HISTORY OF THE BOTSWANA PULA

At the time of independence in 1966, Botswana was a member of the Rand Monetary Area (RMA) and the South African rand served as the national currency. However, with the decision, announced on September 6, 1974, to withdraw from the RMA, the country was committed to introducing a new currency. This required substantial preparatory work, including choosing the name for the currency, and how much and in what denominations it should be produced. Regarding the name, the choice of Pula (meaning 'rain' or 'blessings') as the basic unit made up of 100 thebe ('shield') was overwhelmingly supported by a poll of public opinion. Thomas de la Rue and Company and the Royal Mint, both from Britain, were chosen to design and supply the notes and coins, respectively.

The new national currency was launched on August 23, 1976, subsequently known as 'Pula Day'. An initial period of 100 days was allowed for the exchange of rand for pula, during which time the parity between the two currencies was guaranteed; various standby arrangements were also put in place to ensure enough supply of foreign exchange should the conversion take longer than expected. However, these were quickly cancelled as it soon became clear that the new currency was being enthusiastically received by the public. A large proportion of the rand circulating in Botswana was exchanged within a few weeks of Pula Day.

At the time of launching the Pula, the denomination structure consisted of four notes (P1, P2, P5 and P10) and four coins (1t, 5t, 10t, 25t and 50t). Over the years, due to rising prices, higher value notes have periodically been introduced and coins, which last much longer, are now used for smaller denominations that are used more frequently. The lowest value coins have also been demonetised. Nonetheless, such adjustments have not been frequent, indicating the successful use of appropriate **monetary** and **exchange rate policies** to help maintain the value of the currency.

The design of the currency has been consistently based on symbolic illustration of the socio-economic, political and cultural make-up of Botswana as a country, including the importance of democracy, tourism and mining. The design has been periodically reviewed both to improve security to counter forgeries and to make appropriate adjustments to the artwork. Regarding the latter, since the launch of the Pula in 1976, it had been the practice for all new notes to feature the portrait of the current president. However, since 1997 each denomination features a different portrait, with only the P10 note showing the current president.

On August 23, 2009, exactly 33 years since the introduction of the Pula, a new family of Banknotes was introduced. This included a new P200 denomination note, bearing the image a woman teaching, reflecting both the importance of education and the contribution of women to national development.

A new family of Botswana coin was issued into circulation on February 28, 2014, and the old coin was demonetised with effect from August 28, 2014. Subsequent to that, the old coin was be exchanged for face value for a period of five (5) years until August 28, 2019.

On February 1, 2018, a new polymer P10 banknote was issued into circulation. The polymer largely maintained the same design and colour as the circulating cotton based P10 banknote, except that it had more advanced security features.

On February 22, 2021, a new P10 third emission banknote bearing the portrait of the current sitting president Dr Mokgweetsi Eric Keabetswe Masisi was issued. On November 15, 2021, a second emission of P50 bearing the Ultra post varnish (Securicoat ™ with Biguard ™) features to prolong lifespan was issued into circulation.

The P20 banknote with Ultra Post Print Varnish, Securicoat ™ with Bioguard ™ and Highlink to improve durability was introduced.

Major developments since the introduction of the Pula

Year	
1976	August 23 – Introduction of the Pula, replacing the South African rand. Pula, with notes (P1, P2, P5 and P10) and coins (1t, 5t, 10t, 25t and 50t) put in circulation on Pula Day. The Pula pegged to the US dollar at P1 = USD1.15
1978	February 16 – P20 note introduced
1980	November 6 – Pula taken off US dollar peg. Pula Basket, comprising SDR and South African rand, introduced.
1981	October 9 – 2t coin introduced
1990	May 29 – P50 note introduced
1991	June 20 – P1 coin introduced, November 30 – Demonetisation of the scalloped P1 and 2t coins
1993	August 23 – P100 note introduced
1994	August 1 – P2 coin introduced
1997	October 27 – New P20 note introduced, bearing the portrait of D. K. Motsete, the composer of the national anthem.

1999	June 24 – New P10 note introduced, bearing the portrait of the then President of Botswana, His Excellency Festus G. Mogae.
2000	June 5 – New P50 note introduced, bearing the portrait of first President of Botswana, Sir Seretse Khama, and new P100 note bearing the portrait of the three chiefs, Bathoen I, Khama III and Sebele I, who obtained British protection over Bechuanaland. November 1 – P5 coin introduced
2009	August 23– New family of banknotes, including new P200 denomination, introduced.
2014	February 28 – A new family of coin maintaining the same denominational structure was issued into circulation.
2018	February 1 - a new polymer P10 banknote was issued into circulation.
2021	February 22 – Introduced the P10 third emission banknote bearing the portrait of the current sitting president Dr Mokgweetsi Eric Keabetswe Masisi. November 15 – A second emission of P50 bearing the Ultra post varnish (Securicoat ™ with Biguard ™) to prolong lifespan was issued into circulation.
2022	P20 banknote with Ultra Post Print Varnish, Securicoat ™ with Bioguard ™ and Sisal Highlink to improve durability was introduced.