



**MINISTRY OF COMMERCE, INDUSTRY AND TRADE**

**ANNUAL  
PERFORMANCE REPORT  
2024/2025**

**FEBRUARY, 2024**

## **PREAMBLE**

**THE CHAIRPERSON;  
MADAM PRESIDENT;  
MR. SPEAKER;**

### **INTRODUCTION**

It is a privilege to stand before you today to present the Annual Performance Report for the 2024/25 Financial Year on behalf of the Ministry of Commerce, Industry, and Trade. This report reflects our dedication to transparency, accountability, and the collective progress we have made as a ministry.

### **INDUSTRY**

The government remains committed to industrialization by enhancing competitiveness and accelerating economic growth. Our main priorities include strengthening value chains, generating employment, diversifying the economy, and reducing poverty and inequality. The implementation of the 2023-2033 Industrial Policy is underway, focusing on increasing domestic benefits, expanding production capacities, and promoting green industrialization. Manufacturing, particularly in the food and beverage sector, continues to be a major economic driver, accounting for 85% of industrial activity.

Key initiatives such as the livestock value chain project, part of the National Agro-Value Chain Development Strategy, are progressing well in collaboration with the Ministry of Agriculture and the International Trade Centre (ITC). Notably, we launched a livestock project in July 2024 and held an export quality management workshop in September.

The revision of the National Investment Policy is nearly complete, aiming to provide a stable and predictable investment environment by aligning with Eswatini's regional and international commitments.

### **QUALITY AND INDUSTRY SUPPORT**

The Ministry has procured metrology equipment for temperature verification and calibration, crucial for ensuring product quality and environmental safety. Additionally, 25 medical laboratory personnel have been trained on accreditation standards (ISO/IEC 15189) to enhance

medical service quality. Preparations for the 2024 Eswatini Quality Awards are ongoing, with awareness workshops held for large industries, MSMEs, and public institutions.

## **MSME DEVELOPMENT AND PROMOTION**

Support for MSMEs remains a priority. The E45 million Micro, Small, and Medium Enterprises Revolving Fund has provided funding to businesses affected by COVID-19 and start-ups. As of September 2024, loans amounting to E54.5 million have been distributed across various sectors, creating 27 new jobs, bringing the total to 3,084.

The implementation of the Citizen Economic Empowerment Bill is progressing, with the Citizen Economic Empowerment (CEE) Council established in July 2023. The Council, supported by UNDP, is planning a benchmarking mission to Botswana's Citizen Entrepreneurial Development Agency to enhance empowerment programs. The Council's term is set for three years, focusing on economic development and preferential procurement.

We appreciate Their Majesties' participation in the Shiselweni business dinner in Nhlangano, which continues to serve as a key platform for business knowledge sharing, expansion, and investment growth.

## **COOPERATIVES**

The cooperative sector has expanded, with 38 new cooperatives registered, bringing the total to 1,301. The sector's asset value has grown to E3 billion, highlighting its increasing significance in economic development.

## **POLICIES**

The Ministry is reviewing key policies, including the MSMEs Policy, Investment Policy, and Cooperative Policy, to enhance operations and encourage long-term growth.

## **INTELLECTUAL PROPERTY**

This year, the Ministry has focused on implementing the Trademarks Act of 1981. Office procedures have been adjusted to allow local entrepreneurs to file trademark applications independently for non-contentious cases, reducing costs and improving access.

## **BUSINESS FACILITATION**

The Ministry is implementing reforms to streamline business registration. The draft Companies Bill, which aims to facilitate same-day business registration, has been tabled in Parliament, with committee workshops planned. These reforms aim to improve Eswatini's business environment and attractiveness to investors.

### **Company Registration Statistics (2024/25)**

- Total Registered Companies: 3,405
- Domestic Companies: 3,386
- Foreign Companies: 19
- Private Companies: 3,295
- Public Companies: 19
- Non-Profit Organizations: 197
- Online Registrations: 3,946
- Emaswati-Owned: 2,622
- Foreign-Owned: 251
- Name Changes: 32
- Deregistered Companies: 179

## **BUDGET**

The Ministry was allocated E142,173,635.00 for the financial year, of which E141,114,392 has been released, and E117,440,149.00 has been spent. Current commitments amount to E7,203,501.00.

## **CAPITAL PROJECTS**

A capital budget of E171,242,000 has been allocated for six strategic projects aimed at economic growth. Key initiatives include:

- Construction of factory shells in Nhlangano, Ndzevane, Ngwenya, and Piggs Peak.
- Rehabilitation of the National Handcraft Training Centre (E5,000,000).
- Procurement of laboratory equipment to enhance market access and trade competitiveness (E7,000,000).

- Development of the Sidvokodvo Industrial Estate (E15,000,000).
- Enhancing Junior Achievements Eswatini Capacity Phase II (E1,620,000, funded by Taiwan).
- Youth entrepreneurship training for tertiary students (E1,260,000, funded by Taiwan).

## **CONCLUSION**

Honourable Chairperson,

Madam President;

Mr. Speaker;

I respectfully submit this report and trust that Parliament will continue to provide guidance and support to the ministry.

I thank you.

**HONOURABLE MANQOBA B. KHUMALO (MP)**  
**MINISTER OF COMMERCE, INDUSTRY AND TRADE**

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## ACRONYMS

Eswatini Investment Promotion Authority	EIPA
Eswatini Competition Commission	SCC
Eswatini Standards Authority	SWASA
National Industrial Development Company of Eswatini	NIDCS
Registrar of Companies	RoC
Investor Roadmap Unit	IRMU
Micro, Small and Medium Enterprises	MSMEs
Informal Traders' Revolving Fund	ITRF
Municipal Council of Manzini	MCM
Manzini Trade Hub	MTH
Small Enterprises Development Company	SEDCO
Small Scale Enterprise Loan Guarantee Scheme	SSELGS
Small and Medium Enterprises Revolving Fund	MRF
Junior Achievement	JA

## **1. OVERVIEW OF THE MINISTRY**

The Ministry of Commerce, Industry and Trade is the lead Ministry in driving the development and growth of the Swazi economy through business activity.

- i. The main focus of the Ministry is the promotion and facilitation of growth and efficiency in the economy. Its core functions therefore are to formulate policies and promulgate laws and regulations that ensure a fair-trading environment and free competition;
- ii. Promote exports and;
- iii. Promote industrial development in the country.

### **1.1 VISION**

The Ministry strives to be a key driver in the facilitation of an enabled environment for economic growth and equitable prosperity for all in the Kingdom of Eswatini.

### **1.2 MISSION STATEMENT**

To provide an enabling environment and support for development and growth of business and industry for the attainment of economic development.

### **1.3 MAIN OBJECTIVES**

The main objectives of the of the Ministry are;

- i. Formulation of policies and promulgation of laws and regulations that ensure fair-trading and a competitive environment in the Swazi economy.
- ii. Supervision of Metrology in trade and creation of the Regulatory and Quality infrastructure for the improvement of the competitiveness of Swazi products.
- iii. Formulate and implement appropriate industrial development policies, establish service and administer industrial estates.
- iv. Attract, encourage, facilitate and promote local and foreign investment in Eswatini.
- v. Create an enabling environment through streamlined and focused policies and legal instruments that will complement Government's effort to stimulate growth of Small and Medium enterprises.
- vi. Create trade opportunities and enhance export competitiveness.

- vii. Promote the economic development of the people of Eswatini through capital formation by encouraging a sustainable management of cooperative enterprises.

#### **1.4 DEPARTMENTS/SECTIONS/UNITS**

- i. Administration
- ii. Commerce Department
- iii. Industry Department
- iv. SMME Unit
- v. Co-Operatives Department
- vi. International Trade Department
- vii. Regulatory Quality and Infrastructure Development
- viii. Weights and Measures Section
- ix. Handcraft Department
- x. Intellectual Property
- xi. Registrar Of Companies
- xii. Investor Roadmap Unit

#### **1.5 PARASTATALS**

- i. Eswatini Investment Promotion Authority (EIPA)
- ii. Eswatini Competition Commission (SCC)
- iii. Small Enterprises Development Company (SEDCO)
- iv. Eswatini Standards Authority (SWASA)
- v. National Industrial Development Company of Eswatini (NIDCS)

## 1.6 EXPENDITURE IN THE MINISTRY OF COMMERCE INDUSTRY AND TRADE

### 1.6.1 RECURRENT EXPENDITURE

ITEM	DESCRIPTION	ESTIMATED	RELEASED BUDGET	EXPENDITURE	COMMITTED	VARIANCE AMOUNT	PERCENTAGE VARIANCE %
002	CTA CHARGES	3,049,969.00	3,049,967.00	512,807.00	77,190.00	2,459,970.00	80.7%
01	PERSONNEL COSTS	34,312,940.00	34,312,940.00	29,627,344.00	-	4,685,596.00	13.7%
02	TRAVEL AND COMMUNICATION	9,903,795.00	9,903,795.00	7,151,284.00	884,554.00	1,867,957.00	18.9%
04	PROFESSIONAL SERVICES	14,365,364.00	14,365,364.00	6,316,153.00	3,479,429.00	4,569,782.00	31.8%
05	RENTALS	268,600.00	268,600.00	38,981.00		229,619.00	85.5%
06	CONSUMABLE AND OFFICE SUPPLIES	5,883,155.00	5,883,155.00	2,508,843.00	2,762,328.00	611,984.00	10.4%
10	GRANTS AND SUBSIDIES INTERNAL	65,306,686.00	65,306,676.00	65,306,676.00	-	-	0.0%
11	GRANTS AND SUBSIDIES EXTERNAL	8,023,895.00	8,023,895.00	5,978,061.00	-	2,045,834.00	25.5%
11					-		#DIV/0!
	<b><u>TOTAL</u></b>	141,114,404.00	<b><u>141,114,392.00</u></b>	<b><u>117,440,149.00</u></b>	<b><u>7,203,501.00</u></b>	<b><u>7,203,501.00</u></b>	5.1%

**Table 1:** Expenditure 2024/2025

## **NOTES TO EXPENDITURE REPORT**

### **00: CTA CHARGES**

A total amount of E512 807.00 has been spent from an appropriated CTA budget of E3 049 969.00. Technically, this leaves an under expenditure of 80.7% against the total budget released. This under-expenditure will be corrected as the year progresses since the charges for repairs are behind.

### **01: PERSONNEL COSTS**

This item shows a projected over expenditure of 13.7% of the released amount. This under-expenditure will be corrected as the year progresses

### **02: TRAVEL ALLOWANCES AND COMMUNICATIONS**

The projected percentage shows an under expenditure of 18.9%. This item caters for telecommunication costs, external and internal travelling allowances. This under-expenditure will be corrected as the year progresses.

### **04: PROFESSIONAL SERVICES AND UTILITIES**

This item project has an under expenditure of 31.5%. Under this item we have funds for professional activities which are yet to be dispatched. Expenditure is projected to increase in the next two months.

### **05: RENTALS**

The projected percentage shows an under expenditure of 85.5%. This item caters for rental of buildings. The Department has not utilized the allocated money for rent because of delays in Public Service concluding the lease agreement with the estate agent of the property that the Department is being relocated to. Public Service has been working with the agent to conclude the lease agreement which would then allow the Department to make the transition to the allocated premises. When follow ups with Public Service and the agent are made, we are informed that they are yet to conclude the formalities amongst themselves. The current expectation is that occupation of the premises will be 1st March 2025.

**06: CONSUMABLES**

Under this item an under expenditure of 10.4% is projected. This under-expenditure will be corrected as the year progresses

**10: SUBVENTIONS:**

100% of fourth quarter subventions have been transferred to the relevant parastatals.

**11: EXTERNAL TRANSFERS:**

External contributions amounting to E5 978061.00 has been dispatched so far, which is 75%. The remaining contributions are still being processed.

**2.2 REVENUE COLLECTION SUMMARY FOR THE FIRST QUARTER 2024/25**

The Ministry's revenue is derived from the Trading licences, Company licences, Liquor licences, Advertising fees, Stamp duties and company sundry fees. This financial year the revenue projection is estimated at E30 543 878 and to date collection is E 27 435 867.00

		E	E	E	%
<b>20501</b>	<b>Trading Licenses</b>	17,894,000.00	16,088,348.00	1,805,652.00	89.91%
<b>20502</b>	<b>Company Licenses</b>	9,000,000.00	9,085,350.00	-85,350.00	100.95%
<b>20503</b>	<b>Liquor Licenses</b>	1,350,000.00	1,340,244.00	9,756.00	99.28%
<b>20510</b>	<b>Advertising fees</b>	263,000.00	215,300.00	47,700.00	81.86%
<b>20306</b>	<b>Stamp Duties</b>	1,045,878.00	511,925.00	533,953.00	48.95%
<b>20505</b>	<b>Sundry fees</b>	991,000.00	194,700.00	796,300.00	19.65%
	<b>Total</b>	<b><u>30,543,878.00</u></b>	<b><u>27,435,867.00</u></b>	<b><u>3,108,011.00</u></b>	<b><u>89.82%</u></b>

**Table 2:** Revenue collection by item

**NOTES:****20501: TRADING LICENCES**

We have collected 89.91% of the total annual budget of E17, 894, 000.00. The actual collection to date is E16 088 348.00 for Trading Licenses. We anticipate that we will meet our targeted annual collection since most business renews their licenses towards the year end.



**20502: COMPANY LICENSES**

We have managed to collect 101% of the total annual budget target, the annual budget for this item is E9 000 000.00 we have collected E 9 085 350.00 to date the narrations in the increase of the collection depicts that company registration has been simplified through the introduction of online company registration and payment services

**20503: LIQUOR LICENSES**

In this quarter we managed to collect E 1 340 244.00 which is 99.28% of the estimated revenue budget of E1 350 000.

**20510: ADVERTISING FEES FOR**

We have collected 81.86% of the total budget, which amounts to E215 300.00 This collection are determined by applications received.

**20306: STAMP DUTIES**

Under this item we have collected E511 925.00. which is 48.95% of the budgeted amount of E1 045 878.

**20505: CAMPANY SUNDRY FEES**

Under this item 19.65% has been collected, amounting to E194 700.00 of the estimated budget of E991 000.00

## **2. DEPARTMENTS/SECTIONS/UNITS**

## 2.1 ADMINISTRATION

### 2.1.1 HUMAN RESOURCES

The Ministry of Commerce, Industry and Trade has 277 posts as per the Establishment Register. There are 194 filled positions and 83 vacant posts which affects service delivery. The Department of Cooperatives Development has the most vacant posts (30 posts). The total vacancies constitute 31% of establishment register posts as per the table below.

Department	Total # Posts	Filled Posts	Vacant Posts
Minister's Office	7	7	-
Principal Secretary	45	38	6
Industry	15	9	6
International Trade	17	12	5
Companies	11	8	3
Commerce	17	13	4
Intellectual Property	23	11	12
SME	6	5	1
Handcraft	27	22	5
Quality	25	14	11
Cooperatives	84	53	30

**Table 3:** Departmental staff distribution

#### Summary

<b>Total Posts</b>	<b>277</b>
Filled Posts	194
Vacant Posts	83

#### Promotions and transfers

The ministry has one (1) officer promoted to another ministry. The ministry has recorded one (1) officer transferred to another ministry.

### **2.1.2 ACHIEVEMENTS**

- i. The ministry facilitated training on the Performance Management System (PMS) by the Ministry of Public Service. The ministry has been able to successfully do planning sessions for senior management.
- ii. **Training**  
The Ministry has been able to facilitate short term training for five (5) officers in different departments.
- iii. **Fleet**
- iv. The ministry has been allocated eleven (11) vehicles as a new fleet. This has alleviated the transport issues in the ministry.

