



Motor Vehicle Accident Fund
Annual Report 2012

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MVA FUND INFORMATION

Formation

The Fund was formed in January 1987 and its operations are governed by the Motor Vehicle Accident Fund Act of 2007.

Business

Provision of compensation, care, benefits, medical management and rehabilitation of persons involved in road crashes, and provision of third party insurance cover to drivers and owners of motor vehicles, and matters incidental thereto and connected therewith.

Chief Executive Officer

As per section 15 of the Motor Vehicle Accident Fund Act of 2007, the Chief Executive Officer of the Fund is appointed by the Minister of Finance and Development Planning.

Board members

F Modise	Chairperson
E Gonsalves	Vice Chairperson
G Bakwena	
A Botes	
Dr A Madigele	(Resigned 25 June 2012)
T Malebeswa	(Resigned 1 June 2012)
M Molebatsi	
L Thebe	
B Tobedza	(Appointed 1 August 2012)
K Matshediso	(Appointed 1 August 2012)

Registered address

MVA Fund House
Plot 50367
Fairgrounds Office Park
Gaborone

Attorneys

Armstrongs Attorneys
Acacia House, Plot 54358
Cnr Khama Crescent Extension and P G Matante Road, new CBD, Gaborone
P O Box 1368
Gaborone

Auditors

KPMG
Plot 67977
Fairgrounds Office Park
Gaborone

Main bankers

Barclays Bank of Botswana Limited
Barclays House
Khama Crescent
Gaborone



SUBMISSION

The Honourable O K Matambo
Ministry of Finance and Development Planning
Private Bag 008
Gaborone

Dear Minister Matambo,

It is with great pleasure that I submit the Motor Vehicle Accident Fund Annual Report and Financial Statements for the year ended 31 December 2012 for tabling before the National Assembly.

This submission is in accordance with Section 19 (1) of the Motor Vehicle Accident Fund Act.

Yours sincerely

Cross Kgosiile
Chief Executive Officer

DWILILOMBELI

A NEW DAWN OF SERVICE

MVA Fund has a new identity.

We have re-branded to reflect the growth and change that has taken place in our organisation over the years. Our new heart-shaped logo is a fresh symbol of life and hope.

MVA Fund has a new inspiration.

We call it *Living the Promise* because it is our pledge that we will carry on serving our customers and our country to the very best of our ability.

MVA Fund has a new resolve.

With 25 years of steadfast service behind us, we are committed to delivering higher levels of service in strict adherence to an elevated set of Service Standards.

MVA Fund has the same culture of care and compassion.

We reach out a helping hand to all who are affected by road crashes; bringing relief to those in pain, comfort to the bereaved, support to the distressed, hope to the afflicted.





At the heart of the Brand

MVA Fund's operations are driven by its Vision: 'Best Chance to Normal Life' for those affected by road crashes.

This vision is loaded with an unwritten promise of hope, and this promise is conveyed in our new brand mark through symbolism and colour.



Our new logo is based on an abstract heart, made up of interlocking shapes evoking the letters MVA.

We chose the heart because it is

- a sign of life
- a sign of continuity and progression
- a sign of health
- a sign of vitality



Coloured with care



We chose Sky Blue – signifying efficiency, dependability and loyalty. It speaks of our integrity, accountability and credibility. We added blue because we believe in doing business in a transparent way and treating everyone with respect.



We chose Lime – to signify creativity, productivity and growth. It points to our prudent use of resources, and our commitment to achieving positive outcomes for our customers and stakeholders. Our future lies in our ability to provide sustainable services.



We chose Yellow – signifying light, warmth, nurturing and hope. Yellow points to teamwork, friendliness and collaboration as we work together in the service of our country and its people.

The shift

The new logo is a dramatic change from the old one, and captures the Fund's mission and extended mandate. Where the old logo had a hard-edged mechanical shape, the new one is rounded and flowing, signifying the Fund's shift of mandate from a legalistic entity to an emphasis on service and care.

MVA Fund rebrands and renews service pledge

New 'Living the Promise' logo marks 25 years of service and looks to the future

Motor Vehicle Accident Fund has marked its 25th anniversary and launched its new brand identity at a function in Gaborone attended by about 300 guests representing a wide spectrum of society.

At the same time the Fund committed itself publicly to an enhanced set of Service Standards and took a solemn Service Pledge to step up its efforts to help those who are affected by road crashes.

MVA Fund's well known 'footprints' logo has been replaced by a heart-shaped symbol in vibrant colours, evoking the centrality of life and a sense of warmth, hope and nurturing.

The new brand was launched by the Minister of Finance and Development Planning, Mr Kenneth Matambo, as the highlight of an evening of celebration and reflection.

He commended the Fund for its steadfast commitment to service in 25 years of operations, calling it a dedicated pace-setter and the equal of any service driven organisation of world class.

The Minister challenged organisations in the public and private sectors to follow suit and commit themselves to higher standards.

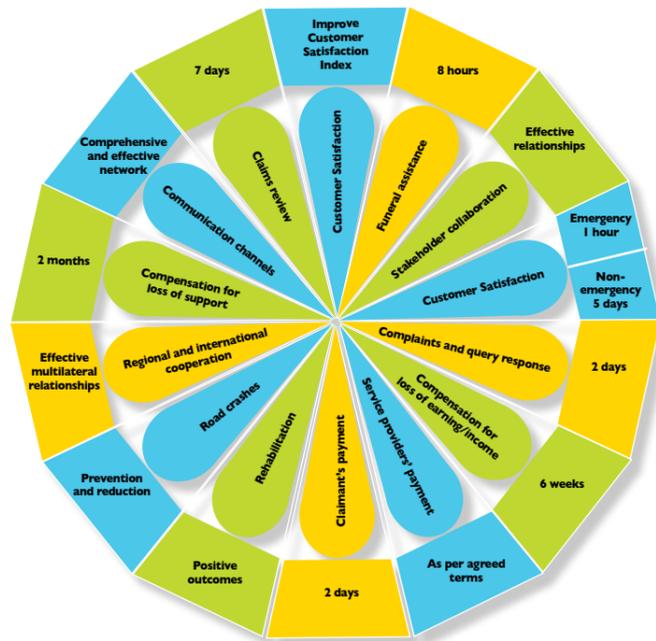
He also called for positive behaviour by all road users to reduce the scourge of crashes, noting that the high rate of death and injury on the road not only impacted on society but carried an escalating cost to the nation.

Welcoming the guests, MVA Fund Chief Executive Officer Mr Cross Kgosidiile said the new brand reflected the Fund's transformation over the years and its resolve to continue to work innovatively and energetically to carry out its twin mandate of compensating, rehabilitating and supporting those affected by road crashes, while vigorously promoting road safety.

He thanked and paid tribute to his staff, to the Fund's stakeholders and its customers, and to the Government, which he said had 'never shied away from its responsibility to provide the Fund with a suitable legal framework for its sustainability and operational relevance'.

September 2012.

Motor Vehicle Accident Fund
SERVICE STANDARDS
Living the Promise



We are totally committed to the challenges of meeting these standards. Indeed, they are a reflection of our shared aspirations to serve our customers.

SERVICE PLEDGE

We at MVA Fund promise to enhance the quality of life by promoting Road Safety and by **Compensating, Rehabilitating and Supporting** people affected by road crashes.

We promise to live our Brand values and:

- Deliver **Customer Service** in line with our Standards
- Execute all our dealings with **Integrity**
- Work as a **Team**, and
- Continuously **Innovate** all our practices

A PICTURE OF CARING

A girl bends to take a thorn from the foot of a playmate in this specially commissioned painting by Wilson Ngoni, presented to Minister Kenneth Matambo at the rebranding launch by Mpule Ditirwa, MVA Fund General Manager Customer Services. The painting symbolises the Fund's commitment to care and service.



**Reaching out
 – saving lives**

MVA FUND SERVES IN MANY WAYS. The Fund reaches out to all who are affected by road crashes – compensating, rehabilitating and supporting them in their time of pain and grief and ongoing need.

Because road crashes are so devastating to the country and its people – because of the fearful toll being taken daily by death and injury on the road – the Fund is equally focused on prevention.

The Fund is a vigorous and innovative worker for road safety, taking the message to schools and communities, businesses and boardrooms, institutions and public events across the country.





On the road of service



MVA Fund headquarters are in Gaborone and it has strategically located branch offices in Francistown, Maun, Kasane, Palapye, Kang and Selebi-Phikwe.

TO THE PEOPLE

A mobile office will be put on the road in 2013, to take the Fund's services to remote areas where people cannot readily get to a branch office to make and follow up on their claims for assistance.

LESSONS FOR LIFE

Because children are the most vulnerable on the road, and because they will take good and bad road use habits into the future, the Fund is particularly active in its safety promotion efforts among young people. The Mobile Children's Traffic School travels countrywide and is a big hit wherever it goes. Fully equipped with road signs and operating traffic lights, audio visual equipment and games, and a fleet of quad bikes, the school on wheels gives the children a lot of fun while teaching them to look after themselves and others on the road.



GETTING HELP QUICKLY TO THE SCENE

MVA Fund encourages partnership with key stakeholders in the public and private sectors, to maximise road safety efforts through teamwork and joint action. The Fund has given five fully equipped ambulances to the Ministry of Health, to enhance on-site crash attendance and early treatment of casualties.



'BOOZE BUSES' TO DETER THE DRINKERS

Three 'booze bus' alcohol testing vehicles have been given to Botswana Police Service, to help crack down on drinking and driving.



'SUPER CARS' TO CATCH THE SPEEDSTERS

The latest major initiative is in the form of eight highway patrol cars fitted with sophisticated radar equipment to help Botswana Police Service to detect and prosecute speeding drivers.

BOARD OF DIRECTORS



MVA FUND
Living the promise.



Ms Macie Molebatsi

Ms Kegomoditswe
Matshediso

Mr Abraham Botes

Mr Freddy Modise
Chairperson

Ms Elaina Gonsalves
Deputy Chairperson

Mr Lawrence Thebe

Ms Binta Tobedza

Mr Geoffrey Bakwena



EXECUTIVE MANAGEMENT



Cross Kgosidile
Chief Executive Officer



Michael Tlhagwane
General Manager
Corporate Services



Mpule Ditirwa
General Manager
Customer Services



Tshepo Lemo
Chief Investment Officer



Sesolo Robert
Finance Manager



Marvin Mmutle
Chief Injury Prevention Officer



Poppy Moribame
Human Resources Manager



Phenyso Mogae
Strategy Manager



Allan Manyeneng
Chief Assessment and
Investigations Officer



Thomas Brandy
Information Technology
Manager



Susan Madimabe
Customer Services
Manager



Thabo Morotsi
Corporate Communications
Manager



Lydia Masilo-Nkhoma
Case Manager



Boitumelo Banabotho
Acting Internal Audit Manager



Onthatile Ogotseng
Board Secretary

KEY INDICATORS

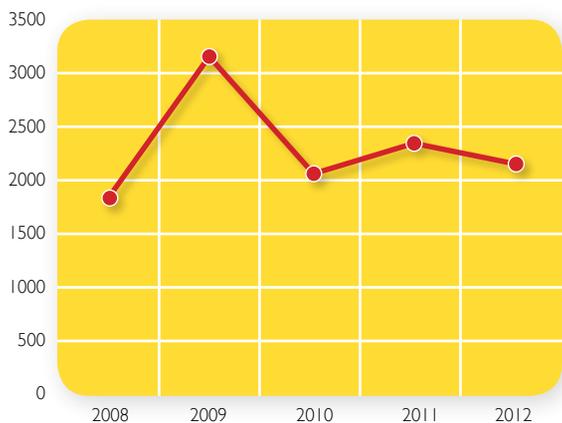




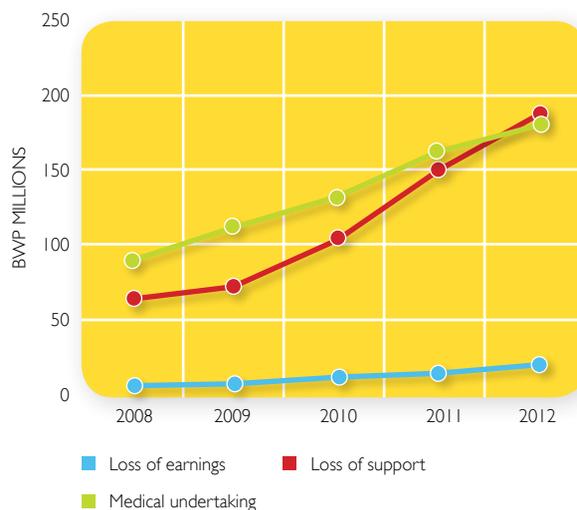
PERFORMANCE HIGHLIGHTS

CLAIMS ANALYSIS

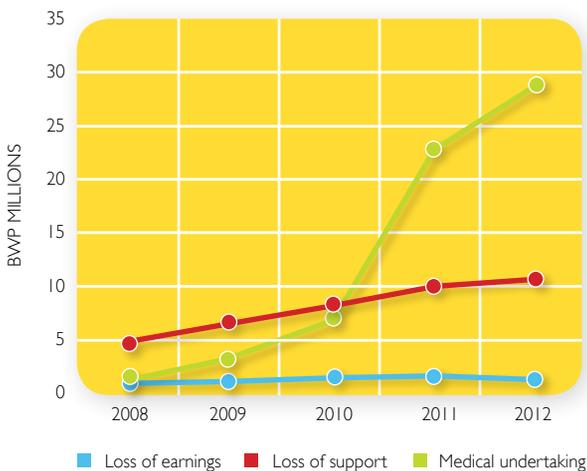
Personal injury claims received for the past 5 years



Cummulative reserves per benefit type for the past 5 years

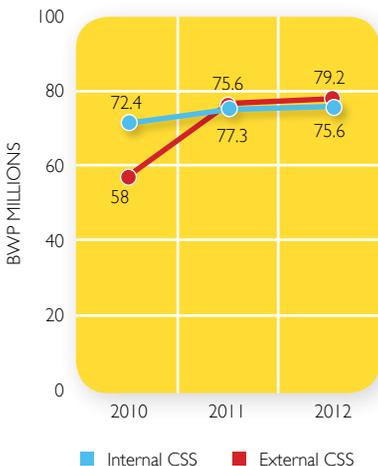


Claims payments per benefit type for the past 5 years



SURVEY RESULTS

Internal and external customer satisfaction surveys

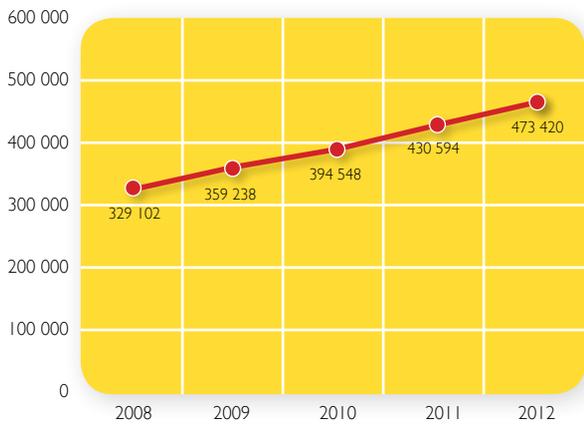


Chroda staff engagement and Deloitte 'Best Company to Work for in Botswana' surveys



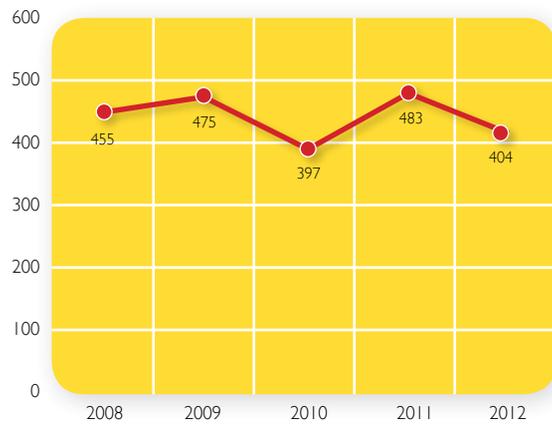
PERFORMANCE HIGHLIGHTS (Continued)

REGISTERED VEHICLE POPULATION



Source: Department of Road Transport and Safety

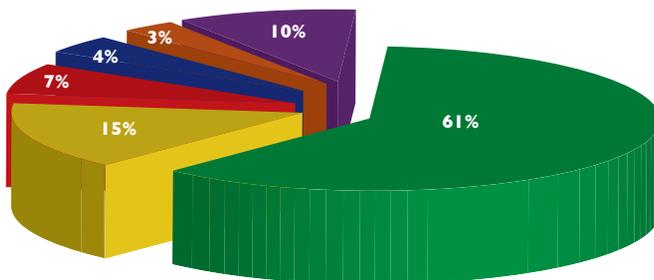
FATAL CRASHES



Source: Botswana Police Service

SUMMARY OF PERSONAL INJURY CLAIMS

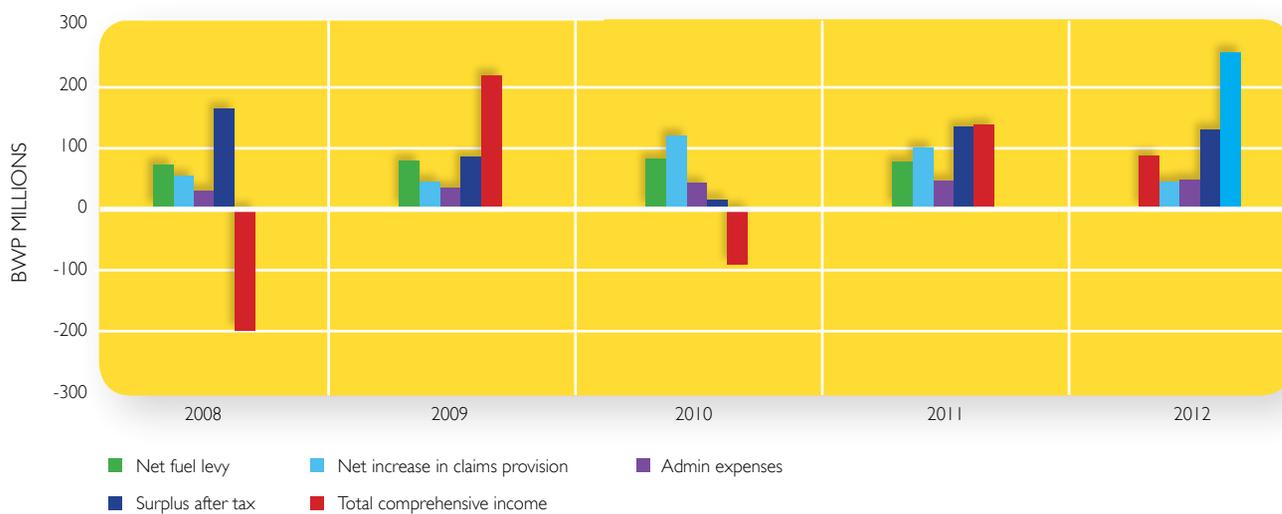
Received by each office



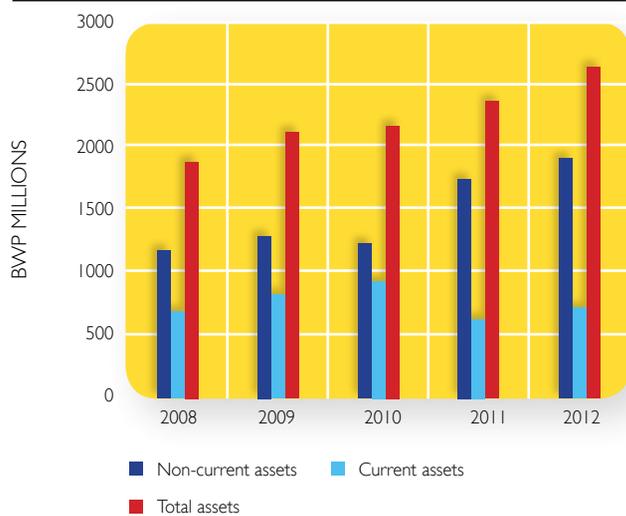
- Gaborone
- Francistown
- Maun
- Selebi-Phikwe
- Kang
- Palapye



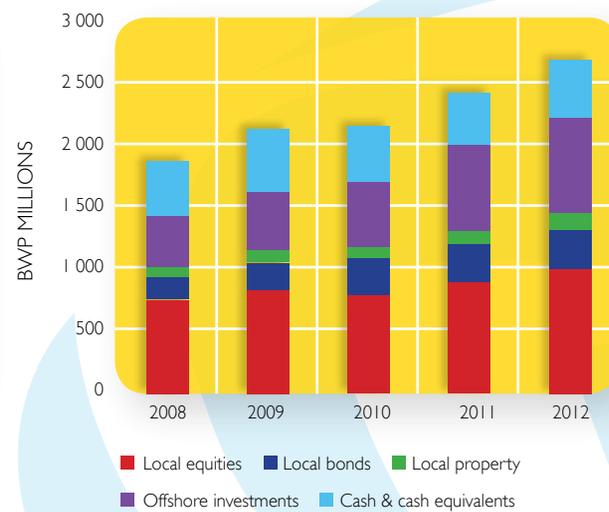
KEY FINANCIAL INDICATORS



ASSETS



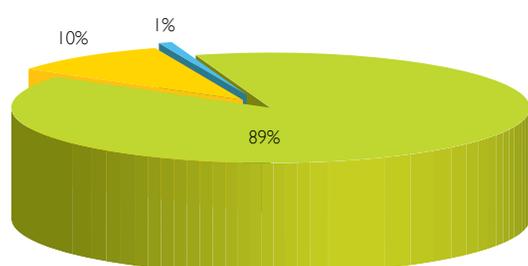
TOTAL ASSETS UNDER MANAGEMENT



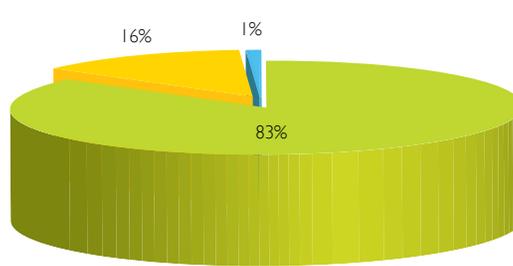
VALUE ADDED STATEMENT

	2012 P	2011 P
VALUE CREATED		
Fuel levy income	87 738 372	78 302 311
Investment income (including share of profit from joint ventures)	132 282 629	117 068 886
Other income	51 596 744	131 502 809
<hr/>		
Appropriation of accumulated surplus		
Net fair value gain/(loss) on available-for-sale investments	134 508 053	10 544 365
Gains on revaluation of land and buildings	1 325 000	543 000
Road safety campaign expenses	(7 509 447)	(8 393 321)
	399 941 351	329 568 050
<hr/>		
Paid to suppliers and claimants	(110 151 273)	(163 646 399)
<hr/>		
Total value created	289 790 078	165 921 651
<hr/>		
VALUE APPLIED		
Employees		
Salaries and staff costs	28 796 785	26 072 198
Reinvested to maintain/expand operations		
Depreciation	2 630 616	2 417 870
Total comprehensive income/(loss)	258 362 677	137 431 583
	289 790 078	165 921 651

VALUE APPLIED 2012



VALUE APPLIED 2011



- Employees
- Reinvested to maintain/expand operations
- Total comprehensive income/(loss)



'Best Company to Work For' awards – again



For the second year running, MVA Fund was named overall winner in the 2012 Deloitte Best Company to Work For Survey, conducted in South Africa and Botswana.

The Fund received awards for:

- Overall best organisation to work for in Botswana
- Best parastatal to work for in Botswana
- Standard of Excellence Achiever's award
- 3rd place in the best small company category in Southern Africa.

The annual survey identifies 'employers of choice' and gives participating organisations valuable insight into the workplace perceptions of their employees. It also enables employers to benchmark and share experiences.

At the presentation function in Johannesburg, MVA Fund Chief Executive Officer Cross Kgosidiile paid tribute to his staff for the achievement, and thanked them for their ongoing commitment.

He said the awards reflected the honest feedback from staff members to the searching questions in the survey, and noted: 'Leadership charisma can only achieve positive results in the short term. Sustainable long-term employee engagement is achievable only through careful long-term planning for results.'

He said that receiving the awards for the second year confirmed the Fund's staff management and skills development strategy.

'It demonstrates clearly our team's engagement with the Fund and our collective commitment to serving our customers and stakeholders.'

The Deloitte survey analysed employee responses to probing questions relating to:

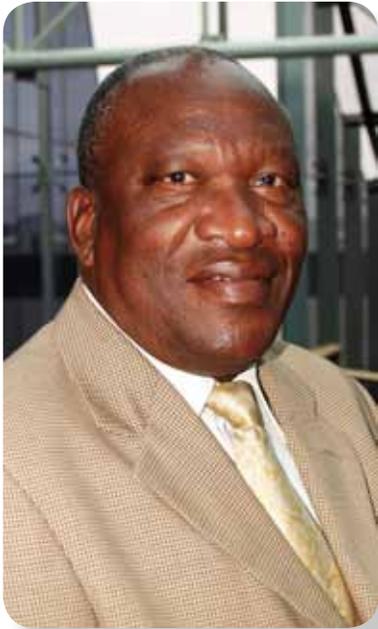
- Sense of confidence in the organisation.
- The organisation's ethics and integrity.
- Performance and recognition.
- Career development.



MVA Fund Chief Executive Officer Cross Kgosidiile receives the awards from Thabo Matthews, Head of Consulting at Deloitte Consulting, at the presentation function in Johannesburg, South Africa.



CHAIRMAN'S REPORT



I am honoured to report to our valued stakeholders on the performance of Motor Vehicle Accident Fund for the year ended 31 December 2012. During the year positive changes and successes were attained to once again affirm the position of the Fund as a *Fund for the people*. Our focus on enhancing the quality of life through the promotion of road safety, and through compensating, rehabilitating and supporting those affected by road crashes has been unwavering.

Following the legislative reforms brought about by the MVA Fund Act of 2007, the Fund has aligned its brand to accord with its changed mandate and strategic focus. The new MVA Fund brand was officially launched in September 2012 by the Honourable Minister of Finance and Development Planning at a historic event. The brand, which now places more emphasis on service delivery and claimants' welfare, has been well received.

Financial performance

The sustainability of the Fund remains crucial in ensuring the long-term provision of care and support to our claimants, especially to those who need lifetime support. The Fund's strong financial position has played an important role in ensuring its viability and ability to achieve its mandate thus far. In the year 2012 the Fund recorded a Net Surplus of P130.0 million and a Total Comprehensive Income of P258.4 million, compared to the Net Surplus of P134.7 million and Total Comprehensive Income of P137.4 million recorded in 2011. The increase in the Total Comprehensive Income was largely driven by the increase in the net fair value on Available-For-Sale investments, the increase in the Dividend Income of Special Dividends received during the year and the Net Gains from the Available-For-Sale Investments. On costs, the Fund recorded an improvement in the Net Claims Provision, which decreased from P99.5 million recorded in 2011 to P46.0 million in 2012.

Strategy

It is with pleasure that I report the successful implementation of the Fund's 2008-2012 Strategic Plan, themed *Kgatelopele*, which came to an end in 2012. The five-year Plan, which achieved an implementation success rate of over 95%, guided the Fund through its challenges to attain its objectives. Through this Strategy, the Fund implemented, among other things, the legislative reforms introduced by the MVA Fund Act of 2007, the implementation of IT systems that improved the efficiency levels and the management of stakeholder relations in support of the Fund's road safety promotion efforts.

The Board of the Fund has endorsed, yet again, a resilient strategy dubbed *Dwillombeli* to succeed *Kgatelopele*. With an improved focus, the new Strategic Plan for 2013-2017 will propel the Fund to even greater heights through its three core themes of *Service Excellence*, *Healthy Stakeholder Relationships* and *High Performance*. This Strategy will be reviewed periodically to ensure assessment of results.

