603
	3,882,804	-	3,882,804
Carrying value of capital grant	(3,882,804)	-	(3,882,804)
Net book value at end of year	**-**	**-**	**-**
For the year ended 31 March 2025			
COST			
Balance at beginning of the year	71,627,028	-	71,627,028
Additions	-	3,155,349	3,155,349
Transfer from work-in-progress	3,155,349	(3,155,349)	-
Balance at end of year	**74,782,377**	**-**	**74,782,377**
Accumulated Armotisation			
Balance at beginning of year	67,744,224	-	67,744,224
Amortisation during the year	4,084,020	-	4,084,020
Balance at end of year	**71,828,244**	**-**	**71,828,244**
Net Book Value			
At beginning of the year	3,882,804	-	3,882,804
At the end of the year	2,954,133	-	2,954,133
Carrying value of capital grant	(2,954,133)	-	(2,954,133)
Net book value at end of year	-	-	-

**Fully depreciated assets included above have a cost value of P63,646,676.01 with a net book value of nil (P.00).*

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2025

10 Intangible assets (continued)
(b) Intangible assets funded from internally generated funds

	Computer software Pula	Work-in progress Pula	Total Pula
For the year ended 31 March 2024			
COST			
Balance at beginning of the year	9,733,544	-	9,733,544
Balance at end of year	**9,733,544**	**-**	**9,733,544**
Accumulated Armotisation			
Balance at beginning of year	5,638,802	-	5,638,802
Amortisation during the year	651,420	-	651,420
Balance at end of year	**6,290,222**	**-**	**6,290,222**
Net Book Value			
At beginning of the year	4,094,742	-	4,094,742
Net book value at end of year	**3,443,322**	**-**	**3,443,322**
For the year ended 31 March 2025			
COST			
Balance at beginning of the year	9,733,544	-	9,733,544
Balance at end of year	**9,733,544**	**-**	**9,733,544**
Accumulated Armotisation			
Balance at beginning of year	6,290,222	-	6,290,222
Amortisation during the year	651,420	-	651,420
Balance at end of year	**6,941,642**	**-**	**6,941,642**
Net Book Value			
At beginning of the year	3,443,322	-	3,443,322
At the end of the year	**2,791,902**	**-**	**2,791,902**

**Fully depreciated assets included above have a cost value of P3,219,343 with a net book value of nil (P.00).*

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2025

	2025 Pula	2024 Pula
11 RIGHT OF USE LEASE ASSET		
COST		
Balance at beginning of the year	272,754,873	86,196,491
Modification	-	10,882,310
Additions	-	177,891,480
De-recognition during the year	(267,471,288)	(2,215,407)
Balance at end of the year	**5,283,585**	**272,754,873**
Accumulated Armotisation		
Balance at beginning of the year	8,526,387	4,939,971
De-recognition during the year	(8,086,092)	(3,879,070)
Armotisation during the year	1,056,717	7,465,486
Balance at end of the year	**1,497,012**	**8,526,387**
Net Book Value		
At the beginning of the year	264,228,486	81,256,520
At the end of the year	**3,786,573**	**264,228,486**

The Authority has only one right-of-use assets from its rental lease for an office building. It is deemed a finance lease. The lease term is 5 years. The lease does not have specific extention options, termination options or residual value guarantees.

	2025 Pula	2024 Pula
12 DEFERRED LEASE ASSETS		
COST		
Current assets	8,518,944	9,250,248
Non-current assets	(1,994,228)	(731,304)
Balance at end of the year	**6,524,716**	**8,518,944**
Balance at beginning of the year	1,062,827	1,132,106
De-recognition during the year	5,461,889	7,386,838
	6,524,716	**8,518,944**

Authority earns rental income from offices, shops, hangers, parking etc and above rent straight-line adjustment refers to smoothening of rental over the lease period. All the Authority's leasing arrangements are operating leases. The rental income earned during the reporting period is as follows:

	2025 Pula	2024 Pula
Rental income	33,178,929	25,592,674

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2025

	2025 Pula	2024 Pula
13 INVENTORY		
Spares for machinery	1,055,576	1,055,576

Inventories written down and recognised as an expense during the reporting period are P nil (2023: P nil).