### **2.1.3 CHALLENGES**

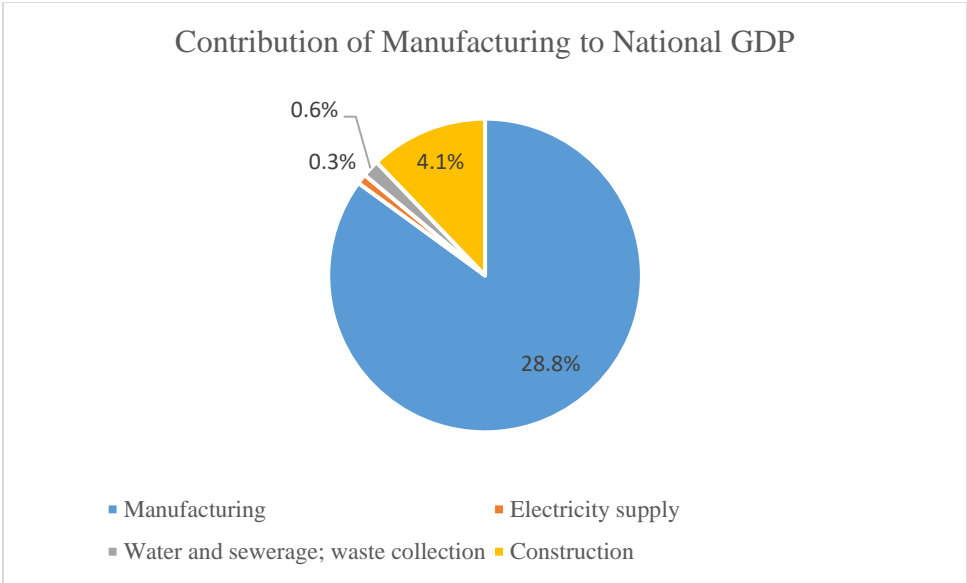
- i. The ministry has attempted to service some of the old vehicles since the new vehicles are not adequate. The cost of servicing and repairs is high and the time it takes (process) is lengthy.
- ii. The inadequate staffing results in a lot of mediation due to grievances being lodged by officers. Most of the affected positions do not attract acting paid allowance hence no compensation for added responsibilities, which has resulted to CMAC cases.

**2.2 INDUSTRY DEPARTMENT**

**2.2.1 OVERVIEW**

The Industry Department promotes industrial development to create wealth and jobs. Its responsibilities include formulating, implementing, and evaluating industrial and investment policies, managing industrial land, conducting surveys, decentralizing industrial estates to spread employment, and fostering competitiveness through value addition and diversification. It also represents Eswatini in regional and international forums. The Government of Eswatini continues its efforts to industrialize, focusing on economic growth, value chain promotion, job creation, economic diversification, and poverty reduction. The department is implementing the Industrial Policy (2023-2033), which aims for a diversified industrial sector by 2033, with high-value products, job creation, and environmental sustainability.

The manufacturing sector has continued to be one of the major contributors towards the GDP of Eswatini. The main contributors to the continuous growth performance of the manufacturing sector include the food and beverages sub-sector, the textiles and clothing, the chemicals and chemical products, and wood and wood products. These products represent about 90% of the country’s manufacturing value added. In recent years, Eswatini has welcomed renowned investments in the manufacturing sector, particularly in the food manufacturing sector which has also contributed to the growth of the sector and increased Eswatini exports.



### **2.2.2 ACHIEVEMENTS**

- i. The Department continued with its mandate of facilitating the location and allocation of industrial land to both domestic and foreign investors. In November 2024, the Department successfully convened a land allocations meeting where (14) applications were evaluated. These new land applications were evaluated using criteria from the current National Industrial Policy (2023-2033) which were;
  - a) Strengthening local value chains
  - b) Value addition for inclusive industrialization
  - c) Product diversification for economic resilience
  - d) Creation of quality jobs
  - e) Promotion of green industrialization

Out of the fourteen (14) applications received eight (8) were successful and (6) were allocated in Matsapha Industrial Estate while two (2) companies were allocated in the Ngwenya Industrial Estate. It should be noted that the scarcity of serviced Industrial Land in the industrial estates has made this task extremely difficult and these recent allocations were allocated smaller plots than what was requested as they could only be allocated what was available (previously allocated to other companies that had previously been allocated but had failed to pay deposit as acceptance of offer.

- ii. The Department of Industry has continued work with the Surveyor General's Office to survey and demarcate land for investors as requested by investors in Matsapha and Ngwenya.
- iii. The Department has continued to conduct inspections in the Industrial Estate to ensure compliance by companies and avoid issues of land encroachment in the Industrial Estates.
- iv. Factory Shell construction programme is ongoing at various locations. Some Factory shells have been completed while the Johnsson Factory Shell in Nhlanguano is still ongoing, a detailed report on factory shells is covered under Capital Projects.
- v. The Department has participated in some regional meetings where industrialization issues are discussed and strategies are being formulated to ensure that Eswatini remains conversant on the regional, continental and global industrialization agenda.

## **2.23 CHALLENGES**

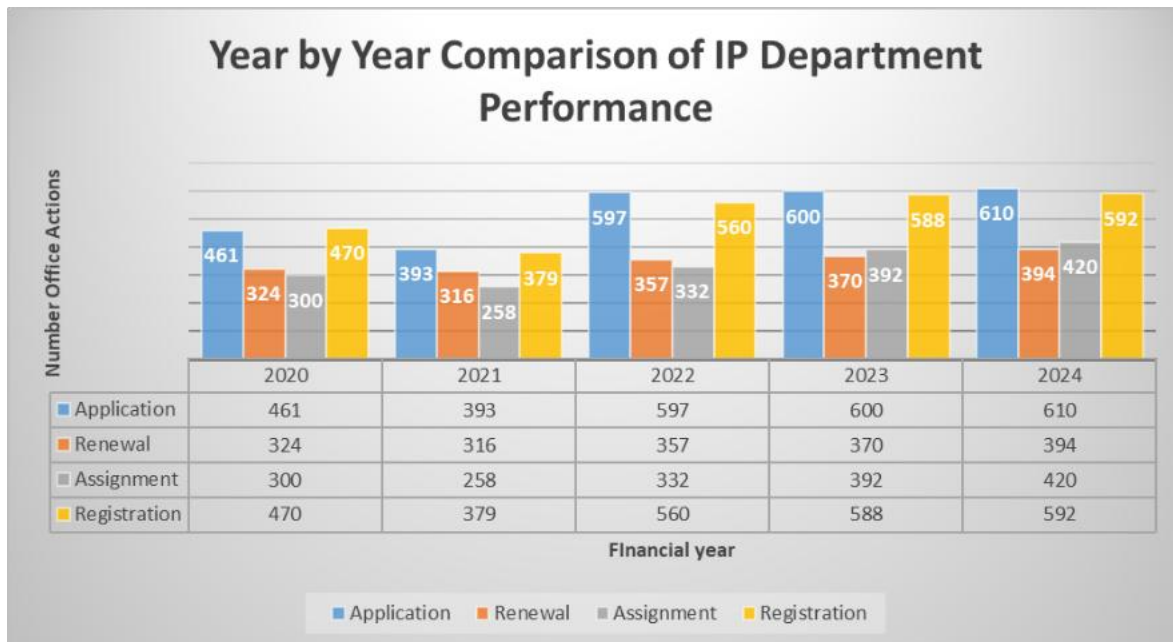
- i. Budget Constraints limiting the Department in implementing the Industrial Estate Development Masterplan. Developing Sidvokodvo Industrial Estate has continued to be a challenge due to the limited budget allocation due to the scarcity of resources making it difficult for the Ministry to concurrently run both the Factor Shell Programme and the Industrial Estates Development Programme.

## 2.3 INTELLECTUAL PROPERTY DEPARTMENT

### 2.3.1 OVERVIEW

The department is mainly implementing and administrating the Trademarks Act of 1981. Notably, the office standard operating procedures were modified in the period under review to allow local individuals to directly make applications unrepresented in non-contentious matters and only required to use Trademark Agents when there is opposition or review of the application. This intervention is seeking to allow easier and affordable access to the trademarks and brands system for local entrepreneurs, particularly the youth, as IP protection can be costly.

### PERFORMANCE OF IPO ACTIVITIES



**Figure 1:** Quarter 2 Performance by Selected IPO Indicators

**Note 1:** The indicators were selected based on the topmost Trademark Office activities that require the highest level of effort or man-hours. The registration of trademarks shows an upward trend in general. Interventions are being made to encourage more local entities to apply for the trademarks as part of their branding activities and the number of trademark applications are expected to significantly increase therefrom.

The trademark performance indicators (as depicted in figure 1) over the past five years show an overall positive growth in trademark activity, a trend only indented by a dip during the financial year of the mandatory national lockdown when the IP Department was had reduced activities. The



strategy to encourage local entrepreneurs to register and protect their brands themselves will see a significant increase in the registrations.

The Department also administers the Copyright and Neighbouring Rights Act No.4/18, under which the commercial registration and licencing of copyright is set to commence on 1<sup>st</sup> April 2025 and is implemented by the Copyright Society. There are ongoing activities to register creatives in preparation for proper and transparent computation of royalties that are to be paid by broadcasters to authors whose works are used in public broadcasts. Negotiations for copyright tariff for public events and festivals where copyright works are used have also been concluded between the copyright owners (represented by the Copyright Society) and users of the content. These processes make way for the payment of royalties to creatives proportionally with how their works penetrate the market. There is dedicated support to the youth for branding of their music business in order increase market share.

To ensure further alignment of the creative economy ecosystem with international best practice, Cabinet approval was obtained for ratification to four copyright treaties mainly directed to enhancing protection of copyright within the digital environment, providing a commercially viable framework for book publishing companies to make accessible books for visually impaired persons, and for fortifying the commercial right performers to the recording and broadcasts of their performances.

The Department also administers the Patents Act No.19/2018 seeking to promote and protect inventive technical and industrial development and had six workshops conducted with innovator groups to empower them on use of IP in starting innovative businesses. Three training workshops of Patent Attorneys were conducted so as to facilitate expert knowledge being available to innovators when filing patent applications rather than reliance on foreign expertise. More training on IP protection of innovative business ideas is planned for both the innovators and the agents to be able to draft protection documents that will withstand scrutiny and also be internationally competitive.

### **2.3.2 ACHIEVEMENTS**

- i. The Copyright and Neighbouring Rights Society, the umbrella copyright Collective Management Organization successful engaged copyright stakeholders (creators and users) on tariffs to be paid for the use and licencing of copyright works in public, tentatively with effect from 1st April 2024.

- ii. ii) Trained innovators and innovator associations on using patents and IP in general to spur and protect their inventions; results of which are that some are ready to be World Intellectual Property Organization (WIPO) supported Technology and Innovation Support Centres (TISC) wherein innovative businesses are assisted with business scaling and expansion for export markets.
- iii. iii) Successfully carried out three infringement inspections and raids to eliminate pirated goods in the marketplace and erosion of IP asset value; more targeted IP enforcement operations to be conducted.

### **2.3.3 CHALLENGES**

- i. Limited human capital and technical capacity to support the department's expanded responsibilities.
- ii. Limited engagement in international forums addressing the various IP categories, due to the growing complexity and breadth of issues that intersect with IP.

### **2.3.4 PLANNED ACTIVITIES FOR NEXT FINANCIAL YEAR**

- i. Initiate the process to develop the Patents Act Implementation Regulations through assistance from WIPO to ensure domestic legislation compatibility with the nation's international IP obligations.
- ii. Develop a National IP Policy and Strategy to streamline the commercialization of IP.
- iii. Finalize the Study of the Copyright industry to the Economy and the Business of Music Strategy.
- iv. Domestication of international trademark and related instruments (geographical indications) in order to buttress the strength of local brands in the global markets.
- v. Deploy participation of the country in the WIPO Innovation Index so as to periodically measure how IP transforms the competitiveness of the local business environment.

## **2.4 REGULATORY QUALITY INFRASTRUCTURE DEVELOPMENT DEPARTMENT**

### **2.4.1 OVERVIEW:**

The RQID Department has two sections, namely, the **Quality Systems Section** and the **Metrology Section**. The department continues to support industry to enhance competitiveness of products and services in the domestic, regional and global markets. Moreover, it educates people on quality infrastructure functions and services such as accreditation, technical regulations development, metrology and quality promotion.

In line with the National Development Plan (NDP) of 2023 -2028, strategic objective 2: Enhanced and dynamic private sector that supports inclusive and sustainable economic growth, the department has made the following key achievements.

### **2.4.2 ACHIEVEMENTS:**

The department's achievements are outlined below:

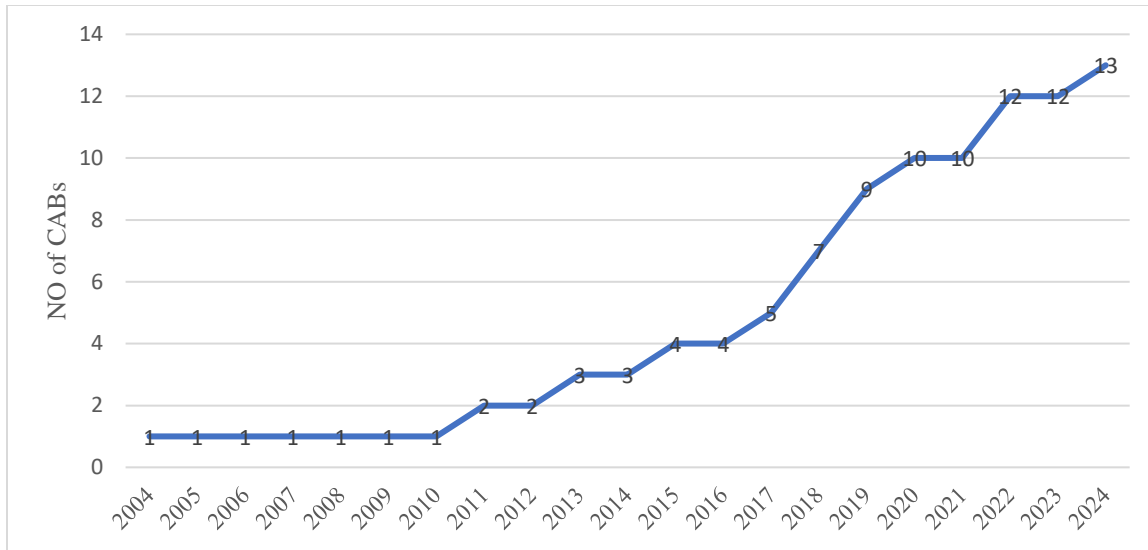
#### **A. Metrology Scope Extension**

##### **i. Procurement of Metrology Equipment for Temperature Verification and Calibration**

The department successfully procured the metrology equipment for temperature verification and calibration under project M351/99. Temperature verification/ calibration is a factor that determines the quality of products and safety of the environment and it is therefore important that the temperature measuring equipment is always calibrated and verified for the accuracy of measurements. Government being the competent authority on metrology has to provide national verification services that can be trusted by trading partners.

##### **ii. Accreditation for ESERA Petroleum Laboratory**

The Department continues to witness a growing number of accredited conformity assessment bodies in Eswatini. The Eswatini Energy Regulatory Authority petroleum laboratory has achieved accreditation against the relevant standard i.e. ISO/IEC 17025 in 2024. This brings to a total number of 13 Conformity Assessment Bodies (CABs) are accredited in Eswatini as shown in the figure below.



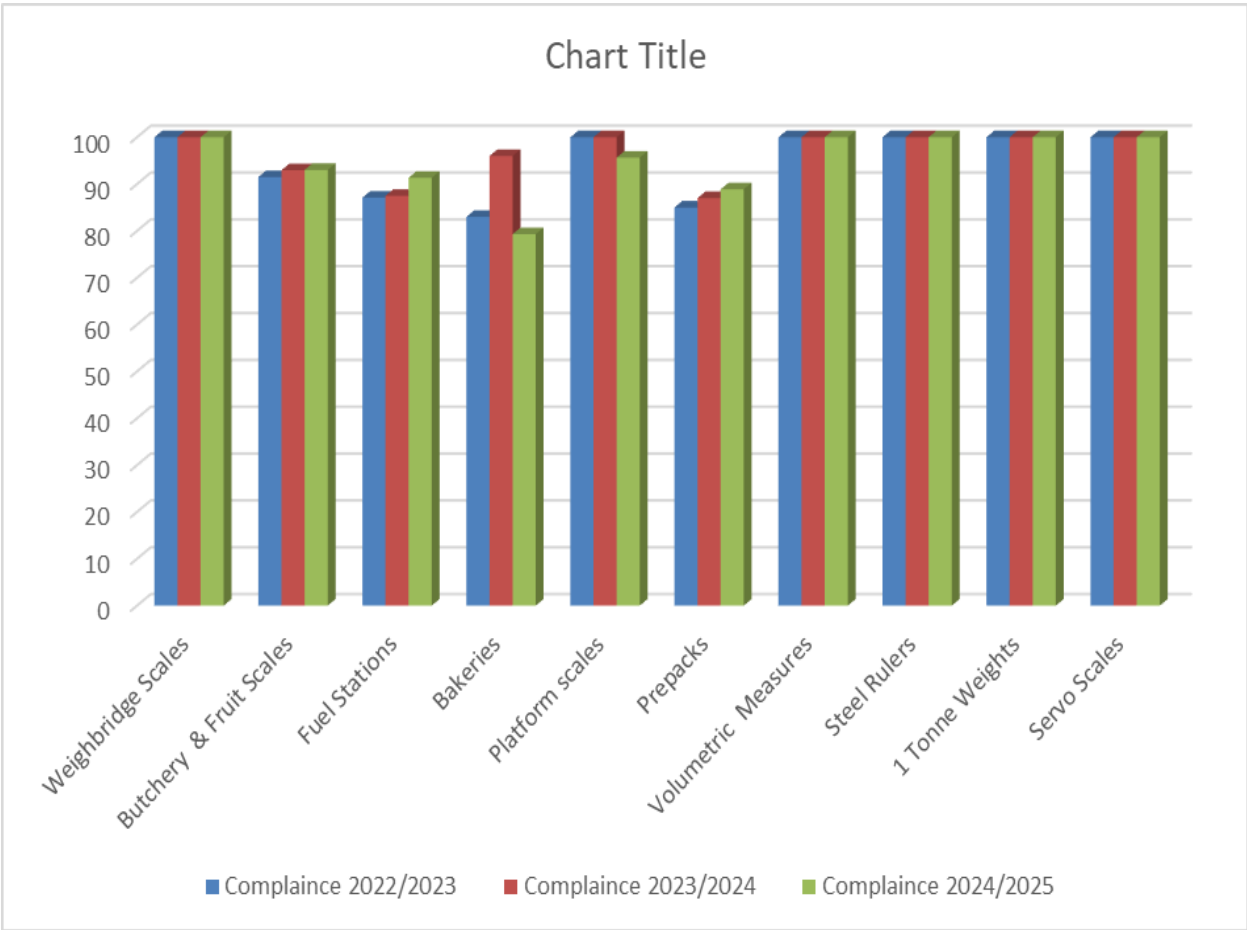
**Figure 2:** Shows the number of CABs over the years

**iii. Verifications and inspections**

The department has continued to enforce legal compliance on all measuring equipment used in Trade. Verified weighbridges belonging to various industries like sugar, mining, timber, cotton, manufacturing, etc and also conducted inspections to Chain stores, butcheries, filling stations and pre-packaging outlets has been undertaken. There has been an observed improvement in compliance to metrological requirements in the period under review.