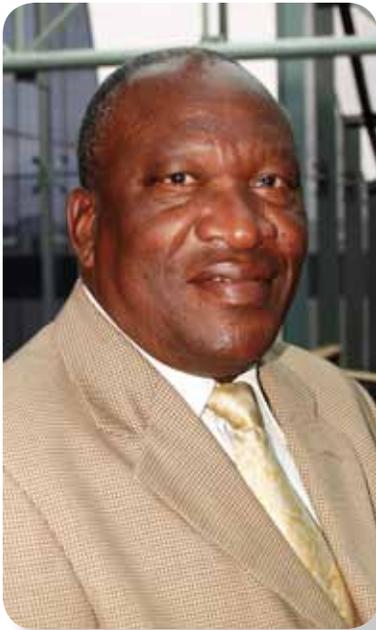
As we work towards achieving the goals of the United Nations Decade of Action for Road Safety 2011-2020, the Fund will continue to pursue strategic initiatives aimed at reducing the number of deaths and serious injuries suffered in road crashes every year. The Decade of Action sets an ambitious target of reducing road crash deaths by 50% by the year 2020. As MVA Fund makes its contribution to this goal, it will also increase its focus on rehabilitating and supporting claimants to ensure that they have the '*Best chance to normal life*'.

The people agenda

For improved service delivery, the Board encourages Management to engage with staff on matters of importance to the Fund. The Fund conducted its third Internal Customer Satisfaction Survey during the year. An overall index of 76.6% was achieved, compared to 77.3% recorded in 2011. Through the results of this Survey, the Fund is able to determine the overall satisfaction and customer satisfaction levels within the organisation. The Fund's participation in the Deloitte 'Best Company to Work For' annual survey resulted in the achievement, for the second year running, of prestigious awards: overall Best Organisation to Work For in Botswana, Best Parastatal to Work For in Botswana and the Standard of

“
The sustainability of the Fund remains crucial in ensuring the long-term provision of care to our claimants, especially to those who need lifetime support.

PEGO YA MODULASETILO



“**Go tswelela ga Letlole go bothokwa mo go tthomamiseng gore mo sebakeng se se leele, tthokomelo le tshegetso ya ba ba amilweng ke dikotsi e nna teng, thatathata mo go ba ba tthokang tthokomelo botshelo jwa bone jotlhe.**”

Ke motlotlo go begela banaleseabe ba rona ba ba tlotlegang ka fa Letlole la Dikotsi tsa Dikoloi le dirileng ka teng mo ngwageng o o fetileng go fithelela ka kgwedi ya Sedimonthole e roba masome a mararo le bongwe. Go nnile le diphetogo le dikatlego mo ngwageng o, tse di tthomamisitseng fa Letlole le ka nnete ele Letlole la Batho. Re ntse re tshwere moonoo wa rona wa go tokafatsa boleng jwa botshelo ka go rotloetsa ipabalelo tseleng, go duela, go tsosolosa le go neela bao ba ba amilweng ke dikotsi tsa ditsela tshegetso. Morago ga diphetogo tse di dirilweng mo Molaong wa Letlole la MVA wa 2007, re ne ra fetola letshwao la rona, ra le dira gore le tsamaelane le thomo le maikaelelo a rona a masha. Letshwao le, le ribolotswe ke Tona wa Madi le Ditlhabololo ka Lwetse, 2012. Letshwao le le eteleditse go isa ditirelo kwa bathong le tthokomelo ya ba ba filweng madi kwa pele, mme go fitlha ka jaana, le amogelesegile.

Tsa Madi

Go tswelela ga Letlole go bothokwa mo go tthomamiseng gore mo sebakeng se se leele, tthokomelo le tshegetso ya ba ba amilweng ke dikotsi e nna teng, thatathata mo go ba ba tthokang tthokomelo botshelo jwa bone jotlhe. Gore Letlole le bo le nale madi go nnile le seabe mo go tthomamiseng gore le nale le bokgoni jwa go ka fithelela thomo ya lone. Ka ngwaga wa 2012, Letlole le dirile madi a a kana ka P130.0 million ele madi a Phetelelo ka Kakaretso le P258.4 million ele madi a Letseno ka Kakaretso fa go tshwantshangwa le P134.7 million wa madi a Phetelelo ka Kakaretso le P137.4 million wa madi a Letseno ka Kakaretso ka ngwaga wa 2011. Koketsego ya madi a a Amogetsweng ka Kakaretso e bakilwe thata ke koketsego mo tthwatlweng kakaretso ya dipeeletso tse di neng di le teng go ka rekisiwa, koketsego ya Letseno Karolelo la Dikarolelo tse di Faphegileng tse di amogetsweng mo ngwageng o le Dipolelo Kakaretso tse di dirilweng ka dipeeletso tse di neng di le teng go ka rekisiwa. Ka fa letlhakoreng la ditshenyegelo, Letlole le bone tokafalo mo mading a a dirisitsweng go thusa baikopedi. Madi ao, a fokotsegile go tswa kwa go P99.5 million wa 2011 go ya kwa go P46.0 million ka 2012.

Leano

Ke itumelela go le begela gore go diragadiwa ga Leano la Letlole la 2008-2012 le le neng le bidiwa “Kgatelopele” go atlegile. Lenaneo leo, la dingwaga tse tlhano, le kgonne go bona selekanyo sa 95% sa katlego mme le thusitse Letlole gore le fenye dikgweho tsa lone mme le felele le fitheletse maikaelelo a lone. Leano le, le thusitse Letlole go diragatsa dipaakanyo tse di neng di akanyeditswe ka fa tlase ga Molao wa Letlole la MVA wa 2007, tiragatso ya tsa maranyane (IT) mo go feletseng go thusa mo go direng sentle ga Letlole le tsamaiso ya tirisano le banaleseabe. Se se thusitse thata maiteko a Letlole a ipabalelo tseleng.

Lekgotla la Bakaedi ba Letlole le beile gape monwana, leano le lengwe go tswelisa fa la “Kgatelopele” le emeng teng, le le bidiwang “Dwililombeli”. Lenaneo le le sha la 2013-2017 le le tthabolotsweng, le tsile go gatisetsa Letlole pele ka go dirisa meono ya lone e meraro eleng Ditirelo tsa Maemo a Ntsha, Tirisano le Banaleseabe e e Nonofileng le go nna Lekgotla le le Ntshang Maduo a a kwa Godimo. Leano le tla tswelela le beilwe leitlho ka dinako tse di dumalanweng go tthomamisa gore go diriwa tshakatsheko ya maduo a lone.

Jaaka re gatela kwa go fitheleleng maikaelelo a United Nations a Dingwaga tse di Lesome tsa go Berekela Ipabalelo Tseleng 2011-2020, Letlole le tlaa tswelela ka go batla le go tla ka maano a mangwe a maikaelelo a one e tlaa nnang go fokotsa dipalo tsa batho ba ba tseelwang matshelo ke dikotsi le ba ba bonang dikgobalo tse di masisi. Dingwaga tse di Lesome tsa go Berekela Ipalelo Tseleng di ipeetse maikaelelo a phitlhelole a a kwa godimo a gore ka ngwaga wa 2020 di bo di fokoditse dikotsi tsa dikoloi ka 50%. E tlaa re Letlole le ntse le tswelitse le dira, le tlaa boa gape le oketsa maikaelelo a lone a go sidila le go tshegetsa bao ba thusiwa go tthomamisa gore ba ‘fiwa tshono ya go tshela botshelo jaaka mongwe”.

Lenaneo la Batho

Lekgotla la Bakaedi le rotloetsa Botsamaise jwa Letlole gore bo dirisane le babereki mabapi le dikgang tse di leng bothokwa mo Letloleng gore go nne le tthabololo mo ditirelong. Mo ngwageng o, Letlole le dirile Patlisiso ya boraro ya Kgotsofalo ya Badirisi ba Ditirelo mo

CHAIRMAN'S REPORT (Continued)



The Fund is in the process of partnering with stakeholders to establish rehabilitation centres in the country.

Excellence Achiever. In addition, the Fund took 3rd place in the Best Organisation in the Small Category in Southern Africa.

The future

We continue to build synergies, in recognition of the value of concerted effort in our mandate. Within its limited resources the Fund will enhance its capacity to meet its short-term and long-term objectives. In addition, the Fund is in the process of partnering with stakeholders to establish rehabilitation centres in the country. This initiative will enhance capacity and reduce the high costs incurred when referring claimants to neighbouring countries. The Fund has also procured eight highway patrol vehicles fitted with radar surveillance equipment to help Botswana Police Service Traffic Division to detect and prosecute speeding drivers. As a valued partner, the Police Service ensures enforcement of safe road use.

The need for prudent management of resources cannot be overemphasised. Besides the fuel levy, the Fund's investments are relied on as a critical source of revenue at present and in the future. The escalation in medical costs and other related costs remain a risk to the sustainability of the Fund, hence the need for us to adopt strategies that will lead to reducing all costs.

Acknowledgments

During the year the Fund bade farewell to two Board members, Mr Tendekani Malebeswa and Dr Alfred Madigele, both of whom had served with distinction and had contributed immensely to the attainment of the Fund's 2008-2012 Strategic Plan objectives. We wish them success in their future endeavours. We also welcomed two equally enthusiastic colleagues, Ms Binta Tobedza and Ms Kegomoditswe Matshediso, whose contribution to the Board deliberations will surely assist the Fund to attain its strategic objectives and mandate. I express my deepest commendations to the entire Board for its unwavering commitment to ensuring that the Fund delivers on its mandate.

On behalf of the Board of MVA Fund, I reassert our collective commitment to our fiduciary duties. With the greatest diligence we can muster, we will continue to give guidance and work closely with Management.

I acknowledge the diligence and efforts of the Fund's employees, whose performance has been recognised externally in the attainment of prestigious awards. In thanking them, I encourage them to continue to diligently serve and contribute to the delivery of the Fund's mandate.

Finally, the Board expresses gratitude to the Fund's various stakeholders who in their own right contributed to the Fund's sterling performance during 2012. The Board expresses special thanks to Gaborone City Council and Mahube Bus Service, who continue to render technical assistance in the operation of our Mobile Children's Traffic School. Their efforts demonstrate their equal commitment to road safety. We achieve together through our stakeholders' willingness to support us.

Le kamosobagaetsho.

Freddy Modise

Board Chairman



PEGO YA MODULASETILO (Tswelelo)



**Mo godimo
ga moo,
Letlole le mo
thulaganyong
ya go
bopagana le
banaleseabe
go tlhoma
mafelo a
tshidilo mo
lefatsheng le.**

badiring. Patlisiso e e supile kgotsofalo ya 76.6% fa go tshwantshwangwa le 77.3% wa ngwaga wa 2011. Maduo a ke one a a dirisiwang ke Letlole go bona selekanyo sa kgotsofalo ka kakaretso le kgotsofalo ya badirise ba ditirelo tsa Letlole. Letlole le tsemetse patlisiso ya Deloitte ya ngwaga le ngwaga ya "Kompone e e Siametseng go Berekwa" la bobedi mme, le gapile gape gape dikabelo tse di totegang di le tharo. Mo godimo ga dikabelo tse tharo tseo, tsa Lekgotla le le gaisetseng otlhe ka kakaretso go Berekelwa mo Botswana, le le gaisetseng otlhe a a tsamaisiwang ke puso go berekelwa mo Botswana le kabelo ya Seelo se se Gaisetseng sa Bokgoni, Letlole le tsere le kabelo ya maemo a boraro mo kgaolong ya Borwa jwa Aforika sa Lekgotla le le gaisetseng mo go a mannye.

Isago

Ka re lemoga botlhokwa jwa go dira mmogo mo thomong ya rona, re tswelsetse ka go dirisana le ba bangwe. Re tlaa tokafatsa bokgoni jwa rona gore re kgone go fitlhelela maikaelelo a rona a nako e khutshwane le a nako e telele re dirisa bonnyenyane jo re nang le jone. Mo godimo ga moo, Letlole le mo thulaganyong ya go bopagana le banaleseabe go tlhoma mafelo a tshidilo mo lefatsheng le. Se se tlaa tokafatsa bokgoni jwa rona le go fokotsa ditshenyegelo tsa go isa ba ba tlhokang go tlamelwa kwa mafatsheng a sele. Letlole gape le rekile Didirisiwa tsa Maranyane a a kwa godimo tse di Lebelelang le go rekela ba Sepodise sa Botswana Dikoloi tse di Disang Ditsela tse di Tona. Jaaka re dirisana le bone jaana, ba Sepodise sa Botswana ke bone ba tlhomamisang gore go diragadiwa tiriso e e siameng ya tsela.

Go dirisa ditlamelo sentle ke selo se se botlhokwa. Kwa ntle ga lekgetho la leokwane, dipeeletso tsa Letlole ke tsone tse di ikantsweng go ka tliša madi ka eno nako le mo isagong. Go oketsega ga ditshenyegelo tsa bongaka le tse dingwe ditshenyegelo tse di amanang go ntse go tswelsetse ka go nna bodiphatsa mo go tsweleng pele ga Letlole. Ka jalo, go botlhokwa gore Letlole letle ka maano a a ka dirisiwang go fokotsa ditshenyegelo tsothle.

Malebo

Setlha sa Bakaedi ba Lekgotla ba le babedi, ebong Mr. Tendekani Malebeswa le Dr. Alfred Madigele, se ne sa tla bokhutlong mo ngwageng ono. Bobedi jo bo dirile ka botswapelo le go thusa Letlole gore le kgone go fitlhelela maikaelelo a Leano la 2008-2012. Bokaedi jwa Letlole la MVA bo eleletsa bobedi jo masego mo go tsothle tse ba tlaa tsweleng le tsone mo isagong. Ka 2012, Lekgotla la Bakaedi le ne la amogela Ms. Binta Tobedza le Ms. Kegomoditswe Matshediso. Dikakgelo le megopolo ya bone e tlaa thusa Letlole gore le kgone go fitlhelela maikaelelo le thomo ya lone. Ke leboga Lekgotla la Bakaedi ka kakaretso ka le supile fa le itlamile go thusa le go tlhomamisa gore Letlole le diragatsa thomo ya lone.

Mo boemong jwa Lekgotla la Bakaedi, ke eletsa go lo itsise fa re itlamile go diragatsa thomo ya rona. Re tlaa tswelela ka go kaela le go bereka sentle le Botsamaisa jwa Letlole ka bonatla jotlhe jo re ka bo kgonang.

Ke lebogela bonatla le tiro e ntle ya badiri ba Letlole la MVA, tiro ya bone e eleng gore kwa ntle ga lefatsheng leno e supegile ka go nna bafenyi ba maemo a boraro mo karolong ya Lekgotla le le Gaisetseng mo go a Mannye mo kgaolong ya Borwa jwa Aforika le gore ba bo ba kgonne go fitlhelela maikaelelo a Leano. Ke lo rotloetsa gore le tswelela ka go dira ka bonokopila le go nna le seabe mo go diragadiweng ga thomo ya Letlole.

Kwa bofelong, Lekgotla la Bakaedi le eletsa go leboga banaleseabe botlhe ba Letlole ka go farologana ba ba nnileng le seabe mo go direng sentle ga Letlole mo ngwageng wa 2012. Bakaedi gape ba leboga go menagane Khansela ya Toropo ya Gaborone le Mahube Bus Service ba ba tswelsetse ka go thusa ka kitso mo go tsamaiseng Sekolo sa rona sa Bana sa Tiriso ya Tsela. Maiteko a bone a supa maitlamo a bone mo ipabalelong tseleng. Fa banaleseabe ba rona ba bontsha fa ba batla go re thusa, rotlhe re ka fitlhelela gole gontsi.

Le ka moso bagaetsho.

Freddy Modise

Modulasetilo wa Lekgotla la Bakaedi

CHIEF EXECUTIVE OFFICER'S REPORT



The year 2012 was an exciting one filled with the celebrations of the MVA Fund's Silver Jubilee. It marked 25 years of commitment to our customers and the fight to reduce road crash fatalities and injuries on our roads. As the Fund attains this milestone, we reflect on our past and reaffirm our firm focus on injury prevention and claimants' outcomes. Equally memorable, the year signalled the conclusion of MVA Fund's 2008-2012 Strategic Plan, which established a clear vision of what the Fund wanted to achieve, and indeed did achieve. It guided us in the successful implementation of our revised mandate under the MVA Fund Act of 2007, as well as in implementing an Enterprise Resource Planning System, in carrying out an Organisational Review exercise and in developing a Service Standard Charter.

Service delivery

As a customer focused entity, the Fund is constantly exploring new ways of improving service while remaining relevant to its mandate. The Fund undertook a rebranding exercise which called for the revamping of service delivery and the renewed commitment of staff. Prior to that, a brand review was conducted to examine the internal processes and how they impacted on service delivery. Through extensive consultation with key stakeholders we saw the need to align the Fund's brand to the direction set by the MVA Fund Act of 2007. The services were repackaged to achieve optimal service delivery.

The Service Standards Charter was revised in October 2012 and the Fund's first Service Pledge was launched. Through the revised Charter and the Service Pledge, we affirm our commitment to our customers and we undertake to assist all those affected by road crashes and to improve service delivery.

The Fund continues to show its commitment to service delivery by increasing customer satisfaction levels, improving rehabilitation and improving efficiency across claims processing and management. In 2012 the Fund's External Customer Satisfaction levels improved from 75.6% in 2011 to 79.2%.

Over time the Fund has been able to extend its service network to strategic areas across the country, with six offices now operating. In addition, the Fund's services are accessible through the Botswana Post Office network. The Fund has also procured a Mobile Office facility that will assist it to reach out to communities where it does not have a physical presence, especially in remote areas.

People

The role played by our committed workforce cannot go unrecognised. Employees continue to show tremendous dedication to the good cause of the Fund and remain invigorated by the organisation's growth. The shared values of customer focus, integrity, teamwork and innovation continue to bind the Fund together towards a common goal.

The Fund engages with staff annually on issues of operational effectiveness and improved service delivery. The Fund conducted its third Internal Customer Satisfaction Survey in 2012 and achieved an overall index of 76.6% compared to the 77.3% index attained in 2011. The purpose of this survey is to determine the overall satisfaction levels and the Customer Satisfaction Index levels within the organisation. The key dimensions of the survey are quality of service, adherence to policies and procedures, executing departmental mandates, communication, courtesy, staff attitude, efficiency and effectiveness.

In 2012 the Fund participated for the second year running in the Deloitte Best Company to Work For survey. This survey measures performance and recognition, work-life balance, career development, remuneration, overall job satisfaction, sense of inclusion in the organisation, relationship with manager/supervisor, operational effectiveness, organisational ethics and integrity and sense of confidence in the organisation. The Fund achieved four awards – Best Parastatal to Work For in Botswana, Best Company to Work for in Botswana, Service Excellence Achiever's Award and 3rd Best in the Small Company Size Category in the Southern Africa Region.

A notable improvement was recorded in the 2012/2013 CHRODA Staff Engagement Survey when the Fund scored an index of 3.81 compared to the 3.79 index attained in 2011. The outcomes





PEGO YA MOOKAMEDI WA LETLOLE

Ngwaga wa 2012 ene ele ngwaga o re neng re ipelela dingwaga tse masome a mabedi le botlhamo re ntse re le teng. Ke ngwaga o o neng o supa maitlamo a rona mo badiriseng ba ditirelo tsa rona le mo go lwantsheng thibelo ya dintsho tse di bakwang ke dikotsi tsa dikoloji le dikotsi mo ditseleng tsa rona. Jaaka Letlole le ne le nna le dingwaga tse di masome a mabedi le botlhamo, re tshwanelwa ke go lebelela kwa morago mme gape re lebelele maikaelelo a rona a masha a go thibela dikgobalo le maduo a ba ba thusitsweng. Go bothokwa gape gore re gakologelwe gore ngwaga o ke one o Lenaneo la Letlole la MVA la 2008-2012 le tla kwa bofelong ka one. Lenaneo leo le supile gore tota Letlole le batla go fitlhelela eng, mme ka nnete sa fitlhelelwa. Lenaneo leo le thusitse fela thata mo go kaeleng Letlole mo tiragatsong ya Molao o o lebeletsweng gape wa 2007, tiragatso ya Lenaneo go Rulaganya Ditlamelo, go diragatswa ga Tshekatsheko ya Lekgotla le go tlhomiwa ga Maitlamo a go thusa Badirise ba Ditirelo.

Go isa Ditirelo kwa Bathong

Letlole la MVA le tswelletse ka go tla ka ditsela tse di ka dirisiwang go tokafatsa ditirelo tsa lone mme, le sa tswe mo maikaelelong a thomo ya lone. Letlole la MVA le ne la tsaya tshwetso ya go ikaga se sha mo go neng ga lopa gore go tokafadiwe ditirelo le maitlamo a babereki. Pele ga go dirwa seo, gone ga sekwasekwa letlole gore go lebelelwe ditsamaiso tsa letlole le gore di ama jang ka fa ditirelo tsa Letlole di gorogang kwa bathong ka teng. Morago ga ditherisano tse di tseeneletseng le banalesabe ba ba bothokwa, Letlole le ne la bona gole bothokwa gore setshwantsho sa Letlole se tsamaisane le Molao wa Letlole la MVA wa 2007. Ditirelo di ne tsa bopiwa go nna selo se le sengwe gore go kgonwe gore go fitlhelelwe go isiwa ga ditirelo kwa bathong ga maemo a a kwa godimo.

Molawana wa Boleng jwa Ditirelo one wa lebelelwa gape ka Lwetse 2012 mme ga ribololwa Tsholofetso ya ntlha ya Ditirelo. Ka Molawana wa Boleng jwa Ditirelo le Tsholofetso ya Ditirelo, Letlole le solofetsa go baya badirise ba ditirelo kwa pele e bile le itlama go thusa botlhe ba ba amilweng ke dikotsi tsa dikoloji le go tokafatsa boleng jwa ditirelo.

Letlole le tswelletse ka go supa fa le itlamile go neela badirise ba ditirelo tsa bone thuso ya maemo a a kwa godimo ka go oketsa seelo sa lone sa go kgotsofatsa badirise ba ditlamelo tsa lone, go tokafatsa thuso ya ba ba amilweng ke dikotsi le go tokafatsa manontlhotlho mo go diriweng ga dikopo le mo botsamaiseng jwa Letlole. Seelo sa Kgotsotalo ya Badirise ba Ditirelo se oketsegile gotsweng 75.6% ka ngwaga wa 2011 goya kwa go 79.2% ka ngwaga wa 2012.

Letlole le tswelletse ka go oketsa diofisi tsa lone mo mafelong a a rileng a lefatshe le. Go bulwa ga diofisi tseo go di okeditse gore jaanong di nne thataro. Gape ditirelo tsa Letlole di teng mo diposong. Letlole gape le rekile sedirisiwa se eleng ofisi e e kgonang go tsamaisiwa le mafelo a a farologaneng. Se se tlaa thusa Letlole gore le kgone go goroga kwa mafelo a a kwa tennyanteng kwa lesenang diofisi teng.

Batho

Seabe sa babereki ba rona ba ba dirang ka botswapelo se mo mpepeneng. Babereki ba tswelletse ka go supa botswapelo jwa bone mo go thuseng Letlole go diragatsa bontle le tshiamo le go tswelela ba nale le mashetla a go godisa Letlole. Tumelo ya botlhe ya go baya badirise ba ditirelo kwa pele, bokgabane le tiriso ya metlhale e mesha di tswelletse ka go dira Letlole seopo sengwe gore le kgone go fitlhelela maikaelelo a lone.

Ngwaga le ngwaga, Letlole le nna fa fatshe le babereki go buisana ka mokgwa o le tsamaisiwaeng ka teng le tokafatso ya ditirelo. Letlole le dirile e le la boraro Tshekatsheko ya Kgotsotalo ya Bodiredi ka 2012, mme maduo a supa kwelo tlase ya 76.6% fa go tshwantshannwa le 77.3% ka 2011. Maikaelelo a tshekatsheko e ke go bona selekanyo sa seelo sa go kgotsotala ka kakaretso le seelo sa go Kgotsotala ga Badirise ba Ditirelo tsa Letlole. Tshekatsheko e lebelela thatathata boleng jwa ditirelo, go sala melawana le dithulaganyo morago, tiragatso dithomo ga maphatana a Letlole ka go farologana, puisano, tlotlo, boitshwaro jwa babereki, manontlhotlho le bokgabane.

Mo ngwageng wa 2012 Letlole le ne la tsaya karolo mo Tshekatshekong ya Kompone e e Gaisang Tsotlhe go ka Berekelwa. Tshekatsheko e e remeletse mo dikarolong tse di akaretsang go dira ga mmereki, go lemogiwa ga tiro e e dirilweng, go lekannwa sentle ga tiro le dilo tse di amang botshelo, tokafatso ya seemo sa pereko, dituelo, go kgotsotala tiro ka kakaretso, go ikutlwa o le bontlha bongwe jwa lekgotla le o le direlang, tirisano gareng ga baokamedi le babereki, go tsamaisiwa sentle ga kompone, melawana le seriti le go nna le tshepo mo komponeng. Letlole le ne la tsaya dikabelo di le nne; Lekgotla le le Siametsweng go Berekelwa le le tsamaisiwaeng ke Puso le le Gaisitseng otlhe mo Botswana, Kompone e e siametsweng go Berekelwa mo Botswana go Gaisa tsotlhe, Kabelo ya Ditirelo tsa Maemo a Ntlha le maemo a boraro a a Gaisitseng mo Karolwaneng ya Kompone e Potlana mo Kgaolong ya Aforika Borwa.

Go kwadisitswe tokafatso mo Tshekatshekong ya go Rerisana le Babereki ya CHRODA 2012/2013. Letlole la MVA le bonye maduo a 3.81 fa go tshwantshannwa le 3.79 yo o neng a fitlheletswe ka ngwaga wa 2011. Maduo a ditshekatsheko tse a thusa Letlole go rerisana le babereki ba lone le go itshwantshanya le makgotla a a tshwanang le lone gore le kgone go tokafatsa ka fa le dirang ka teng.

Dintlha tsa Madi

Maduo a ngwaga o fedileng ka Sedimonthole a le masome a mararo le bongwe a supa fa Letlole le dirile P130.0 million, ele madi a Phelelelo ka Kakaretso le P258.4 million ele madi a a Amogetsweng ka Kakaretso.

CHIEF EXECUTIVE OFFICER'S REPORT (Continued)

of these surveys assist the Fund to establish the engagement levels of its staff members and to compare itself with similar organisations for improvement.

Financial highlights

The results for the financial year ended 31 December 2012 show a Net Surplus of P130 million and a Total Comprehensive Income of P258.4 million.

Income

The Fund recorded a total operating income of P269.1 million in 2012, a decrease of 16.8% compared to the P323.3 million recorded in 2011. This decline was primarily attributable to foreign exchange gains on offshore investments of P28.5 million in 2012 compared to P98.8 million in 2011. Net fuel levy increased by 12% from P78.3 million recorded in 2011 to P87.7 million in 2012 due to the decline in provision for fuel levy rebates. Net third party income decreased from P8.4 million in 2011 to P8.0 million in 2012, a decrease of 5%. Net investment income increased from P113.5 million in 2011 to P129.7 in 2012. The increase is mainly attributable to net gain from the sale of investment securities.

Costs

Total expenses reduced by P50.5 million from P192.1 million in 2011 to P141.6 million in 2012 mainly due to the decline in net claims provision and prudent management of costs. The net increase in claims provision decreased from P99.5 million to P46.0 million. Administrative expenses increased by P0.27 million from P48.8 million in 2011.

Financial position

Total assets increased from P2.4 billion in 2011 to P2.7 billion in 2012. This increase was as a result of the notable performance of both local equities and offshore investments. Local equities increased from P891.9 million in 2011 to P992.3 million in 2012 due to increases in local equities prices for most of the local shares held on the portfolio as well as purchases of additional shares during the year. However, some of the listed equities in our portfolio declined in value and were written down to the value of their impairment. Offshore investments increased by P105.9 million from P674.0 million in 2011 to P779.9 million in 2012. Reserves increased from P1.85 billion in 2011 to P2.1 billion in 2012 while non-current liabilities increased from P343.3 million in 2011 to P388 million in 2012.