	2025 Pula	2024 Pula
14 TRADE AND OTHER RECEIVABLES		
Trade receivables	85,819,676	65,856,739
Impairment loss allowance	(16,929,403)	(24,522,303)
Trade receivables - net	68,890,273	41,334,436
Other receivables	36,754,357	2,407,750
Prepayments	4,731,693	3,792,165
	110,376,323	**47,534,351**

Due to the short term nature, the fair values of trade and other receivable is same as its carrying value.

Reconciliation of Impairment Loss Allowance

	2025 Pula	2024 Pula
Opening impairment allowance	(24,522,303)	(30,234,141)
Trade receivables impaired during the year	7,000,215	6,779,298
(Increase) / Decrease in impairment loss allowance recognised in profit or loss during the year	592,685	(1,067,460)
Closing balance	**(16,929,403)**	**(24,522,303)**

	2025 Pula	2024 Pula
15 CASH AND CASH EQUIVALENTS		
Cash on hand	19,268	28,561
Cash at bank	1,200,648	2,172,133
Short-term deposits with banks	57,499,962	48,387,455
	58,719,878	**50,588,149**

Cash at bank earns interest at floating interest rates on daily deposit balances. Short-term deposits are made for a maximum period of three months. The fair value of cash and short-term deposits approximates its carrying value.

	2025 Pula	2024 Pula
For purposes of the cash flow statement, cash and cash equivalents at year end is as follows:		
Cash on hand	19,268	28,561
Cash at bank	1,200,648	2,172,133
Short-term deposits with banks	57,499,962	48,387,455
	58,719,878	**50,588,149**

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2025

16 LEASE LIABILITIES

	2025 Pula	2024 Pula
Balance at beginning of the year	301,303,289	85,681,071
Reclassification between accruals and lease liabilities	(27,290,282)	6,239,198
Modification	-	12,545,973
Addition	-	177,891,481
De-recognition	(269,037,542)	-
Finance cost during the year	339,901	18,945,567
Repayments during the year	(1,136,711)	-
Balance at end of the year	**4,178,655**	**301,303,289**
Non - current portion	3,231,945	252,984,154
Current portion	946,710	48,319,135
	4,178,655	**301,303,289**

During the year, the land board lease payments for airfields were revised from a rate of BWP0.55 per square meter to a fixed fee of BWP 5,000 per airfield. This revision led to the derecognition of these leases in accordance with IFRS 16 requirements, which resulted in a substantial reduction in both the lease liability and right of use assets.

Maturity Analysis	< 1 year	1-2 years	2-3 years	3-4 years	Total
Lease payments (Pmt)	1,221,131	1,306,610	1,398,073	847,900	4,773,714
Less: Interest portion	(274,421)	(197,427)	(107,575)	(15,636)	(595,059)
Lease liability	**946,710**	**1,109,183**	**1,290,498**	**832,264**	**4,178,655**

The lease is left with less than four (4) years to expiry. At this point there are no indicators that it will be renewed.

17 TRADE AND OTHER PAYABLES

	2025 Pula	2024 Pula
Trade payables	46,920,777	18,712,793
Payroll related accruals	36,997,941	47,961,418
Retention payable	1,712,781	707,935
Security deposits	2,733,185	2,206,501
Other payables	1,472,319	2,242,330
	89,837,003	**71,830,977**

Trade and other payables are non interest bearing and have an average term of 30 days.

18 DEFERRED INCOME- GOVERNMENT GRANT ADVANCES

	2025 Pula	2024 Pula
Balance at beginning of year	20,421,456	18,582,419
Amount received	165,905,755	19,600,024
Government grant receivable	5,997,769	-
Utilised for Property Plant and Equipment	(3,155,349)	(17,760,987)
Utilised for Intangible Asset	(106,258,343)	-
Operating Expenditure	(3,806,805)	-
	79,104,483	**20,421,456**

Deferred income relates to monies received from the Government of Botswana for purposes of undertaking specific development expenditure that has not yet been spent.

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2025

19 RELATED PARTY DISCLOSURES

Civil Aviation Authority of Botswana is an organisation wholly owned and controlled by the Government of Botswana under the Ministry of Transport and Public Works as per the Civil Aviation Act of 2011.