**iv. Graphical Summary of Compliance in the Last Three Years**

The figure below summarizes the number of measuring instruments verified and the compliance levels in the last three years in percentages. From the figure below, weighbridges, volume measures, Servo scales, steel rulers and one tonne mass pieces have achieved above 95% compliances. The non-complying measuring instruments are removed from use until they are recalibrated and re-verified. Measuring instruments used in butcheries and fuel stations have improved compliance following the ministry’s effort to educate stakeholders.



**Figure 3:** The Last Three years of Compliance

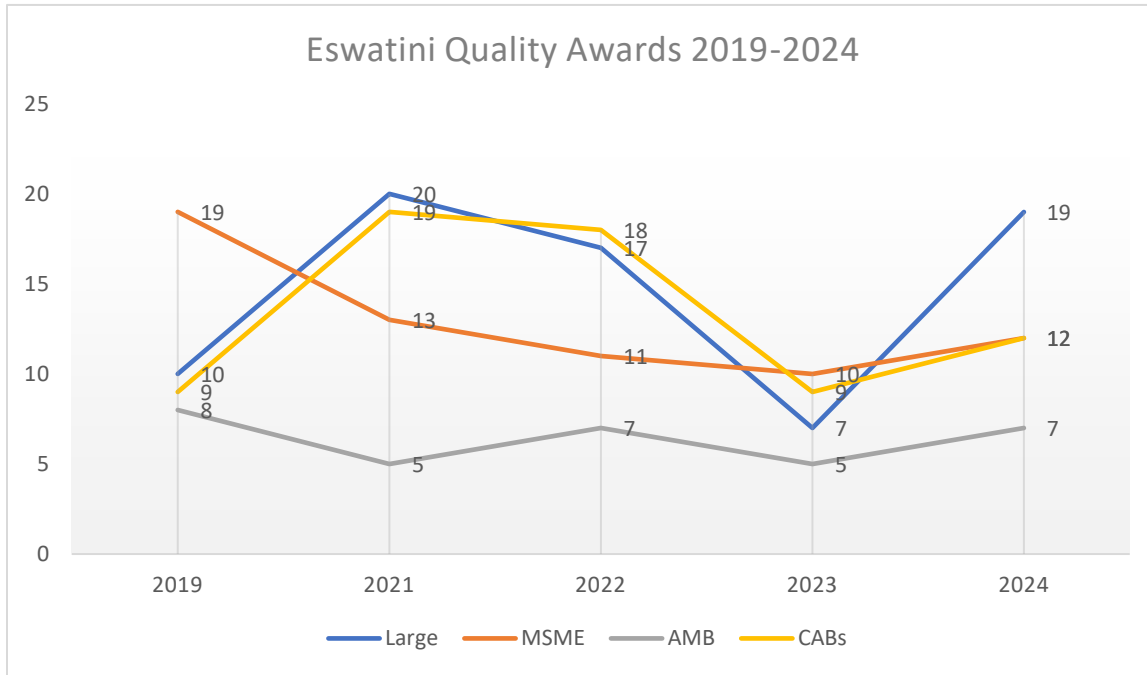
**v. Eswatini Quality Awards**

The Department has conducted the 2024 Eswatini Quality Awards with entrants from different categories such as the large companies/organizations, MSMEs, individuals and conformity assessment bodies such as laboratories.

The figure below shows the successful participation of local companies in the Quality Awards programme over the years since 2019. This is a reflection of the adoption and use of quality standards by local companies. Nonetheless, in 2022 up to date, a decline of participation by MSMEs was observed. This is a going concern because lack of use of Quality Standards by MSME will ultimately impinge on their ability to produce goods and services that compete well in both domestic and global markets.

Hence, there is still a need for increased and intentional quality awareness and handholding programmes that seek to assist local MSMEs in embracing, adopting and implementing best world

quality principles, practices and systems in their business processes whilst producing goods and delivering services.



**Figure 4:** Eswatini Quality Awards 2019- 2024

**vi. Technical Regulations Coordination**

The Department has been involved in training Regulatory Departments/Agencies on Good Regulatory Practices and also providing technical guidance on Regulatory Impact Assessment (RIA). The Technical Regulations Coordinating Unit is responsible for coordinating the development and implementation of Technical Regulations according to international best practice.

Four (4) Regulatory Departments/Agencies are now developing Technical regulations in accordance with good regulatory practices and have conducted RIA before developing Technical regulations.

### **2.4.3 CHALLENGES**

- i. Lack of understanding and application of Quality issues by MSME
- ii. Insufficient or shortage of personnel
- iii. Shortage of vehicles: This has a huge impact on the Departments' activities especially the Metrology Section since most of our work activities are performed in Industry and in the market place and requires transportation of equipment for verification/inspection activities.

## **2.6 INTERNATIONAL TRADE DEPARTMENT**

### **2.6.1 OVERVIEW**

The International Trade Department is responsible for coordinating all of Eswatini's external trade activities and serves as the country's focal point for global trade relations. It implements trade strategies, negotiates trade agreements at bilateral, regional, and multilateral levels, and provides trade facilitation support for exporters and importers. The department also supplies trade-related information to the private sector, government, and researchers, and conducts research on trade policy issues. Additionally, it advocates for market access for Eswatini's goods and services and assists NGOs with the duty-free clearance of donated goods.

### **2.6.2 ACHIEVEMENTS**

- i. The International Trade Department has continued to expand and safeguard market access opportunities for the country's export products. The Department has participated in a number of bilateral, regional, continental and multilateral trade forums including negotiation meetings, training workshops, forums and conferences to advance and safeguard the country's market interest, covering both goods and services. These include in SACU, SADC, COMESA, SADC-EU Economic Partnership Agreement (EPA), SACU + Mozambique - UK EPA, African Continental Free Trade Area (AfCFTA), African Union (AU), COMESA-EAC-SADC Tripartite Free Trade Area (FTA), AGOA, Taiwan – Eswatini Economic Cooperation Agreement (ECA) and at the World Trade Organization (WTO). These economic groupings have offered market access preferences for both exports and imports.
- ii. Have successfully compiled and submitted the draft AfCFTA offer for Eswatini to be negotiated under SACU, for category B (sensitive) and C (exclusion) products, which meets the required threshold of 7% and 3 % respectively.
- iii. Under the implementation of the National Trade Facilitation Programme, which include the National Trade Facilitation Committee (NTFC) Roadmap for 2024-26; A separate lane has been designated for commercial cargo at Ngwenya border enabling single stop and to enhance clearance turn-around times; A Joint Action Plan (JAP) was signed between Eswatini and South Africa, aimed at the implementation of a one-stop border between the two countries; ASYCUDA World upgrade has resulted in the



connection of Dairy Board and NAMBoard for their system based permit; The NTFC has adopted the use of a reform tracker, which is a tool developed with assistance from the United Nations Trade and Development (UNCTAD) used to track progress in the implementation of the NTFC Roadmap. On the implementation of the Authorized Economic Operators (AEO) Programme, seven companies have been accredited in the current financial year thus bringing the total accreditations to ten. The consultations conducted with agencies have resulted in the agencies endorsing the implementation of a Single government AEO and what remains is the processes for bringing everyone concerned on-board. Lastly, the department managed to prepare and submit a notification on the Joint Time Release Study for 2023 to the WTO Committee on Trade Facilitation (TF Committee).

- iv. Have conducted a number of national stakeholders' workshops and seminars to fast-track the implementation of the various trade agreements, including the AfCFTA, SADC-EU Economic Partnership Agreement (EPA), SADC FTA and COMESA. These covered Implementation of the AfCFTA, Sanitary and Phytosanitary Measures (SPS), Trade in services negotiations for the sectors in the second round, COMESA workshop for the Aviation sector, Rules of origin, Trade and Gender.

### **2.6.3 CHALLENGES**

- i. The broadening and widening scope of the Eswatini's trade agenda has not been supported by the corresponding human capital.
- ii. One of the major challenge of the Department is to sufficiently participate in all the trade negotiations where Eswatini's interests may be at stake. The multiplicity of trade negotiations, which at times are scheduled on the same dates pose a great challenge in terms of human resource capacity and funding.
- iii. Lack of funding and human resources to implement the NTFC Programmes. The implementation of the NTFC Roadmap, including the Joint Action Plan requires both financial and human resources and these are currently not available.

#### **2.6.4 ACTIVITIES TO BE PURSUED IN 2025/2026 FY**

- i. The International Trade Department will continue with negotiations and meetings to advance and safeguard the country's market interest, for both trade in goods and services.
- ii. Review of the Draft National Trade Policy.
- iii. Review of the SADC-EU EPA.
- iv. Implementation of the National Trade Facilitation Roadmap, 2024-2026, including the Joint Action Plan, the AfCFTA Agreement and other trade agreements. Liaise with donor partners on available support for implementation of the Roadmap.
- v. ITD will hold stakeholders' awareness and capacity building workshops on the implementation of the concluded agreements, with a major focus on the AfCFTA, as well as the on-going negotiations.

## 2.7 MICRO SMALL MEDIUM ENTERPRISES (MSME) UNIT

### 2.7.1 OVERVIEW

The MSME sector remains the cornerstone and a catalyst of economic development and growth through job creation and alleviation of poverty. The MSME National Policy as an instrument for driving enterprise development is anchored on 7 pillars which include access to finance, human capital development, entrepreneurial culture development, markets and value chains, business support, business enabling environment and infrastructure and technology. There is a need for a partnership between Government and the private sector to ensure synergies in the implementation of the policy.

### 2.7.2 ACHIEVEMENT

#### i. E45 Million Micro, Small and Medium Enterprises Revolving Fund (MRF) administered by Eswatini Bank

The E45 Million Micro, Small and Medium Enterprises Revolving Fund (MRF) began operating on 01<sup>st</sup> February 2021. The aim of the scheme is to provide financial relief for businesses affected by COVID 19 and also start-up businesses. Below is the sector analysis and loans approved for the period as of end of December 2024. The total number of jobs created is estimated at 3, 084 for the period under review including the period from inception.

#### Sector analysis on loans approved (December 2024)

Sector	Sub sector Description	Amount Approved
Distribution, Retail and Tourism	Retail, Supermarket, street vendors, clothing, general suppliers, Restaurants, cafes,...etc	25,615,220
Transport	Trucks, Minibus & Combi and Buses	5,738,098
Construction	Road / Infrastructure development, Dwellings	1,551,684
Financial Institutions	Insurance Companies, Consultants, Other Financial Institutions (Mobile Money)	3,095,883
Community Social and Personal Services	Private schools, Pharmacies and other businesses like Salons	1,051,906
Agriculture	Crop production, Animal Production	13,477,847
Manufacturing	Food processing, Furniture, Dress making	3,980,394
<b>Total</b>		<b>54,511,033</b>

**Table 4:** Sector analysis on loans approved

*Source: Statistics from the Eswatini Bank – SME Division*

## ii. Micro-Finance Revolving Fund

In October 2024 the Women’s Micro Enterprise Mentoring and Capacity Building Project started and was officially launched in November 2023 together with the Women’s Business Start-Up Microfinance Revolving Fund with a tune of E18 Million.

In November 2024 Kuyenteka Savings and Credit Cooperative Society Ltd was formed, a cooperative that is created for micro, small and medium women entrepreneurs. It currently has:

- 541 members
- Total loans issued E8,437,420.38

Total loans issued as from March 15, 2024 to 11 December 2024

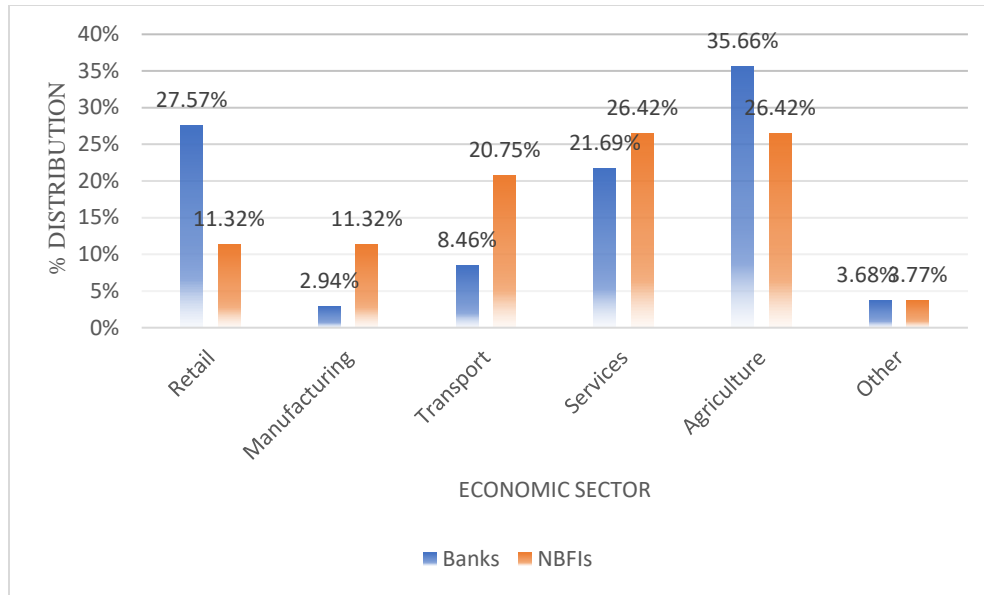
AGE GROUP	NUMBER	AMOUNT
20- 29	72	1,303,288.99
30- 39	158	3,089,981.41
40 – 49	138	2,847,528.71
50-59	64	1,088,162.90
60+	9	108,458.37
<b>TOTAL</b>	<b>441</b>	<b>8,437,420.38</b>

## LOAN ISSUED PER GENDER

GENDER	NUMBER	AMOUNT
Male	121	2,213,849.38
Female	320	6,223,571.00
<b>TOTAL</b>	<b>441</b>	<b>8,437,420.38</b>

## iii. Small Scale Enterprise Loan Guarantee Scheme (SSELGS) and the Export Credit Guarantee Scheme (ECGS)

The Fund decreased by E2 million from E20.4 million as of 30th June 2024 to E18.4 million as of 30th September 2024 equating to a 9.8 percent decrease over the quarter. The decrease was primarily due to claims paid during the quarter amounting to E2,485,039.00 which were set-off by the interest earned from Call and Current Accounts, matured T-bills as well as premium income totalling to E514,548.00. Guaranteeing capacity stood at of E92 million. Guarantees exposure was E74.6 million at the end of September 2024, resulting in guaranteeing deficit of E17.4 million at the end of September 2024. Out of the 4 NBFIs only 3 utilized the SSELGS to date.