Claims processing and management

A total of 2 132 claims were received during 2012, a drop of 9.5% compared to claims received in 2011. At year end 2 957 claims had been finalised, including those from previous years, and only 177 claims were outstanding.

The Fund continues to enhance its case management processes by implementing initiatives aimed at effective management of claimants' injuries. Rehabilitation equipment was donated to Princess Marina Hospital for use by the Spinalis Foundation of Botswana unit, and to Thuso Rehabilitation Centre. This equipment will also assist in providing medical treatment, social and rehabilitation services.

To improve the efficiency and effectiveness of our case management, the Fund is developing a Case Management System that will assist in the handling of clinical data of claimants and improve rehabilitation.

Road safety performance

Road safety remains an integral part of the MVA Fund mandate. The Fund undertakes road safety initiatives in an endeavour to reverse the escalating rate of road crashes in the country, and to ensure the organisation's sustainability. Our road safety activities and programmes are aligned to the goals of the United Nations Decade of Action for Road Safety 2011-2020, which seeks to reduce deaths from road crashes by half by the year 2020.

Several interventions carried out by the Fund include the Community Road Safety Grant



As a customer focused entity we are constantly exploring new ways of improving service, while remaining relevant to our mandate.



PEGO YA MOOKAMEDI WA LETLOLE (Tswelelo)

Madi a a Amogetsweng

Letlole le kwadisitse P269.1 million ele madi a a amogetsweng ka kakaretso go tsamaisa ditirelo mo ngwageng wa 2012. Se se supa kwelo tlase ya 16.8% fa go tshwantshangwa le P323.3 million yo o neng a bonwe ka ngwaga wa 2011. Kwelo tlase e e bakilwe ke madi a a dirilweng mo dipeeletsong tsa Letlole tse di kwa mafatsheng a sele. Dipeeletso tseo ka ngwaga wa 2011 di ne di dirile P98.8 million fa go tshwantshangwa le P28.5 million yo di mo dirileng ka 2012. Madi otlhe a a dirilweng ka lekgetho la leokwane ka 2012 ke P87.7 million ele koketsego ya 12% mo go P78.3 million yo o neng a dirilwe ka 2011 ka ntlha ya madi a lekgetho la leokwane a a neng a busediwa badirisi. Madi a lekgetho la dikoloi tsa dinomoro tsa mafatshe a sele a fokotsegile go tsweng P8.4 million in 2011 go ya kwa go P8.0 million ka 2012 ka kakaretso, ele phokotsego ya 5%. Madi otlhe a dipeeletso a oketsegile go tswa kwa go P113.5 million ka 2011 go ya kwa go P129.7 million ka 2012. Koketsego e e bakilwe ke madi a a dirilweng ka thekiso ya dipeeletso.

Ditshenyegelo

Ditshenyegelo tsothle ka kakaretso di fokotsegile ka P50.5 million go tswa kwa go P192.1 million ka ngwaga wa 2011 go ya kwa go P141.6 million mo ngwageng wa 2012. Se se bakilwe thatathata ke kwelo tlase mo mading a a thusang ba ba kopang thuso kwa Letloleng le botsamaisa jwa madi jo bo nonofileng. Madi otlhe a a thusang ba ba amegileng a fokotsegile go tswa kwa go P99.5 million go ya kwa go P46.0 million. Madi a a dirisiwang go tsamaisa Letlole a oketsegile ka P0.27 million go tswa kwa go P48.8 million yo o neng a kwadisitswe ka December 2011.

Seemo sa Madi

Dithoto tsothle tsa Letlole di bonye koketsego go tswa kwa go P2.4 billion wa 2011 go ya kwa go P2.7 billion ka ngwaga wa 2012. Koketsego e e bakilwe ke go dira sentle ga dipeeletso tsa mo gae le tse di kwa mafatsheng a sele. Dipeeletso tsa mo gae di bonye koketsego go tswa kwa go P891.9 million ka 2011 go ya kwa go P992.3 million ka 2012. Se se bakilwe ke koketsego ya dithwatlhwa tsa diabe tsa dipeeletso tsa mo gae ka bontsi le theko ya diabe tse dingwe fa ngwaga o ntse o tswetse. Mme fela, dingwe tsa diabe tsa rona tse di kwadisitsweng mo gae di ne tsa wa tlhwatlhwa mme ga pateletsa gore di kalwe ka tlhwatlhwa e di wetseng mo go yone. Dipeeletso tsa kwa mafatsheng a sele di oketsegile ka P105.9 million go tswa kwa go P674.0 million wa ngwaga wa 2011 go ya kwa go P779.9 million ka 2012. Madi a a beilweng a bonye koketsego go tswa kwa go P1.85 billion ka ngwaga wa 2011 go ya kwa go P2.1 billion ka 2012. Di tshenyegelo tse eseng tsa nako eno di oketsegile go tswa kwa go P343.3 million wa ngwaga wa 2011 go ya kwa go P388 million mo ngwageng wa 2012.

Thulaganyo ya Dikopo tsa Dituelo le Botsamaisa

Go amogetswa dikopo tsa dituelo di le 2 132 mo ngwageng wa 2012. Fa go tshwantshangwa le ka 2011, go nnele le phokotsego ya 9.5% mo dikopong. Fa ngwaga o fela, Letlole le ne le feditse go dira dikopo tsa dituelo di le 2 957 go akaretswa le tse di tswang kwa dingwageng tse di fetileng. Ke dikopo di le 177 fela tse di neng di sa ntse di dirwa.

Letlole letsweletse ka go tokafatsa thulaganyo ya lone ya go Tsamaisa Dikgetsi ka go diragatsa maano a a itebagantseng le tsamaiso e e nonofileng ya dikgobalo tsa baikopedi. Letlole le abetse Spinalis Botswana le Thuso Rehabilitation Centre didirisiwa tse di thusang tsosoloso maikaelelo ele go oketsa bokgoni. Didirisiwa tse di tlaa thusa gape ka go fa kalafi ya bongaka e e maleba le ditirelo tse dingwe tsa tsosoloso.

Go tokafatsa bokgabane le manontlhotlo mo tsamaisong ya dikgetsi tsa dikgobalo, Letlole le dira Thulaganyo ya Tsamaiso Dikgetsi e e tlaa thusang go tshegetsa kitso ya bongaka ya baikopedi le go tokafatsa tsosoloso.

Ipabalelo Tseleng

Ipabalelo tseleng ke karolo e e botlhokwa ya Letlole la MVA. Letlole le diragatsa maano a ipabalelo tseleng ka maikaelelo a go fokotsa palo ya dikotsi tsa dikoloi e e tswelletseng ka go oketsega mo lefatsheng le, le go tlhomamisa gore le tswelela ka go nna teng go ya go ileng. Ditiro tsa rona tsa ipabalelo tseleng di tsamaelana le Lenaneo la Lefatshe ka Bophara la Mafatshe a a Kopaneng la Dingwaga tse Lesome tsa Ipabalelo Tseleng (2011-2020) le maikaelelo a lone eleng go fokotsa ka halofo dintsho tse di bakiwang ke dikotsi tsa tsela ka ngwaga wa 2020.

Ditshereganyo tse di setseng di dirilwe ke Letlole di akaretsa Lenaneo la Kabelo la Ipabalelo Tseleng kwa Magaeng. Maikaelelo a lone ke go thusa batho ba magae gore ba dire ditshereganyo tse di thusang mo go lwantsheng kamego ya bone mo dikotsing tsa tsela. Sa le lenaneo le le ribololwa, Letlole le setse le rotloeditse diporojeke di le 27. Kgolo ya lenaneo le e dirile gore dikopo di amogelwe nako nngwe le nngwe eseng gane ka ngwaga jaaka gone go dirwa fa le simolola.

Ka maiteko a go atlolosa maikaelelo a lone a go oketsa kitso ka ipabalelo tseleng, Letlole le gorogile kwa magaeng le dikolo ka go farologana lefatshe leno ka bophara le dirisa Sekolo sa Ipabalelo Tseleng sa Bana se se Tsamayang.

Mo go lemogeng botlhokwa jwa go kopanela go tlhanela tiragatso ya mananeo a ipabalelo tseleng, Letlole lene la tsena mo tisanong le banaleseabe ba ba farologaneng, thatathata Lephata la Ditsela le Pabalesego, Sepodisi sa Botswana, Lephata la Ditsela, Men Sector

CHIEF EXECUTIVE OFFICER'S REPORT (Continued)

Scheme which was initiated in 2010. This scheme enables communities to craft road safety interventions that best suit traffic safety situations within their localities. Twenty-seven community projects have been sponsored so far, and more applications are under consideration. The growth of the programme has resulted in opening up the submissions system, from quarterly to year round.

The Fund takes the road safety message across the country with its fully equipped Mobile Children's Traffic School, so far visiting 17 remote villages to entertain and teach young people how to look after themselves and others on the road.

In recognition of the need for concerted effort for the successful implementation of road safety programmes, the Fund has forged relationships with a number of stakeholders, notably the Department of Road Transport and Safety, Botswana Police Service, Roads Department, Men Sector Botswana, Vivo Energy Group, Makgabaneng Serial Drama, and Botswana National Sports Council. These productive synergies and initiatives are aimed at improving Botswana's traffic safety landscape as well as mitigating significant risks to the Fund's sustainability.

Risk management

The Fund has adopted an enterprise-wide risk management framework which captures all significant risks of the organisation and assesses the likelihood of a risk occurring and its consequences to the Fund's objectives. It incorporates three overarching components: the management of risks in each area embedded within the relevant business groups, the coordination of risk reporting and key initiatives by the Strategy Office, and the independent assessment of the effectiveness of risk mitigation and management by the management team. Mitigation plans are developed for all risks that are considered material and are monitored periodically.

Risks to organisational strategy and objectives may arise in existing operations or be attributed to the external environment, such as the impacts of economic, technological and market factors. The review of significant risks to objectives involves the consideration of reputational, financial and non-financial factors across the Fund in order to form an overview of potential impacts.

2013-2017 Strategy

In September 2012 the Fund launched its new brand after a rigorous exercise of consulting internal and external stakeholders. The new brand has a strong emphasis on service delivery, as indicated by the colours and logo adopted. In December the Fund's Strategic Plan 2008-2012 came to an end and a new five-year strategic plan to 2017 has been developed. The Fund's strategic foundation is consistent with the new brand. The 2013-2017 strategy places more emphasis on innovation, not only as a core value but also as a process of value creation. Additional objectives to those from the previous plan are the improvement of service delivery, service coverage, procurement processes, strategic partnerships, innovation, and cost management.

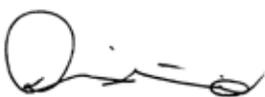
Outlook

The implementation of the Case Management System will enable the Fund to closely monitor the medical treatment and rehabilitation of those injured in road crashes. The lack of rehabilitation centres locally usually leads to referral of claimants to South Africa for rehabilitation services. This procedure is not only costly but inhibits family members and relatives from providing important material and emotional support to their loved ones. In an effort to reduce the referrals, the Fund envisages collaborating with stakeholders to develop rehabilitation centres locally. This initiative will build capacity as well as reduce costs. The Fund will also increase its service distribution network to improve service delivery. A mobile office has been procured to enable the Fund to service its customers in remote areas. If this initiative is successful, a second such office will be acquired and put into service.

There is need for prudent management of resources in order to save costs. The fuel levy income is currently supported by the Fund's investment income to meet the costs of claims. The escalation in medical costs and other related costs remain a risk to the sustainability of the Fund, hence we continue to take heed of it.

The Fund continues to work towards achieving the goals of the United Nations Decade of Action for Road Safety 2011-2020, in a concerted effort to reduce deaths and serious injuries on the road.

MVA Fund will continually increase its focus on rehabilitating and supporting our claimants, to ensure that they have the 'Best chance to normal life'.



Cross Kgosiidiile

Chief Executive Officer



PEGO YA MOOKAMEDI WA LETLOLE (Tswelole)

Botswana, Vivo Energy Group, Makgabaneng Serial Drama, le Botswana National Sports Council. Ditirisano tse maikaelelo a tsone e leng go tokafatsa seemo sa dikotsi tsa tsela mo Botswana le go dibela manokonoko a a ka amang go nna teng go ya go ileng ga Letlole.

Taolo ya Manokonoko

Letlole le dirisa Lenaneo la Taolo Manokonoko le le dirisiwang mo mohameng wa matlole a dikotsi tsa dikoloi le le bontshang manokonoko otlhe a Letlole le ka kopanang nao mme gape le sekaseke gore manokonoko a ka diragala leng le gore go ka ama jang maikaelelo a Letlole. Lenaneo le le akaretsa dikarolo tse: taolo ya manokonoko a a leng teng mo ditlhopheng tsotlhe tse di tsamaelanang tsa kgwebo, kgolaganyo ya go begwa ga manokonoko le megopolo e mesha ya konokono ke ba Ofisi ya Maano, le tshekatsheko e e ikemetseng ka nosi ya go dibela le go laola manokonoko e e dirwang ke setlhopho sa batsamaise. Mananeo a go dibela a dirilwe manokonoko otlhe a go bonwang a ka ama Letlole mme, a elwa tlhoko ka dinako tse di dumalanweng.

Manokonoko a a ka amang leano le maikaelelo a Letlole a ka tlhagoga mo ditirong tse di leng teng kgotsa a ka amangwa le tikologo, jaaka dikutlwelo tsa dintlha tse di tshwanang le itsholelo, maranyane le mebaraka. Go sekasekwa ga manokonoko a a ka amang maikaelelo a Letlole thata go akaretsa tebelelo ya serite sa Letlole, dintlha tsa madi le tse di sa amaneng le madi mo Letloleng ka kakaretso gore go dirilwe tshekatsheko kakaretso ya dikutlwelo tsotlhe tse di ka nngang borai.

Leano la 2013-2017

Ka kgwedi ya Lwetse 2012, Letlole le ne la ribolola letshwao le le sha morago ga go rerisana le banaleseabe botlhe ba ba mo Letloleng le ba ba kwa ntle. Letshwao le le sha le le gateletse thata ditirelo tse di isiwang kwa bathong, jaaka mebala le setlanyo sa lone di supa. Lenaneo la Leano la Letlole la MVA la 2008-2012 le wetse ka kgwedi ya Sedimonthole mme go dirilwe lenaneo la leano la dingwaga tse tlhano go fitlhelela ngwaga wa 2017. Letshwao le le sha le le tsamaelana le motheo wa Letlole. Leano la 2013-2017 le gatelela thata tiriso ya methale e mesha, ele thulaganyo ya go tsenya boleng mo Letloleng eseng fela ele ntlha nngwe ya boleng. Mo godimo ga maikaelelo a Leano la pele go tladitswe ka tokafatso ya ditirelo, mafelo a ditirelo di gorogang kwa go one, thulaganyo ya theko, maano a tirisano, go tla ka methale e mesha, le go laola ditshenyegelo.

Tebego

Go diragatswa ga Thulaganyo ya Tsamaiso ya Dikgetsi e tla letla Letlole go baa seemo sa kalafi le tsosoloso ya ba ba gobetseng mo dikotsing tsa dikoloi le tlho. Go tlhela ga mafelo a tsosoloso mo Botswana go felela go dira gore baikopedi ba romelwe kwa Aforika Borwa go ya go fiwa dithuso tsa tsosoloso. Go isa balwetsi kwa Aforika Borwa go turu, gape bokgakala jwa teng bo itsa ba lelwapa le masika go tlamela baratiwa ba bone ba ba lwalang. Ka maiteko a go fokotsa go romelwa ga balwetsi kwa Aforika Borwa, Letlole le akanyetsa gore le kopane le banaleseabe gore go bo go agiwa mafelo a tsosoloso mo Botswana. Leano le le ka oketsa selekanyo sa bokgoni jwa go thusa batho le go fokotsa ditshenyegelo. Letlole gape le tlaa oketsa mafelo a ditirelo di ka bonwang kwa one gore go thusiwe batho ba le bantsi. Go rekilwe ofisi e e dikologang le mafelo a a nang le tsela gore e thuse Letlole go gorosa ditirelo kwa bathong. Fa se se ka atlega, Letlole le tlaa reka e nngwe.

Go bothokwa thata gore ditlamelo tse di leng teng di dirisiwe sentle gore go bolokwe madi. Madi a a tsenngwang ke lekgetho la leokwane a tlatswa ka a a dirwang ke dipeeletso go kgona go duela ditshenyegelo tsa ba ba amilweng ke dikotsi. Re etse tlhoko gore koketsego ya ditshenyegelo tsa bongaka le ditshenyegelo tse dingwe tse di amanang di tswelletse ka go nna diphatso mo go nngeng teng go ya go ileng ga Letlole.

Letlole le tswelletse ka go bereka ka maatla gore le kgone go fitlhelela maikaelelo a United Nations a Dingwaga tse di Lesome Tsa go Tsaya Kgato ka Ipalelo Tseleng 2011-2020 la gore, ngwaga le ngwaga, go fokotswe dintsho le dipalo tsa batho ba ba gobetseng thata mo dikotsing tsa dikoloi. Letlole le tlaa tswelela ka go itebaganya le kgang ya tsosoloso le tshegetso ya ba ba amilweng ke dikotsi tsa dikoloi go tlhomamisa gore ba nna le "tshono ya go tshela jaaka ba tlwaetse".

Cross Kgosiidiile

Mookamedi wa Letlole

DEPARTMENTAL REPORTS

CLAIMS ASSESSMENT AND INVESTIGATIONS

The Department is made up of three units, namely Claims Assessment, Claims Investigations and Right of Recovery.

Claims Assessment

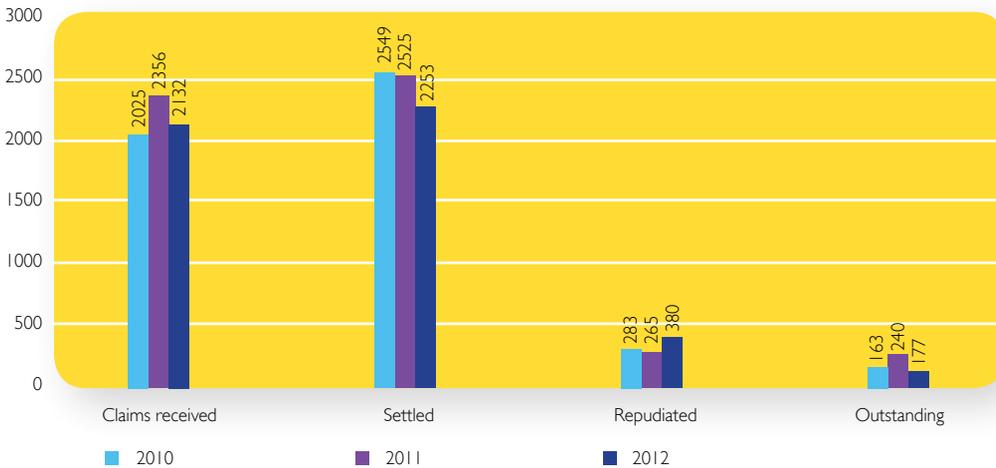
The Claims Assessment unit has the primary responsibility of assessing all claims lodged with the Fund by determining liability and awarding the appropriate benefits to claimants. The department relies on the MVA Fund Act which governs the operations of the Fund and sets out conditions for liability and the benefits payable. There are also policies and guidelines in place that assist in the assessment. Reliance is also placed on information and recommendations obtained from Botswana Police Service and medical professionals.

The benefits provided for under the Act include medical and rehabilitation, enhancement of quality of life, incidental expenses, loss of income, funeral expenses and loss of support.

The Fund operates with the hybrid system following the revision of the Act. The system is termed 'hybrid' because it provides for cover to all who are affected by road crashes, and fault is only applied as a limitation of the cover. A claimant who is assessed to be at fault or negligent is only entitled to medical benefits not exceeding P300 000. For loss of income, the entitlement is only up to the extent of his/her contribution to the crash.

During the year, the quality and speed of assessing claims continued to improve due to the revised service standards, the highly integrated SAP computer system, and dedicated personnel. Assessment is done in a timely and equitable manner, thus improving customer satisfaction.

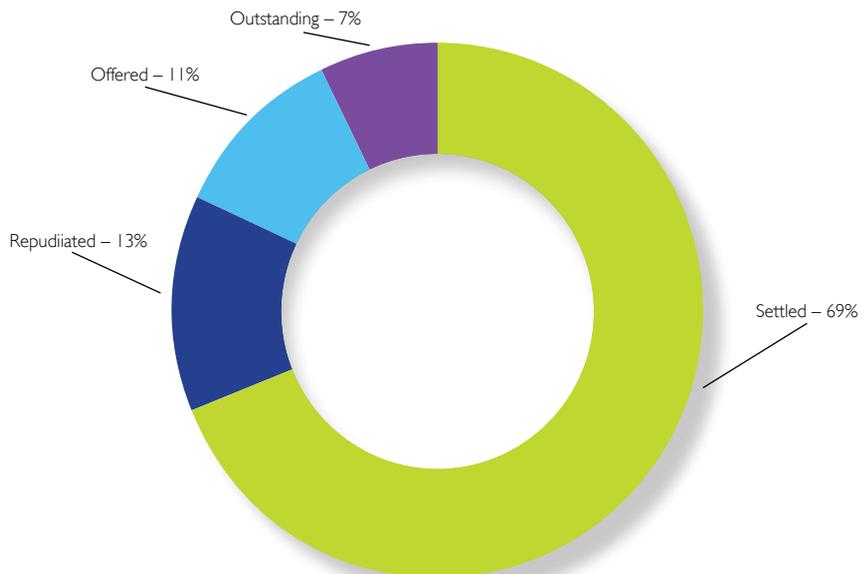
Claims analysis



The number of claims received in 2012 declined by 9.5% compared to 2011. The decrease is attributable to the corresponding drop in the number of casualties during the same period. In 2012 fatalities decreased by 16% compared to 2011. The claims profile shows that the death of an individual results in multiple claims under the loss of support benefit system.

A total of 2 132 claims were received during the year. The Fund finalised 1 973 claims, 660 of which were from previous years, and 159 claims were yet to be concluded.

Claims status at year-end 2012





To improve turnaround times and the quality of assessment of claims, the Fund continues to nurture relationships with various stakeholders. The objective is to formalise relationships with major employers, in particular Government, mining companies, banks, etc to allow a more coherent and responsive way of sharing information that is needed for assessment of claims. This reduces prolonged delays caused by inadequate information submitted by claimants. The Fund has signed a memorandum of understanding with BCL Limited and will enter into relationships with a number of employers in the near future.

Claims Investigations

Claims investigation is an important auxiliary function within the claims assessment process. It is critical in collecting evidence needed to establish:

- Legitimacy of claims
- Contributory negligence for purposes of limitation
- Gross negligence for purposes of right of recovery.

The unit also works with the Fund's Internal Audit office in some areas to assist with investigations of fraud. It is also responsible for servicing of court documents.

In order to discharge its duties effectively the Claims Investigations unit collaborates extensively with the Botswana Police Service, particularly the Traffic Division. The cooperation of the community in volunteering important evidential information is also of great value in assisting investigators to make timely, appropriate and fair conclusions.

Investigations performance

Year	Investigation of claims			Service of court documents		
	Brought forward	Received	Total	Completed	Received	Served
2010	0	189	189	185	304	304
2011	4	262	266	262	244	233
2012	4	279	283	283	172	183

The number of claims investigated increased by 5% during the year compared to 2011.

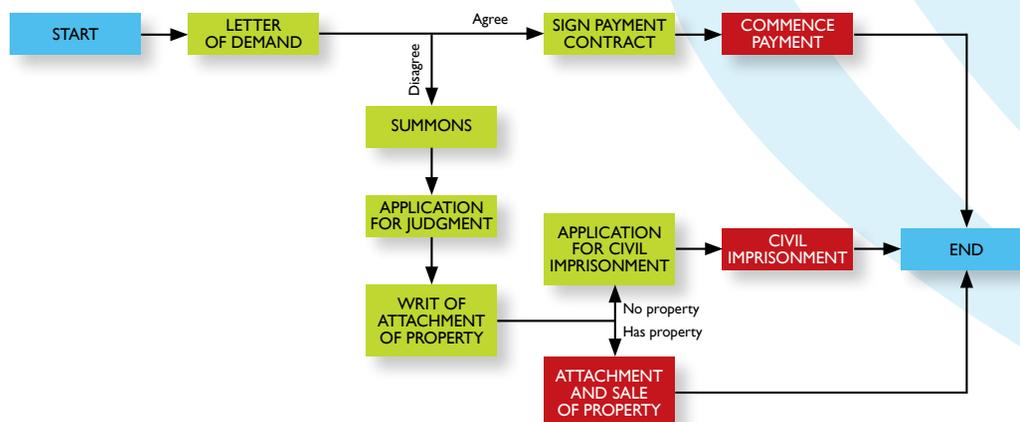
Right of recovery

In terms of the MVA Fund Act, the Fund has the right to recover monies paid to a claimant as compensation or benefits, from the driver or vehicle owner who caused the accident under the following circumstances:

Driving under the influence of intoxicating liquor or drugs to the extent of being incapable of having proper control of a vehicle (exceeding prescribed limits); reckless driving; driving without being a holder of a valid driving licence; driving a defective vehicle whose defect caused or contributed to the cause of the accident; driving a stolen vehicle knowingly where one reasonably ought to have known that it was stolen; being the owner, custodian or lawful possessor of a vehicle, permitting it to be driven in the circumstances above; and where a driver of a foreign registered vehicle fails to pay for and obtain third-party insurance cover and such driver negligently causes an accident.

The right of recovery is a statutory initiative aimed at promoting road safety by deterring irresponsible drivers. The Fund uses all the available interactive forums including its public education activities to sensitise the public about this initiative.

Right of recovery process

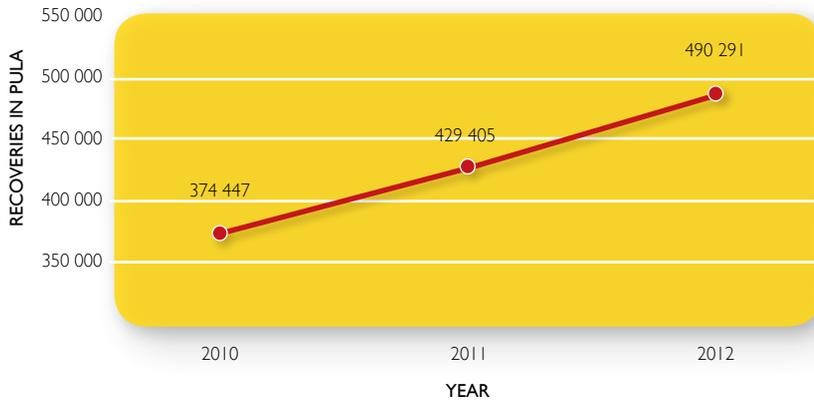


The Fund recovered P490 291 during the year, 14% more than in 2011.

