LOCAL ENTERPRISE AUTHORITY



BUSINESS OPPORTUNITIES IDENTIFIED FROM THE BOTSWANA NATIONAL FODDER PRODUCTION STRATEGY (2026–2035)

INFORMATION & KNOWLEDGE MANAGEMENT DIVISION

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Disclaimer

This Business Opportunity Report is intended to provide a preliminary assessment of potential opportunities based on the Botswana Fodder Strategy information and high-level analysis. The findings and conclusions presented herein should not be considered as confirmation of the commercial feasibility, technical viability, or financial sustainability of any opportunity but market availability using imports and consumption or current and projected demand.

Before any investment, implementation, or strategic decision is made, each opportunity should be subjected to a detailed business planning process, including financial modelling, risk assessment, operational analysis, and due diligence. The ultimate feasibility and viability of the opportunity can only be determined through a thorough business case and business planning exercise tailored to the specific context and circumstances specific to the promoter.

Accordingly, users of this report are advised to rely on the information contained herein as a guide for further investigation and not as a definitive basis for investment or business decisions.

EXECUTIVE SUMMARY

The Botswana National Fodder Production Strategy (BNFPS) launched in June 2026, jointly by the Food and Agriculture Organization of the United Nations (FAO) and Ministry of Lands and Agriculture (MoLA), identifies an extensive opportunity gap arising from Botswana's severe fodder deficit and dependency on imports.

The strategy reports that domestic production currently meets only 10–12% of national animal feed requirements, leaving an estimated 88–90% feed deficit, while annual fodder imports exceed BWP 1.89 billion (based on 2024 figures). More importantly, the strategy identifies opportunities across the five key links of the value chain.

Following from the above, this report aims to quantify and briefly describe these opportunities for possible uptake by entrepreneurs and Small, Micro and Medium Enterprises (SMMEs) across the different enterprise development stages; from starting up through to expansion, as well diversification of existing business of different sizes including SMMEs in the agricultural sector, and its associated value chains.

The uptake of these opportunities is expected to reduce the import bill, increase local fodder production (and by extension cost of feed), improved livestock productivity, employment creation, rural industrialisation, lead to export growth and feed security. These outcomes do not only align with National Development Plan 12 (NDP 12) and the Botswana Economic Transformation Program (BETP) but also avails the opportunity to increase agriculture's contribution to national economy, more specifically the diversification of the economy. The opportunities straddle the value chain, from primary input supply, primary production, mechanisation, value addition (agroprocessing) as well as well as aggregation and marketing (Figure 1, below).

Fig 1. Summary of Botswana Fodder Value Chain Map Opportunities

Botswana's fodder opportunity flows from input supply to production, mechanised support, value addition, aggregation, markets and national impact.

INPUT SUPPLY

Seed multiplication; nurseries; irrigation; finance; agro inputs; ICT platforms.

PRODUCTION & SUPPORT SERVICES

Lablab, lucerne, Napier, Brachiaria, Buffel grass and silage maize; tractor hire, planting, harvesting, baling and consultancy services.

PROCESSING & VALUE ADDITION

Hay baling, silage, feed pellets, feed blocks, packaging, storage, crop residues and agro-industrial by-products.

AGGREGATION, STORAGE & DISTRIBUTION

Aggregation centres, fodder business centres, hay depots, warehouses, digital marketplaces, agro-shops, wholesalers, logistics and regional exports.

OFF-TAKERS / END USERS

Beef, dairy, goat and sheep farmers; feedlots; wildlife ranches; government drought-relief programmes.

IMPACT & NATIONAL BENEFITS

Reduced imports, higher local feed production, improved livestock productivity, employment creation, rural industrialisation, export growth and food/feed security.

Legend: Inputs | Production/Services | Processing | Marketing | Markets | Impact

Highest-Priority SMME Opportunities: Seed multiplication; lablab production; silage; hay baling; tractor/baler hire; feed pellets; aggregation centres; irrigation installation; digital marketplace; feed transport.

Table of Contents

Disclaimer ii

EXECUTIVE SUMMARY iii

ACRONYMS vi

1. Why Fodder Production is a Major Opportunity for Botswana 1

2. Demand for Fodder in Botswana 1

Table 2. 1. Projected National Feed Demand in Botswana, 2026-2035

3. Priority Sector in Government 2

4. Strong Potential for SMMEs and Youth 3

5. Opportunities across the Fodder Production Value Chain 3

Table 5.1: Opportunities across the Fodder Value chain

6. Employment Creation Potential 4

7. Export Potential 4

8. Conclusion 5

ACRONYMS

BITRI: Botswana Institute for Technology Research and Innovation

BNFPS: Botswana National Fodder Production Strategy

BUAN: Botswana University of Agriculture and Natural Resources

BWP: Botswana Pula

DFI: Developmental Financing Institutions

FAO: Food and Agricultural Organization of the United Nations

GDP: Gross Domestic Product

NARDI: National Agricultural Research and Development Institute

NDP 12: National Development Plan 12

SOE: State Owned Enterprise

1. Why Fodder Production is a Major Opportunity for Botswana

Fodder production is one of the most significant agricultural business opportunities in Botswana because it addresses a critical national shortage while supporting one of the country's largest agricultural industries, the livestock industry. According to Statistics Botswana (2024), livestock production accounts for more than 80% of agricultural income in Botswana, while crop production contributes the remaining 20%.