**Table 5:** Sector analysis on loans approved

*Source: Statistics from FINCORP*

**vi. The Informal Traders Revolving Fund (ITRF)**

This fund is administered by FINCORP and is currently being available to the informal traders in Manzini and plans are underway to roll it out countrywide. There has been not much change from the last reporting period under this fund.

Sectors	Number of Beneficiaries	Amount Financed (E)
Airtime/mobile money	5	25, 625.00
Clothing	43	220, 375.00
Electronic Appliances	1	5, 125.00
Fruits & Vegetables	3	15, 375.00
Handicraft	7	35, 875.00
Health & Beauty Parlour	6	30, 750.00
<b>Total</b>	<b>65</b>	<b>333,156.00</b>

*Source: Statistics from FINCORP*

**JUNIOR ACHIEVEMENT**

Junior Achievement (JA) Eswatini, a non-profit organisation, empowers young people with crucial skills in financial literacy, entrepreneurship, and career development. This report summarises JA Eswatini's achievements and impact during the 2024/2025 fiscal year, acknowledging the vital

partnership with the Ministry of Commerce, Industry, and Trade (MCIT) and the impact of the E500,000 subvention.

## **Key Achievements & Impact**

This section will cover the achievement and impact of JAE programs on both in-school and out-of-school youth.

### **a) Financial Literacy Program (In-School)**

JA Eswatini reached 7,549 students (4,379 females, 3,170 males) across 49 schools (including four primary schools) with financial literacy training. The program covered essential topics like saving, budgeting, cooperatives, taxation, and investment.

Facilitator capacity building was prioritised, with 49 teachers capacitated to deliver the program effectively. This training included guidance on establishing and managing school cooperatives in alignment with national policies. While overall savings saw a slight dip (E3,550 in 2024 vs. E4,233 in 2023) due to the focus on cooperative establishment, one newly registered cooperative with 30 students raised E1,000 through sales.

Headteachers were engaged through a forum to ensure program support and address implementation challenges. The program facilitated the processing of 1,172 Eswatini Bank applications and the issuance of 726 bank cards, demonstrating increased student interest in financial services. A financial literacy fair, attended by 100 people from 15 schools, enhanced students' understanding of available financial services through interactions with six organisations (CFI, Central Bank, Eswatini Bank, FSRA, Stock Exchange, and Lubane).

### **b) Entrepreneurship Program (Out-of-School)**

JA Eswatini equipped 549 (157 males, 392 females) out-of-school youth with entrepreneurship, business plan development, and business pitching skills. Crucially, 102 businesses were successfully registered with the Registrar of Companies, demonstrating a tangible impact on youth employment. This achievement was facilitated through collaboration with UNFPA, UNICEF, Young Heroes, MTN, and the Mbabane Municipal Council. Trained youth are being linked with Community Development Officers to assist with RDF fund applications.

### **2.7.3 THREE KEY BROAD ACTIVITIES TO BE PURSUED IN 2025/26**

- i. Implementation of the Financing Model for the Micro, Small and Medium Enterprises.
- ii. Implementation of the newly approved and launched Micro, Small and Medium Enterprises (MSME) National Policy 2024-2029.
- iii. Operationalization of the recently enacted Citizen Economic Empowerment (CEE) Act. The Citizen Economic Empowerment Act, which came into effect on the 1st of July 2024, is a landmark piece of legislation that embodies our collective aspiration for a more inclusive and equitable economic landscape. This act is not just a policy; it is a promise to our people, a commitment to ensure that every citizen has the opportunity to participate in and benefit from our nation's economic growth. The establishment of the Citizen Economic Empowerment Council is a pivotal step in this journey. The council is entrusted with the critical responsibility of implementing the act, ensuring that its provisions are effectively operationalized, and that its benefits are felt across the length and breadth of our nation. The importance of the task at hand cannot be overstated. The council will serve as the guardian of our economic empowerment agenda, a catalyst for change, and a beacon of hope for our MSMEs.
- iv. Hosting of the National MSME Indaba in the financial year 2025

## **2.8 COOPERATIVES DEPARTMENT**

### **2.8.1 MANDATE**

The Co-operative Development Department is mandated by law to take such measures to enhance development of self-sustaining Co-operative movement wherein, the Co-operative Development Department shall promote, register, develop, regulate and monitor all types of Co-operatives as well as providing and creating a conducive social, economic and legal environment for the sustainable development of all types of Co-operatives.

### **2.8.2 ACHIEVEMENTS/ OVERVIEW**

#### **i. Registered Co-operatives**

The overall Cooperatives register have reached a total of **1,360 Registered Co-operatives** as at the end of the period under review. All Cooperatives in the Kingdom of Eswatini continued to celebrate the International Cooperative Day which was scheduled for 18<sup>th</sup> July 2024 under the theme “Co-operatives Build a better future for All.” The Cooperative Development Department persevered to provide unwavering service to the Cooperative Sector. A number of interventions such as on sight inspections, trainings, Board suspensions and forensic audits were made which aimed at restoring order, confidence and trust on the Cooperative Movement.

#### **ii. Eswatini International Day of Co-operatives Celebration**

This year on July 18<sup>th</sup>, Co-operatives around the Kingdom of Eswatini celebrated the International Day of Cooperatives with the theme "**Co-operatives Build a Better Future for All.**" Cooperatives had the opportunity to showcase their current and historical contributions to building a sustainable future, accelerating efforts to implement the Sustainable Development Goals (SDG) by 2030. The theme aligns well with the objectives of the upcoming UN Summit of the Future whose theme is "*Multilateral solutions for a better tomorrow*".

The cooperative identity, values, and principles set a strong system for achieving the SDGs. For the 2024 #CoopsDay, Co-operatives showcased their high standards for inclusive and sustainable growth, and serve as stewards for protecting the environment and fighting climate change. Through dialogue, democratic governance, and shared ownership, Co-operatives set an example for peace and stability by bringing Emaswati from diverse backgrounds together on equal terms, and fostering mutual understanding and respect. The Youth in Cooperatives is empowered to lead the



way by giving them opportunities, transferring knowledge, and ensuring diversity, equity and equality for all across all the Tinkhundla in the Country.

The International Day of Cooperatives is an annual celebration of the Co-operative movement around the world. It has been observed on the first Saturday of July ever since 1923 by the International Cooperative Alliance (ICA). Incidentally, the International Cooperative Day 2024 was to be celebrated on 6th of July 2024, the theme for the 102nd International Cooperative Day was- *“Cooperatives Build a Better Future for All.”*

### **iii. MCIT Portfolio Committee Local Study Tour on Co-operatives**

Another highlight for the Quarter was that of Members of Parliament from House of Assembly and Senate visiting local Co-operatives in the Kingdom of Eswatini. This was a two days function covering Co-operatives from Manzini and Hhohho Region, a total of 10 Co-operatives were visited namely: Sibonelo Savings and Credit Cooperative Society Limited, Impumelelo Savings and Credit Co-operative Society Limited, Eswatini Association of Savings and Credit Co-operatives Societies (ESASCCO), Eswatini Multi-Purpose Co-operative Union (ESWAMCU), National Co-operative Federation of Eswatini (NCFE), Buhle Besive Multi-Purpose Co-operative Society Limited, Makhabeni Multi-Purpose Co-operative Society Limited, Mnkankeni Multi-Purpose Co-operative Society Limited, Phumlani BoMake Multi-Purpose Co-operative Society Limited, and Hhohho Multi-Purpose Co-operative Society Limited. Worth noting was that the Eswatini National Youth Co-operative Alliance (ESNYCA) failed to honour the meeting due to unforeseen circumstances.

The main purpose of the exercise was to enable our Parliamentarians to have direct interactions with cooperators as well as enlarge the Co-operative understanding. The activity was very crucial as the Department is working towards policy and Regulations review. The Study covered both urban and rural Co-operatives. It cannot be over emphasised the role played by Co-operatives in Socio-economic development of Emaswati in various Tinkhundla Centres. The Parliamentarians indeed witnessed that Co-operatives are the vehicle for livelihood development of Emaswati.

#### **iv. Participation of Co-operatives in the International Trade Fair**

The Department also witnessed about twelve (12) Co-operative Entities participation in the year 2024 Eswatini International Trade Faire. This Co-operatives were from the Savings and Credit Co-operative Societies (SACCOS), Handicraft, Multi-Purpose Co-operatives, the three Apexes (ESASCCO, ESNYCA and ESWAMCU) and the National Co-operative Federation of Eswatini (NCFE). This shows that the movement was represented and Emaswati were able to get the intended Co-operatives information. The visibility of Co-operatives is very crucial for the sector as a whole especially in spreading the right information about the wider benefits of cooperation for Emaswati. Cooperation is a way of life and it is part and parcel of our culture. Hence, all Emaswati need to cooperate in order to fight poverty and the dependency syndrome.

The Co-operative business Model is unknown to some of Emaswati and some associate it with mere stokvels and associations yet these are the real businesses for quite a number of Emaswati. Many Co-operatives are still sceptical on marketing expenditures, thus very few Societies participated in the Eswatini International Trade Faire. The Department of Co-operatives Development will look into means of ensuring the participation increases and so the number of cooperators in the Kingdom.

#### **v. National Co-operative Development Policy and Co-operatives Societies Regulations Review**

Following the stakeholder engagement meeting in the first quarter, the German Co-operative and Raiffeisen Confederation (DGRV) have pledged her unwavering support in ensuring the country have a reviewed policy and regulations. The department in collaboration with DGRV is working on the Terms of reference for the same so as to mobilise adequate financial resources. The exercise is expected to be completed before the end of the current financial year due to continuous consultative engagements to be made before coming up with the final draft of the Co-operatives legal framework documents.

#### **vi. Commissioner and FSRA's Interventions on SACCOS**

Towards ensuring a conducive environment for the development, growth and sustainability of SACCOS in the Country, the Co-operatives Development Department continued to engage with the Financial Services Regulatory Authority on matters pertaining SACCOS that needed the two institutions. The engagements yielded positive results since most of the SACCOS that are closing

down due to post COVID-19 effects will be liquidated internally by the two institutions using the Co-operatives Societies Act, 2003 as amended. This will save some of the members' funds from paying high costs of liquidation and in turn enable Members to have some funds available for take home. Further, a forensic audit is on the pipeline for Bunye Betfu Buhle Betfu SACCOS. The joint collaboration of the two institutions is greatly encouraged and appreciated. Such initiatives ensures that the Government speaks the same language on the development, monitoring and supervision of SACCOS.

**vii. Benchmarking of South African Traditional Leaders, Municipalities and Development Partners**

From the 18<sup>th</sup> to 21<sup>st</sup> November 2024, through the partnership of DGRV an exposure visit was made possible in Eswatini wherein 30 South Africans visited our primary Co-operatives, Secondary Co-operatives as well as the National Co-operative Federation. The event was graced by the presence of the Honourable Minister for Commerce, Industry and Trade. The main purpose of the event was solely for exchange of information amongst cooperators.

**viii. Global Youth Project Stakeholder Engagement**

Eswatini continued to strengthen youth trainings through formulation of a syllabus and a guide to ensure a youth friendly training material. Moreover, the engagement aimed at strengthening youth participation in Co-operatives as well as ensuring sustainable Youth Co-operatives are established across the country and continent. Participants were from Botswana, Lesotho, Mozambique, Eswatini, Republic of South Africa and Tanzania.

**ix. Summary of Activities**

The following table shows a summary of the Co-operative Development Department work as we together promote, register, develop, regulate, monitor and supervise all types of registered Co-operatives in the country. The Department through regional officers also conducts some public or group awareness trainings as means to sensitize the public about the essence of Co-operatives formation. In some cases, the officers are invited to various communities and Tinkhundla Centres. Co-operatives as a special type of business needs close monitoring and supervision so as to ensure their sustainability, growth and meaningful contribution to the economy.

<b>Activity</b>	<b>Achieved 1<sup>st</sup> Quarter</b>	<b>Achieved 2<sup>nd</sup> Quarter</b>	<b>Variance</b>	<b>Comments</b>
<b>Cooperative awareness and Registration Meetings</b>	24	62	+38	The number has greatly increased and this was possible through meeting a number of aspiring Co-operatives in various Tinkhundla Centres as opposed to individual group trainings. The department continued to sensitize and bring Cooperative awareness to local communities so as to strengthen Cooperative formation and foster socio-economic development initiatives.
<b>Newly Registered Cooperatives</b>	23	38	+15	It is worth noting that most of the newly registered Co-operatives target the Tinkhundla Development initiatives through RDF both from urban and rural setups. The department continued to register new Cooperatives and guides them in their socio-economic endeavours. This enables Groups to be formal institutions and be legal persons.
<b>Number of Inspections</b>	13	51	+38	The increase is greatly influenced by the financial year end of the Societies. Most inspections were done solely for the production of Annual Audited Financial Statements for the Co-operatives. Inspection is the corner stone of Cooperative development. The exercise enables Cooperatives to be sustainable and be able to address issues as early as possible before they cause any harm in the development of a Cooperative enterprise. Moreover, on-job trainings go hand in hand with inspections after identification of gaps.
<b>Number of Audits</b>	27	49	+22	The increase is influenced by the Financial Year end of most Co-operatives which was May, June and July. The numbers show us that a quite a number

				of Co-operatives do audit and report back to the General Membership. This is a compliance issue that limits misuse of public funds as well as ensuring accountability for management and Board Members
<b>Train newly elected Board members</b>	15	18	+3	This type of training takes place when there is a new Board in place wherein the new Board Members are inducted and empowered before assuming their respective roles and responsibilities. This aims at ensuring well-managed and sustainable Cooperatives.
<b>Member Education</b>	17	34	+17	Members from various Cooperatives were trained so as to ensure the sector have an informed membership that will add value in their businesses and in decision making processes. This comprises of both old and newly registered Cooperatives.
<b>Resuscitation of Dormant Cooperatives</b>	3	5	+2	This aims at Conducting revival meetings for dormant and ailing Cooperatives. Two of the resuscitated Co-operatives are now active from the Hhohho Region.
<b>Annual General, Special General and General Meetings</b>	25	46	+21	This is a compliance issue, and through the AGMs transparency and accountability is ensured in all the Societies in the Country. The General Meetings are normally for newly registered Co-operatives.
<b>Conflict and Dispute Resolution</b>	0	11	+11	Conflicts needs to be resolved so as to limit disruptions and unnecessary disputes as well as claims that will deplete members funds. The Hhohho Region is leading with seven unresolved disputes that are still on-going at Society and Regional Level. Most of these conflicts comes as a result of

				uniformed membership. There is a serious need to invest on Member education, training and information on Cooperatives.
<b>CODAS Collection and Capturing</b>	324	0	-324	This is an annual Exercise and is carried from time to time. Accordingly, when aligned correctly, it will be done once a year. The Department is still working at disseminating accurate and timely statistics to the nation and the world at large. This can only be possible through data collection, capturing and analysis through CODAS.
<b>Promotion of Rural Savings and Credit Cooperatives</b>	0	2	+2	Financial Inclusion is a priority for the Government and it can only possible through formally registered Financial Cooperatives. There are so many bad reports arising from Stokvels so to protect public funds, Cooperatives are a way to go.
<b>Promotion of Youth Cooperatives Formation</b>	5	3	-2	Youth Cooperatives are crucial for sustainability and vibrancy of the Movement. There is a need to ensure active youth participation in the Cooperative Sector and more also, a lot of youth is unemployed and underutilised. Through Cooperative action they can find a Purpose
<b>Stakeholder Engagement Meetings</b>	1	5	+4	This aims at basically aligning our vision with that of our stakeholders and promoting the same understanding when it comes to Co-operatives Development Initiatives in the Kingdom of Eswatini.
<b>Liquidation</b>	1	0	-1	This was a voluntary liquidation due to post COVID-19 effects. The Liquidation was made possible through officers within the Co-operatives Development Department and through a joint supervision of the Commissioner's Office and FSRA.

### **2.8.3 CHALLENGES**

The period under review continued to be challenged by staff shortages as a result of retiring and deceased officers not being replaced across the cadre. Another challenge is shortage of transport and fuel for outreach purposes. These issues have impacted negatively in the implementation of the planned activities by the department since most of the department's planned activities entail outreaching to all registered Co-operatives and pre-Cooperatives as well as to the public across various Tinkhundla Centres. Regardless of the prevailing situation, the department made it possible to make this period under review an exciting one.