DEPARTMENTAL REPORTS

CLAIMS ASSESSMENT AND INVESTIGATIONS (Continued)

Recoveries



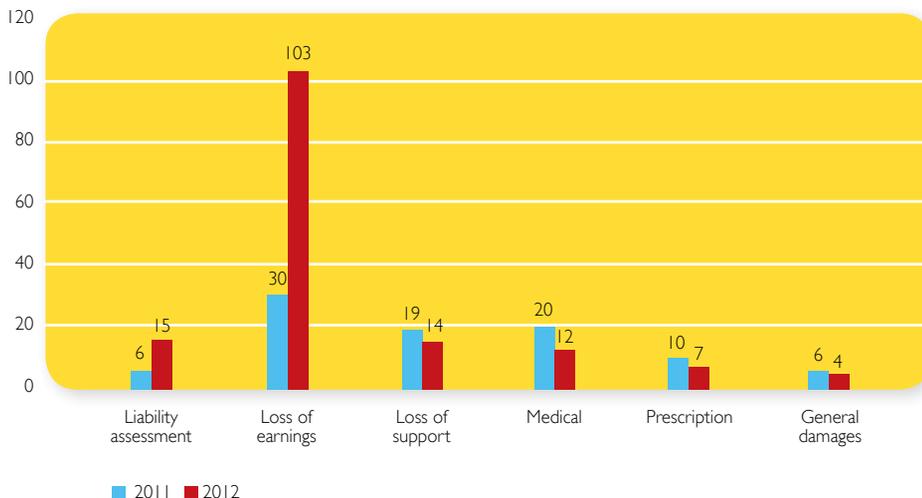
To intensify collections the Fund engages private debt collectors and some law firms to assist. The Fund also works closely with Botswana Police Service, to help gather information on offending drivers. To improve recoveries, the Fund uses the SMS alert system and telephone calls on a monthly basis, to alert the individuals concerned to make payment.

Claims review

Customer focus is a core value of the Fund, which strives to ensure that customers are satisfied with the products and services provided. In pursuance of this the Fund has established a review panel, which is an internal appeals platform set up to address claimants' grievances about the Fund's assessment decisions. This panel is the final authority in so far as the internal claims appeal process is concerned. However, if the claimant is not satisfied with the final resolution of the Claims Review Panel, he or she has the right to approach a court of law.

A total of 155 appeals were received in 2012, an increase of 63% on the previous year. Most of the appeals relate to the loss-of-earnings benefit, which is a cash pay-out.

Appeals by benefit type



The Claims Review Panel reversed nine decisions in 2012. Of the 155 appeals received, 89 decisions were upheld and 57 were amended. The Fund makes every effort to meet the service standard of resolving complaints within seven days.

Litigation

Claimants have the right to access the courts if aggrieved by the Fund's decisions, but very few such actions have been made in the past three years, only two new litigation matters being lodged against the Fund in 2012. This is due to the robust claims assessment procedures and the extensive complaints handling procedures within the Fund, and the Claims Review Panel which ensure that claimants' cases are assessed as fairly as possible.



DEPARTMENTAL REPORTS

CUSTOMER SERVICES

The Customer Services Department comprises the Customer Services Section, the Branch Offices and the Case Management Section.

Customer Services and branch offices

Customer service is pivotal to the Fund's operations as a service-orientated organisation. The Customer Services Section is a point of interaction between the Fund and its customers. To meet this obligation, the Fund has in the past five years expanded its office network to strategic locations around the country. MVA Fund is headquartered in Gaborone and there are five branch offices – in Francistown, Maun, Kang, Palapye and Selebi-Phikwe – giving communities in those areas easier access to the Fund's services.

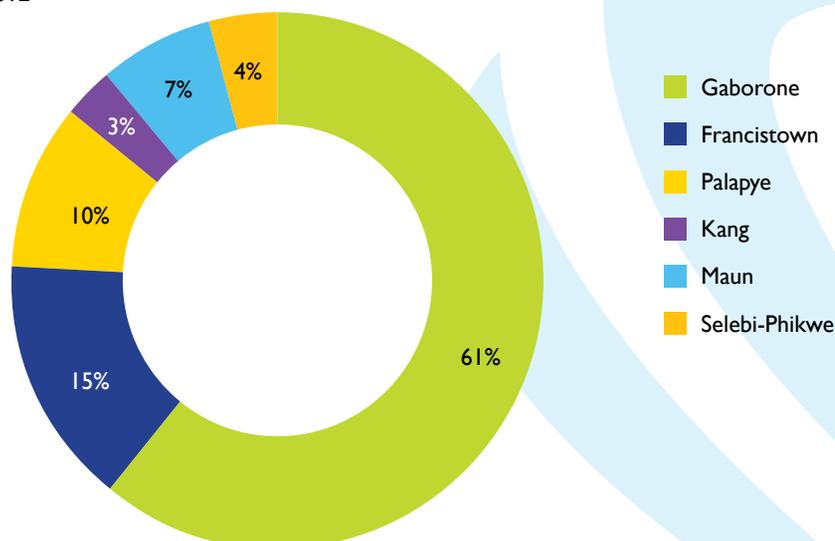
The major functions of the section and the branch offices include:

- Receiving claim applications and verifying to ensure completeness
- Assessing claims
- Handling customer complaints and inquiries
- Claimant welfare and rehabilitation
- Public education

Claims received by office

Office	2010	2011	2012	Total
Gaborone	1 232	1 432	1 300	3 964
Francistown	335	345	313	993
Palapye	269	241	216	726
Kang	68	64	59	191
Maun	117	131	160	408
Selebi-Phikwe	4	143	84	231
TOTAL	2 025	2 356	2 132	6 513

Claims received in 2012



DEPARTMENTAL REPORTS

CUSTOMER SERVICES (Continued)

Service distribution network

To foster relations and to optimise resources, the Fund has engaged the services of Botswana Post, Botswana Police Service and major hospitals across the country to assist in the distribution of claim forms and other related materials in areas where the Fund has no offices. The claim forms can also be downloaded from the Fund's website. This improves service delivery and accessibility of the Fund's products and services. The Fund expanded its community outreach initiatives in 2012 by introducing the concept of mobile offices.

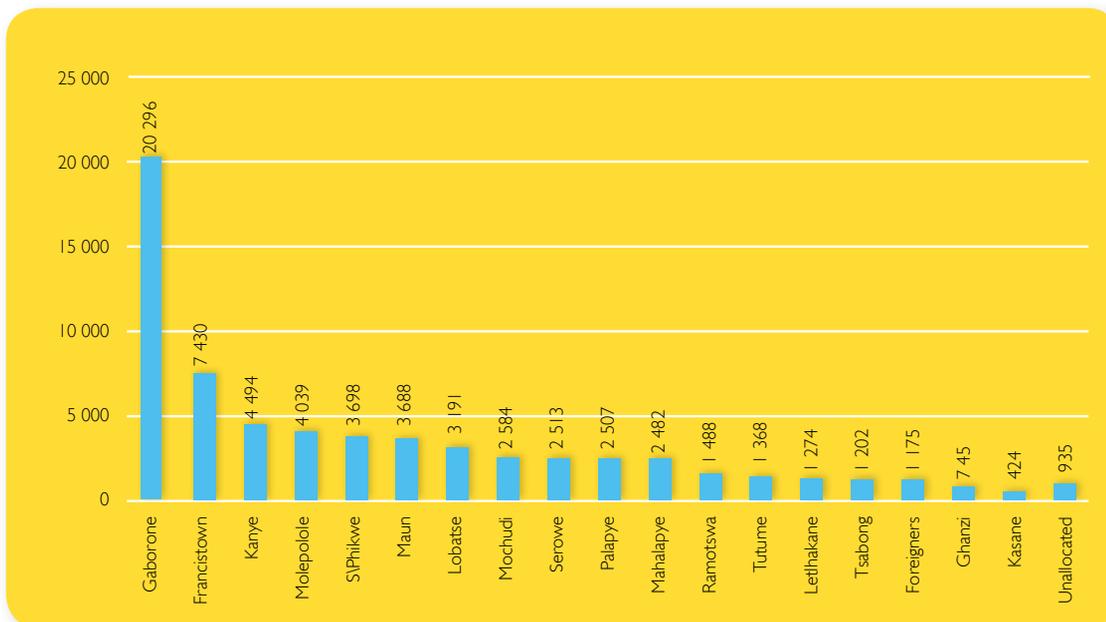
The Fund visits various areas periodically, especially communities in the remote areas, to reach out and identify people who have not been assisted after being affected by road crashes. During the year the public at large was also sensitised about road safety and the products and services of the Fund.

A mobile office has been procured to improve the service distribution channels and extend public service outreach. This initiative will improve service delivery by reducing delays.

Claimants 1987-2012

Since its inception in 1987 to the end of 2012 the Fund handled a total of 45 214 claimants, of whom the Fund has identified the places of residence of 44 321.

Beneficiaries by region



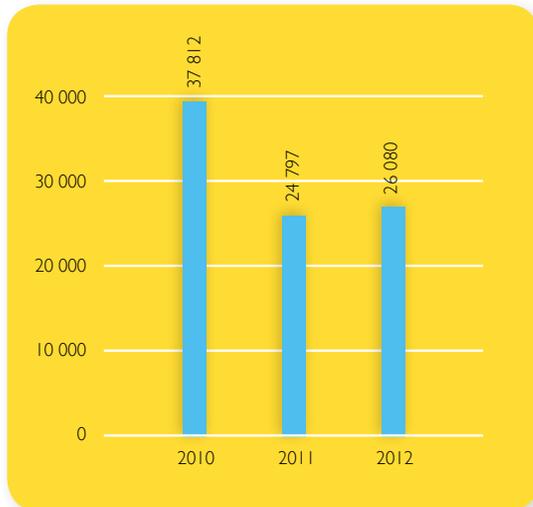
Customer visits and calls to the Fund

The department interacted with 26 080 customers during the year through telephone calls and visits to the Fund. The customers normally visit or call to check on the progress of their claims lodged with the Fund, and with other inquiries on the Fund's operations. There has been a notable decline in customer visits and calls, from 37 812 in 2010 to 24 797 in 2011. This is attributable to the Fund's pro-activeness in giving the claimants feedback. The Fund gives claimants feedback periodically through bulk SMS, emails and telephone calls.

The increase in 2012 compared to 2011 is attributable to the high number of customers who visited or called the Fund to find out about such initiatives as the Fund's Community Road Safety Grant Scheme, which was intensively advertised during the year.



Customer interactions



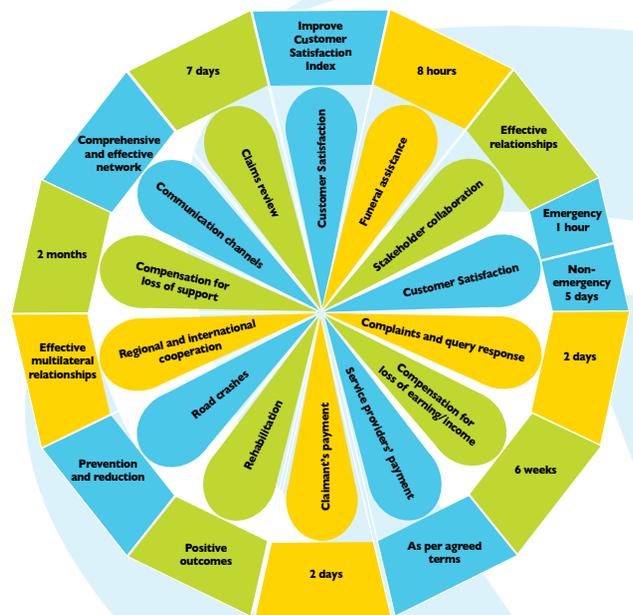
Customer satisfaction

The Fund continually seeks to improve customer satisfaction and since 2009 has conducted annual customer satisfaction surveys. These surveys involve customers sharing their perceptions of the Fund's service delivery, their image of the Fund and their awareness of the products and services that it offers. The surveys also seek to identify areas where service improvements can be made. The Customer Satisfaction score for 2012 was 79.2%, compared to 75.6% the year before.

MVA Fund Service Standards

The department relies fully on the SAP integrated computer system, which has improved operational efficiencies and service delivery. The system assists in speeding up claims processing, providing quality control, claims payments and management of information reporting.

The Fund renewed its Service Standards commitment to the public and upgraded its service delivery by revising the Service Standards in 2012. The enhanced standards demonstrate the Fund's unwavering commitment to improved service delivery. A Service Pledge was also developed, reflecting employees' willingness to step up their efforts to help those affected by road crashes.



'We are totally committed to the challenges of meeting these standards. Indeed, they are a reflection of our shared aspirations to serve our stakeholders.'

DEPARTMENTAL REPORTS

CUSTOMER SERVICES (Continued)

CASE MANAGEMENT

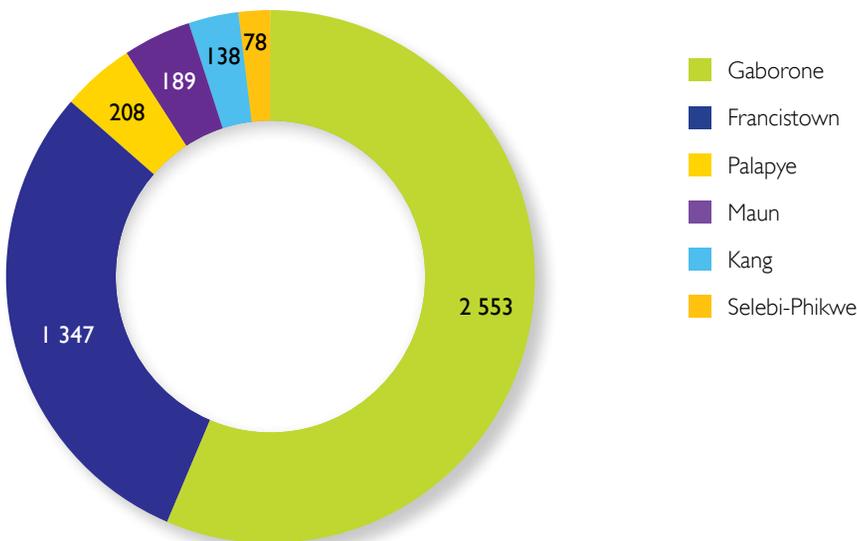
The Case Management Section facilitates rehabilitation and welfare support services to promote better health and social outcomes to those affected by road crashes. The section carries out the following functions:

- Management of claimants medical care
- Compiling treatment and rehabilitation programmes
- Coordinating hospital, home, workplace and school visits
- Providing post-settlement welfare and support services
- Providing guidance and support to claimants on the various support services

Medical care and rehabilitation

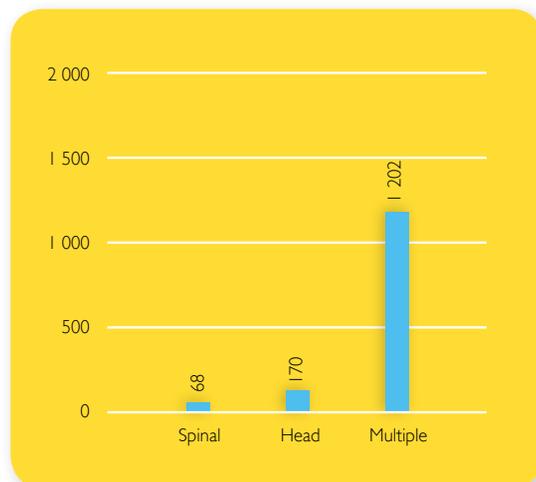
The Fund had a total 4 513 claimants with medical undertakings in 2012, an increase of 853 claimants from 3 660 in 2011.

Medical undertakings by office



Of the 4 513 claimants receiving medical care, 1 440 suffered severe injuries (spinal cord, head and multiple fractures). The Fund works closely with Spinalis Foundation of Botswana based at Princess Marina Hospital, Gaborone, to provide intensive rehabilitation to patients with spinal cord injuries. This affords patients the care and comfort of their families in their home environment. This programme has also reduced the financial burden on the Fund as rehabilitation costs outside the country are very high. However, severe head injuries are still being rehabilitated outside the country as there are challenges of limited rehabilitation facilities for these injuries locally.

Severe injuries by diagnosis





Rehabilitation outcomes for claimants with spinal cord injuries

	Unemployed	Employed	Students	Total
Fully rehabilitated and back to work/independence	20	18	1	39
Still rehabilitating and back to work/independence	3	4	0	7
Dependent for activities of daily living	2	4	2	8
Permanent disability – no return to work/independence	2	8	0	10
Total	27	34	3	64

Sixty-four claimants with spinal cord injuries were recorded in 2012. Of these, 60.9% were fully rehabilitated and back at work/independence/school, 10.9 % were still rehabilitating but back at work/independence and 12.5% were intensively rehabilitating and not yet back at work. The table also shows that 15.6% of the claimants sustained injuries that have rendered them unable to return to work, and of these 6.25% have permanent disabilities.

Pre-hospital trauma management

The Fund is committed to ensuring that people injured in road crashes receive prompt medical attention to increase their chances of early and full recovery. The Fund entered into an agreement with local emergency medical service providers who evacuate casualties from traffic crash scenes. A total of 338 evacuations to hospitals were carried out in 2012 at a cost of P444 975, a significant decline from 2011 when 448 evacuations were carried out at a cost of P812 242. This encouraging trend follows the donation by MVA Fund of five fully equipped ambulances to the Ministry of Health.



Thank you MVA Fund

In 2011 the Ministry of Health received five ambulances equipped for basic life support from Motor Vehicle Accident Fund. This noble gesture came at a time when the Ministry was improving the quality and access of medical care, to include pre-hospital emergency medical care. The ambulances were deployed in Gaborone, Mahalapye and Francistown and are being used for emergency responses and inter-facility transfers, so contributing to the Ministry's goal of providing treatment to those in need of urgent medical care, and so saving lives. MVA Fund's generous gift is highly significant and is greatly appreciated.

BUSHE LABA
Chief Health Officer, Emergency Medical Services
Ministry of Health

DEPARTMENTAL REPORTS

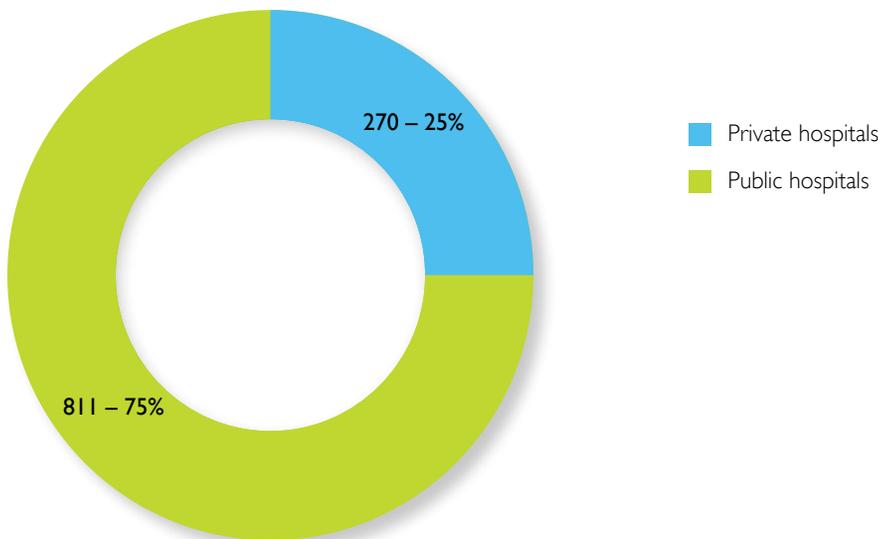
CUSTOMER SERVICES (Continued)

CASE MANAGEMENT (Continued)

Hospital admissions

The Case Management Section continued its weekly hospital visits to monitor claimants and ensure that they are getting appropriate medical care and treatment. These visits assist the Fund to interact with the medical team, rehabilitation team, patients and their family members and also to discuss patients' treatment plans. A total of 2 035 visits were made in 18 public and private hospitals around the country in 2012, notably more than the 887 such visits made in 2011 and 125 in 2010. A total of 1 081 claimants were admitted to hospital in 2012, of whom 664 were admitted to government referral hospitals, 270 to private hospitals and 147 to district hospitals.

Admissions to hospital



Post-discharge

Home visits are also made to follow up on injured claimants and ensure that they comply with their rehabilitation plans for optimal recovery. A total of 646 claimants were visited at home following their discharge from hospital. These visits target both the moderate and severe injuries. Case Management Section personnel work hand-in-hand with the rehabilitation service providers, employers and other key stakeholders to maximise the return to work/independence and community participation programmes of injured claimants. Workplace visits are also conducted to monitor the adaptability and accommodation of claimants who have returned to work.

Rehabilitation outcomes

Guarantee letters were issued to 1 850 claimants during 2012. Of these claimants assisted, 49.7% were fully rehabilitated and back at work/independence/school, 35.4 % were still rehabilitating but back at work/independence, 11.2% were intensively rehabilitating and not yet back at work, and 3.7% have permanent disability.

Rehabilitation outcomes

	Employed	Unemployed	Student	Minor	Total
Fully rehabilitated and back to work/independence	345	523	43	9	920
Partially rehabilitated and back to work/independence	231	361	53	9	654
Dependent for daily activities of living	87	96	14	10	207
Permanent disability	16	38	15	0	69
Total	679	1 018	125	28	1 850

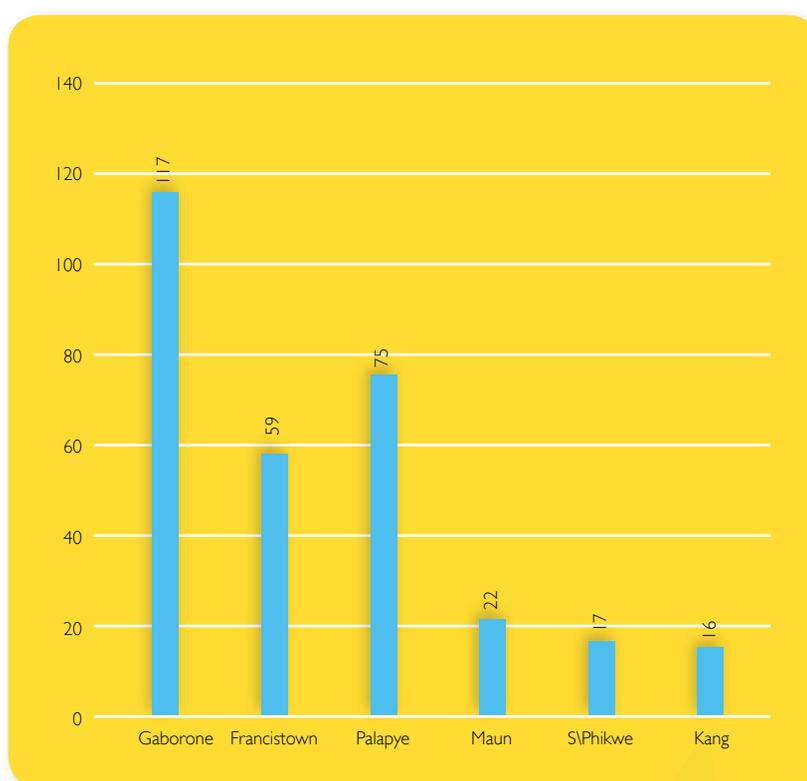


WELFARE and SUPPORT SERVICES

Loss of support

The Fund plays a central role in contributing to national social security by providing support to claimants affected by road crashes. Loss of support is offered to the dependants of those who die as a result of road crashes. Indigence assessments are carried out on parents claiming loss of support following the death of their children, to determine their eligibility for the benefit. A total of 306 indigence assessments were made in 2012 and 42 claimants were found to be indigent and therefore eligible for the loss of support benefit, and 264 were found to be ineligible.

Indigence assessments



Assessments are not required for claims lodged by spouses and children of the deceased. However, proof of paternity may be required for children born out of wedlock where there is no legal evidence of their paternity. Investigations are then carried out by the Fund to verify paternity of the minor.

A total of 37 beneficiaries exited from the scheme: 28 minors attained the age of majority, two spouses received the last payment as their deceased spouses would have attained the age of retirement, and two were withdrawn on account of re-marriage. Five claimants were reported to be deceased, being four parent beneficiaries and one minor. Their files have been closed.

The Fund settled 154 new loss of support claims, bringing the cumulative total of such claims to 1 429. These claims comprise 1 942 individuals receiving loss of support.

Loss of support beneficiaries

Most beneficiaries of loss of support are minor children who have lost their parents as a result of road crashes.

Following settlement of loss-of-support claims lodged with the Fund, home visits are conducted by the Fund's welfare officers on an annual basis to individuals receiving loss of support benefits. The purpose of these visits is to ensure that the monetary benefit is properly managed and used for the welfare of the beneficiaries, especially for minor children. The visits are also for due diligence to confirm the existence of the beneficiary.

DEPARTMENTAL REPORTS**CUSTOMER SERVICES** (Continued)**WELFARE and SUPPORT SERVICES** (Continued)**Loss of income**

The Fund offers loss of income benefits to injured claimants who are unable to return to work during their recovery. These claimants also benefit from rehabilitation to promote their chances of returning to work and economic independence. Seventeen new loss of income claims were settled in 2012, bringing the total number of loss of income beneficiaries to 211. The Fund conducted home visits to determine whether claimants were still eligible for the benefit and found out that three of the beneficiaries had died during the year.

The Fund has initiated the Return to Work Programme to advocate for claimants who were employed pre-accident to return to work. The Fund conducts work place visit to engage the employers and lobby for claimants to return to work.

Special education

The Fund supports school going children who have suffered brain injuries resulting in cognitive impairment. These children are enrolled in institutions which offer special education programmes to give them an equal opportunity to education. The Fund has enrolled 11 children for this special education, six of whom are at primary school level, three at secondary school level and two in vocational centres.

**Thank you MVA Fund**

Keofenye Matase suffered a spinal cord injury in August 2005. She felt her world collapsing when the doctors told her she would never be able to walk. With determination and perseverance she is coping with life again.

I am so grateful to MVA Fund for taking care of all my medical and rehabilitation needs, which they continue to assist with. The Fund gave me a chance to lead a normal life by modifying my house to suit my needs. I am able to move freely about the house with my wheelchair and go about the activities of daily living. The financial support I receive from the Fund also goes a long way in meeting my needs.

KEOFENYE MATASE
Mogotlhwane



Capacity building

The Fund continues to make its contribution to building capacity at various health institutions. A portable ventilator and a suction machine were donated to Princess Marina Hospital for use by patients in high dependency wards. The Fund was also responsible for trauma management training of staff at Princess Marina, Nyangabgwe Referral, Mahalapye District and Letsholathebe Memorial District hospitals. The purpose of the training was to enhance the skills of hospital personnel involved in trauma management.

Strategic partnerships

The Fund has signed agreements with Gaborone and Bokamoso private hospitals to establish service level agreements with the two hospitals which provide specialist care to some of the Fund's claimants at agreed service costs. The agreements are primarily to have fixed tariffs in place as a strategic move towards cost management.

Case Management System

The Fund is undertaking a major project to implement the Case Management Information System to improve the efficiency and effectiveness of case management operations. The system will automate the case management processes for easier monitoring and reporting. It will also link with major stakeholders for information sharing regarding the claimants. The project is expected to be completed by the end of 2013.

Reserves by benefit type (BWP millions)



Payments by benefit type (BWP millions)



There was a slight decline in the reserves for medical undertakings from P38.5 million for 1 352 beneficiaries in 2011 to P37.9 million for 1 519 beneficiaries in 2012. The Fund paid P29.2 million in medical costs for 1 448 claimants in 2012, an increase of P6.5 million over the P22.7 million paid out for 1 719 claimants who required medical care in 2011.

There was a sharp decline in reserves for loss of support, from P51.6 million in 2011 to P27.8 million in 2012. This is owing to the decrease in settled loss of support claims from 498 in 2011 to 154 in 2012, as well as adherence to case management policies. For loss of income claims, the Fund reserved P4.5 million for 35 beneficiaries in 2011 compared to P3.8 million reserved for 17 claimants in 2012.

The Fund paid P13.6 million to 1 429 beneficiaries as loss support in 2012 compared to P10 million paid to 1 036 beneficiaries in 2011, while P1.39 million was paid in loss of income to 84 beneficiaries compared to P1.4 million paid to 93 beneficiaries in 2011.

