PRESS RELEASE

For Immediate Release

LEA WELCOMES THE GAZETTEMENT OF UPDATED SMME DEFINITION

Gaborone, 16 October 2026 – The Local Enterprise Authority (LEA) welcomes the gazettement of a unified, legally recognised national definition for Small, Micro and Medium Enterprises (SMMEs) by the Honourable Minister of Trade and Entrepreneurship.

The gazettement gives effect to the provisions of the Small Business Act of 2004, which provides for the classification of micro, small and medium enterprises based on annual turnover and staff complement, with the thresholds to be prescribed by the Honourable Minister through an Order published in the Government Gazette.

Recognising the need to update the existing definition and address inconsistencies in SMME classification across the enterprise development ecosystem, LEA advocated for its revision. Through a Ministry-mandated process involving nationwide stakeholder consultations, research and benchmarking, LEA consolidated the findings and submitted recommendations that informed the gazettement of the revised national SMME definition.

What the Reform Means for SMMEs

- Fairer access to support: A common classification will promote consistency in determining eligibility for enterprise development programmes, financing and other targeted interventions.
- Reliable national data: The definition provides a foundation for improved SMME data collection, monitoring and measurement of the sector's contribution to the economy.
- Better policy and investment decisions: Government, regulators and financial institutions will be better positioned to develop targeted interventions, allocate resources and design products that respond to SMME needs.

The full benefits of improved sector data can be further realised through the proposed mandatory SMME registration framework submitted by LEA to the Ministry for consideration.

"This is a foundational reform. You cannot develop what you cannot define and measure. A single gazetted definition provides a common standard for classifying SMMEs across Botswana, promotes fairness and consistency in access to business support, and strengthens the evidence base for policy decisions and targeted financing," said LEA Caretaker Chief Executive Officer, Mr Thato Jensen.

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About LEA:

Local Enterprise Authority (LEA): Established under the Small Business Act (SBA), 2004, as amended by No. 16 of 2008. LEA is a state-owned enterprise mandated with entrepreneurship and enterprise development in Botswana. LEA provides business advisory services and mentoring, training as well as market access support to SMMEs nationwide.

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