### **2.8.4 CONCLUSIONS**

Despite known deficiencies and challenges, the Co-operatives Development Department continued to deliver and have seen growth in the number of registered Cooperatives. The Department continued to play its oversight role in monitoring and supervision of Cooperatives. One Forensic audit completed at the Eswatini Multi-Purpose Cooperative Union (ESWAMCU) and another one for Bunye Betfu Buhle Betfu Savings and Credit Cooperative Society is on the cards. The departments is striving in facilitating inclusive socio-economic development that aims at Building a better future for all Emaswati.

## **2.9 ESWATINI CO-OPERATIVE DEVELOPMENT COLLEGE (ECODEC)**

The Co-operative College mission is:

- i. To continuously improve internal capacity and strengthen collaboration with relevant stakeholders in developing and provision of programmes that are responsive to the needs of co-operatives.
- ii. To provide quality knowledge and skills in co-operative business through: education, training, research and advisory services

### **Academic courses**

The college offers the following courses:

- a) The Certificate in Cooperative Business Management (CCBM) students have resumed second semester classes.
- b) 5 Professional Certificate in Savings and Credit Cooperative Society's Management (PC-SACCOS) 2023/2024 students wrote their last semester exams.
- c) 5 Post Graduate Diploma in Savings and Credit Cooperative Society's Management (PGD-SACCOS) 2022/2023 year 2 students also wrote their last semester exams.
- d) The PGD-SACCOS 2023/2024 students have resumed their second-year classes.

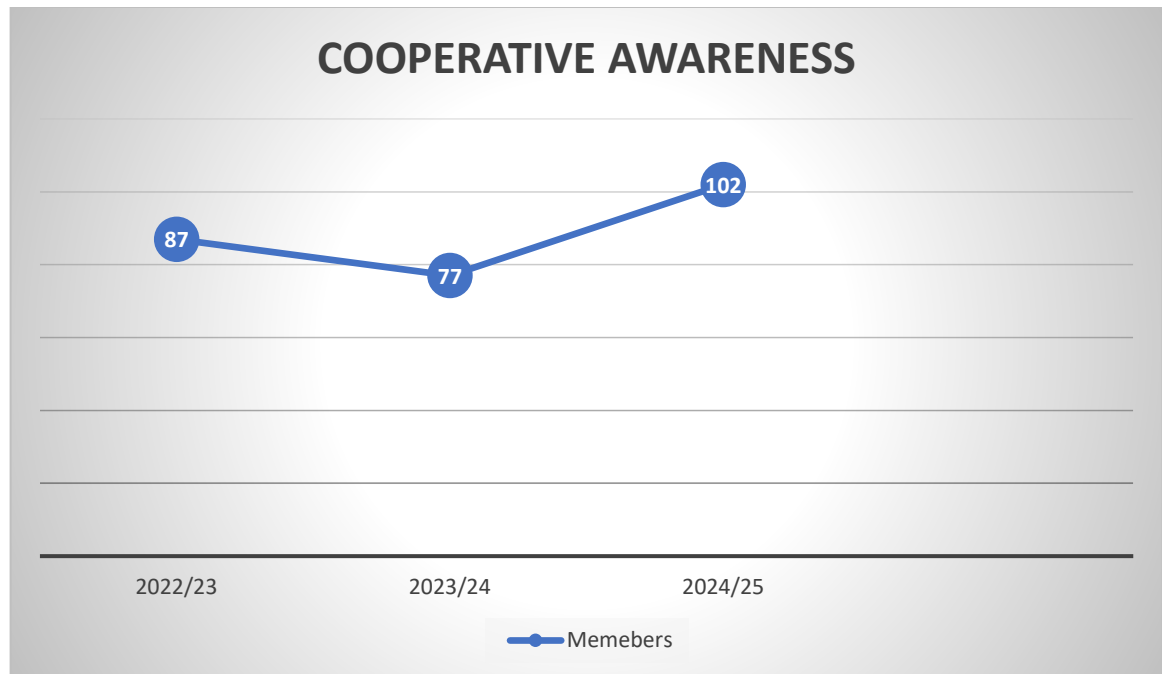
### **2.9.1 ACHIEVEMENTS**

#### **i. Co-operative Awareness**

During the period under review, 102 groups were trained. This indicates an increase when compared to the financial year 2022/23 and 2023/24. In 2023/24, 77 groups were trained, whereas in the financial year 2022/23, 87 groups were trained. The increase can be attributed to that most groups want to form cooperatives to access the Rural Development Fund (RDF).

The graph below indicates cooperative awareness trainings for the past three financial years.





**Table 6:** Cooperative Awareness Workshops

**ii. Board Orientation Workshops**

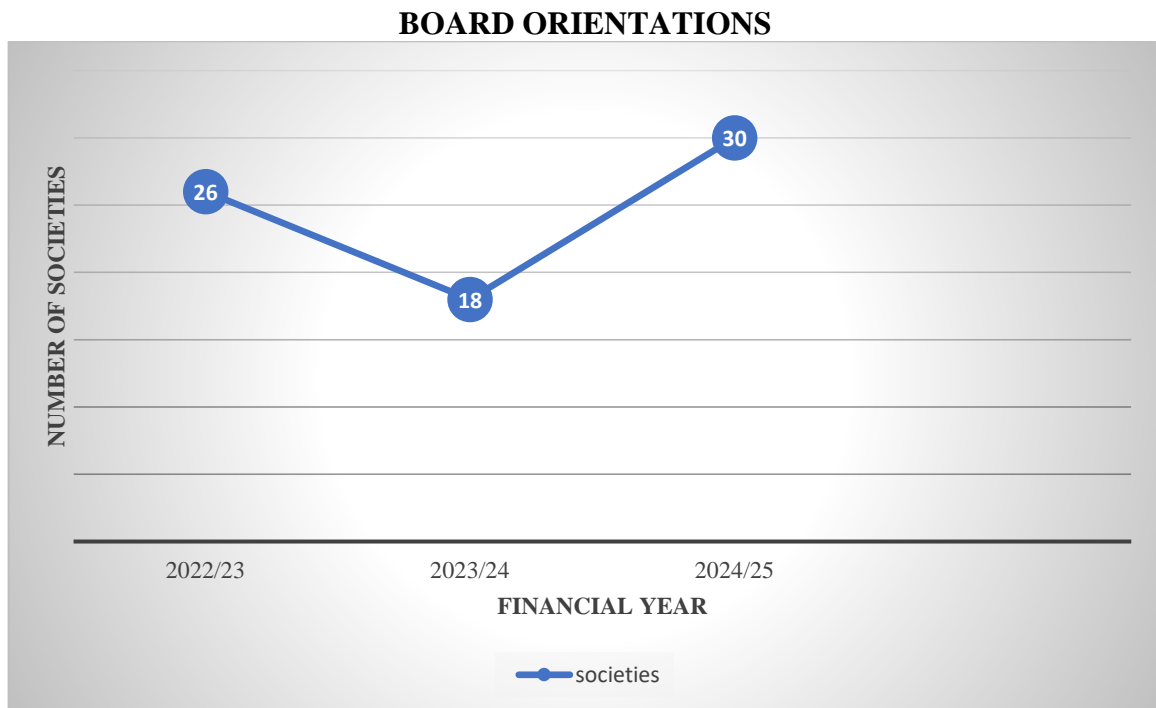
3 days' board orientation workshops were conducted for thirty (30) societies from the 4 regions.

Board Orientation Workshops

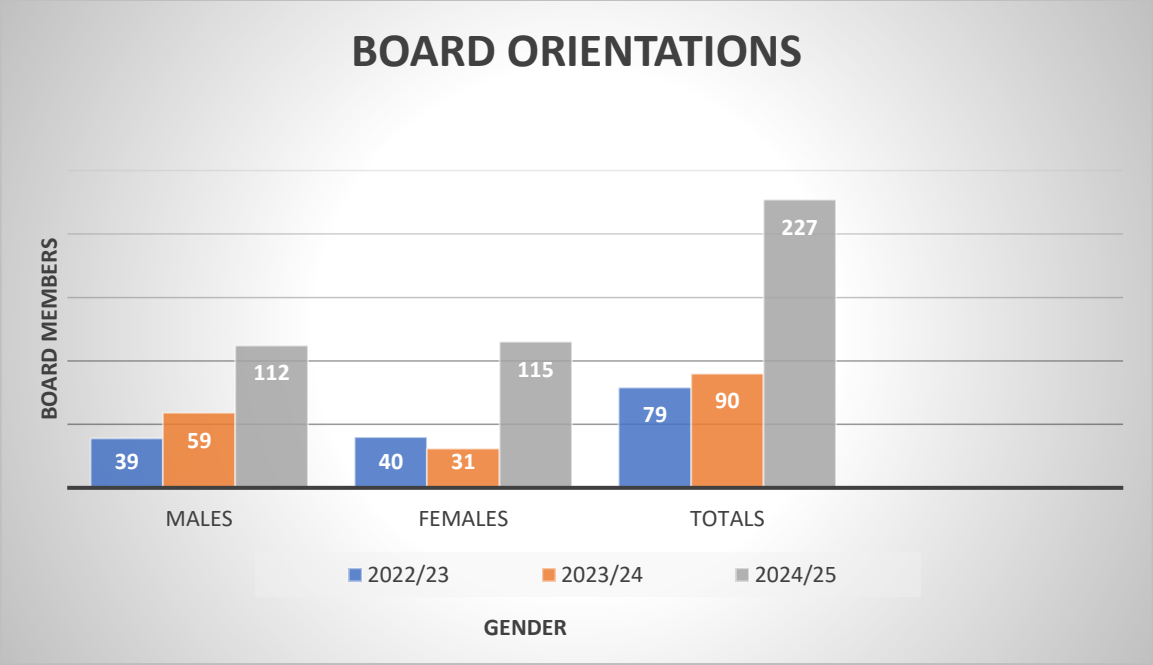
Activity	Achievements	Challenges
To train Co-operative Leadership on <ul style="list-style-type: none"> <li>• Co-operative Philosophy;</li> <li>• Board Interface;</li> <li>• Duties of Sub-committees;</li> <li>• Importance of Budgeting;</li> <li>• Compliance and Co-operative Legislation;</li> <li>• Record-keeping as an Internal Control; Marketing,</li> <li>• Risk Management,</li> <li>• Liquidity Management</li> <li>• Policies in Co-operatives.</li> </ul>	168 board members were trained for the quarter.  75 males and 93 females	Some of the Societies' elected board members fail to attend trainings.

During the period under review, 30 societies were trained. This indicates an increase when compared to the financial year 2022/23 and 2023/24. In 2023/24, 26 societies were trained, whereas in the financial year 2022/23, 18 societies were trained. The increase can be attributed to that most societies conducted elections during the period under review.

The graph below indicates the performance of the college regarding board orientations for the past three financial years.



The chart below shows the board orientations by gender comparing the three financial years.



The above graph indicates that more females are in cooperative leadership positions and this aligns with the sustainable development goals in particular SDG5.

## **2.10 HANDCRAFT DEPARTMENT**

### **2.10.1 OVERVIEW:**

The Handcraft section is dedicated to promoting the development of Eswatini's handcraft industry, with the goal of fostering self-reliance and self-employment. The unit supports sector growth by providing a conducive operational environment, offering education, training, and organizing handcraft groups. Key functions include capacity building, product development, conducting workshops and seminars, decentralizing skills through outreach programs, and coordinating market research to enhance the industry's growth and sustainability.

### **2.10.2 ACHIEVEMENTS**

#### **i. LAUNCH OF THE NATIONAL HANDICRAFT SECTOR POLICY AND ITS IMPLEMENTATION PLAN.**

The Handicraft Department has launched its National Handicraft Sector Policy and its Implementation Plan on the 2<sup>nd</sup> December, 2024. The Policy seeks to address the challenges that hinder the growth of the handcraft sector business of Eswatini. It will provide a principal guiding framework for the implementation of projects and initiatives to support the development of an innovative, competitive and sustainable handcraft sector.

#### **ii. INTERNATIONAL TRADE CENTER HANDICRAFT MARKETS OVERSEAS:**

The Handicraft Department was able to attach 11 handcraft groups and companies to the International Trade Centre, a development partner under the European Union. ITC facilitate exposure to diverse markets in Europe to the groups. Beneficiaries to the ITC technical support are Makhungutja, Ndinda, Benial, Beads Emporium Tandla Tami, Quads Design, Khokho Gwenya Glass, Indigenous Africana and Tintsaba

**iii. TRADE FAIRS FACILITATED BY INTERNATIONAL TRADE CENTRE**

<b>TRADE FAIR</b>	<b>PARTICIPANTS</b>	
Paris	Makhungutja, Ndinda, Tintsaba and Favourite	Made good sales and won awards.
Kamers Market (SA)	Ndinda, Makhungutja Tandla Tami, Beads Emporium, Ngwenya Glass, Quads Designs	Made good sales in SA
Un Geneva Bazaar	Makhungutja, Ndinda, Tandla Tami, Benial, Favourite Design and Gwenya Glass	Showcased products to more than 15 countries and made good sales.

**i. Eswatini Handicrafts in Türkiye**

<b>ACTIVITY</b>	<b>PRODUCTS</b>	<b>PROPOSED ORDERS</b>	<b>COUNTRY</b>
1. Showcasing Eswatini handicrafts at Africa House in Türkiye	Wooden products: keyholders, cars, bowls, fabric shopping bags, brooms, ceramic candles stands.	Fabric dolls, airplane wooden rings (etc)	Türkiye
1. Geneva	New grass brooms		

**ii. Handcraft Markets /Flee Markets**

Organised Handcraft Markets for crafters sales made from April 2024 -February ,2025		
<b>Region</b>	<b>Markets</b>	<b>Participants</b>
Manzini	12 organized markets	72
Shiselweni	9 organised markets	63
Hhohho	7 organised Markets	57
Lubombo	5 organised markets	40
		8
Trade Hub	48 Handicraft markets conducted at the Trade Hub on weekly bases	Over 800
<b>Total</b>	<b>88</b>	<b>1040</b>

**Table 7:** Shows sales from the local handicraft markets

### **iii. Monitoring Operations at the Manzini Trade Hub**

Handicraft informal traders from the four regions sell their handicraft products at the Manzini Trade Hub on weekly bases (Wednesday–Thursday market).

- 48 handcraft markets were conducted at Manzini Trade Hub,
- More than 800 handicraft informal vendors participate in this market on weekly bases,
- 18 handcraft categories are sold at the Trade Hub and these are: Tindziwo, imigcwembe, buhlalu, imvunulo, macasi, mamethi, , titja tahalibhoma basketry, dried flowers, plastic shopper bags, Stone products, Sisalana petrollum jelly, leather ,skin care products , crotchet (etc),
- Large volumes of handicrafts are exported to the SADC region: South Africa, Mozambique, Lesotho, Botswana and Namibia. The trading of the handcraft market vendors is monitored by the Handcraft Department through the assistance from Manzini Municipality Council.

### **2.10.3 CHALLENGES**

- i. Shortage of vehicles to decentralize handcraft services at Tinkhundla level.
- ii. Shortage of staff in the Handcraft Department.

## **2.11 NATIONAL HANDCRAFT TRAINING CENTRE (NHTC)**

### **2.11.1 OVERVIEW**

The training centre aims to empower young Eswatini youth and adults with handcraft & vocational skills for self-employment and the creation of jobs to uplift the economy of the country.

#### **Functions of the National Handcraft Training Centre (NHTC)**

- i. Upgrading and development of skills to meet market demand,
- ii. Giving opportunities to low achievers and dropouts from school, and
- iii. Promoting self-reliance and self-employment among students.

During the review period, the National Handicraft Training Centre (NHTC) has continued to offer a diverse range of vocational courses such as Fine Arts & Ceramics, Sewing, Metalwork (Welding), Electrical & Plumbing, Advanced Computer (I.T.), Wood Carving & Carpentry, and Leather (currently unavailable), all of which are taught over a nine-month period. The demand for these programs has risen, indicating the need to expand outreach services. As NHTC nears compliance with ESHEC standards, we have enhanced our program offerings and implemented the SHUNIFU platform to improve data management and operational efficiency. In total, 134 students were admitted from 379 applicants for the academic year 2024/25. On the other hand, we are expecting 206 graduates from the outreach program and 110 from the full-time courses in the academic year 2023/24. Key achievements include the successful implementation of the SHUNIFU system for data management, participation in the Eswatini International Trade Fair, the opening of outreach classes in Methula, Luyengo, Phunga, Mliba and Dvudvusini, proposals for additional classes in Lundzi, Ngwempisi, Siteki, Madlangempisi, Nkwene, Gege, and Sinceni, and successful public engagement through presentations at various schools, driving increased community interest in our programs.