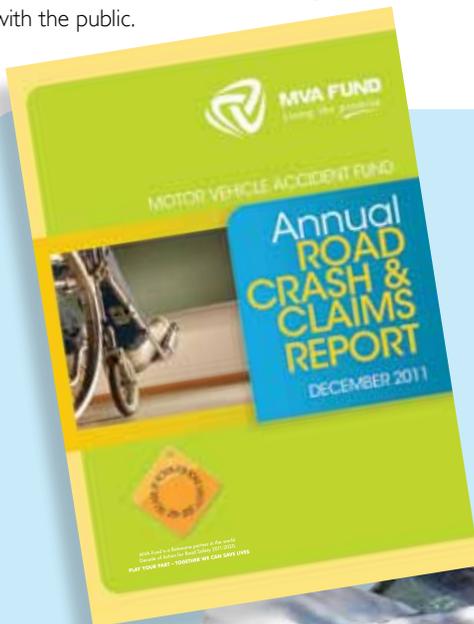
DEPARTMENTAL REPORTS

INJURY PREVENTION

The Injury Prevention Department undertakes initiatives that strengthen road safety knowledge and awareness. The department carries out concerted public education programmes to raise the level of awareness on traffic safety.

In its commitment to reducing road crash fatalities and serious injuries, the Fund has adopted a Safe System Approach that advocates safer drivers in safer cars on safer roads. This is a way of nurturing comprehensive management and communication structures. All key Government agencies and other organisations that have a role in determining the safe functioning of the transport system are taken on board and recognised as stakeholders and partners in combating road crashes. The Fund continuously forms productive synergies and delivers data driven collaborations and initiatives to raise awareness on road trauma.

The Fund played a key role in the 2012 World Day of Remembrance for Road Crash Victims. This commemoration, started by Road Peace in 1993 and adopted by the United Nations General Assembly in 2005, seeks to acknowledge and remember the millions of lives lost and impaired and families and communities affected by road crashes across the world. In 2012 this special day, which has become an important platform for all stakeholders to demonstrate the enormous scale and impact of road deaths and injuries and the urgent need for concerted action to reduce them, was celebrated in Mahalapye. For its part, the Fund continued with its public education through mobilisation of children from Mahalapye and surrounding villages to take part in the Mobile Children Traffic School programme. The Fund also took part at the District Road Safety Committee Commemorations in various areas including Sekoma, Kanye, Selebi-Phikwe and Palapye. A joint media campaign was also held with other stakeholders to share information on products, services and road safety with the public.



MVA Fund published its Annual Road Crash and Claims Report for the third year running. This vital document presents detailed statistics on road crashes throughout the country. It is an essential tool for information-based decision making by stakeholders engaged in the urgent task of combating the high rate of death and injury on the road.

The Report is produced as a public service by MVA Fund with valuable input by the Department of Road Transport and Safety, Botswana Police Service and Statistics Botswana.





KEY ROAD SAFETY INITIATIVES

Mobile Children Traffic School

This highly significant initiative was launched in 2012 to provide a backstopping role in the Fund's efforts to improve child traffic safety education. The modified heavy vehicle is fully equipped to provide theory and practical road safety education. The school on wheels is taking the road safety message, and demonstrating it in a fun way, to children across the country.



Mobile Children Traffic School operations in 2012

Event	Venue
Ghanzi Agricultural Show	Ghanzi
Botswana Consumer Fair	Gaborone
Khawa dune quad challenge and cultural festival	Khawa Village
Independence celebrations	Phuduhudu
Annual horse race	Inalegolo
Child safety education (during the Deloitte celebration)	Kasane
Mobilisation/build-up to World Day of Remembrance	Shoshong
Mobilisation/build-up to World Day of Remembrance	Machaneng
World Day of Remembrance for road accident victims	Mahalapye
Child safety education	Kanye
District commemoration of World Day of Remembrance	Sekoma
Road safety event – stakeholder Christmas party	Kang
District commemoration of World Day of Remembrance	Bobonong
Child safety education	Selebi-Phikwe
Child safety education/Lotsane bicycle race	Palapye

Thank you MVA Fund

Road safety is a grave national concern, and it is getting more complex as the vehicle population increases. It is essential for a nation to intensify road safety education to all, especially children who are tomorrow's leaders. MVA Fund's initiative in operating its Mobile Children Traffic School is a commendable effort which is recognised and applauded. Our safety values as Mahube Express compelled us to contribute to this highly significant exercise. We are happy to field bus operators to assist the Fund in driving the Traffic School truck to various areas in the country. We believe that synergies of this nature will go a long way in improving Botswana's traffic safety situation.

MBAKOT. MAHUBE
Director, Mahube Express



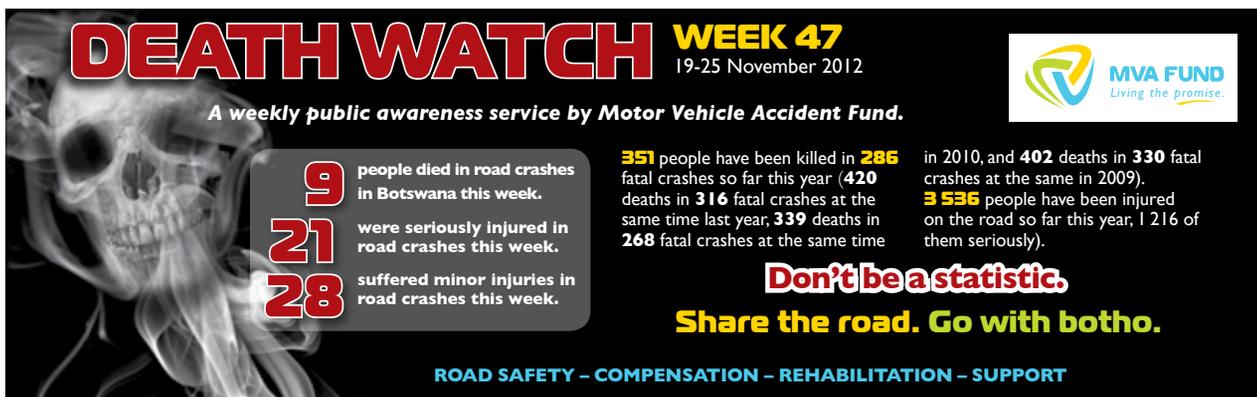
DEPARTMENTAL REPORTS

INJURY PREVENTION (Continued)

Road safety media campaigns

The Fund continued to make use of the media – radio, television and the press – to educate the public on the need for all to use the road responsibly. Targeted campaigns included those conducted over public holidays, Remembrance Day commemorations, and visits to schools and communities by the Mobile Children Traffic school.

A sobering weekly newspaper strip called Death Watch was introduced to illustrate in a graphic way the mounting death toll and serious injuries count on the road as the year progresses. Feedback shows that the weekly warning is being widely noted by readers. Media campaigns were also conducted during peak traffic periods on critical issues such as speeding, fatigue, drink driving, use of cell phones, and disregard of road laws.



A weekly warning count of deaths and injuries on the road.

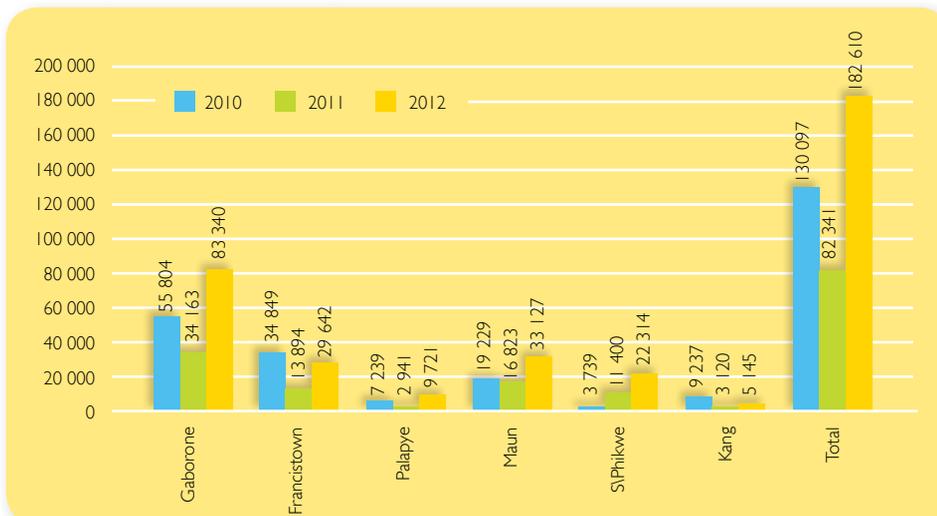
First aid television programme

Road users generally are not trained in basic first aid and this results in lives being lost between the time of the crash and the time of receiving medical attention. There are cases where road users acting with the best of intentions, aggravate injuries due to incorrect handling of road crash victims. In addition to its formal engagement of emergency medical service providers to save lives on the road, the Fund has also invested in other programmes of post-crash care. In partnership with Botswana Red Cross Society a first aid programme called First Aid 101 was produced and is aired on Botswana Television to help educate the public and minimise aggravation of injuries at the scene of road crashes.

Public education

Public education is an important component in the operations and services of the Fund. It bridges the knowledge gap on MVA Fund products and services and road safety. The Fund operates through its branch offices to disseminate information and extend the services to the general public.

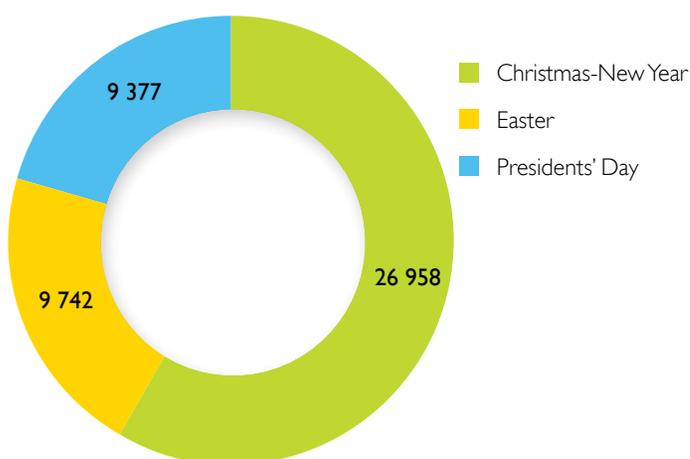
Road safety interactions with the public



Public holiday road safety campaigns

Roadside education campaigns play an important role as a platform for the Fund. In collaboration with other road safety stakeholders, notably the Botswana Traffic Police, Department of Road Transport and Safety and District Road Safety Committees, the Fund disseminates road safety information to the public travelling to destinations across the country. During 2012 the Fund took part in such road safety campaigns over public holidays at strategic locations along the main corridors – the A1, A2, A3 and A10 roads. In this way a total of 46 077 people were interacted with and given road safety messages.

Number of people interacted with during public holidays



The number of people interacted with during the December 2012 road safety campaigns was higher than in the other two public holidays. This is because the Christmas-New Year holiday has more days and is a global holiday. The campaigns are usually conducted during the week before the public holidays to remind road users of the importance of road safety in advance.

Occupational road risk seminars

In its efforts to lessen the level of risk on the road, the Fund introduced occupational road risk seminars to organisations with sizeable vehicle fleets. The main objective of this initiative is to encourage organisations to incorporate road safety in their occupational health and safety programmes so as to build a road safety culture within their workforce.

During 2012 the Fund established a new relationship with the Association of Driving Schools and Driving Instructors of Botswana to infuse road safety education in their driver training sessions. The Fund conducted workshops for driving school instructors across the country.

Occupational health and safety

The Ministry of Labour and Home Affairs were engaged to carry out a risk assessment of MVA Fund House in Gaborone for the purpose of developing baseline data on Safety, Health and Environment matters. The report of the inspection provided recommendations which assisted the Fund in drafting its Corporate Occupational Health and Safety Management Programme. The programme has also taken into account the safety of Fund employees while carrying out their duties outside the office by introducing a clause on the safe use of pool vehicles. This clause emphasises the importance of keeping the vehicles in a roadworthy condition, and the responsibility of users for doing so.

Presentations were also made to staff on evacuation procedures to raise awareness on SHE issues and prepare them for safe evacuation in the event of an emergency.

DEPARTMENTAL REPORTS

INJURY PREVENTION (Continued)

Road User Behaviour Survey

The Fund carries out research to guide the formulation and implementation of its initiatives. In collaboration with the University of Botswana and the USA Centre for Disease Control, the Fund is undertaking a survey on road user behaviour. The outcome of the survey will assist the Fund to appropriately align its interventions. Permission to undertake the survey has been granted and the parties have started to collect data. The survey is expected to conclude in 2013.

Community Road Safety Grant Scheme

The Fund recognises that communities and community organisations are influential and have innovative ways that can be employed to make roads safer in their areas, especially if they are affected parties. The Fund therefore, introduced the Community Road Safety Grant Scheme in 2010 with the primary aim of encouraging community participation in the prevention of road crashes within their localities. Different parts of the country often experience different road safety issues which can best be dealt with at local level because communities there are well placed to identify specific problems common to their area. This results in appropriate preventive measures being undertaken. Projects funded through the scheme include, but are not limited to:

- Programmes with evidential proof that they will reduce the risk of crash involvement within targeted area.
- Initiatives targeting drink driving, speeding and fatigue.
- Projects to improve the safety of special groups such as children, the disabled and the elderly.
- Youth and school road safety clubs

Seventeen community groups have benefited under the scheme, with the Fund spending about P2.2 million in their various projects. Five of the seventeen projects were funded in 2012. Due to the growth of these projects and the Fund's acknowledgement of their worth, the grant threshold per project was raised from P100 000 at the time of introduction to the present P250 000. Botho College and the Society of Road Safety Ambassadors were engaged on pedestrian campaigns, and through the efforts of Tlhare-Segolo Foundation, YOHO and Marshal Tainment, schools in Maun, Francistown and Bobonong undertook scholar patrols. Sedibelo Choir puts across the road safety message through choral music and Remmogo focuses on passenger transport under the theme 'Kgweetsa ka kelothoko'. Reetsanang Community of Drama Groups spreads traffic safety messages through theatre.

The notable growth in applications for grants under the scheme led the Fund to decide to accept applications all year round, rather than make quarterly calls for submissions as was previously the practice.

Grant Scheme groups and projects

Group	Project	Year of award	Project location
Youth Health Organisation (YOHO)	Monana Ipabalele Tseleng	2010	Francistown
Reetsanang Association of Community Drama Groups	Road safety theatre training for youth outreach	2010	Gaborone, Kumakwane, Tlokwen, Otse and Lobatse
Marshal Tainment Group	Power in the Voice (debating)	2011	Bobonong
Changate Conservation and Development Trust	Safe cycling techniques and road safety awareness for children	2011	Changate village
Tlharesegolo Foundation	Promoting road safety in early childhood	2011	Maun
Kgaityadi Society of Botswana	Tsela road safety board game	2011	Tlokwen
Sedibelo Choir	Boifabojalwa go ipabalelamotseleng	2011	Mochudi
Voice of Women Centre	My community, my road safety rules, my responsibility	2011	Mahalapye
An Ideal Woman Association	Empowerment for crash reduction	2011	Mahalapye
Tselagopo Cultural Commune	Ga Mmabesi youth campaign on road safety	2011	Serowe
Remmogo Youth Organisation	Kgweetsa ka kelothoko	2011	Gaborone



Group	Project	Year of award	Project location
Save Live International	Youth Road Safety Ambassadors	2011	Gaborone Bonang Koo
Theatre Artists	Cultural festival and Video Shooting	2012	Lobatse
Dove Wings Road Safety Awareness Club	Road safety awareness	2012	Francistown
Tse-Dikgolo House of Theatre club	Road safety starts with me	2012	Mmankgodi
Marphijack Charity Association	Know your facts about road safety	2012	Molepolole
Youth Health Organisation	Monana Ipabalele Tseleng	2012	Francistown
Namane Ya Moroba Youth Group	School Children and Community	2013	Thamaga
Botswana Young Women's Association	Young male road users	2013	Maun / Selebi Phikwe
Botswana Youth Network for Road Safety	Driver safety	2013	Gaborone
Pitshane Molopo Youth Development Center	Driver safety	2013	Phitshane
Fountain of Life Foundation	School Children	2013	Palapye
Ghetto Artists	Driver safety	2013	Francistown
Humana People to People Botswana	School children	2013	Mabutsane / Sekoma
Fatehood Association	Driver safety	2013	Mmadinare
Ultimate Youth With Destiny	Child safety	2013	Francistown
Diphalana Counselling Centre	Farmers	2013	Goodhope



Thank you MVA Fund

We of Sedibelo Choir thank MVA Fund for the grant to pursue our traffic safety programme on drinking and driving as well as poor road use. The whole community has benefitted from the grant as our initiative has had a positive impact on Kgatleng District by improving interaction between road users. We congratulate the Fund for its promotion of community-based projects as this leads to improved traffic safety at grassroots level. Sedibelo Choir and Kgatleng community look forward to continuing our relationship with the Fund in the interests of road safety.

ARON OGOPOLENG
Chairperson, Sedibelo Choir

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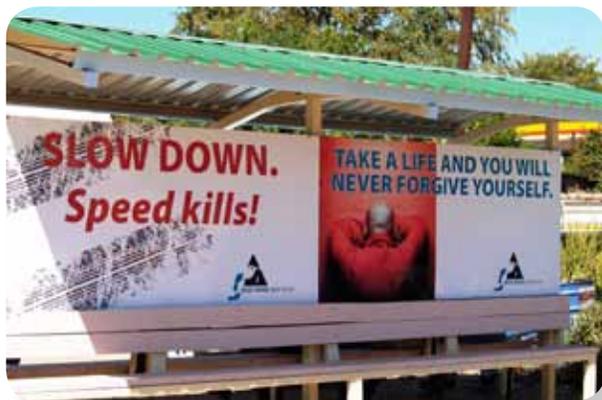
INJURY PREVENTION (Continued)

Pedestrian safety campaign

Pedestrian deaths and injuries are a major concern. To highlight this the Fund introduced a special safety campaign focused on pedestrians in 2012. This initiative is directed both at road users in general and at pedestrians themselves. The exercise included education campaigns at shopping centres

Outreach to special groups

There are other special groups, such as people living with disabilities, who are equally vulnerable to road crashes. The Fund participates every year at such forums as the Botswana Society for the Deaf Educational Exposition and other events for people with disabilities. In 2012 the Fund was active at the Road Safety for Elders and People with Disabilities in Mochudi in recognition of the challenges the elderly face on the roads, especially at month end when they go to collect their pension at the post offices. Over two hundred elders were educated on safe pedestrian crossing.



Bus shelter with a message. A daily warning on the road.

Bus shelter project

The Fund continues to foster relations with different stakeholders, particularly the local authorities in various constituencies. To continue to increase its footprint at the district level, the Fund introduced a bus shelter branding project to benefit road users and put across the road safety message in a prominent way. The Fund has enabled bus shelters to be erected in Bobonong, Kanye, Letlhakane, Tsabong, Mahalapye, Kasane and Maun. They have the multiple benefit of providing shelter to passengers, promoting road safety with warnings and advice, making the products and services of MVA Fund better known, and enhancing the appearance of the bus ranks and bus stops.

This initiative is a further demonstration of the Fund's commitment to advancing the national Vision 2016 goal of 'A Safe and Secure Nation'.

Youth road safety clubs

The Fund encourages the formation of youth road safety clubs in and out of schools, with the objective of cultivating road safety awareness among young people that will develop into a strong culture of safety. At the end of 2012 there were 44 of these clubs under the ambit of the Fund.

The Fund worked closely during the year with Botho University Road Safety Club and the Society for Road Safety Ambassadors in the road safety campaigns. This involvement in the pedestrian safety campaign provided a platform for empowerment of the clubs and helped bridge the knowledge gap of the club members. In addition to the club road safety activities, the Fund provided funding to school road safety clubs in Maun, Francistown and Bobonong, which undertook scholar patrol programmes. These clubs are important in averting crash related incidents involving school children.

Traffic surveillance vehicles

The Fund has procured surveillance equipment and highway patrol vehicles to build capacity within the Botswana Police Service Traffic Division. There are eight of these patrol cars, each fitted with the high-tech speed detection equipment.

This move is prompted by the need to combat speeding, especially at night when it is difficult for the Police to enforce traffic rules. Speed is a significant contributing factor to death and injury in Botswana. Statistics show that speed is the direct cause of 4.5% of road crashes and a secondary cause of about 39% of recorded crashes. Botswana loses on average 450 people in road deaths every year, with another



1 800 suffering serious injuries. These deaths and injuries cause much grief and hardship, and come at a sizeable economic cost. Speed ranks high among the factors contributing to road crashes.

Speeding contributes to: increased crash risk due to reduced reaction time, increased severity of the crash, greater difficulty with vehicle control, increased distance after application of brakes, greater impact forces in the event of a crash and decreased reaction times for other road users.

'Speeding' in this context refers to driving above the posted speed limit or at speeds higher than the road conditions can justify, such as on a wet road.

Alcohol and driving

Drink driving continues to be a serious problem. In 2012 the three breathalyzer alcohol testing vehicles ('Booze Buses' as they are known on the road) donated to Botswana Police Service by MVA Fund tested a total of 4 089 drivers, of whom 530 were found to be above the limit and 510 had taken alcohol but were below the limit. A total of 175 drivers were disqualified from driving.

Thank you MVA Fund

On behalf of Botswana Police Service I record sincere appreciation to MVA Fund for its generous, far-sighted and ongoing support.

The donation of three mobile alcohol testing 'Booze Buses' has increased our capacity to detect over-the-limit drivers, with a resulting increase in convictions for this serious offence that presents such a danger on the road. The operation of the vehicles has also had the beneficial effect of demonstrating to the public our determination and ability to crack down on drinking and driving.

The eight highway patrol cars fitted with mobile radar speed detection and recording equipment will greatly enhance our capacity to detect speeding and to apprehend the culprits. As in other countries, most deaths and serious injuries in road crashes in Botswana take place on the main highways. The new patrol vehicles will be strategically deployed, with particular emphasis on the A1 and A12 problem corridors.



KATHOLO MOSIMANEGAPE
Director of Traffic, Botswana Police Service

DEPARTMENTAL REPORTS

INJURY PREVENTION (Continued)

Alcohol related road crashes by Police District

Police District	Fatal	Serious	Minor	Total
Kutlwano	0	3	5	8
Serowe	1	3	9	13
Gaborone	1	3	11	15
Lobatse	2	3	2	7
Maun	1	2	4	7
Ghanzi	0	0	1	1
Kasane	0	1	0	1
Letlhakane	0	0	3	3
Tsabong	0	0	1	1
Selebi-Phikwe	1	2	1	4
Molepolole	2	2	7	11
Mochudi	0	3	6	9
Gaborone West	0	2	18	20
Kanye	0	1	5	6
Francistown	1	1	3	5
Total	9	26	76	111

Source: Botswana Police Service

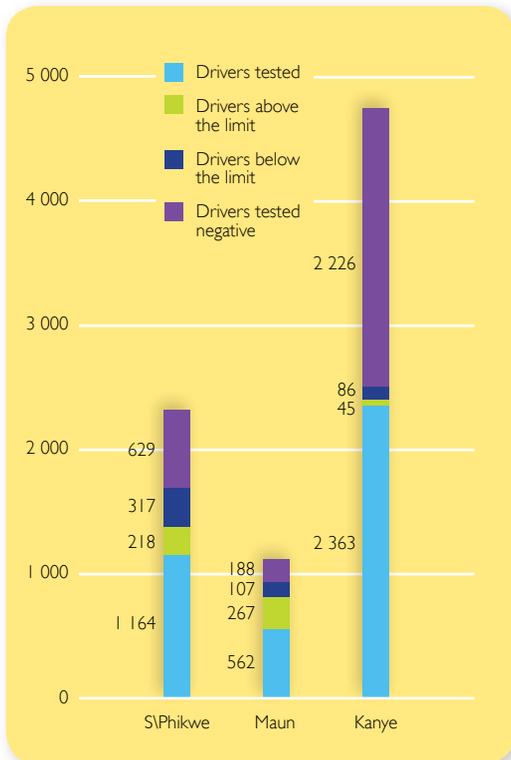
Driver under influence of alcohol or drugs

Police District	Fatalities	Serious	Minor	Total
Kutlwano	0	3	8	11
Serowe	1	3	20	24
Gaborone	1	5	15	21
Lobatse	2	8	3	13
Maun	1	2	8	11
Ghanzi	0	0	1	1
Kasane	0	1	2	3
Letlhakane	0	0	5	5
Tsabong	0	0	2	2
Selebi-Phikwe	1	5	4	10
Molepolole	2	2	12	16
Mochudi	0	3	7	10
Gaborone West	0	2	37	39
Kanye	0	2	9	11
Francistown	1	1	6	8
Total	9	37	139	185

Source: Botswana Police Service

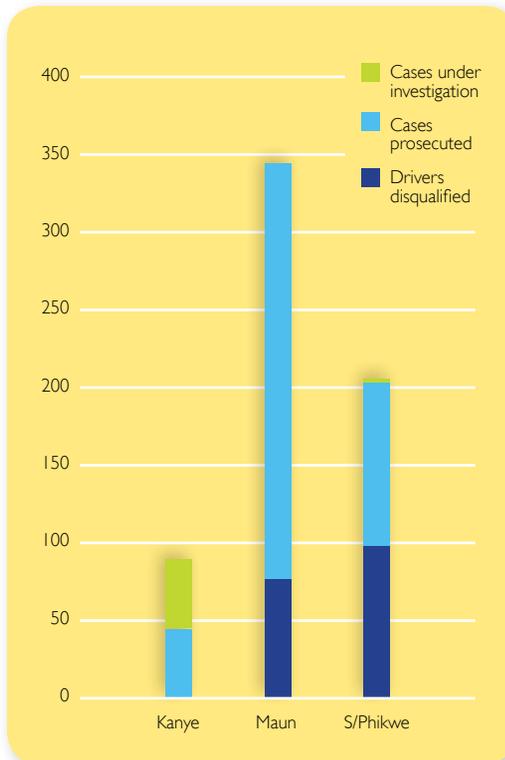
The Police districts that received a donation of booze buses from the Fund, namely Maun, Selebi-Phikwe and Kanye, recorded 46, 22 and 21 alcohol related crashes respectively. These crashes resulted in 11, 10 and 11 casualties respectively.

Breathalyzer testing for alcohol



Source: Botswana Police Service

Drunken driving cases



Source: Botswana Police Service

Traffic safety performance

The 2012 traffic safety performance figures showed a positive movement with a decrease in fatalities compared to 2011. There were 404 fatalities recorded in the year, 79 fewer than the 483 recorded in 2011. The total recorded crashes dropped by 474 from 18 001 in 2011 to 17 527 in 2012. Casualties per 1000 vehicles and fatalities per 100 000 population also declined. Fatalities per 100 000 population declined from 26.5 in 2011 to 20.0 in 2012 and casualties per 1000 vehicles dropped from 14.9 to 12.7 in 2011 and 2012 respectively.

Traffic safety performance

Year	Crashes	Casualties	Fatalities	Registered vehicles	Estimated population	Crashes per 1000 vehicles	Casualties per 1000 vehicles	Fatalities per 100 000 population
2001	17 125	7 945	526	166 405	1 622 129	102.9	47.7	32.4
2002	18 610	8 014	520	186 865	1 649 659	99.6	42.9	31.5
2003	18 329	7 969	557	204 228	1 973 184	89.7	39.0	28.2
2004	18 136	7 840	532	225 182	1 692 731	80.5	34.8	31.4
2005	17 522	7 069	450	246 681	1 708 327	71.0	28.7	26.3
2006	17 035	6 952	429	267 117	1 719 996	63.8	26.0	24.9
2007	19 487	7 639	497	293 755	1 736 396	66.3	26.0	28.6
2008	20 415	8 160	455	329 270	1 755 246	62.0	24.8	25.9
2009	20 000	7 970	475	359 223	1 776 494	55.7	22.2	26.7
2010	18 978	6 430	397	394 401	1 800 098	48.1	16.3	22.1
2011	18 001	6 436	483	430 594	1 826 022	41.8	14.9	26.5
2012	17 527	6 035	404	473 530	2 024 904	37.0	12.7	20.0

Source: Botswana Police Service

Total recorded crashes have declined over the past three years. In 2010, the total crashes recorded were 18 978 and by year-end 2012 there were 17 527. Between 2011 and 2012 all police districts recorded a decrease in the number of recorded crashes except Maun, Selebi Phikwe and Kanye with increases of 11.5%, 1.1% and 1.2% respectively. Police districts with the most significant decreases are Francistown, Mochudi, Tsabong, Serowe, Kutlwano and Ghanzi.