Key management personnel are those persons responsible for planning, directing and controlling the activities of the Authority directly or indirectly. For the Authority this includes the directors (executive and non-executive) and managers.

All related party transactions and balances are non-interest bearing and un-secured. There are no guarantees for transactions with related parties. The following transactions were carried out with related parties.

	2025 Pula	2024 Pula
Revenue Grants from Government of Botswana	142,429,990	137,533,949
Capital Grants from Government of Botswana	165,905,755	19,600,024
Remuneration paid to executive management		
Short-term employee benefits	8,035,610	6,625,972
	8,035,610	**6,625,972**
Board sitting fees	**558,176**	**381,217**

The following parties are related to Civil Aviation Authority of Botswana through common ownership with the Government of Botswana.

	2025 Pula	2024 Pula
Purchases From Related Parties		
Air Botswana	460,680	364,690
Botswana Defence Force	26,250	-
Botswana Post	132,086	130,156
Botswana Power Corporation	16,019,733	13,145,361
Botswana Public Officers Pension Fund	6,433,222	756,141
Botswana Telecommunications Corporation	5,282,408	4,876,714
Gaborone City Council	-	700,694
Water Utilities Corporation	5,787,673	4,745,477
	34,142,052	**24,719,233**
Sales to Related Parties		
Air Botswana	40,270,790	36,480,048
Botswana Defence Force	496,775	486,132
Botswana Fibre Network	95,766	84,979
Botswana Investment & Trade Centre (BITC)	94,533	-
Botswana Police Service	167,400	221,567
Botswana Postal Services	425,521	364,508
Botswana Telecommunications Corporation	148,549	128,858
Botswana Tourism Organisation	26,614	-
Botswana Unified Revenue Services	9,882	9,515
Directorate of Intelligence Security Services	165,457	152,681
	41,901,287	**37,928,288**

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 March 2025

19 Related party disclosures (continued)

Amounts due to and from related parties are on normal credit terms, that is payable/ receivable within thirty (30) days.

	2025 Pula	2024 Pula
Amounts due to related parties		
Air Botswana	15,890	16,062
Botswana Defence Force	-	90,545
Botswana Police Service	14,846	-
Botswana Post	-	8,365
Botswana Power Corporation	1,248,122	1,260,967
Botswana Telecommunications Corporation	-	815
Botswana Unified Revenue Services	13,099	1,445
Directorate of Intelligence Security Services	2,332	16,616
Water Utilities Corporation	518,219	302,873
	1,812,508	**1,697,688**
Amounts due from related parties		
Air Botswana	35,332,570	7,698,317
Botswana Defence Force	26,806	-
Botswana Investment & Trade Centre (BITC)	22,533	-
Botswana Police Service	-	12,746
Botswana Postal Services	139,633	28,422
Botswana Telecommunications Corporation	2,537	9,933
Department of Immigration	53,323	53,323
	35,577,402	**7,802,741**

Expected credit losses attributable to related parties		
Air Botswana	4,168,793	1,330,038

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2025

20 FINANCIAL INSTRUMENTS
Classification of financial instruments

	Financial assets at amortised cost	Financial liabilities at amortised cost Pula	Leases Pula	Total Pula
At March 2025				
Financial assets				
Cash and cash equivalents	58,719,878	-	-	58,719,878
Trade and other receivables*	105,644,630	-	-	105,644,630
	164,364,508	**-**	**-**	**164,364,508**
Financial liabilities				
Lease liabilities	-	-	4,178,655	4,178,655
Trade and other payables**	-	89,837,003	-	89,837,003
	-	**89,837,003**	**4,178,655**	**94,015,658**
At March 2024				
Financial assets				
Cash and cash equivalents	50,588,149	-	-	50,588,149
Trade and other receivables*	43,742,186	-	-	43,742,186
	94,330,335	**-**	**-**	**94,330,335**
Financial liabilities				
Lease liabilities	-	-	301,303,289	301,303,289
Trade and other payables**	-	71,830,977	-	20,955,123
	-	**71,830,977**	**301,303,289**	**322,258,412**

**Prepayments have been excluded from trade and other receivables.*

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 March 2025

21 COMMITMENTS AND CONTINGENCIES

Capital commitments

The Authority has the following commitments in respect of capital expenditure contracted for at the statement of financial position date but not yet incurred. The commitment as at 31 March 2025 relates to the Tender for the procurement of a Fire Truck and a Tender Procurement of Design, Supply and Installation of Air Traffice Surveillance System.