The contribution of the agriculture sector to the Gross Domestic Product (GDP) is estimated at 2% and efforts to increase this contribution are targeted towards increasing the animal herd and productivity improvements. This is against a background of rangelands under pressure from cyclical drought, climate variability, and localized overgrazing.

To address these challenges, strategic pasture/grazing supplementation practices for livestock are a necessity to address the significant quantity and quality deficits of feeds, notably during drought periods. The Botswana National Fodder Production Strategy (BNFPS) thus identifies fodder as a strategic growth industry with strong commercial, economic, and employment potential for the country.

2. Demand for Fodder in Botswana

According to the strategy, Botswana's livestock sector requires approximately 6.9m tons of feed annually, yet domestic fodder production currently satisfies only 10–12% of national requirements. This leaves an estimated 88–90% annual national feed deficit being met through imports, as such the country is a net importer of fodder and feed products.

In 2024, fodder and feeds imports were valued at approximately BWP 500m. The key imports include lucerne hay, oilseed cakes, bran and other feed ingredients, which further confirms the existence of a significant domestic demand, thus the existence of a local market.

While beef remains Botswana's primary agricultural export commodity, the national cattle population has declined from approximately 2.2 million herd in 2004 to an estimated current population of 1.7 million. Nonetheless, livestock production continues to exceed domestic demand and continues to support exports, especially to the key lucrative European Union (EU) markets, feed constraints remain a key limitation. This has contributed negatively Botswana's inability to fully meet its beef export quotas in this key market, with the resultant loss in export revenue and reduced access to lucrative premium markets.

The animal population for Botswana currently stands at 1.7 million cattle, 1.2 million goats, 240,000 sheep and growing dairy, poultry and feedlot enterprises (FAO 2026). Traditional grazing alone can no longer support livestock production in Botswana. This means farmers increasingly need hay, silage, fodder legumes, drought-resistant forage crops as supplementary feeds. As climate change intensifies, demand for commercially produced fodder is expected to increase further. The commercial growth and sustainability of these populations and enterprises are dependent on reliable and sustainable feed supplies. The strategy estimates that the demand for feeds over the next 9 years will almost double from the current 6.9 million tonnes in 2026 to 11.9 million tonnes in 2035, indicating a sustained demand in the medium to long term.

Table 2. 1. Projected National Feed Demand in Botswana, 2026-2035

Year	Feed demand based on 1 LSU of 450kg (3.65 MT/Year per LSU) (MT)
2026	**6,910,611**
2030	**14,001,073**
2035	**11,939,111**

Source: Ministry of Lands and Agriculture

Source: BNFPS (2026)

3. Priority Sector in Government

The BNFPS (2026) recognises government prioritization of the agriculture sector and seeks to support these efforts. The strategy therefore proposes the following targets:

- Expansion of an additional 120 000 hectares under fodder production.
- Production of 1m tons of fodder annually by 2030.
- Attraction of public and private investment.
- Establishment of producer cooperatives.
- Development of fodder business centres and aggregation hubs.
- Creation of financing mechanisms and fodder development funds

According to the BNFPS, government policy support significantly reduces investment risk in this sector. Some of the key policies and laws supporting the agriculture sector include the following;

1. The Agricultural Resources Conservation Act provides the legal framework for the conservation and sustainable use of key agricultural resources, including soil, water, vegetation, and fauna. This Act operates in conjunction with other key legislation, notably the Tribal Land Act and the Wildlife Conservation Act, which collectively guide land use and natural resource management.

2. Botswana's land tenure system is relatively progressive, allowing for long-term land leases—often exceeding 50 years—for agricultural production, including horticulture, at relatively affordable rates.

    a. The Revised Land Policy further promotes equitable access to land for all citizens. It supports agricultural development through initiatives such as the Temo Letlotlo and Thuo Letlotlo programs, which encourage integrated and diversified farming systems.

3. Botswana has also established Land Degradation Neutrality Targets, which aim to prevent degradation of non-degraded land, increase land productivity and soil organic carbon by 1%, reduce forest degradation by 10%, rehabilitate at least 5% of grasslands, and implement targeted restoration initiatives(ibid).