Crashes by Police District

Police District	2009	2010	2011	2012	% Change 2009-2010	% Change 2010-2011	% Change 2011-2012
Kutlwano	942	928	890	831	-1.5	-4.1	-6.6
Serowe	1 964	1 821	1 700	1 571	-7.3	-6.6	-7.6
Gaborone	4 477	4 418	4 509	4 394	-1.3	2.1	-2.6
Lobatse	552	523	390	383	-5.3	-25.4	-1.8
Maun	832	753	748	834	-9.5	-0.7	11.5
Ghanzi	262	273	225	211	4.2	-17.6	-6.2
Kasane	222	180	150	146	-18.9	-16.7	-2.7
Letlhakane	519	557	524	517	7.3	-5.9	-1.3
Tsabong	411	279	258	237	-32.1	-7.5	-8.1
SelebiPhikwe	866	827	785	794	-4.5	-5.1	1.1
Molepolole	1 005	985	834	789	-2.0	-15.3	-5.4
Mochudi	757	847	815	749	11.9	-3.8	-8.1
Gaborone West	4 957	4 607	4 581	4 560	-7.1	-0.6	-0.5
Kanye	1 157	985	779	788	-14.9	-20.9	1.2
Francistown	1 077	995	813	723	-7.6	-18.3	-11.1
Total	20 000	18 978	18 001	17 527	-5.1	-5.1	-2.6

Source: Botswana Police Service

DEPARTMENTAL REPORTS

INJURY PREVENTION (Continued)

Driver casualties by age group

Age Group	Fatalities		Serious		Minor	
	2011	2012	2011	2012	2011	2012
1-5	0	0	0	0	0	0
6-10	0	0	0	0	1	1
11-15	0	0	2	1	7	4
16-20	3	2	8	7	30	29
21-25	14	9	31	30	182	145
26-30	20	24	75	70	360	331
31-35	23	22	72	55	294	342
36-40	23	19	44	52	238	240
41-45	17	15	25	36	141	141
46-50	7	4	19	28	91	87
51-55	7	11	15	12	76	54
56-60	1	6	11	17	20	39
61-65	1	0	3	3	21	15
66-70	3	1	2	1	5	10
71-75	3	2	0	2	9	6
76-80	1	0	0	1	5	3
81-85	1	0	0	1	2	1
86-90	0	0	0	0	1	0
91-95	0	0	0	0	0	0
Total	124	115	307	316	1 483	1 448

Source: Botswana Police Service

Passenger casualties by age group

Age Group	Fatalities		Serious		Minor	
	2011	2012	2011	2012	2011	2012
1-5	14	15	20	21	58	69
6-10	4	9	15	13	87	48
11-15	3	3	26	24	95	60
16-20	17	10	49	41	221	209
21-25	42	36	112	114	407	366
26-30	50	31	141	121	514	383
31-35	30	23	105	109	325	301
36-40	25	11	58	52	187	217
41-45	13	9	41	36	107	109
46-50	12	11	38	31	79	66
51-55	10	7	21	23	69	61
56-60	8	5	9	20	36	34
61-65	5	4	9	11	18	20
66-70	5	1	2	2	11	9
71-75	3	5	2	1	10	7
76-80	4	2	1	4	8	1
81-85	1	1	1	0	4	3
86-90	0	1	0	0	2	0
91-95	1	0	0	0	1	1
Total	247	184	650	623	2 239	1 964

Source: Botswana Police Service

Pedestrian casualties by age group

Age Group	Fatalities		Serious		Minor	
	2011	2012	2011	2012	2011	2012
1-5	11	9	22	39	74	53
6-10	14	11	52	58	133	138
11-15	6	1	26	18	75	73
16-20	4	5	26	23	120	116
21-25	16	15	29	41	137	133
26-30	4	11	33	42	133	118
31-35	10	13	18	31	84	89
36-40	7	8	25	25	60	54
41-45	8	3	11	17	46	44
46-50	8	2	10	16	44	31
51-55	5	6	9	13	27	27
56-60	7	7	3	6	15	18
61-65	2	4	7	7	16	14
66-70	5	8	1	5	14	7
71-75	2	0	5	0	8	6
76-80	1	1	2	3	4	4
81-85	1	0	2	1	1	6
86-90	1	1	0	1	1	2
91-95	0	0	1	0	0	1
Total	112	105	282	346	992	934

Source: Botswana Police Service



DEPARTMENTAL REPORTS

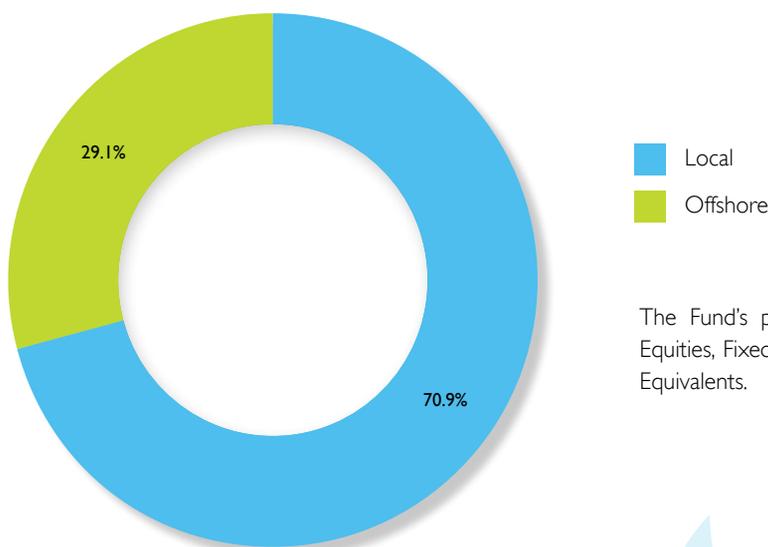
INVESTMENTS

The Investment Department manages the Fund's Investment Portfolio. It carries out its mandate with the assistance of the Investment Policy Statement (IPS), which provides guidance on how the Fund's surplus funds should be managed. The Policy is reviewed annually bearing in mind the maturity profile of assets and liabilities as well as the Fund's risk tolerance. The IPS also guides on performance reporting and outlining the responsibilities of various stakeholders involved in the investment management process. The investment performance of the Fund is monitored by the Investment Committee, which reports to the Board quarterly.

The Fund's capital consists of monies held on behalf of claimants and surplus funds. In accordance with the 2012 IPS, the Fund adopted a less aggressive risk tolerance stance while still striving to achieve real growth for the Fund in line with its current strategic plan. This was based on the long-term nature of the majority of its liabilities and the expected turmoil in the financial markets.

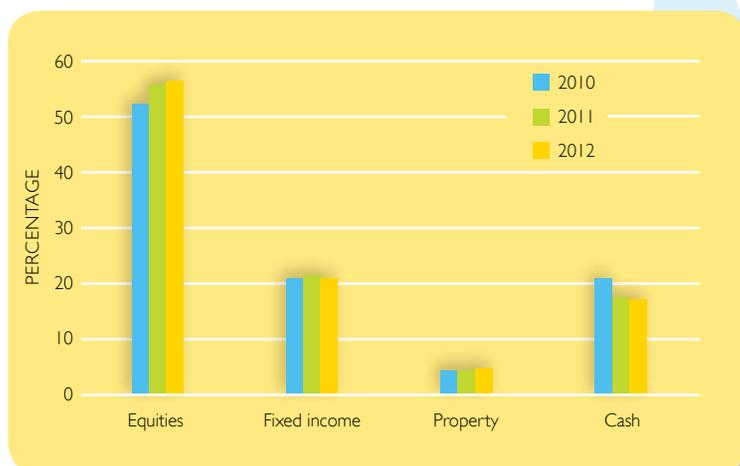
The department ensures that the Fund's investments bring maximum returns while at the same time minimising risks to the sustainability of the Fund. The Fund's local portfolio is actively managed by the Investment Department and management of the offshore portfolio is outsourced to offshore managers. At the end of 2012, the MVA Fund portfolio had a market value of P2.7 billion, of which 70.9% was managed locally, with the offshore managers sharing the remaining 29.1%.

Local and offshore investments



The Fund's portfolio is invested in the following asset classes: Equities, Fixed Income, Property Investments and Cash and Cash Equivalents.

Asset allocations



DEPARTMENTAL REPORTS

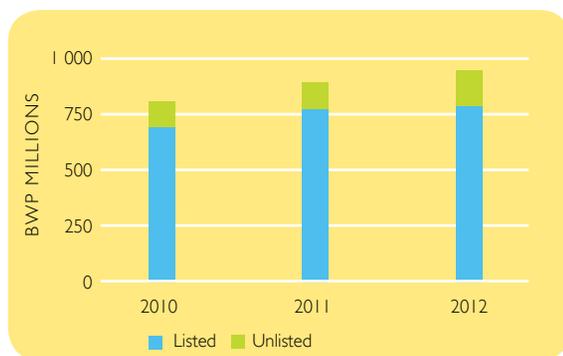
INVESTMENTS (Continued)

As at 31 December 2012 the overall asset allocation, the recommended benchmark and total assets under management (AUM) were as follows:

	Asset allocation	Benchmark portfolio	AUM (millions)
Equities	56.6%	50-70%	1 514.3
Fixed Income	20.9%	15-35%	560.2
Property Investments	5.0%	5-15%	135.1
Cash and Cash Equivalents	17.5%	3.8%	468.0

The cash holding was high compared to the recommended benchmark for the past three years due to limited investment opportunities available in the local market and the nature of funds held. The holding is gradually being corrected by investing in other asset classes as and when they become available. The Fund will also pursue strategic investment opportunities in an effort to reduce the cash balance.

Local listed and unlisted equities market values



Local listed equities were valued at P820.4 million at the end of December 2012, representing an increase of P47.7 million from P772.7 million recorded in December 2011. The figure above shows a constant increase in local equities due to the Fund increasing its holding in various stocks and an overall increase in share prices.

During the year, the Fund purchased First National Bank Botswana (FNBB), Choppies Enterprises and New African Properties Limited (NAP) shares amounting to P6.9 million. The equities were trading at a fair price, relative to their value. The Fund also participated in an Initial Public Offer and acquired Choppies Enterprises shares to diversify its equity portfolio. A profit of P14.7 million was achieved from the sale of Barclays shares. The sale was done in order to mitigate risks the Fund faced due to uncertainty surrounding the stock during the early part of the year. The sale was also motivated by the high holding of Barclays shares relative to the other local counters.

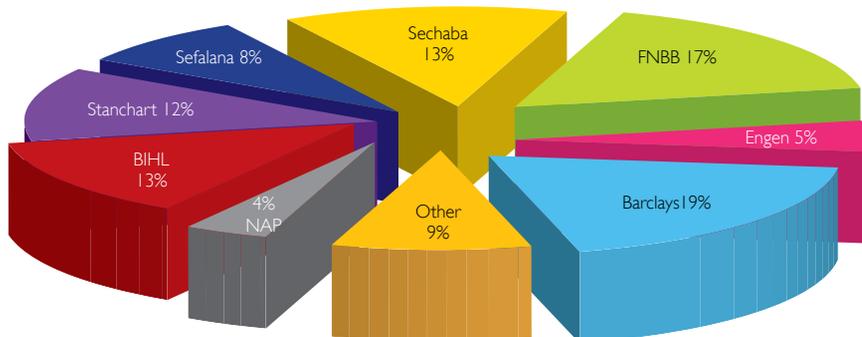
Market values for Cresta Marakanelo Limited, NAP and MRI Botswana were below their carrying value as at 31 December 2012, hence they were accordingly impaired in accordance with International Accounting Standards. The NAP shares have since recovered.

The Fund also has investments in local unlisted equities which comprise holdings in KYS Investments, MRI Botswana and Botswana Building Society Indefinite Period Shares. The market value of these investments has increased by P52.7 million, from P119.20 million in December 2011 to P171.9 million in December 2012. The majority of the movement was as a result of extra investment of P40.0 million in the BBS Indefinite Period Shares.

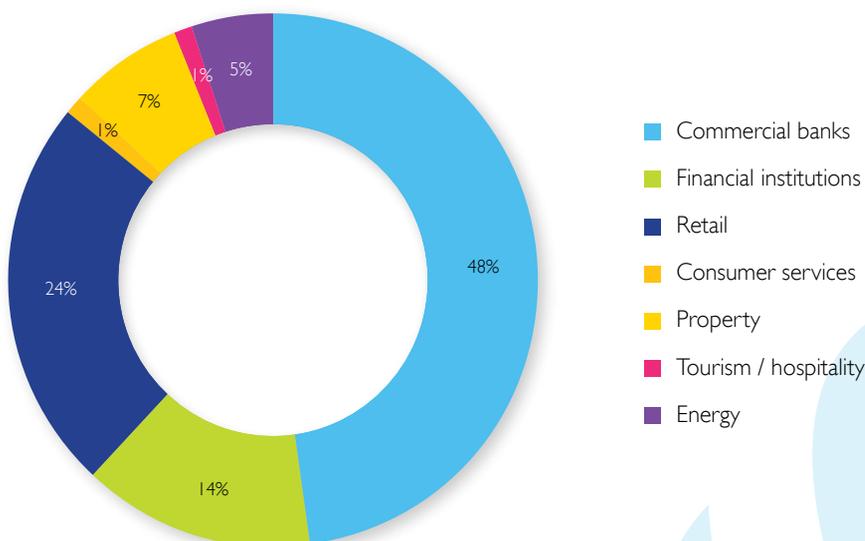
As at the end of December 2012 Standard Chartered Bank, Botswana Insurance Holdings Limited, Barclays Bank, First National Bank Botswana and Sechaba Brewery Holdings jointly accounted for 74% of the local equity holding. The chart on the facing page shows their holdings by market value.



Equity holdings by market value



Equity holdings by industry



Local fixed income

The Fund has invested in government, parastatals and corporate bonds. These financial instruments comprise both fixed and variable interest rate bonds. The local fixed income segment increased by P19.2 million from P304.1 million in December 2011 to P323.3 million in December 2012. This increase was a result of both the purchase of a Standard Bank bond (SCBB007) worth P20.0 million and fair value movements.

Properties

This section of the portfolio comprises the head office building and residential property investments in Gaborone and Francistown. The Fund is also involved in property partnerships in Francistown, Palapye and Maun.

The property section increased by P24.2 million, from P110.9 million in December 2011 to P135.1 million in December 2012. The increase was mainly due to year-end revaluation gains and the development of a multi-residential property in Molapo Estates in Francistown. The multi-residential property was due for completion in March 2013. The property portfolio was valued by professional valuers, Apex Properties, at the year end.

Cash and cash equivalents

Although the Fund had cash holding in excess of the benchmark, efforts are made to prudently invest the funds in high interest earning cash instruments. The 17.5% cash holding was mainly invested in fixed-term deposits held with various established financial institutions. The Fund was earning interest rates in the range of 6.7% and 7.6% on these instruments over the reporting period.

DEPARTMENTAL REPORTS

INVESTMENTS (Continued)

Offshore investments

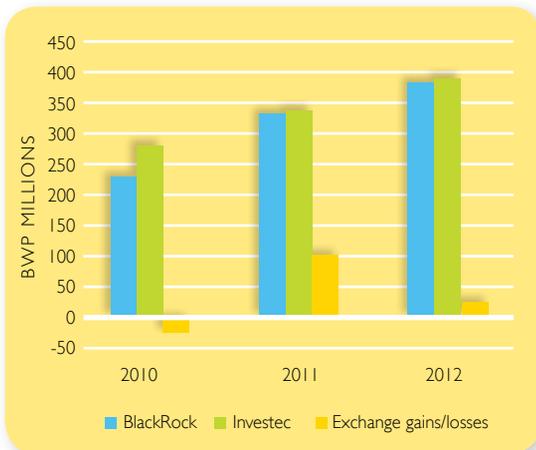
During 2012, the offshore component of the portfolio was under the management of Blackrock Investment Management and Investec Asset Management. The managers were responsible for managing assets with a total market value of P779.9 million. At the end of the year, the portion managed by Blackrock Investment Management was valued at P387.4 million, having increased by P52.9 million from P334.5 million in 2011. In US Dollar terms the market value was 50.9 million.

The component held by Investec Asset Management increased from P339.5 million in December 2011 to P392.5 million in December 2012. In US Dollar terms the assets were valued at 51.6 million, from 46.2 million the previous year.

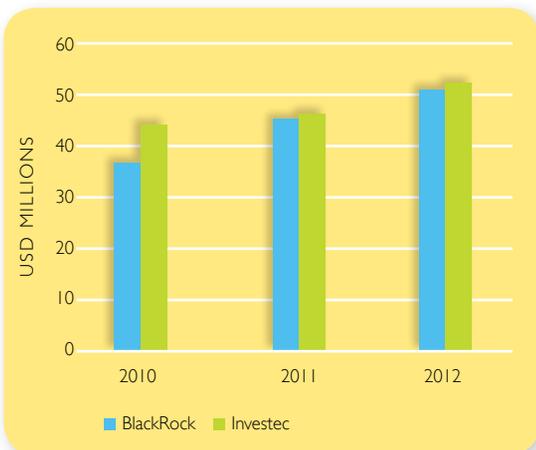
The positive performance on the offshore component was influenced by exchange gains of P28.5 million and fair value movements. The pula had appreciated 3.4% on a year-to-year basis.

The offshore asset management contracts held by Blackrock Investment Management and Investec Asset Management will be coming to an end during 2013. The Fund has issued a public tender advertisement requesting proposals for the provision of balanced offshore portfolio management services. The submissions are to be evaluated, with the aim of awarding the new mandates by mid-year.

Market values of offshore investments



Market values of offshore investments for the past three years





Overall portfolio

Local listed equities performance of 8.2% was above the Domestic Company Index (DCI) performance of 7.7%. The offshore component grew by P105.8 million (USD11 million). Overall, the portfolio appreciated by 12.5% in Pula terms for the year ended 31 December 2012. The Fund's performance was 5% above the inflation figure of 7.4% over the same period.

The benchmarks for the Investec Global Managed Fund are 65% MSCI AC World Index, 35% Citigroup World Government Index while Blackrock uses 65% MSCI World Index, 35% Citigroup World Government Index as its benchmarks. The offshore managers outperformed their benchmarks in US Dollar terms as shown below:

	Investec	BlackRock
Performance (%)	12.3	12.9
Benchmark Performance (%)	11.1	12.4
Value Added/(Lost)	1.2	0.5

Over the past three years, the MVA Fund investment portfolio has grown from P2.2 billion to P2.7 billion being an increase of 22.7%.

Investment outlook

The Bank Rate was maintained at 9.5% at the end of December 2012. The Monetary Policy Committee (MPC) noted recent unfavourable price developments that will continue to keep inflation outside the objective range of 3-6 percent in the short term. The range is however expected to be achieved in the second half of 2013. There has been an increase in unsecured lending to households as a result of the low interest rate environment. This increase might prove risky to the financial sector because as more people are driven into debt by the appealing rates, the likelihood of bad debts also increases. Financial Institutions are therefore likely to experience losses as borrowers fail to service their loans. This would negatively affect the MVA Fund which has almost half of its local equity portfolio invested in banking stocks.

Botswana's Gross Domestic Product is forecast to grow by 4% in 2013 as diamond production remains subdued because of weakening demand globally.

Although revenue from diamonds has declined, the government is expected to return to surpluses boosted by Southern African Customs Union (SACU) transfers, hence reduction in its debts. This will affect government bond issues and hence the bond market will remain illiquid.

In light of the slower domestic growth figures and the low interest rate environment, the Fund will continue to explore investment opportunities that are outside the traditional assets classes but still within the scope of the Investment Policy Statement. The Fund will consider strategic partnerships, striving for capital preservation and reducing the overweight cash position, while still maintaining the appropriate risk levels. The world economy is showing signs of recovery, led by positive performance in the US and other developed markets. This upturn leads to our expectation of a better performance in 2013 as compared to 2012.

DEPARTMENTAL REPORTS

FINANCE

The Finance Department is charged with the financial stewardship of the Fund. Its primary responsibility includes the preparation of the Annual Financial Statements in accordance with International Financial Reporting Standards. The Financial Statements provide information that is necessary to facilitate decision making and safeguard the assets of the Fund. They also assist in monitoring and analysing the activities of the year.

Periodic reviews of the revenue and expenditure levels are conducted to assess operating performance and to ensure that various departments manage their costs effectively. The department's commitment to the Fund's strategy has contributed to the transformation and improvement of the service rendered to all customers.

The department works closely with the other departments of the Fund to ensure compliance with the Fund's set service standards and provide efficient services.

Strategic objectives

Among the key strategic objectives of the department is the promotion of effective and efficient management of resources. It is also committed to excellence in service delivery. Delivering the MVA Fund's budget and ensuring a sound financial management system is one of the critical functions of the department.

Revenue collection

The department collects revenue on behalf of the Fund from the fuel levy collected from the petroleum companies, rental income and third party insurance cover which is collected at all the borders of Botswana. The collection of the third party cover payable by drivers of foreign registered vehicles upon entry into the country is done on behalf of the Fund by Botswana Unified Revenue Services.

The disbursement of the Fund's payroll, administration and claims costs and trust accounts are also some of the major responsibilities of the department.

Procurement process

The Fund has formal tender regulations and procurement procedures which ensure that business is conducted in a fair and transparent manner. In its efforts to promote citizen economic empowerment, the Fund supports citizen owned companies through giving them priority of business in awards of tenders, provided all requirements are met.

The Tender Regulations and Procurement Procedure Policy provides guidelines on the Management Tender Committee, the Board Tender Committee and their composition, duties, responsibilities, reporting and authority limits.

The procurement process saves time and ensures that the Fund gets the right solution to meet its business needs and pays the right price.

Monies of the Fund

The Fund's primary source of income is the fuel levy collected from importers and sellers of petrol and diesel fuels. The rate of the fuel levy, which is determined by the Minister of Finance and Development Planning, is currently 9.5 thebe per litre of fuel sold. Other sources of revenue for the Fund are its investments and third party insurance cover obtained from foreign registered vehicles driven into the country, the charges being P50 for any vehicle other than a bus or mini bus, P100 for a mini bus and P200 for a bus.

Budgeting process

The Fund has adopted a zero-based budget approach, which means that all proposed budget items must be fully justified before being approved into the corporate budget. This means also that the activities of the proposed budget are not influenced by the previous year's expenditure. All proposed budget items must also be in support of the departmental plans. All budget estimates are supported by at least one quotation.

Each department is involved in the preparation and proposal of the detailed budget and the Finance Department facilitates the process and consolidates the organisational budget. Thereafter, each department monitors and tracks its expenditure to ensure that it is within budget. There are continuous measures in place to correct any possible deviations.

Claims pay-out

The Fund paid out P70.9 million to claimants in various benefit types during the year. Loss of support and medical expenses made up the highest percentage of the total claims paid, at 42% and 41% respectively.

Claims pay-out by benefit types



DEPARTMENTAL REPORTS

HUMAN RESOURCES

The Human Resources Department deals with the management of people, the human capital, of the organisation. It is responsible for creating a work environment that brings out the best in employees to support the execution of the Fund's strategic objectives and contribute to its success. This is achieved through the adoption of appropriate strategies for staff attraction, development and retention, and compliance with applicable labour laws and best practice.

In order to achieve a conducive work environment, the Fund continued to implement its 2010-2012 Human Resources Strategy. The priority areas of this strategy comprise culture, line management empowerment and ownership, Performance Management System, communication, retention and career management and wellness. These priority areas informed the strategic initiatives for human capital management which were executed in 2012.

Culture

Through various surveys, the Fund has been able to deduce a set of shared values and beliefs that are appropriate for the organisation. Four core values are passionately held and widely shared within the organisation. These are Customer focus, Integrity, Teamwork and Innovation. The values have successfully held the Fund together throughout its Strategic Plan 2008-2012. Their relevance and importance resulted in their adoption yet again for the new Strategic Plan 2013-2017. Employees are constantly engaged on issues of culture and a continuous dialogue on these values is kept between management and staff. The organisation instills and reinforces these values by encouraging presentation and information sharing. At quarterly staff meetings a presentation on the core values is a standard agenda item. As part of performance management, employees are also assessed on how they live the values. The benefits of organisational culture are:



Performance Management System

The Performance Management System remains a critical tool in ensuring objective performance measurement and improvement as well as universal compliance across the Fund. The Fund has adopted the Balanced Score Card methodology based on the perspectives of Customers, Core Business Process, Finance and People. Performance Management and Core Values have been included as part of this methodology to support a holistic performance orientated culture. A Performance Monitoring and Evaluation Committee has been set up to complement the Human Resources function in ensuring the integrity of the system through review and moderation of performance contracts and appraisals. Newly recruited employees are taken through the Performance Management System as part of their induction. Refresher workshops are also conducted for all employees.

Communication

The Fund has put in place communication structures that promote free flow of information to empower staff members and enable them to make meaningful decisions and execute their duties. To encourage and facilitate communication, regular departmental and inter-departmental meetings, general staff, management and executive committee meetings are held. A communication strategy that will provide yet another robust communication framework will be developed in the coming year.

Career development management

The Fund has put in place a Career Development and Rewards Management Policy that supports staff retention through career development and progression opportunities. Priority is given to serving employees of the Fund with distinctive performance who meet entry requirements of more senior positions.

In order to reinforce good employee performance, the Fund continued to provide recognition and rewards for performance that enable the Fund to achieve its objectives. Through demonstrable work performance, employees with a high level of competency in their current positions were considered for career moves and responsibilities at higher levels.

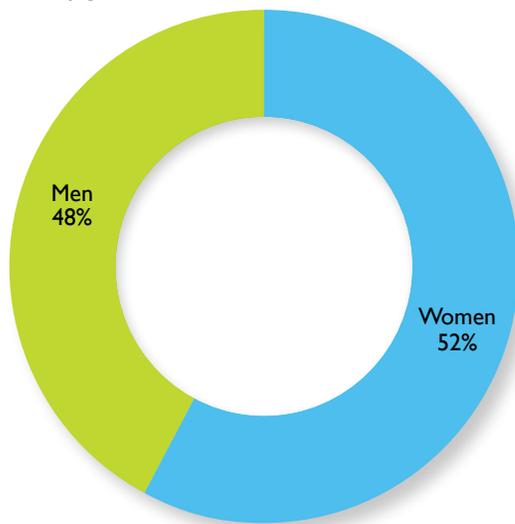


The Fund has a robust programme to manage poor performance, coupled with the necessary support through coaching, mentoring and counselling for staff members with a performance rating falling below competent. These staff members are closely monitored to ensure that they improve performance and graduate from this position.

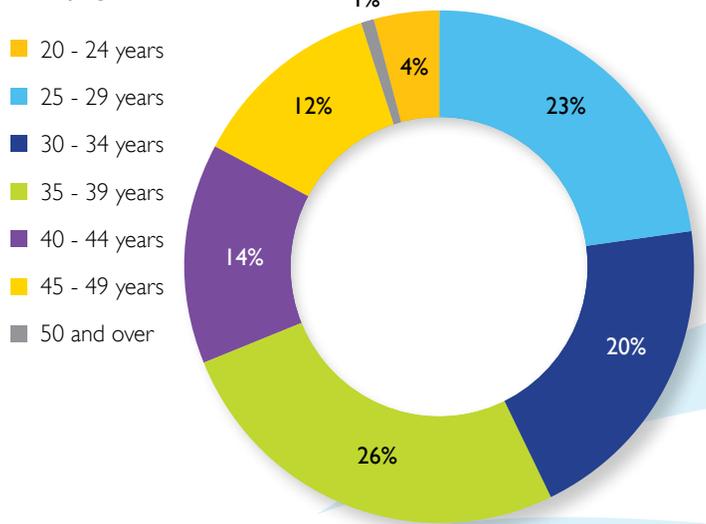
Staffing

The Fund's approved staff complement is 84. At the end of 2012 it was operating with a staff complement of 77.