#### **Courses offered under Outreach-Programme**

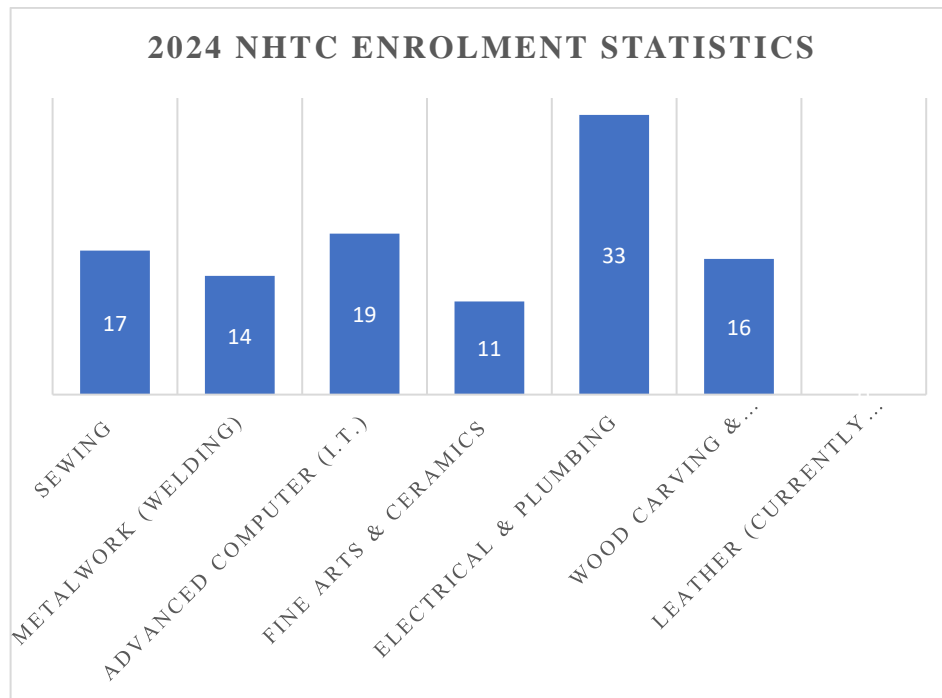
- i. Sewing - Grade 3 (Pattern Layout & Sewing) - 6 Months,
- ii. Metalwork (Welding) - Grade 3 (Arc & Gas Welder) - 6 Months,
- iii. Electrical - Grade 3 (Domestic Installations) - 6 Months,

- iv. Plumbing - Grade 3 - 4 Months,
- v. Introduction to Computer Applications - 6 Months

### 2.11.2 ACHIVEMENTS

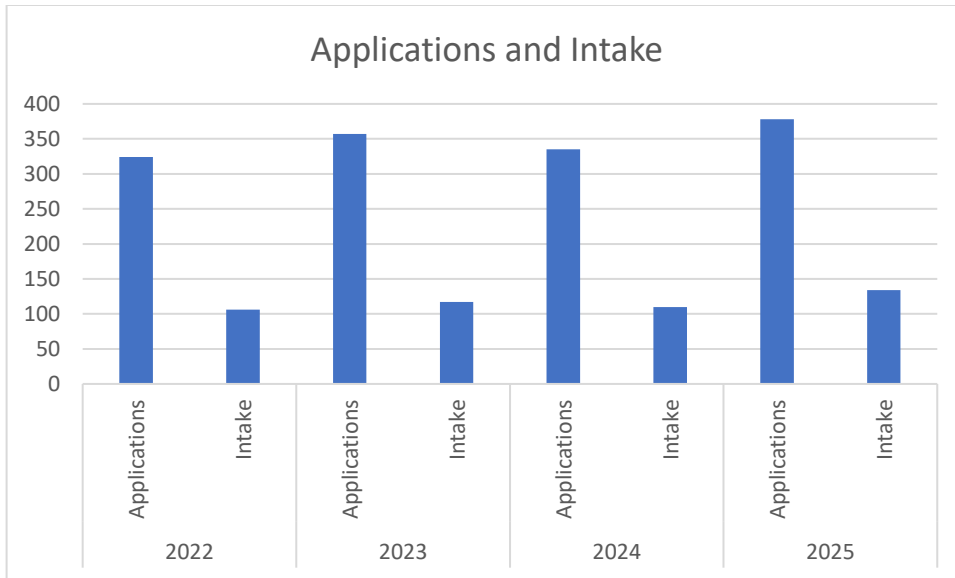
#### i. 2024 ENROLMENT

The total enrolment was **110 students**. The enrolment figures for the ongoing fulltime training at NHTC are as shown in the figure below:



**Figure 5:** Shows NHTC Enrolment





The figure above illustrates a consistent rise in applications, signalling an upward shift in demand. In response, the institution has identified the necessity to increase its intake capacity. The graphical data reveals variances of 218, 240, 225, and 244 for the periods 2021/22, 2022/23, 2023/24, and 2024/25, respectively, reflecting this growing demand over time.

## ii. Decentralisation- Outreach Skills Development Program Shiselweni Region

Region	Inkhundla	Number of participants
Shiselweni	KuMethula	100
Manzini	Kaphunga	28
	Mliba	43
	Luyengo	18
	Dvudvusini	17
<b>Total</b>		<b>206</b>

The outreach programme has successfully engaged a total of 206 students across the two regions. In the Shiselweni region there are 100 participants, while the Manzini region has 106 students. These figures reflect a strong commitment to skills development within these areas. Currently, the Hhohho and Lubombo regions are in the consultation phase with local

constituencies. Efforts are being made to assess community needs and interests, with the hope that these consultations will lead to the establishment of outreach programmes in both regions.

### **2.11.3 CHALLENGES**

- i. There is high growing demand among students wishing to enrol at NHTC; however, our current capacity limits the number of spaces available. This demand highlights the need to expand the outreach programme to all the four (4) regions to accommodate more students.
- ii. Staff shortage for the following positions;
  - Deputy Principal (new post)
  - Instructor in Leather craft (new post)
  - Support staff (Secretary, Receptionist, Boarding Master, Groundsman and Driver)
- iii. Getting reliable assistance from the Ministry of Public Works and Transport for maintaining the training equipment in the workshops.
- iv. The unavailability of vehicles and scarcity of fuel at CTA to serve both NHTC and outreach duties.

## 2.12 COMMERCE DEPARTMENT

### 2.12.1 OVERVIEW

The Department of Commerce is dedicated to fostering a dynamic and sustainable economic environment within Eswatini. Charged with the critical mandate of regulating domestic trade, we work tirelessly in collaboration with key stakeholders to ensure a robust and transparent regulatory framework that supports the growth of businesses across the country.

Through strategic business development workshops, we empower aspiring entrepreneurs with the knowledge and tools needed to succeed in the competitive business landscape. Our commitment extends to nurturing and equipping small businesses, providing them with essential skills to expand, innovate, and thrive.

By advancing these initiatives, we aim to alleviate poverty, create employment opportunities, and contribute significantly to Eswatini's vision of achieving first-world status. The Department of Commerce remains steadfast in its mission to stimulate economic growth, enhance domestic trade relations, and elevate the overall well-being of the citizens.

### 2.12.2 ACHIVEMENTS

#### i. Legalize all Business entities in accordance to the Commerce legal framework.

Trading licenses for the year under review per region are follows:

REGION	GRANTS	RENEWALS	AMENDMENTS & TRANSFERS	REVENUE (E)
<b>HHOHHO</b>	3338	7100	189	8,045,679.00
<b>MANZINI</b>	3685	8472	240	8,600,514.50
<b>LUBOMBO</b>	1179	3340	72	1,909,327.00
<b>SHISELWENI</b>	1425	2921	57	1,502,756.00
<b>TOTAL</b>	9,627	21,833	558	20,058,276.50

## LIQUOR LICENCES BY REGION

REGION	GRANTS	RENEWALS	AMENDMENTS & TRANSFERS	REVENUE (E)
<b>HHOHHO</b>	40	304	14	406,237.79
<b>MANZINI</b>	58	455	25	595,973.46
<b>LUBOMBO</b>	49	359	12	323,880.85
<b>SHISELWENI</b>	48	181	9	160,167.85
<b>TOTAL</b>	195	1299	60	1,486,259.95

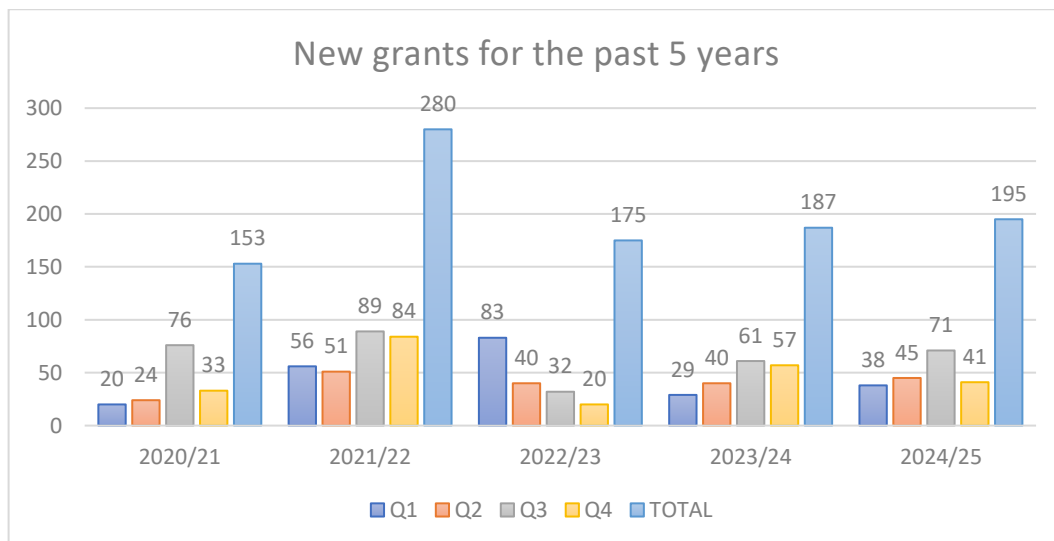
A total of **32,018** Trading licenses were issued during the first quarter, of which **9,627** were new grants, renewals were **21,833** and amendments & transfers were **558**.

For the liquor sector **1,558** licenses were issued, of which **195** were new grants, **1,299** renewals and **60** transfers. A total of **358** licences were revoked. **356** businesses requested to have their licences revoked due to financial constraints and **2** liquor businesses have been revoked for being closer to a learning institution.

### ii. New Grants

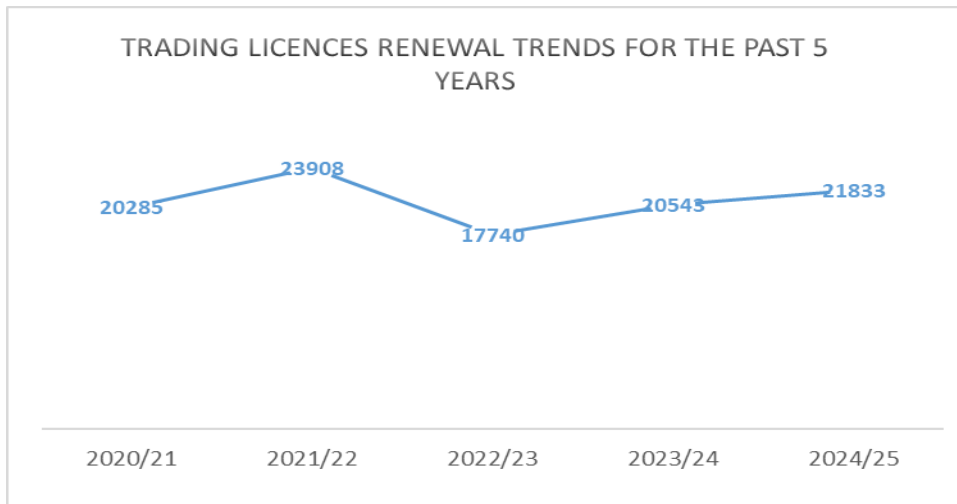
A total number of **9,627** trading licences were granted during the year under review. This shows a 14.24% increase compared to the prior year. The increase has been brought about by the amendment of the Trading Licenses Order of 1975 which removed advertising and hearing as a requirement, thus, trading licences are issued in one (1) day if the applicant has all other prerequisite documents.

This is depicted by the graph below:



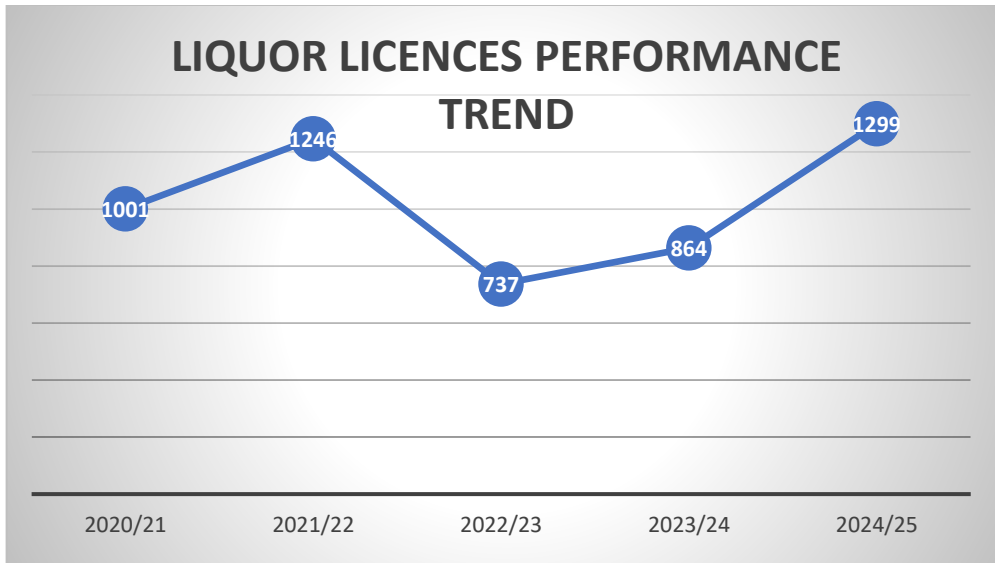
### iii. Renewals

During the year a total of **21,833** renewals for Trading Licences were processed. Comparing with the prior year this shows an increase of 6.28% . A graphic representation of this trend is illustrated below:



During the year under review a total of **1,299** Liquor licences were renewed. Comparing with the prior year this shows a 50.35% increase. This increase is brought about by the renewal of the liquor licences that were given a two-year dispensation in 2021 as a relief from the adverse effects of Covid-19.

The graph illustrates the trend:



#### iv. Enforcement of Business Regulatory Laws.

##### a) Inspection of Trade and Liquor licenses

The Inspections were conducted jointly with the Royal Eswatini Police Services, Ministry of Home Affairs and Eswatini Competition Commission to ensure compliance with the Trading Licences (Amendment) Act of 2023, the Liquor Act of 2023 and the Competition Act 2007. The inspection trends show the following offences committed by licensees: trading without a license, failure to display a licence, overcharging government controlled items, violating a trading license terms by pre-packaging, foreigners trading in the rural area and work permits applications.

- a) The department inspected a total number of **983** business establishments in the country amongst which **158** were liquor business establishments.
- b) A total of **181** businesses were charged for trading without licenses.
- c) **71** business establishments were charged for failure to display Trading Licenses and **3** for failure to display liquor licenses.
- d) Businesses overcharging bread were **66**.
- e) Pre-packaging items (fruits, vegetables, sugar, rice, cereals) were **64**.
- f) There were **13** businesses charged for operating in a rural area without relevant documents.
- g) They adhered to the admission of guilt fines ranging from **E200** to **E3000**.
- h) **96** business establishments were inspected for Work permits applications.

## **v. Promotion and Development of Sustainable Business Growth**

### **a. Holdings of Business Workshop/Seminars**

Workshops which were intended to sensitize Portfolio Committees from both houses of Parliament on the two enacted Acts, being The Liquor Act of 2023 and The Trading Amendment Act of 2023 were held. Informative workshops were held in various locations for the community, traders and other stakeholders.

#### **a) Dissemination of information to Stakeholders.**

- i. Information is also shared through the Eswatini Government website on services offered.
- ii. There are also pamphlets and flyers which are available for the dissemination of information.
- iii. The Department participated in the 2024, Eswatini International Trade Fair, with a total of **238** visitors. There were **33** Trading Licenses granted and **31** renewed during the Trade Fair. **80** Liquor licence holders applied for renewal and **1** liquor licence transfer applicant.

### **2.12.3 CHALLENGES**

- i. There is a shortage of staff as two regions: Shiselweni and Lubombo are manned by one officer each.
- ii. Not enough fleet. The available vehicles are insufficiently fuelled, as they are refuelled only once per week, thus hindering inspections in remote areas.