4. Strong Potential for SMMEs and Youth

The strategy specifically notes low participation by youth and women in the sector and calls for targeted interventions to increase involvement. It promotes:

- Entrepreneurship development
- Agribusiness incubation
- Cooperative (and cluster) development
- Youth-led fodder enterprises.

These interventions are expected to create space for new entrants and those seeking for expansion and diversification opportunities. Most fodder produced in Botswana is currently sold in raw form with little to no value addition. Value-added products usually attract higher margins than raw fodder and therefore key opportunities exist at primary production and processing.

5. Opportunities across the Fodder Production Value Chain

Table 5.1: Opportunities across the Fodder Value chain

Chain	Main Opportunities	Support Opportunities Needs)	Support Organizations
Inputs	• Seed multiplication • Nurseries • Irrigation systems • Agro Inputs	• Finance • ICT platforms • Energy supplies	• Research & Academic Institutions (BUAN, NARDI, BITRI). • Business Development Services providers- Govt, SOEs and private sector. • Ministry of Lands & Agriculture. • Development Financing Institutions (DFIs) • Commercial banks
Production	• Lablab • Lucerne, • Napier • Brachiaria • Buffel grass • Silage maize. • Feed mixing • Crop residue processing • Agro-industrial by-product utilization	• Tractor hire • Planting, • harvesting • baling • Consultancy services (technical and business)	• Research & Academic Institutions (BUAN, NARDI, BITRI). • Business Development Services providers- Govt and private sector • Ministry of Lands & Agriculture. • Development Financing Institutions (DFIs) • Commercial banks
Processing & Value addition	• Hay baling, • silage, • feed pellets, • feed blocks	• Packaging • Storage	• Research & Academic Institutions (BUAN, NARDI, BITRI). • Business Development Services providers- Govt and private sector • Ministry of Lands & Agriculture. • Development Financing Institutions (DFIs) • Commercial banks • Insurance Service providers

Aggregation, Storage and Distribution	• Aggregation centres • fodder business centres • hay depots • wholesalers • agro shops.	• Transport & Logistics • Digital marketplaces • Exporters & Consultants	• Research & Academic Institutions (BUAN, NARDI, BITRI). • Business Development Services providers- Govt and private sector • Ministry of Lands & Agriculture. • Development Financing Institutions (DFIs) • Commercial banks • Insurance Service providers. • Export facilitation service providers (SOEs and private)
End Markets/ Consumers	Beef, dairy, goat and sheep farmers; feedlots; wildlife ranches; government drought-relief programmes		

Note: Support organisations author constructed

A further analysis of the opportunities identified in the fodder value chain, prioritised the following for further and quicker uptake/development by entrepreneurs and SMMEs, based on their low entry requirements:

- Seed multiplication
- Lablab production
- Silage; hay baling
- Tractor/baler hire
- Feed pellets
- Aggregation centres
- Irrigation installation
- Digital marketplace
- Feed transport

6. Employment Creation Potential

The BNFPS strategy estimates the following job creation capacities (FAO, 2026):

- Rangeland investments could create more than 14,000 jobs annually.
- Cultivated fodder enterprises could create approximately 50,968 jobs annually by 2030, cumulatively an estimated 255 000, over the 5-year period

This makes the sub sector attractive from both a business and economic development perspective, specifically the creation of rural based jobs where unemployment statistics are high and there are limited job opportunities and low industrialisation.

7. Export Potential

Botswana is strategically located within SADC and already participates in regional livestock value chains. The strategy aims to improve market access and competitiveness so that fodder and fodder products can eventually serve:

- Domestic markets
- Regional markets
- Export markets

According to the 2024 trade data, Botswana exports a negligible fodder and related feed products amounting to just over BWP 90,000, creating a significant trade imbalance when compared to the value of imports. This has potential to be increased with increased production and supply of fodder and its associated products and services.

8. Conclusion

Fodder production presents a major opportunity for entrepreneurs and SMMEs in Botswana as it addresses a national feed shortage of nearly 90% currently met through imports. The opportunity supports the country's largest agricultural sub-sector, livestock production, but also other emerging livestock and crop sub-sectors, as it has direct links to entire agricultural sector.

The uptake of the business opportunities in the fodder production value chain expected to directly reduce the high feed imports and aligns with government priorities of expanding the national herd. The industry also has the potential to create employment and offers a range of profitable value creation models; primary production -seed multiplication-processing-marketing. Given that domestic demand already far exceeds supply, fodder production represents one of the lucrative and untapped agricultural investment opportunities in Botswana, especially by SMMEs.

Confirmation of the feasibility and viability of each opportunity is location, scale, and enterprise specific and should therefore be assessed during the business planning stage, considering the requirements of investors and funding institutions. In addition, the support ecosystem required to facilitate the uptake and successful exploitation of these opportunities has been identified and outlined to guide potential investors and entrepreneurs in evaluating and pursuing the opportunities.

REFERENCES

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