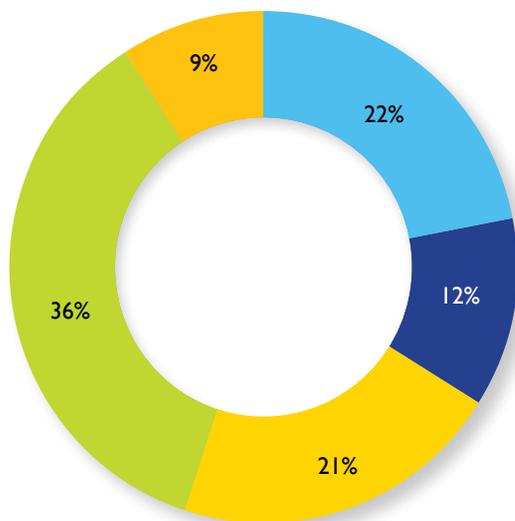
Staff by gender



Staff by age



Staff by length of service

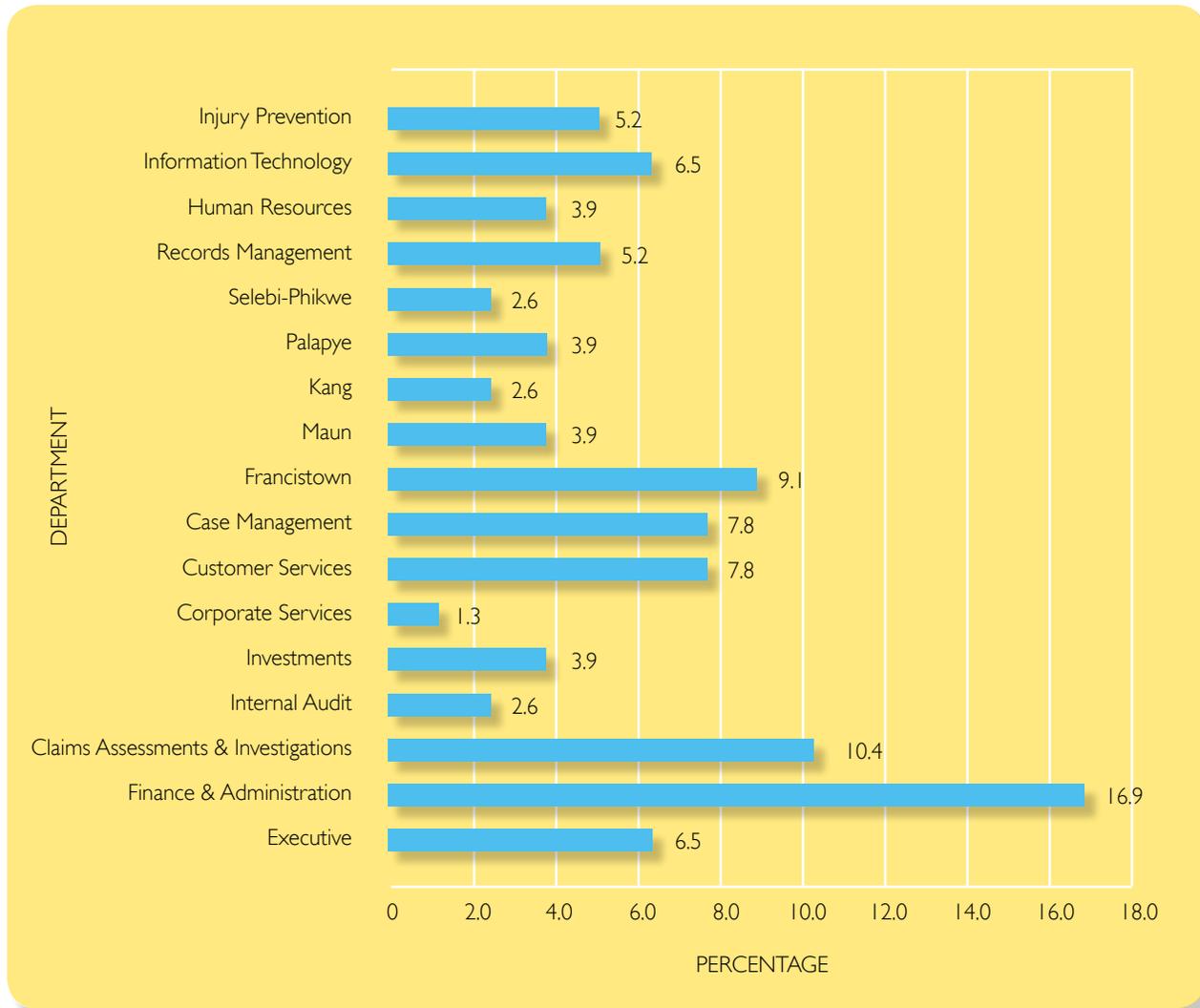


- 15 - 22 years
- 10 - 14 years
- 5 - 9 years
- 1 - 4 years
- Over 1 year

DEPARTMENTAL REPORTS

HUMAN RESOURCES (Continued)

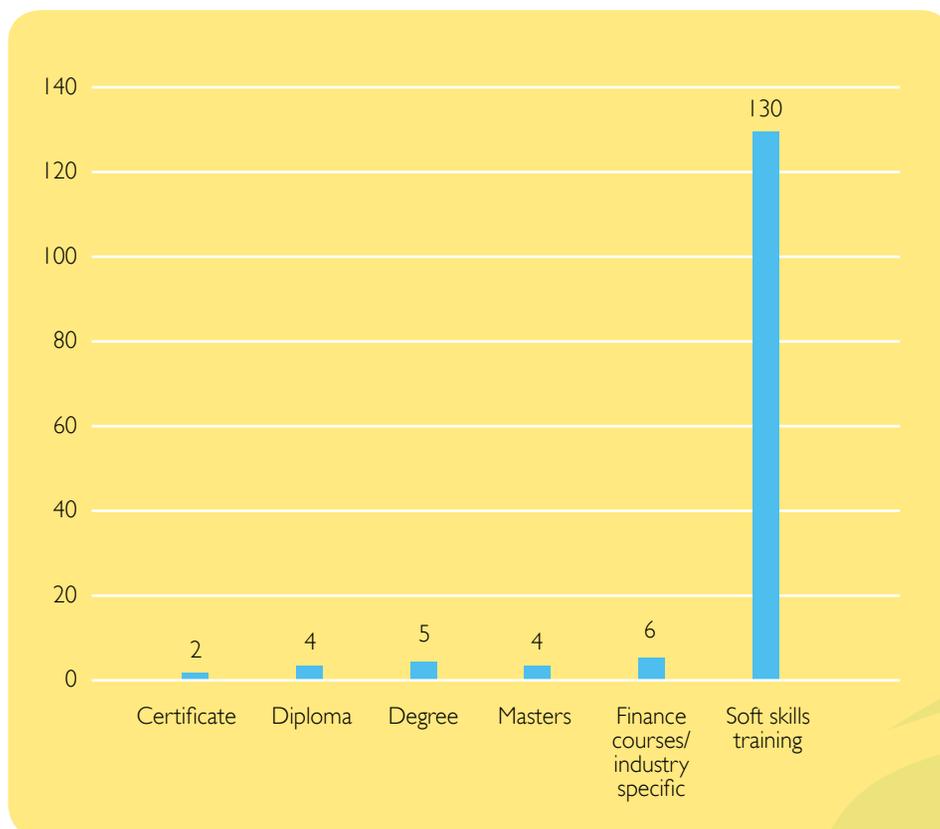
Staff by department and branch



Training and development

The Fund enhances staff competencies in accordance with its Training and Development Policy. This demonstrates the Fund's commitment to staff development and enhancing employee capabilities through soft skills and industry specific training that was provided during the year:

Training in various fields



Soft skills training undertaken during the year included public relations, finance, project management, customer care, corporate governance, risk-based auditing and disability management.

Three managers were enrolled in the Senior Management Development Programme conducted by the University of Stellenbosch Business School.

Staff members continued to take advantage of the Education Incentive Scheme during the year to pursue developmental training.

Internal Customer Satisfaction Survey

In 2012 the Fund conducted its third Internal Customer Satisfaction Survey to determine the satisfaction levels within the organisation, as well as its Overall Internal Customer Satisfaction Index. The survey helps the Fund to achieve seamless internal business processes in order to remain customer focused and to effectively carry out its mandate.

An index of 76.6% was achieved in 2012 compared to 77.3% in 2011. A survey feedback mechanism was devised in order to ensure a systematic way of following up with respective departments regarding the interventions put in place to achieve better ratings in the following year.

Best Company to Work For Survey

For the second year running the Fund took part in the 2012 Best Company to Work For Survey coordinated by Deloitte Consulting. The survey focuses on ten dimensions:

- **Sense of confidence** – the extent to which employees feel secure and proud to be associated with the Fund as well as the Fund's ability to adapt to challenging operating conditions.

DEPARTMENTAL REPORTS

HUMAN RESOURCES (Continued)

- **Inclusion** – the extent to which employees feel they are involved and included in decision making, consultations and the Fund activities. In addition, it measures the extent to which employees feel they understand the corporate strategy and policies and also the extent to which they are informed on important aspects affecting them and their jobs.
- **Job satisfaction** – the satisfaction that employees feel they derive from their job and their fellow colleagues, and the extent to which they feel that their job is enriching. Job satisfaction also measures how well they feel their talents and abilities are utilised, and how inspiring they find their work.
- **Operational effectiveness** – the extent of collaboration of employees, and the extent to which they are knowledgeable, skilled and provided with resources to do their jobs well.
- **Manager / supervisor** – employees' perception of the nature and quality of the relationship that they have with their supervisors and how it impacts on their performance.
- **Ethics and integrity** – the extent to which employees feel their value systems are aligned to those of the Fund; integrity displayed by employees in business dealings and the extent to which they feel inspired and motivated by the leadership.
- **Performance and recognition** – the extent to which employees feel valued and the extent to which their performance is managed fairly and openly, and how they believe the performance assessment outcome is linked to their career development.
- **Remuneration** – the extent to which employees believe their financial rewards and benefits are a measure of their worth, and whether they believe their total remuneration package is market related.
- **Career development** – the extent to which employees are happy with the Fund's actions and the support it provides, including training for their development and advancement.
- **Work-life balance** – the extent to which employees feel they have a healthy work-life balance and the extent to which they feel that the Fund accommodates their personal and family commitments.

In addition to benchmarking with other organisations in the market, the Fund's participation in this survey is a clear demonstration of its committed to its employees and its receptiveness to getting feedback from them in order to improve.

For the second year running the Fund retained the three prestigious awards achieved in 2011, namely Overall Best Organisation to Work For in Botswana, Best Parastatal to Work For in Botswana, and the Standard of Excellence Achiever Award. The Fund was also placed third in the Best Organisation in the Small Category in Southern Africa.

CHRODA Employee Engagement Survey

For the past three years the Fund has taken part in the Employee Engagement Survey facilitated by the Centre for Human Resources and Organisational Development in Africa (CHRODA). The survey measures the extent to which employees are committed to their work and their organisations, and the extent to which this commitment influences their performance and intent to stay in the organisation.

Employee engagement takes two forms – emotional (commitment of the heart) and rational (commitment of the mind). Emotional engagement relates to employees' belief in, value and enjoyment of their day-to-day work, and their relations with teams, managers or organisations. Because these employees make a link between their role and organisational objectives and value systems, and because they enjoy or find fulfillment in their work, they will use their 'discretionary effort' to improve their performance. Employees who are rationally engaged believe they will personally benefit – financially, developmentally or professionally – from the team or organisation. It makes sense for them to stay with the organisation.

In the 2011 survey the Fund achieved an overall Employee Engagement score of 3.79, an improvement on 3.11 in 2010. The 2010 survey showed emotional and rational indices of 3.46 and 2.76 respectively, which improved to 4.18 and 3.39 respectively the following year. In the 2012-13 survey there was a notable improvement with the overall Employee Engagement at 3.81. In the same survey the emotional and rational engagement indices were 4.3 and 3.31 respectively.

The survey enables the Fund to establish and monitor the engagement levels of its staff, and to put in place interventions that may be necessary to improve these levels.



The Employee Engagement Survey assists the Fund to achieve positive results both financially and with respect to productivity. Highly engaged employees hold a positive attitude towards the Fund as they are aware of the business context and work with colleagues to improve performance. Such employees are usually motivated, willing to expend energy and extra effort for the achievement of the Fund objectives. This results in low levels of attrition.

Staff wellness

The Fund places strong emphasis on staff welfare programmes, which employees continued to enjoy in 2012. These essential welfare programmes are designed to nurture a conducive environment in which staff can individually and collectively enjoy a positive work-life balance.

A lively team building exercise was the occasion for staff members to interrogate, self-assess and interact on matters affecting their work and service delivery. Other team building activities during the year included motivational talks and sporting events.

Staff turnover

The Fund has maintained acceptable levels of staff turnover over time. In 2012 the turnover rate was about 5% and this is attributable to policies and procedures on talent management. This is a result of the adopted culture of performance improvement through alignment of duties with the corporate strategy, multi-skilling, recognition and appreciation, transparency and communication structures and training and development. Feedback from exit interviews helps the Fund to intensify talent management strategies.

Service and performance awards

The Fund recognises employees for their positive contribution to the organisation's performance, over and above those acknowledged during the performance evaluation process. Recognising the accomplishment of employees contributes to a supportive work environment and enhances the attraction and retention of a committed and engaged workforce.

In 2012 guidelines for recognition awards were developed. The Fund believes that the awards scheme provides an incentive to employees to serve the Fund diligently in furtherance of its mandate. The awards also communicate the expectations of the Fund to its employees, beyond those defined in their performance contracts.

Best performing members of staff were recognised for service excellence, adherence to core values, achievement of team effort in cross-functional teams, best branch/department. Awards of appreciation were made to members of staff for five, ten and fifteen years service.

Talent management

The Fund developed a Competency Framework to support the execution of the corporate strategy. The framework comprises competencies, competency clusters, a proficiency scale and behavioural indicators. It provides the Fund with a balanced portfolio of competencies across the different competency clusters that are sufficient and aligned to drive its strategic mandate. The competency framework will be used in talent management processes.

The Fund engages in workforce planning to assess and meet its short-term and long-term staffing needs. The purpose is to ensure that the best-fit talent is recruited to meet the objectives of the Fund. The Fund has put in place talent management strategies to ensure staff retention. Staff members were enrolled on developmental and soft skills training to ensure effective execution of duties and to aid succession planning.

Sport and recreation

Sport and recreation is vital for fitness and wellbeing, and the Fund's Sporting Committee is active in arranging events for football, netball, volleyball, running and tug-of-war. In 2012 the Fund competed in the Inter-Fund games held annually between four regional Funds of Botswana, South Africa, Namibia and Swaziland. The games were hosted by Road Accident Fund of South Africa, and the Botswana contingent came home with medals for volleyball, football and athletics.

DEPARTMENTAL REPORTS

INFORMATION TECHNOLOGY

The Information Technology Department is responsible for ensuring cost effective provision of information and communications technologies services. The department also provides technical support to existing Information Technology infrastructure and advises on technologies which the organisation can adopt to enhance the efficiency of its operations.

The Information Technology Department continued to provide cost effective IT support to other departments during 2012. The IT Strategic Plan 2009-2012 came to an end in December 2012, and the department is currently developing a new IT Strategy in line with the organisational strategy of 2013 - 2017.

During the 2009 - 2012 IT strategy period a number of initiatives were implemented to improve accessibility to MVA Fund's services and also to improve service delivery. SAP System enhancements were implemented to make this possible.

System enhancements

The following enhancements were carried out during the year to improve operational efficiency:

- **SAP new bonds and shares standardisation**

The department carried out SAP system improvements in the Treasury and Risk Management module. This enhancement was implemented to enable the Investments Department to do transactions for new bonds and shares without the need to re-configure of the system. The enhancement was successfully completed.

- **SAP line interest calculation for trust accounts**

This enhancement was in the Finance Module. The system was configured to calculate interest on totals, which poses challenges when it has to be allocated to individuals benefit types. The Fund keeps claimants' funds in trust for their future and these trusts earn interest on a monthly basis. The benefit types affected by this change are loss of support and loss of earnings. The change will be concluded in 2013.

- **SAP business intelligence reports customisation**

The objective of this enhancement was to align the Business Intelligence module reports with the reporting requirements of the various departments using the SAP System for their daily processes. A total of twenty reports were identified for customisation, ten for the claims module, six for the finance module and four for the human capital management module. The enhancement will be concluded during 2013.

- **SAP skills transfer**

An arrangement has been made with the implementation partner to work with trained users for purposes of imparting knowledge. Users are paired with consultants for resolution of support calls logged with them. This arrangement will be continued so that users can gain confidence in their various modules.

Implementation of the Case Management module

The implementation of the Case Management module started with the development of a Statement of User Requirements which has been completed. An expression of interest was advertised for information technology companies to propose systems which best match the Fund's requirements. After evaluation of the submitted proposals, tenders for project management, supply and implementation of the solution will be issued.

Network

The Fund uses Botswana Telecommunication Corporation frame relay lines for links to its branch offices. The IT Department did a network audit and is currently testing bandwidth optimisers on these lines to further improve their performance. This is done to ensure cost effective use of resources and for improving the Fund's service delivery. Branch offices are accessing and updating the SAP System which is centralised in Gaborone. The system uptime was 100% during 2012.

Video conferencing and teleconferencing

Teleconferencing equipment was installed in all branch offices to improve communication within the Fund. A video conferencing facility was installed in Gaborone and Francistown offices, enabling meetings to take place readily.

Future developments

The information technology strategy will be aligned with the newly developed organisational strategy. The department will work with other business units to implement value added services geared towards service improvement. Innovation is given prominence in the 2013-2017 Strategic Plan. The IT Department will play a major role in providing an environment which will enable other business units to be innovative in their own areas through technology. A customer interaction portal will be implemented as part of the value added service, to ensure that the Fund's customers have easy access to its services.



DEPARTMENTAL REPORTS

STRATEGY

The Strategy Office is responsible for coordinating the development, implementation and monitoring of the MVA Fund Strategy. This Strategy provides the direction of the organisation; it gives a clear and compelling vision of where the organisation is headed.

The Fund has been implementing its five-year Strategic Plan 2008-2012. The Plan is grounded on three strategic themes, which represent areas where results are mission critical. They help in focusing our performance to create high levels of value for our customers.

Strategic themes

- Deliver service excellence** Deliver superior quality and prompt service to our customers.
- Grow healthy stakeholder relationships** Quality service delivery is dependent on building productive working relationships with key stakeholders. We work closely with the Police and the health care system to provide compensation and rehabilitation as well as promote road safety.
- Build high performance organisation** Our performance can be sustainable if based on a highly competent, motivated and engaged workforce working in an environment that unleashes their creativity and allows them to create superior value for our customers. We are obliged to use public resources to provide public good and to help contribute to the building of a prosperous nation by 2016

Over the five-year period the Fund steadfastly pursued its Strategic Objectives, with the aim of delivering on its mission. On review, it emerged that a 90% implementation rate had been achieved. The remaining initiatives have been carried over into the new Strategic Plan period 2013-2017.

At an international level, the Fund maintains a relationship with MVA Fund of Namibia through a bilateral agreement signed in 2008. The purpose of the agreement is to provide for the reciprocal handling of claims to the extent of receiving and forwarding them to the other party, to cooperate on human resource utilisation and capacity building, among others.

The Fund has since signed a multilateral agreement which has expanded the relationship to MVA Fund Swaziland and Road Accident Fund of South Africa. The agreement would also work towards harmonisation of a regional road accident compensation system.

Enterprise risk management

The MVA Fund views risk management as integral to its vision and mission, and to achieving its organisational objectives. The Fund recognises that its strategic objectives can be obtained through effective management of its risks. The risk management process ensures a comprehensive risk management approach, approved by the Board for implementation.

Periodically, management updates the Board on progress regarding control of the top ten risks which are considered to be of potentially high impact in the organisation. The other risks are managed operationally through heads of Departments, who report to the Executive Management Committee.

Change Management Programme

The Fund works continuously towards improving its strategic management. Since 2010 a Change Management Team has been selected internally to complement the efforts of the Strategy Office in implementing the change initiatives. The team deals mainly with the people side of change. The 2012 Change Management Programme was drawn up to include the implementation of the Fund's new brand, case management information, business process improvement, revised Service Standards and the Dwililombeli 2013-2017 Strategic Plan. Meetings were held weekly and this platform is used to update staff on the major changes and ensure that the Fund remains strategically focused.

Customer and stakeholder relations

Customer satisfaction remains the cornerstone of the Fund's operations. For that reason, the Fund conducts annual customer satisfaction surveys to monitor its own customer/stakeholder relations. A steady improvement has been recorded over the years.

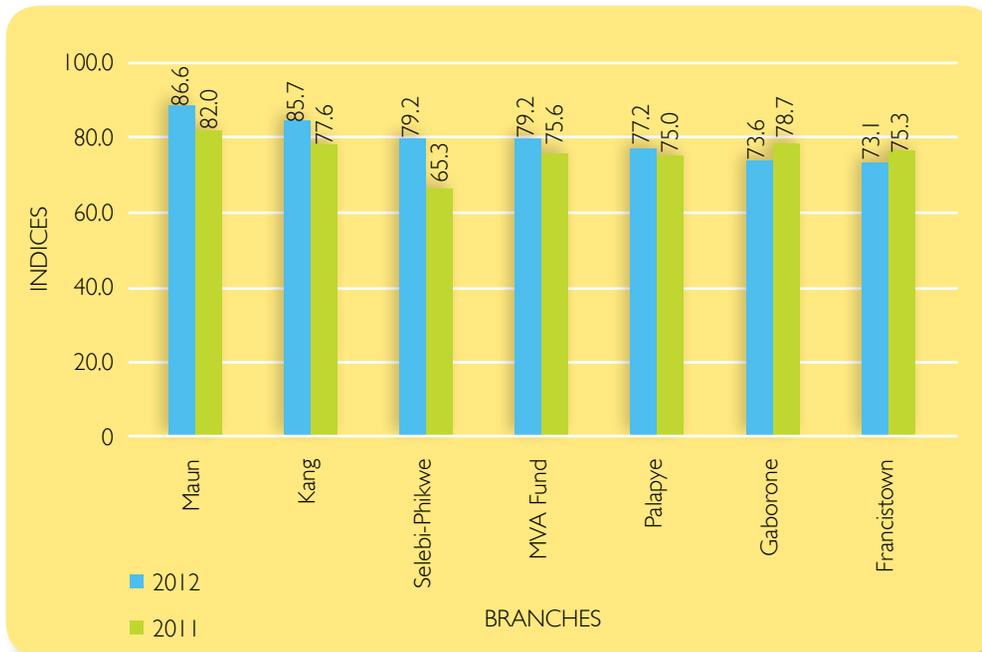
In 2009 the recorded index was 58.0%. In 2011 it rose significantly to 75.6%, and in 2012 to 79.2%, an increase of 3.6% over 2011.

To maintain continuous improvement the Fund implements the recommendations from the surveys and also draws up action plans for the identified low performance areas. Skills and competency gaps among employees are also addressed, to enhance the culture of customer service.

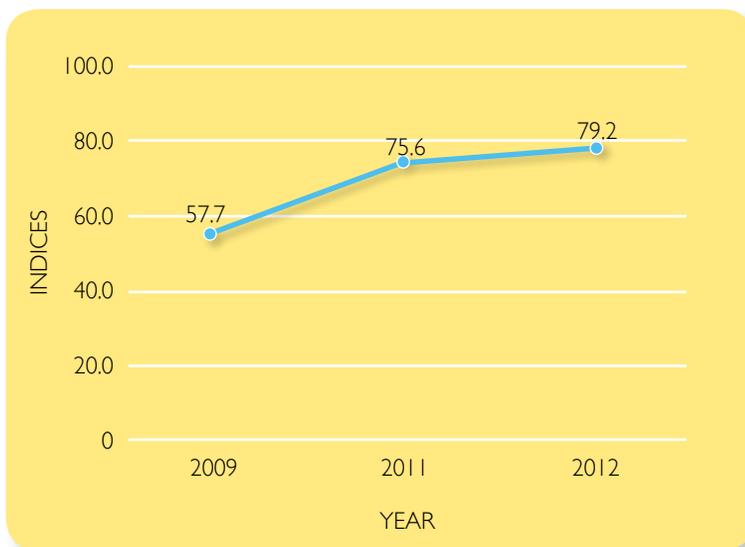
DEPARTMENTAL REPORTS

STRATEGY (Continued)

External customer satisfaction index



External customer satisfaction indices



During the year the Fund committed itself publicly to an enhanced set of service standards and took a firm service pledge to step up its efforts to help members of the public affected by road crashes. The main purpose of the review was to further improve the service level commitment which was done in 2009. The Fund continues to review its performance against the set service standards on a weekly basis to closely monitor performance. Where performance deviations are noted, corrective measures are taken.

Core business processes

Superior service delivery depends on effective and efficient business processes. The Fund commissioned external facilitators to conduct its Business Processes Reengineering. Implementation of the recommendations of the exercise, which focus mainly on optimising the process, is ongoing.

On a related note, a Statement of User Requirements document for the Case Management Section has been completed. Management will proceed to issue a tender for the development and implementation of the module. The module will, among other things, enhance the Fund's capacity to handle clinical data.



Learning and growth

The Fund's growth strategy is hinged on effective human resource development. This is intended to enable the Fund to achieve high performance status as envisaged in its Strategy. The Training and Development Policy provides for an education incentive scheme geared towards effective skills development, talent management and retention of key competencies within the organisation.

The Fund conducts an Employee Engagement Survey periodically, to ascertain the engagement levels of its employees. During the past three surveys the Fund attained an overall index of above 3.0 which is the benchmark

Employee engagement levels



Financial stewardship

The Fund maintained its prudence in the management of its financial resources, to ensure the achievement of its financial objectives. Cost rebalancing and cautious investment are the key strategies used by the Fund to manage its finances efficaciously. The Fund's performance is explicitly contained in both the Financial Statements and Investment portion of this Report.

Core values

Core values are important in achieving and sustaining a positive organisational culture. They are the roots of the Fund's customer service, and all staff members are guided by these values in their daily interactions. Our core values are Customer Focus, Integrity, Teamwork and Innovation.

The road ahead

At its meeting in December the Board approved the Fund's new Strategic Plan for the five years 2013-2017. The Strategy is named Dwililombeli, (Kalanga: 'moving forward'). This is a bold declaration of commitment to moving the agenda of the Fund to higher levels. The following objectives will be pursued in order to deliver on the Fund's mandate:

- Improve customer satisfaction
- Improve service delivery
- Improve service coverage
- Improve stakeholder relations
- Improve procurement processes and management
- Improve claims processing and management
- Improve knowledge of products and services
- Improve investment management
- Improve road safety
- Improve strategic partnerships
- Improve strategic management
- Build strategic leadership capacity
- Grow performance orientated culture
- Improve innovation
- Increase revenue base
- Improve cost management.

The new Strategy places more emphasis on service delivery, innovation (not only as a core value but also as a process of value creation) and cost management, among others. In fact, Innovation has been added as one of the elements of the Fund's performance score card. Overall, the Strategy builds on a solid foundation laid over the past years. It further challenges us to improve in all areas of our operations, so that we can better serve our customers and other stakeholders to ensure continuity of our business. Management will closely monitor the performance of the Strategy.