	2025 Pula	2024 Pula
Authorised by Management and contracted	141,915,909	34,415,820

Contingencies

There are no material contingencies as at year end, which require adjustment or disclosure in financial statements.

22 EVENTS AFTER THE REPORTING PERIOD

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report that would require adjustments to or disclosure in these annual financial statements.

23 GOING CONCERN

The Authority has recorded a surplus of P36.9 million (2024: P10.2 million) for the year. As at 31 March 2025, it has an accumulated surplus of P13.7 million (deficit 2024: P23.2 million). The Authority's current assets exceed current liabilities by P1.3 million (2024: current liabilities were higher than current assets by P40.2 million).

Management is comfortable that the Authority is a going concern considering its importance to Botswana and commitment by the Government to provide funding. The Authority also continues to experience notable increases in revenues.

The Government of Botswana through the Ministry of Transport and Infrastructure has indicated that it would continue providing financial support to the Civil Aviation Authority of Botswana until such time that the CAAB generates sufficient funds to finance its operations. Since April 2025 the Government of Botswana has disbursed subvention amounting to P30,480,550.

Accordingly, there is no material uncertainty about the Authority's ability to continue as a going concern.

DETAILED INCOME STATEMENT

for the year ended 31 March 2025

	2025 Pula	2024 Pula
Revenue earned		
Aeronautical		
En-route navigation charges	120,496,247	116,878,587
Landing charges	16,285,876	13,342,930
Parking charges	1,966,977	1,765,811
Passenger service charge	86,633,770	77,542,736
Terminal control charges	8,532,623	7,029,656
	233,915,493	**216,559,720**
Non-aeronautical		
Regulatory charges	7,287,274	5,677,083
Other airport income	50,152,561	16,730,975
Rental income	33,178,929	25,592,674
Foreign exchange gains	31,477	-
	90,650,241	**48,000,732**
	324,565,734	**264,560,452**

The supplementary information presented does not form part of the audited financial statements.

DETAILED INCOME STATEMENT (continued)

for the year ended 31 March 2025

	2025 Pula	2024 Pula
Employee costs		
Salaries and allowances	272,585,715	255,126,278
Group insurance	3,906,559	4,635,134
Uniforms	1,908,238	358,717
Training and seminars	11,614,004	4,078,071
Travelling and subsistence	8,140,309	9,419,525
	308,154,825	**273,617,725**
Other operating costs		
Stores, spares and consumables		
Motor vehicle expenses	8,793,131	6,627,019
Consumables	8,641,433	6,551,854
	17,434,564	**13,178,873**
Utilities		
Water charges	5,844,898	5,289,168
Electricity	16,198,340	12,634,448
	22,043,238	**17,923,616**
Repairs and maintenance		
Equipment, furniture and others	27,693,078	19,337,394
Roads, pavements, buildings and others	5,146,116	4,362,373
	32,839,194	**23,699,767**
General office and administration		
Printing, postage and stationery	1,742,772	1,691,507
Communications expenses	4,839,594	4,877,389
Rent and rates	159,108	879,267
Lease expenses	1,056,717	7,465,486
Advertising and publicity	3,170,830	2,300,242
Subscriptions	2,609,482	3,699,628
Audit fees	594,634	535,659
Legal and other professional fees	9,010,271	3,591,482
Board sitting fees	558,176	381,217
Security	4,092,839	3,736,355
Depreciation of property, plant and equipment	3,479,744	3,172,530
Amortisation of intangible asset	651,420	651,420
Foreign exchange loss	8,244,776	1,241,397
Insurance	8,785,935	7,690,963
Sundry administration expenses	3,471,654	3,299,222
	52,467,952	**45,213,764**
	124,784,948	**100,016,020**

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