## 2.13 REGISTRAR OF COMPANIES

### 2.13.1 OVERVIEW:

The registrar of companies Department for the financial year 2024/2025 has continued to formalize business through the legal registration of a total of **3405** Companies. **3386**(private), **19** (public), **197** (Nonprofit making Associations) and **19** Foreign Companies. Applicants have used our online Company registration services, and a total of **3946** users have transacted through the new electronic company payment system.

The Companies Bill 2024 has been deliberated on in the House of Assembly wherein clause by clause session and the consideration of the public and stakeholder comments has been undertaken. The objective of the Companies Bill is the efficient registration and incorporation of companies on electronic and online platforms, economically efficient and economically enhancing flexible and adaptable company structures.

### 2.13.2 ACHIVEMENTS

For the period under review Over the 2024/25 period, this how the Department has performed:

ANNUAL REPORT	STATISTICS
Total Companies Registered	3405
Domestic Companies	3386
Foreign Companies	19
Private	3295
Public	19
Non Profit making	197
Online Company registration Services	3946
Emaswati owned	2622
Foreign Nationals	251
Name Change	32
Deregistered companies	179

**Table 8:** Summary of department activities

The above narration demonstrates a similar pattern to that of the previous year in the registration of companies. the negative impact of the COVID-19 pandemic on jobs and employment has influenced Emaswati to explore business opportunities. We also observe the business community being uncertain on the economic behaviour. However, the



continuous improvement on the ease of doing business by availing online services has enticed Emaswati and we are certain of a positive behaviour on investment.

### **2.13.3 CHALLENGES**

- i. Lack of sustained network connectivity
- ii. Manual back-end processes and procedure that compromise services and operations in the department.

### **2.13.4 ACTIVITIES TO BE PURSUED IN THE FINANCIAL YEAR 2025/26**

- i. Passing of the Companies Bill into an Act of parliament.
- ii. Development of the electronic business registry.

## **2.14 INVESTOR ROAD MAP UNIT**

### **2.14.1 OVERVIEW**

The Investor Roadmap Department is mandated to create a conducive environment for business to thrive by eliminating impediments, bureaucratic red tape and cumbersome procedures by cutting the time it takes and the costs involved in doing business. This is done through identifying bottlenecks, which are either legislative or procedural, amend legislation, shorten processes and track improvements in the country's rankings with the regards to the Business Ready index which replaced ease of doing business.

During the course of the 2024/2025 financial year, the Investor Roadmap was able to fast-track the Special Economic Zones Amendment Bill through the consultation process with all key stakeholders, submitted it for legal vetting by the Attorney General's office. After the Bill was approved by the AG the Bill was then presented to Cabinet for approval. Cabinet has highlighted the need to have separate appeals mechanism stipulated in the Bill to increase transparency and protection of the investors. The Bill has been published and tabled before Parliament for debate and passing.

The Ministry of Commerce Industry and Trade undertook the process of amending the Special Economic Zones Act, 2018, after realizing that there is a need to address concerns by key stakeholders in the SEZ Act and refocus the bill to promote exports and create job opportunities. Among the concerns raised by the stakeholders, the Ministry had to pay particularly attention to concerns raised by the OECD/FHTP which included:

#### **a) Ring-fencing**

The SEZ Act of 2018 has a limitation of 20 % offloading into the CUSTOMS area as recorded in the First Schedule. OECD also highlighted a potential loss of revenue to Government due to a perceived tax base erosion resulting from a majority of companies in the mainstream economy jumping to SEZs to enjoy the investment incentives

#### **b) Transparency**

This concern pertains to the absence of regulations/ guidelines and the objective criteria to qualify for the SEZ Licence

#### **c) Intellectual property regime**

According to the FHTP the SEZ regime in Eswatini should exclude the tax benefits on IP until this subject fully developed in the nexus approach which calls for a full chapter on IP,

how it should be defined, how it will be monitored and what components of the IP income can be considered to benefit from SEZ incentives.

The process of crafting the draft amendment included an extensive process of consultation with key stakeholders and the OECD/FHTP has been very instrumental in guiding the team ensuring that they meet the requirements.

The draft bill covers the following areas –

- a) Clarifying certain interpretation like developer, operator and core income generating activities
- b) Separating the process of granting the operator and developer licences,
- c) Delegating the Eswatini Investment Promotion Authority as a one stop centre for potential investors
- d) Removing the 20% curb for offloading goods into the local market ensuring that when that happens all taxes and duties are collected accordingly, this covers the ring-fencing aspect
- e) A schedule of all business grouped by sectors that will be permitted to enter the SEZ space has been developed and have safe guarded that Intellectual Property (IP) is not in any way exploited.

### **2.14.2 ACHIEVEMENTS**

#### **i) The Enterprise Survey**

The Investor Roadmap Department has assisted the consultancy engaged by the World Bank Group to successfully undertake the Enterprise Survey. The objective of this survey is to receive feedback from private sector enterprises on the state of the business environment using a set of globally comparable survey instruments and methodology. These surveys will provide important inputs in understanding the dynamics of the business environment in emerging economies. The survey has been carried out twice before in Eswatini. These surveys will be added to existing similar surveys covering 155 countries and will also be used to inform portions of the new Business Ready (B-READY) project of the WB. The Enterprise survey in Eswatini covered a nationally representative sample of 150 private firms ranging from small to medium size enterprises where interviews and questionnaires were conducted to obtain an unbiased picture of the conditions and evolution of the business environment in the whole economy.

## **ii) Special Economic Zones Benchmarking**

As a quest to improve the design, strategic operations and achieve higher objectives of the Special Economic Zones programme in Eswatini the Ministry of Commerce, Industry and Trade participated in a multi-stakeholder benchmarking study tour that took place in Taiwan. The study tour was organized by the Taiwan International Integrated Systems through the Eswatini Royal Science and Technology Park and it was also attended by the Matsapha Municipal Council, the Central Bank of Eswatini and the Eswatini Civil Aviation Authority. Among the topics under study: included the Single Window Operations aimed at learning strategies to simplify procedures and enhance business operations, the provision of investment incentives to SEZ investors and the issues of clustering and agglomeration of industries in SEZs to improve supply chains and increase the attractiveness of the parks. The visit to Taiwan was aimed at gaining insights into the implementation and management of Single Window Operations within Special Economic Zones (SEZs) to enhance the operational efficiency of The Kingdom of Eswatini SEZ.

## **iii. The Electronic Business Registry**

After Cabinet approved the draft Companies Bill, it was tabled in Parliament where the first and second reading of the Bill has taken place. The Ministry of Commerce has met the Portfolio Committee in the House of Assembly and the Honourable Minister has presented the preamble of the Bill and a detailed presentation of the Bill contains. The project aims to transform Eswatini to a First World status where starting a business shall be done within one day of registration. The Ministry kindly requests Parliament to fast-track the process of debating and passing of the draft Companies Bill once it has been tabled in Parliament.

### **2.14.3 CHALLENGES**

The Investor Roadmap department suffers from shortage of personnel as the department has only two staff members. Financial resources to implement doing business reforms are also a challenge.

### **3. CAPITAL PROJECTS**

## **3.1 CAPITAL EXPENDITURE**

### **3.1.1 OVERVIEW**

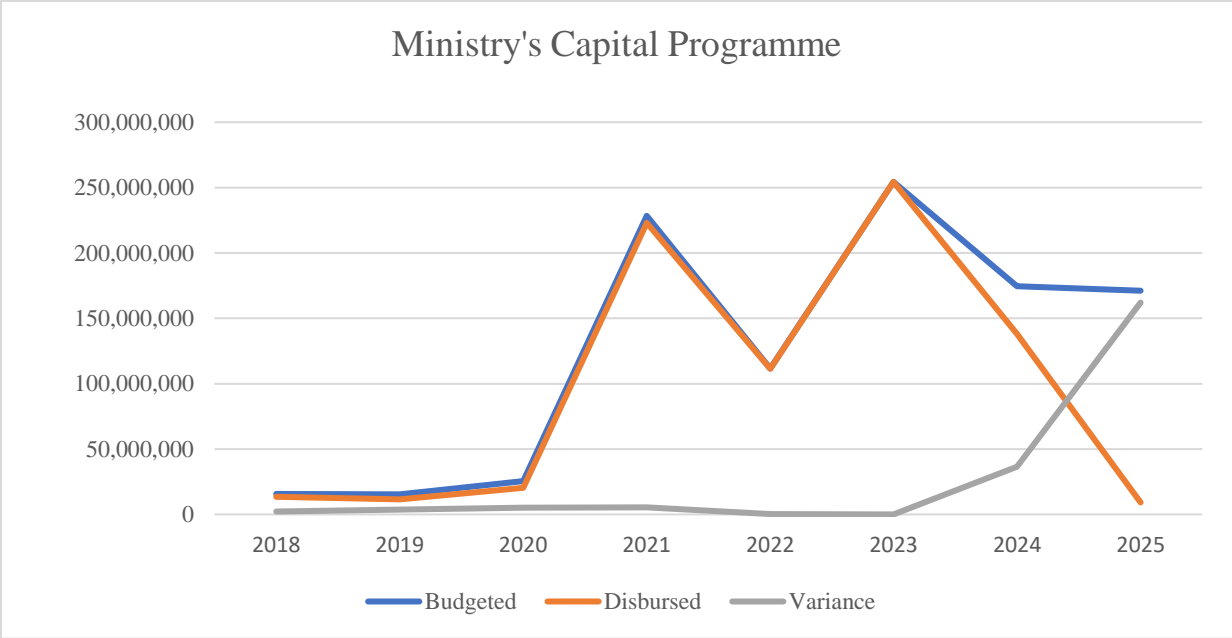
The capital investment programme spans the fiscal period from 2018 to 2025, reflecting a consistent upward trajectory in budgetary allocations. This expansion underscores a strategic commitment to infrastructure development as a catalyst for long-term economic growth. For the 2024/25 financial year, a total of E171,242,000 was appropriated, with E9,176,526.40 disbursed to date, as detailed in the table below. However, the variance between budgeted and actual disbursements has widened in the current fiscal year, primarily due to the deferred allocation for the Rehabilitation of the National Handicraft Training Centre (NHTC). These funds have been carried forward to the next financial year due to ongoing work at the facility.

Additionally, delays in the factory shell programme—attributable to disbursement bottlenecks and cash flow constraints—have further constrained fund utilization. These financial and administrative inefficiencies underscore the need for enhanced liquidity management and more robust execution frameworks to ensure capital investments translate into tangible economic returns.

### Capital expenditure per project from 2018 to 2024

Project Code	2018		2019		2020		2021	
	Budgeted	Actual	Budgeted	Actual	Budgeted	Actual	Budgeted	Actual
M351	4,000,000	3,932,693	2,140,000	1,516,933	1,500,000	1,379,841	5,000,000	4,784,658
M354	2,500,000	0	2,128,000	2,127,853.24	5,000,000	19998	3,388,000	3,385,485
M346	0	0	0	0	18,000,000	18,000,000	220,000,000	219,713,287
M355	6,950,000	6,950,000	6,900,000	3,410,717	0	0	0	0
M357/70	2,167,875	2,595,374.82	4,203,000	4,587,912.32	870,000	873,554	0	0
<b>Total</b>	<b>15,617,875</b>	<b>13,478,068</b>	<b>15,371,000</b>	<b>11,643,416</b>	<b>25,370,000</b>	<b>20,273,393</b>	<b>228,388,000</b>	<b>227,883,430</b>

Project Code	2022		2023		2024		2025	
	Budgeted	Actual	Budgeted	Actual	Budgeted	Actual	Budgeted	Actual
M351	5,000,000	4,781,196	5,000,000	4,989,000	6,457,000	0	7,000,000	6,296,526.40
M354	5,246,980	5,246,928	4,685,118.76	4,685,118.76	5,000,000	0	5,000,000	0
M346	100,000,000	100,000,000	243,057,999.47	243,057,999.47	161,453,000	136,453,000	141,362,000	0
M355	0	0	0	0	0	0	0	0
M357/70	1,460,000	1,460,000	1,621,479.16	1,621,479.16	1,533,000	1,533,000	1,620,000	1,620,000
M340/99							15,000,000	0
E467/70							1,260,000	1,260,000
<b>Total</b>	<b>111,706,980</b>	<b>111,488,124</b>	<b>254,364,597</b>	<b>254,353,597</b>	<b>174,443,000</b>	<b>168,891,770</b>	<b>171,242,000</b>	<b>9,176,526.40</b>



The above figure illustrates the trends in capital budget appropriations and actual disbursements over the past eight years. The graphical representation indicates that, for most of the period, budgeted and actual disbursements closely align, with minimal variance hovering around **Y = 0**.


However, from 2023 to 2025, a noticeable divergence emerges, characterized by a reluctance in fund disbursement. This irregularity results in sporadic variances, disrupting the consistency observed in prior years. Such deviations have direct macroeconomic implications, as they constrain the Ministry’s ability to drive economic growth through infrastructure and development initiatives.

The delayed disbursement of funds not only slows down the execution of critical projects but also undermines the intended economic stimulus effect of capital expenditure. This inefficiency may lead to cost overruns, reduced investor confidence, and setbacks in essential public service improvements. Addressing these disparities requires enhanced fiscal discipline, improved cash flow management, and stronger institutional mechanisms to ensure timely and effective budget execution.




## A. PROJECTS IMPLEMENTATION PROGRESS

<b>Project name</b>	<b>Construction of Johnsson Worker factory at Nhlangano</b>
<b>Region / Location</b>	<b>Shiselweni</b>
<b>Project Description/Scope</b>	<b>Construction of a factory shell, canteen, ablutions, entrance building and a guardhouse, HVAC Installation</b>
<b>Commencement Date</b>	19 December 2022
<b>Planned Completion Date</b>	19 February 2024
<b>Revised Practical Completion Date</b>	July 2025
<b>Contractors (all) / Contract sums and variations where applicable</b>	<b>Construction Associates</b>
<b>Total funds Committed to Date</b>	E185, 361, 029.53
<b>Expenditure to Date</b>	E 126 529 065.85
<b>Amount Outstanding</b>	58,831,963,68
<b>Implementation Progress</b>	The project is nearing completion most of activities have been undertaken. The main factory building is 90% complete, ablutions stands at 78%, entrance building 92% and the HAVC is 25 %
<b>Percent (%) Implementation</b>	80%

	
<b>Remaining Works</b>	Procurement of fencing has began
<b>Comments</b>	None

**Ndzevane Factory Shell:** This is the construction of a Construction of a 7 000 sqm factory shell, with auxiliary buildings including a canteen, locker room.

3.1 Project name	Construction of a New Garment Factory at Ndzevane
Region / Location	Lubombo/Ndzevane
Project Description/Scope	Construction of a Garment factory shell, Canteen, Generator Room and a Guard House Fencing around the allocated plot.
Commencement Date	22 <sup>nd</sup> November 2023
Planned Completion Date	17 <sup>th</sup> December 2024
Revised Practical Completion Date	February 2025
Contractors (all) / Contract sums and variations where applicable	Stefanutti Stocks = E 86,309,994.27 Alternative Energy=E 14 888 357.47 (Sub Contractor)
Total funds Committed to Date	E86,309,994.27
Expenditure to Date	69 104 673,66
Amount Outstanding	E81 ,196 167.48
Implementation Progress	Project is nearing completion and the following works have been completed: earthworks; bases excavations and casting, ground beams casting and formwork, steel frame erection, electrical works, plumbing transformer room, superstructure guard house and external earthworks
Percent (%) Implementation	90%
Site Picture	
Remaining Works	Attending to snag
Comments	None

### **Piggs Peak and Ngwenya factory shells**

The two factory shells are soon going to commence. In the current period they are at adjudication stage.

### **Water Treatment plant:**

The water treatment plant is in a critical state, with discharge levels falling below the minimum required standards. The Ministry remains committed to its rehabilitation, recognizing the potential risk it poses to investment in Nhlanguano should the environmental authority enforce its closure. Furthermore, the ongoing issues with the plant have broader implications, as they could significantly impact public health if left unaddressed. Urgent intervention is essential to ensure environmental compliance, safeguard economic investments, and mitigate potential health risks.

**Market Access & Trade Facilitation:** This project commenced in the financial year 2015/20216. It was intended to put in place the National Quality Infrastructure i.e. Legal Framework, Laboratory Equipment, Construction of Laboratories and capacity building. In this financial year the budget procured temperature Calibration Laboratory Equipment and calibration of Mass pieces.