DEPARTMENTAL REPORTS

CORPORATE COMMUNICATIONS

The Corporate Communications Office initiates and implements the Fund's communications and public relations policies and strategies. The office manages the overall brand of the Fund through the promotion of a good corporate image. It also manages relations with the Fund's varied stakeholders to foster collaborative teamwork, and maintains a healthy corporate social investment portfolio.

A Corporate Communications Strategy which governs the engagement of internal and external stakeholders was launched during the launch. Ongoing implementation of this strategy will ensure that our stakeholders derive maximum value from the Fund.

Stakeholder management

In 2012 the Fund actively collaborated with some of its key stakeholders on various activities as follows:

Activity	Purpose
Building capacity for Spinalis Foundation Botswana (Princess Marina Hospital, Gaborone) with rehabilitation equipment.	The centre provides rehabilitative care to patients with spinal cord injuries, some of whom are victims of road crashes. The Fund augments this effort by leasing some equipment to the centre.
Building capacity for Thuso Rehabilitation Centre (Maun) with rehabilitation equipment.	The centre provides rehabilitative care to those with physical disabilities. Some of these people are the Fund's claimants, hence the need to support the initiative.
Main sponsor of the annual BOCCIM (Botswana Confederation of Commerce, Industry and Manpower) Business Golf Day.	This platform gave the Fund the opportunity to encourage employers to come up with road safety promotion measures within their safety, health and environment policies.
Stakeholder interaction forums	These forums were used to inform stakeholders on the Fund's new brand and generally on ongoing and completed strategic issues.
Building capacity for Botswana Police Service with eight highway patrol surveillance vehicles.	This support bolsters the efforts of the Botswana Police Service Traffic Section to crack down on speeding, which is one of the leading causes of road crashes.

In carrying out its mandate the Fund enters into Memoranda of Understanding (MOU) with various entities, the purpose of which is to define parameters within which the parties will work together. Such collaborative agreements were concluded with the following:

Partner	Benefit
Men's Sector	The Fund will utilise the organisation's nationwide structures to reach out to men and educate them on traffic safety issues. This is in realisation of the fact that men are most affected by road crashes.
BotswanaPost	Use of post offices countrywide to distribute claim forms. This enables potential claimants to access claim forms at post offices nearer to them without having to travel to MVA Fund offices.
Makgabaneng Drama Group	Through this collaboration Makgabaneng will produce radio serial drama episodes on road safety and the products and services provided by the Fund. The episodes will be aired on national radio for public education purposes.
Botswana Red Cross Society	Collaboration on issues of first aid and case management.
Botswana National Youth Council	The parties are working on a framework to reach out to young people – who are the hardest hit by road crashes – and engage them in road safety promotion activities.



Media relations

The Fund made wide use of the print and electronic media during the year to project its image and to educate the public on its product and services. The media was extensively used to market the Fund's new brand and its meaning and relevance to stakeholders. The Fund's quarterly magazine, *MVA Fund Today*, which is distributed free to stakeholders and the general public, covered MVA Fund issues and a wide range of socioeconomic and health matters. This lively publication is well and widely received, with a total of 80 000 copies being distributed during the year. A range of other targeted publicity material in the form of brochures and corporate memorabilia was also produced and distributed through the Fund's branch network.

Social media

The Fund introduced a Facebook page to interact with its stakeholders, especially young road users. The page is also well used for customer service feedback and notification of corporate events. This platform provides the Fund with an interactive and swift mode of communication. The page is accessible on <https://www.facebook.com/MVA Fund Botswana>.

Publicity

The Fund takes advantage of every publicity opportunity to enhance its visibility and promote its products and services. Events made use of for this purpose included the launch of the Mobile Children's Traffic School in Ghanzi, the launch of the New MVA Fund Brand, the Tertiary Education Fair; the annual Consumer Fair; mall campaigns, Steinmetz Gaborone Marathon, Botswana Bureau of Standards World Metrology Day, BOCCIM Northern Trade Fair and World Day of Remembrance for road traffic victims.

Rebranding

The Fund ushered in its new corporate brand. Before doing so, extensive research was undertaken to check the suitability and relevance of the previous brand. The survey recommended that the Fund needed to rebrand in order to align its brand with the MVA Fund Act of 2007. The new brand identity consists of a new logo, corporate colours and revised Service Standards. A brand communication strategy, stakeholder engagement plan and an implementation plan were also developed to assist in rolling out the brand to the Fund's varied stakeholders. The new brand places strong emphasis on service delivery, with the revised Service Standards having shortened turnaround times.

The brand was officially launched by the Minister of Finance and Development Planning, Mr Kenneth Matambo, at a function in Gaborone attended by key stakeholders, Members of Parliament, Cabinet Ministers, civic society, NGOs and members of the public. After the official launch a series of stakeholder interaction forums was held around the country to familiarise the public on the brand and the Fund's commitment to serve them. The Fund also took advantage of major public gatherings such as exhibitions, trade fairs and corporate functions to make the brand widely known. This roll-out programme will continue in 2013. Internally, employees have embraced the brand and have become enthusiastic brand ambassadors.

Corporate social investment

The Fund recognises the need to integrate its corporate strategic values with the broader national developmental agenda, so that it maintains its relevance and stature. The Fund therefore strives to, among other things, meet the expectations of its stakeholders, including its customers, while at the same time enhancing and projecting a positive image to the general populace.

Through its corporate social investment programme the Fund intends to engage in the development and maintenance of a socio-economic environment that is conducive to real economic growth. The policy encourages the Fund to engage in projects that are:

- fewer and larger but affording a greater impact (flagship projects)
- linked to national priorities
- enabling partnerships in corporate social investment work
- of a national spread in nature
- strongly and consciously aligned to the business goals
- enhancing the corporate brand/image.

Some of the projects undertaken in pursuance of this programme include:

- construction of houses for the needy
- taking part in school educational activities such as student exchange programmes
- school awards ceremonies
- supporting charitable organisations

DEPARTMENTAL REPORTS

CORPORATE COMMUNICATIONS (Continued)

- construction of bus shelters in many parts of the country to provide shelter for passengers and a platform to promote road safety as well as the Fund's products and services
- donation of rehabilitation equipment
- donation of fully equipped ambulances to Ministry of Health
- donation of alcohol testing 'Booze Buses' to Botswana Police Service
- donating high-tech speed surveillance highway patrol cars to Botswana Police Service.

Government internship programme

MVA Fund supports this vital initiative, taking in two interns in 2011 and 15 in 2012. The increase reflects the Fund's endorsement of Government policy to give graduates experience and training and prepare them for the job market. A training and mentorship programme within the Fund is tailored to the needs of the interns to familiarise them with the various work environments and with a strong focus on working with teams. Since the inception of the programme four interns have been absorbed into mainstream employment, three of them at the Fund and the fourth with other employers owing to experience gained at the Fund.

DEPARTMENTAL REPORTS

INTERNAL AUDIT

The Internal Audit Department was established within the Fund in 2006 to assist the Board and Management to improve the effectiveness of the Fund's risk management, control and governance processes. The office provides an independent, objective assurance and consulting activity designed to add value and improve the Fund's operations. This is accomplished by bringing a systematic and disciplined approach to evaluating and improving the effectiveness of the control environment.

Mandate and reporting

The head of internal audit obtains his mandate from the Finance and Audit Committee and is responsible for the total internal audit function. The department reports administratively to the Chief Executive Officer and functionally to the Finance and Audit Committee. It reports quarterly to the Finance and Audit Committee on:

- Identified significant audit findings and recommendations.
- Any significant deviations from the approved audit plan, staffing plans and financial budgets, with reasons.
- Appropriate management action taken to address any deficiency findings.
- Any unwarranted restriction on the staffing and authority of the Internal Audit Department, or on access by internal auditors to the Fund's activities, records and personnel.

Annual Audit Plan

The Annual Audit Plan is a description of the internal audit activities that are planned to be completed by the department during any fiscal year. The overall objective of the 2012 audit plan was to develop a standardised audit plan which addressed high to medium risk areas, consistent with the internal audit charter and the Fund's 2008-2012 strategic plan. The plan constituted various integrated operational audits which covered financial, performance and compliance aspects. For this plan the department partly drew on the expertise of external audit firms to improve efficiency and quality of audit services and also to build internal capacity.

The department works closely with other assurance providers. This combined assurance framework adopted by the Fund is aimed at providing assurance that both strategic and business operational risks are adequately managed by coordinating the assurance efforts of Management, internal and external assurance providers. This multi-disciplinary approach minimises duplication of effort and also allows for drawing on the expertise of other providers to derive value for the benefit of the Fund.

Combined Assurance Model



Risk Management

The Internal Audit Department plays both a consulting and an assurance role in the Fund's Enterprise Risk Management Process. In 2012 the function independently appraised this process, with the primary objective of providing reasonable assurance on the adequacy and effectiveness of the process. The department also follows a risk-based approach to auditing the internal controls. The annual internal audit plans are developed based on the results of the Funds risk management process.

Fraud

While the overwhelming majority of Fund clients and service providers are entitled to the benefits and payments they claim, a very small number seek to defraud the Fund. The Fund has implemented robust fraud risk management controls that enable it to detect fraudulent transactions. Furthermore, the department is fully equipped and mandated to investigate all suspected or actual fraud cases. The department works closely with national law enforcers and the Investigations division within the Claims Assessment and Investigation Department to investigate these cases.

There are a number of remedies available to the Fund as far as fraudulent transactions are concerned. For example, the Fund has the power not to pay any benefits where there are reasonable grounds to believe that a claim or the information and particulars concerning the vehicle accident, injury or death giving rise to the claim is false or misleading. It also has the right to recover benefits that might have been paid in connection with such a claim. In addition, fraudulent service providers can be referred to their respective regulatory bodies, and at the extreme prohibited from doing future business with the Fund. Internally the Fund has a policy of zero tolerance for fraud, which is a dismissible offence.

Audit or project	Status
Francistown audit	Completed
Payables and receivables audit follow-up	Completed
Third party cover follow-up	Completed
Palapye branch audit	Completed
Selebi-Phikwe branch Audit	Completed
External auditor's management letter follow-up	Completed
Three management requests	Completed
Kang branch audit	Draft report
Cost Management Process audit	Draft report
Risk Management Process audit	Draft report

CORPORATE GOVERNANCE STATEMENT

The principles of corporate governance as embodied in the King III Commission Report play a pivotal role in the administration of MVA Fund. The Fund observes and prospers on the sustained ethical values of responsibility, accountability, integrity and transparency.

The Fund is governed by the MVA Fund Act No. 15 of 2007 and adheres strictly to the set of rules, processes, laws and policies by which the business is operated, regulated and controlled.

An equal subscription is accorded to the International Financial Reporting Standards that require a mechanism that is understandable, reliable, comparable, relevant, true and fair for representation of the financial position of the organisation.

The Board of Directors

The powers and functions of the Fund are vested in the Board, which has a central role in corporate governance as it is ultimately accountable for all the affairs of the organisation. Through integration and alignment of the Fund's assurance processes, the Board is able to maximise its governance oversight. The directors' responsibility is to endorse the Fund's strategy and maintain a coherent system of internal controls at an appropriate level to ensure adherence. The directors also have a duty to approve the financial statements and to ensure the integrity and supply of related financial information to the external stakeholders.

The Board is established by the Act and comprises eight non-executive members. Members are appointed by the Minister of Finance and Development Planning to hold office for a term not exceeding three years. On completion of tenure, members are however eligible for reappointment. The Chairperson of the Board is appointed by the Minister from among the eight members. To meet the objectives of the Fund, the Board has relevant skills and experiences which are balanced by the diverse professionals and industry knowledge of its members.

For proper monitoring and for the upkeep of the principles of good governance, the Act provides for removal and suspension of membership. Instances of removal would arise where a member had acted improperly or was mentally or physically incapable of performing his/her duties efficiently. The Minister may suspend a member against whom criminal proceedings are instituted for an offence of which a sentence of imprisonment may be imposed. Whilst so suspended, the member may not carry out any duties or be entitled to any remuneration or allowances as a member of the Board. The Act also gives grounds for disqualification from appointment in various circumstances ranging from insolvency and bankruptcy to conviction for a criminal offence, whether such offence was committed in or outside the country.

Since its inception, the Fund has not recorded any instance of removal, suspension or disqualification of a Board member from office.

Delegation

The Board, having due regard to the principles of corporate governance, has delegated the powers and functions of the Fund to the Chief Executive Officer who is assisted by executive management. The day-to-day administration of the Fund is overseen by the Chief Executive Officer who reports on performance of the Fund at Board meetings.

Board meetings

The Board meets as often as the business of the Fund requires, but usually not less frequently than once in each quarter of the year. The meetings are pre-planned and a schedule of meetings is circulated among the members at the beginning of the year. Executive management attends the meetings by invitation. Matters requiring expeditious attention and approval of the Board are dealt with by way of special Board meetings.

A quorum at any meeting consists of any four members of the Board and all decisions are passed by simple majority on open ballot. The Chairperson has a casting vote. The Chairperson presides over meetings of the Board, and when he is not in attendance the Vice Chairperson presides. In the absence of both, the quorum may elect any member amongst themselves to chair the meeting. The Chairperson manages the meeting productively, ensuring that all members participate as much as possible. The proceedings of the meeting are recorded, verified and kept by the Fund as a permanent record.

Declaration of interest

To ensure that transparency and integrity permeate all the operations of the organisation, Board members are at every meeting required to disclose in writing their interests in the matters being considered. At the appropriate time, when the Board considers the matter(s), a member who has declared an interest in the matter under discussion recuses himself/herself from the meeting unless the Board directs otherwise. All disclosures are recorded in the minutes of the meeting and the declaration forms kept as a permanent record.



Contravention may result in removal from membership and/or penalty of a fine not exceeding P10 000 or imprisonment for a term not exceeding 10 years.

Board remuneration

Board members' sitting allowances and travelling expenses incurred during service to the Fund are paid in accordance with the Government rates. For members who are Government officials, payment is made directly to their respective departments. Board fees paid per sitting during the year were:

Chairperson	P1 050
Vice Chairperson	P840
Member	P840

Board Sub-Committees

The Board delegates some of its powers to sub-committees drawn from the Board to assist it in discharging its duties and responsibilities, particularly in specialised areas. The constituted sub-committees comprise three or more skilled and experienced non-executive Board members. Each sub-committee is chaired by a non-executive member and meetings are convened as often as the business of the Fund may require. The Chairman of the Board is usually not elected to serve on any of the sub-committees as he has an oversight role and cannot objectively participate in the sub-committees. Members of executive management attend meetings of sub-committees by invitation. The sub-committees report and make recommendations to the Board.

Finance and Audit Committee

The independent Finance and Audit Committee fulfills a vital role in corporate governance. The committee is entrusted with the financial and risk management of the Fund, monitoring of the internal financial controls and ensuring the integrity of integrated reporting, including financial reporting, within the organisation.

The committee's duties and responsibilities are to:

- recommend approval of the annual financial statements of the Fund to the Board
- recommend approval of the capital, operating and manpower budgets to the Board
- recommend to the Board the appointment of external auditors
- consult with the external auditors to ensure resolution of issues
- review the effectiveness of the internal controls
- consider the Internal Audit Plan
- monitor financial reporting against best practice standards
- manage financial risk
- monitor compliance with legislation.

The committee also considers the reports from the internal and external auditors, who have unrestricted access to the committee.

Resolutions passed by the committee during the year included:

- approval of the 2011 audited Financial Statements
- approval of the quarterly Management Reports
- approval of the 2013 operating, manpower, capital expenditure and road safety budgets
- approval of the engagement of external auditors to conduct the 2012 audit.

Tender Committee

The Board Tender Committee has an oversight role on the procurement processes of the Fund and ensures that all tenders are evaluated and awarded in a transparent and procedural manner.

The committee ensures adherence to the Tender Regulations and Procurement Procedure Policy and cultivates the practice of high ethical standards. It provides an environment of transparency, hence enabling effective management of the procurement process. The principle of disclosure of interests is particularly emphasised in all proceedings of this committee.

CORPORATE GOVERNANCE STATEMENT (Continued)

The committee reports and makes recommendations to the Board on all matters that require ratification and approval by the Board. Its responsibilities include:

- ensuring compliance to the tender rules and regulations
- approval and authorisation of tender awards in accordance with the Tender Regulations and Procurement Procedure Policy, including vetting and approval of a list of potential tenderers to be pre-qualified for selected tenders
- ensuring that high ethical standards are upheld in the award of tenders within the applicable limits and authority defined in the rules
- considering and approving variations in the scope and conditions of previously approved contracts or service level agreements, including extensions, assignment and subletting
- considering and approving the extension of existing contracts within its set limits.

The Tender Regulations and Procurement Procedure Policy set out the monetary limits as follows:

Chief Executive Officer	Up to P200 000
Management Tender Committee	P200 001-P500 000
Board Tender Committee	P500 001-P1 000 000
Board of Directors	Above P1 000 000

During the year the committee considered the award of the following projects:

- procurement of the mobile children traffic school
- property maintenance services for the head office building
- procurement of the mobile office.

Investment Committee

Sustainability is a primary economic imperative for the future survival of any organisation. MVA Fund is statutorily empowered to invest in a beneficial manner any monies not immediately required for the conduct of its business. The Fund's investment portfolio is coordinated and governed through the Board Investment Committee. Among the responsibilities of the committee are the formulation and review of the investment policy, the appointment of external asset managers, reporting on the performance of the Fund's investments and ensuring that these investments comply with the Investment Policy Statement.

During the year the committee considered the following key aspects of investments:

- monitoring the development of multi-residential units in Francistown
- reviewing the 2010 Investment Policy Statement
- approving the 2012 Investment Policy Statement
- monitoring the implementation of recommendations of the 2011 Actuarial Review Report
- approving other investment opportunities, such as direct lending.

Board information

To ensure that Board meetings are productive and that members are able to discharge their duties, every meeting is well planned in advance. The Board and sub-committee papers are circulated to all members seven days before the meetings so that members prepare for an informed discussion. The agenda for each meeting is also circulated to assist the flow of information and to support creative discussion in dealing with issues of strategy, performance and compliance. It also helps during the meetings as all members will know what business has been completed and what business is still outstanding, and it assists in members' time management.

When there are new appointments to the Board the Fund provides new members with information to assist them to perform their roles effectively. Board members are given general introductions, an overview of the Fund's products and services and clarification of when meetings will be held. This gives the new members an understanding of the organisation they will be governing. In 2012, orientations were conducted for two new members appointed to the Board.



Board development

The Fund recognises the need for Board training, especially in the area of corporate governance which is rapidly evolving. To maintain a strong Board, members periodically attend various training workshops, enabling them to interact with their peers from diverse backgrounds and environments and to share ideas. During the year some members attended the annual African Corporate Governance Workshop held in South Africa, and a board induction programme organised by Public Enterprises Evaluation and Privatisation Agency (PEEPA) in Gaborone.

To augment the principles of corporate governance as reflected under the Act, the Board is in the process of developing its governance tools which will include the Board Charter and Shareholder Compact. The charter will clearly outline the structure of the Board and define the parameters within which the Board will operate as a whole. The adopted corporate governance policies of the Board and their application will in turn guide the Board in all dealings in respect of and on behalf of the Fund. The shareholder compact is intended to regulate the relationship between the shareholder, being Government, and the Board.

Internal controls

The Internal Audit department provides an effective risk-based internal audit for the organisation. Its role is to ensure that adequate and effective controlling mechanisms are in place. Its key responsibility is to the management, Finance and Audit Committee and the Board in discharging its governance responsibilities. The internal audit performs the following functions:

- evaluating the organisation's governance processes including ethics
- performing an objective assessment of the effectiveness of risk management and the internal control framework
- systematically analysing and evaluating business processes and their controls
- ensuring compliance with applicable legislation.

The Board also provides an oversight role in all aspects of the control environment including disclosure controls such as financial reporting. It also provides assurance on the effectiveness and efficiency of operations and compliance with applicable laws and regulations.

External audit

The responsibility of keeping proper books of account and records of financial transactions, assets and liabilities of the Fund is vested in the Board. The Act exposes these books to an annual interrogation by external, independent auditors who are appointed by the Board on recommendation by its Finance and Audit Committee. The external auditors carry out an independent audit of the systems of internal financial controls and express their opinion through a report. An appropriate combined audit is ensured by both the external and internal auditors.

Code of conduct

The Board of MVA Fund guides the organisation's ethics performance. The Fund is committed to maintaining the highest ethical standards, which guide the relationship with internal and external stakeholders. While the rules tend to prevent unethical behaviour on the one hand, they also take advantage to promote the core values of the Fund, so achieving a balance. The conduct of internal stakeholders, being employees, is governed by the general conditions of employment which have in them a code of conduct. There are necessary measures available for deterring infringement of the written rules.

Pension fund

The Fund contributes 20% of each member's salary to a pension fund for all its pensionable employees. These contributions are paid monthly, and are then invested by the investment manager in terms of the agreed guidelines. During the year the investments of the pension fund were managed by Botswana Investment Fund Management. Management and employees are represented on the board of trustees of the pension fund. The board of trustees oversees the overall running of the pension fund and makes investment decisions. The trustees also ensure that the interests of the members are secured and protected.

The pension fund is currently administered by Glenrand MIB who are responsible for keeping the records of all members. The administrators also process payments of benefits and prepare the pension fund's financial statements. The accounts of the pension fund are audited by Ernst and Young Botswana.

CORPORATE GOVERNANCE STATEMENT (Continued)

Attendance at Board meetings in 2012

	Position	26/01/12 (Special Board)	29/03/12	28/06/12	27/09/12	14/12/12
F Modise	Chairman	√	√	A	√	√
T Malebeswa	Vice Chairman	A	A	**	**	**
A Madigele	Member	√	A	**	**	**
A Botes	Member	√	√	√	√	A
L Thebe	Member	√	√	√	√	√
G Bakwena	Member	√	√	√	√	√
E Gonsalves	Member	√	√	√	√	√
M Molebatsi	Member	A	√	√	√	√
K Matshediso	Member	**	**	**	√	√
B Tobedza	Member	**	**	**	√	√

Attendance at Finance and Audit Committee meetings in 2012

	Position	27/03/12	25/06/12	30/08/12	06/12/12
A Botes	Chairman	√	√	√	√
G Bakwena	Member	√	√	√	√
A Madigele	Member	A	**	**	**
M Molebatsi	Member	√	√	√	√

Attendance at Board Investment Committee meetings in 2012

	Position	29/02/12	31/05/12	30/08/12	06/12/12
G Bakwena	Chairman	√	√	√	√
A Botes	Member	√	√	√	A
E Gonsalves	Member	√	√	√	A
B Tobedza	Member	**	**	**	A

Attendance at Board Tender Committee meetings in 2012

	Position	16/01/12	10/12/12
M Molebatsi	Chairman	√	√
T Malebeswa	Member	√	**
E Gonsalves	Member	A	√
L Thebe	Member	√	√
B Tobedza	Member	**	A

√ In attendance

A Apology

** Not a member at the time



SUSTAINABILITY REPORT

The Fund is committed to achieving best practice for corporate sustainability. In its business operations it ensures that all risks are systematically mitigated to ensure achievement of its strategic objectives and business continuity. The following is how the Fund addresses key areas of its sustainability:

Financial sustainability

Despite the still struggling economy, MVA Fund recorded an overall growth of 12.4 % during the year. The 2012 Investment Policy Statement advocates a less aggressive risk tolerance stance, which means that the Fund was conservative in its investment approach while at the same time seeking maximum growth.

The alignment of operations and risk management to a culture of cost management was also used to enhance the stability of the Fund. The Fund is in a sound financial position having recorded a high solvency rate of 469% for the year which has allowed it to maintain the current fuel levy level notwithstanding escalating claim costs.

The Fund continues to explore investment opportunities that are outside the traditional assets classes but still within the scope of the Investment Policy Statement in order to obtain maximum growth. It also invests in strategic partnerships, striving for capital preservation and reducing the overweight cash position, while still maintaining the appropriate risk levels.

Road safety

Escalation of road crashes across the country continues to pose a real threat to both the national economy and the sustainability of the Fund. To combat this the Fund has adopted intensive road safety promotion and injury prevention strategies. At the collaborative level, the Fund has entered into memoranda of understanding with several institutions including the Department of Road Traffic and Safety, Botswana Police Service, Department of Roads and Ministry of Health. These agreements are expressions of shared concern and mutual resolve to work together to save lives and injury on the road.

In 2012, five more community projects were approved for sponsorship under the MVA Fund Community Road Safety Grant Scheme, bringing the total now in operation to 17. The scheme encourages and enables local communities to carry out road safety promotion activities in their areas. Mainly, the projects spread the message of road safety through drama, choral and other forms of entertainment. These are youth volunteer groups based in various districts across the country.

A major road safety initiative of the Fund was the Mobile Children Traffic School, which takes safety tuition to schools and communities across the country. The school on wheels is fully equipped with functional traffic lights, road signs, safety games, and quad bikes to instruct and delight the children. In this way a safety conscious generation is being developed, as road users today and the drivers of the future.

People

The Fund's commitment to its people is expressed in the Human Resources Value Proposition: creating an enabling environment for high performance. This in essence relates to ensuring reciprocity between the employer and employees. At a structural level the Fund ensures that its policies (business practices) are aligned with best employment practices. Staff welfare practices such as work-life balance are emphasised, to ensure optimal staff engagement levels. These engagement levels have improved steadily from a score of 3.11 out of a total of 5.00 in 2010, to 3.79 in 2011.

For the second year running the Fund was awarded the 2012 Deloitte Best Organisation to Work For in Botswana, Best Parastatal to Work For in Botswana, Standard of Excellence Achiever and Third Best Company in the Small Scale Category in Southern Africa. These achievements reflect the effective human resources strategy that is pursued by the Fund.

Corporate social responsibility

Staff continue to be involved in community welfare by taking part in projects to help raise the quality of life of individuals and communities. A house was built for a needy family in Topisi village in a collaborative effort between staff of MVA Fund and of the Ministry of Finance and Development Planning. The beneficiaries were identified with the help of the local council's social and community development workers.

The Fund partnered with Lotsane Senior Secondary School on a 20km sponsored bike ride to raise funds to send some of its students to Charleston Academy in Scotland. This initiative, called 'Connecting Classrooms' is an arrangement between Lotsane and Charleston to exchange students for their mutual experience and development.

SUSTAINABILITY REPORT (Continued)

Other community based initiatives include sponsorship of the annual horse race in Inalegolo village. This popular event is a valuable opportunity to interact with stakeholders and members of the public and to promote safe and responsible use of the road. The Fund also sponsored a number of fund-raising events such as the BOCCIM, BICA, CIMA, UB Foundation, Sir Ketumile Masire Foundation, Vision 2016, JAB, IIA, ACCA, Masiela Trust Fund, Medical Practitioners' Association of Botswana and the Cheshire Foundation's Annual 10km charity walk – all these aimed at helping the less fortunate members of society.

In 2011 the Fund enrolled two interns under the Government Graduate Internship Programme, and in 2012 this number rose to 15. The increase reflects the Fund's support of the Government policy to give graduates the necessary experience and training to prepare them for the job market. Through a clearly defined mentorship programme, the Fund endeavours to give the interns the necessary exposure so that they can be absorbed into the market.

Environment

The Fund's operations generally are not such as to have a direct impact on the environment, but the organisation is well aware of its corporate obligation to uphold the basic tenets of environmental protection. For example, during construction at the Fund's Tati River plots in Francistown the contractor took all reasonable steps to protect the environment, which included preserving as many trees as possible on the site. Measures were also put in place to ensure that emissions and effluent from the building activities did not adversely affect the environment.

The Fund complies strictly with the water and energy conservation instructions of the Water Utilities Corporation and Botswana Power Corporation. Recycled water is used on gardens, and power is switched off whenever offices are not in use. The design of the Fund's head office building, which is walled in translucent glass, maximises natural light and saves energy.