### **Entrepreneurship Training for Youth in Tertiary Institutions and Enhancing Junior Achievers projects:**

The two projects have demonstrated substantial progress in the current financial year, reflecting efficient allocation and utilization of capital resources. Funding for these initiatives has been successfully disbursed to **ENACTUS** and **Junior Achievers**, key institutions fostering entrepreneurial development and skills enhancement. In the current fiscal year, **ENACTUS** received **E1,260,000**, while **Junior Achievers** was allocated **E1,620,000**. This financial injection is expected to generate multiplier effects within the economy by equipping young entrepreneurs with the necessary skills and resources to drive innovation, enhance productivity, and stimulate job creation.

Sustained investment in such programmes is essential for long-term economic growth, as they contribute to human capital development, reduce youth unemployment, and strengthen the country's entrepreneurial ecosystem. Ensuring the efficient deployment of these funds will be critical in maximizing their impact and fostering economic resilience.

### **Rehabilitation of the Cooperative College and National Handicraft Training Centre:**

In the current financial year, the project has been allocated **E5,000,000** to support its execution. However, due to persistent inefficiencies and implementation failures under the initial executing agency, the Ministry has reassigned the project to **Microprojects** to enhance delivery effectiveness and project oversight.

During transitional engagements, **Microprojects** requested project documentation, including the of **Bills of Quantities (BoQs), designs, and contract documents** from the previous implementing agent. The lack of these essential documents has impeded project continuity, necessitating a **carryover of funds** to the next fiscal year, except for **E260,000**, which remains earmarked for an outstanding contractor payment under the Ministry of Public Works. The disbursement of this amount is pending the submission of the required documentation.

#### **4. PARASTATALS**

- |      |   |       |
|------|---|-------|
| i.   | Eswatini Investment Promotion Authority             | EIPA  |
| ii.  | Eswatini Competition Commission                     | SCC   |
| iii. | Small Enterprises Development Company               | SEDCO |
| iv.  | Eswatini Standards Authority                        | SWASA |
| v.   | National Industrial Development Company of Eswatini | NIDCS |

## **4.1 ESWATINI COMPETITION COMMISSION**

### **4.1.1 OVERVIEW**

The Eswatini Competition Commission (“herein referred to as Commission”) is a statutory corporate body established under Section 6 of the Competition Act of 2007, with the principal objective of monitoring, regulating, controlling and preventing acts or behaviour which is likely to adversely affect competition in the country. The Commission advises the Minister on matters relating to the Commission and further cooperates with regional and international bodies engaged in the enforcement of competition law and the promotion of a competition culture.

### **4.1.2 ACHIEVEMENTS**

The Commission’s mandate is aligned with the Eswatini National Development Strategy (NDS). The Commission’s contribution in the 2024/25 financial period towards the National Development Plan of Action (NDP Outcome 2) is underlisted below:

**i) Remove Obstacles to Economic Growth by Focusing on Anti-Competition Behaviour That Hampers Economic Growth and Development**

The Commission issued determination in the matters it was investigating. In one matter, the Commission declared that an exclusive supply agreement in the sector for the supply of primary school education material in Eswatini was anti-competitive and contravened the provisions of the Act. In a separate matter, the Commission ordered the termination of an exclusive agency agreement in the construction services sector.

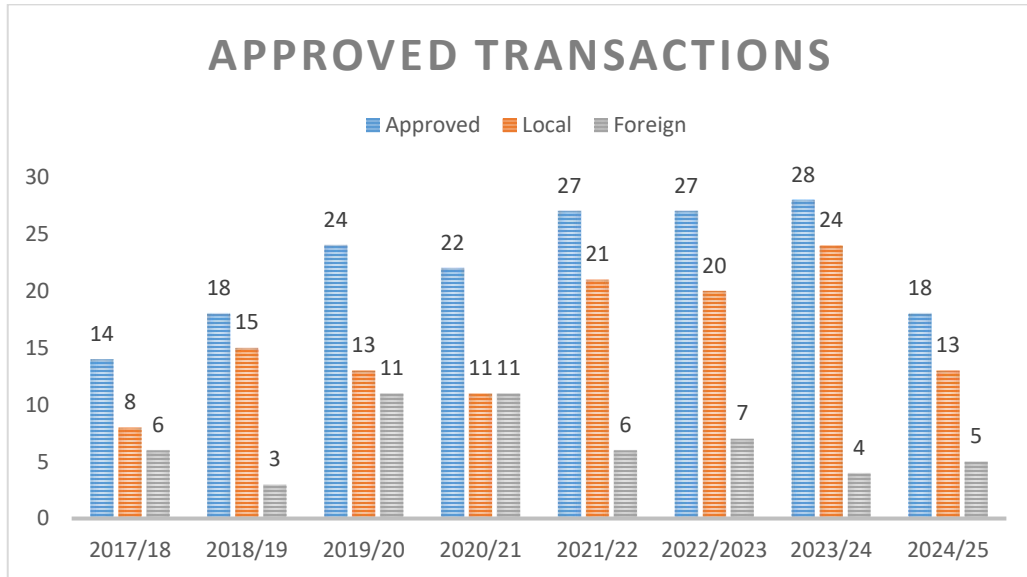
During the period under review, the Commission initiated an investigation into the private health market following concerns from the public that a dominant firm was abusing its market position. The investigation is underway, and the determination of the matter is anticipated to be issued in the first quarter of 2025/26.

**ii) Promote The Business Environment by Strengthening Merger Control to Encourage Competition in Priority Sectors and Stimulate Investment**

In order for the business environment to attract investments, it has to be competitive in nature. The Commission reviews mergers to ensure that there are no anti-competitive effects that would render the business environment uncompetitive in the country. In

2024/25, the Commission received and approved eighteen (18) mergers that were notified, inclusive of local and foreign transactions, as illustrated in the graph below:

**Approved Mergers/Acquisitions Transactions 2017/18 to 2024/25**



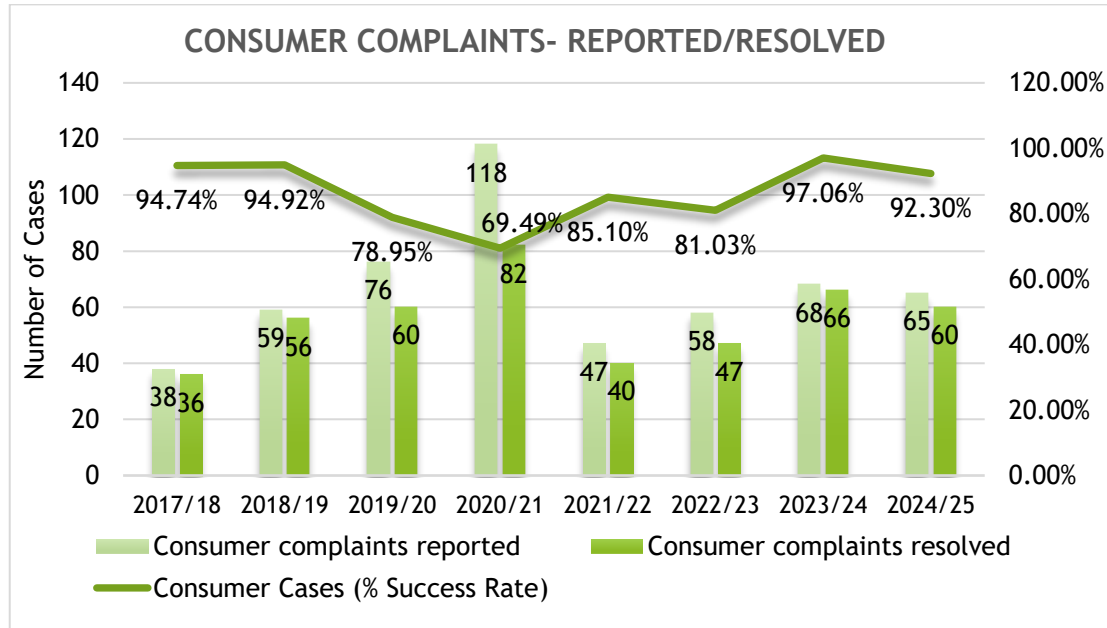
**iii. Advance The Social and Economic Welfare of EmaSwati by Prioritising Cases That Raise Costs to The Detriment of Consumers**

One of the Commission’s key mandates includes the protection of consumer welfare to ensure that consumers benefit from competitive markets which translates to cheaper prices, more disposal income, an increase in spending, national income, and demand, which all contribute towards economic growth. As part of the efforts to advance the social and economic welfare of consumers, the Commission continues to prioritise cases that raise the cost of goods and services to the detriment of consumers. The Commission also increased the dissemination of information on consumer rights, duties and welfare by leveraging on existing media platforms and crowd-pulling national events.

Sixty-Five (65) consumer cases were registered, sixty (60) of which have been resolved amicably. During the reporting period, five (5) cases remain open, thus denoting an 92.3% clearance rate. The total value of the reported cases is E477,403.88 and the value of the resolved cases is E435,403.88 which has accrued as restitution.

Table 2 below comprises of consumer complaints that have been reported and resolved by the Commission between 2017/18 - 2024/25:

**Table 2 – Consumer Complaints Reported/Resolved in 2017/18 – 2024/25.**



**vi. Support The Growth of The SME Sector by Opening Markets Up to New Entrants by Addressing Anti-Competitive Practices and Abuse of Dominance by Large Firms**

The Commission conducts economic research in the form of market studies, which include market inquiries and impact assessments, for the purposes of gaining an in-depth understanding of the state and effectiveness of competition in different sectors, industries, markets and/or market practices in the economy of Eswatini.

In addition to studies, the Commission undertakes the monthly price tracker which is one of the tools the organisation uses to monitor markets so that it can be proactive in dealing with anti-competitive trade practices that may occur in Eswatini. During the 2024/25 financial period, the Commission completed six (6) monthly price trackers as well as undertook in-depth analysis on four (4) essential food items that were identified as those that require detailed analysis and close monitoring. The monthly tracker has enabled the



Commission to have a better understanding of product development and trends which knowledge will continue to be used to base advisory opinions to Government and other regulatory institutions.

#### **4.1.3 CHALLENGES**

The challenges have been identified as hampering the ability of the Commission to effectively execute its mandate is as follows:

##### **i) Inadequate Financial Resources**

Insufficient financial resources remain a challenge for the Commission, thus slowing down the implementation of specific strategic objectives, including the full implementation of the Public Relations Management Strategy as well as the ability to fill key posts. To address the challenge, the Commission will continue to implement the Resource Mobilization Strategy, amongst other initiatives, to secure alternative sources of funding to support the attainment of the Commission's mandate as well as to ensure the long-term sustainability of the institution.

##### **ii) Slow Pace of Legislative Reform**

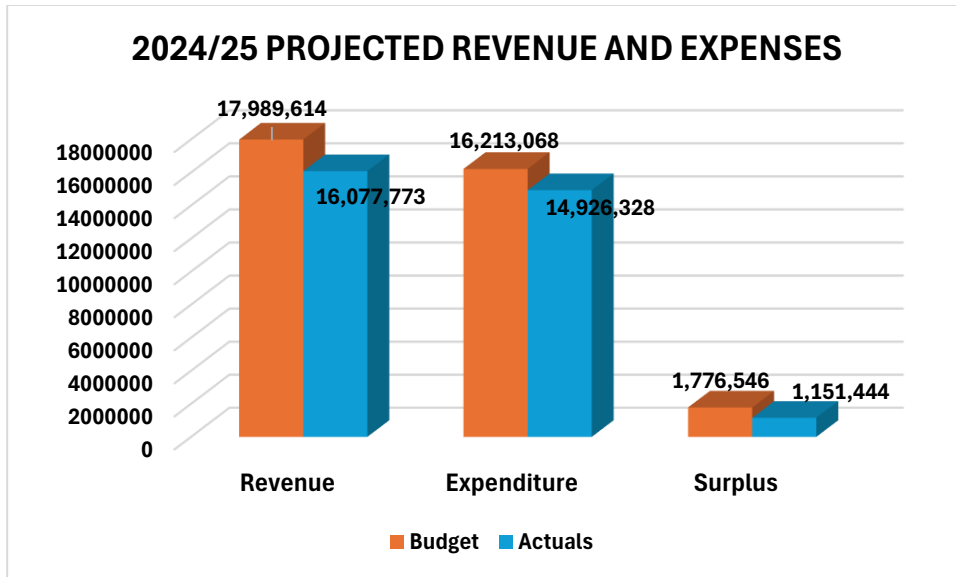
The need to reform the legislative framework of the Commission to strengthen the institutional framework and enforcement capabilities has been identified. The process to review and amend the Competition Act 2007 is underway and is to be preceded by the development of a national competition policy. The policy will ensure the consistent application of competition policy and law in all sectors of the economy to effectively support the Kingdom's economic and development goals. The development of the national competition policy together with the promulgation of the new legislation to regulate competition in the economy is expected to be completed in the 2025-26 fiscal year.

#### **4.1.4 FINANCIAL PERFORMANCE**

The Commission received a subvention of E8, 219 879 during the 2024-25 financial period. While the Commission has seen an increase in subvention over recent years, the funding from Government only covers approximately 77% of payroll costs. Merger notification fees is the second largest source of revenue for the Commission and represents 40% of total

revenue. Given the unpredictable nature of merger notification fees, the Commission cannot rely on this source of income to guarantee the long-term financial sustainability of the organization.

The graph below provides an illustration of the projected Revenue and Expenses for the organisation in the 2024-25 financial period.



It is anticipated that by the end of the current fiscal year, the Commission will have received sufficient revenue to meet its administrative and other obligations, due primarily to the effective implementation of cost containment and resource mobilisation strategies implemented during the reporting period. According to the projections, at financial year end the Commission will have a surplus of E1.1m.

## **4.2 SMALL ENTERPRISE DEVELOPMENT COMPANY (SEDCO)**

### **4.2.1 MANDATE**

The Small Enterprises Development Company (SEDCO) is a parastatal which was established in 1970 with a mandate of employment creation and promotion through business enterprise development with a focus on Micro, Small and Medium sized enterprises (MSMEs) throughout Eswatini.

### **4.2.2 ACHIEVEMENTS**

During the reporting period, SEDCO successfully executed several key developments and activities, contributing to the growth and development of MSMEs in Eswatini. The highlights include:

#### **A. COLLABORATION WITH STAKEHOLDERS**

##### **i. Hosting of Entrepreneur of the Year Awards (EYA) 2024**

SEDCO in collaboration with its partners in FNB Eswatini (title sponsor), Old Mutual, FINCORP, ENPF, Taiwan – ICDF and MTN Eswatini hosted the 18<sup>th</sup> edition of the EYA competition which entailed the Launch of the programme, the Regional Awards in the country's four regions and culminated to the National Gala Dinner in August 2024.

##### **a) Launch Ceremony**

The launch of the 18th edition of the Entrepreneur of the Year Award (EYA) competition which was held at the Royal Villas, was officiated by the Honourable Minister of Commerce, Industry, and Trade, Manqoba Khumalo. Key to this event was the introduction of cash prizes at regional level to offer essential financial assistance, allowing winners to reinvest directly into their businesses. The event also saw partners committing increased sponsorship to the awards with a total of E1 751 000 being pledged.

There were new sponsors realised in the period under review which were Taiwan – ICDF and MTN Eswatini who sponsored E80 000 and E30 000 respectively.

The launch ceremony also marked the official opening of the application period for the competition. Entrepreneurs from across the country are now invited to submit their applications, showcasing their innovative business ideas and achievements. The application process will identify and reward the most promising and impactful entrepreneurs in various categories.

### **b) Hosting of Regional Awards**

In July 2024, the Entrepreneur of the Year Regional Awards took place across all four regions of Eswatini, celebrating exceptional entrepreneurs in various categories.

### **c) EYA National Gala Dinner 2024**

The prestigious National Entrepreneur of the Year Awards (EYA) gala dinner took place on the 9th of August 2024 at the Mavuso International Trade Centre in Manzini. His Majesty King Mswati III graced the event as the Guest of Honour, accompanied by Emakhosikati, Princes, Chiefs, and other esteemed dignitaries, including the former Chairperson of the African Union, Dr Nkosazana Dlamini Zuma. The event was also attended by His Excellency the Prime Minister, Russell M. Dlamini, as well as Cabinet Ministers and Principal Secretaries from various government ministries.

Nine outstanding entrepreneurs were recognized for their exceptional achievements and contributions to the business landscape of Eswatini. Each awardee received a cash prize of E40, 000, while the Overall Winner was also awarded a brand-new Toyota single-cab van, generously sponsored by the FNB Foundation.

### **ii. MTN-SEDCO Cija Ngebhizinisi Programme**

The company collaborated with the MTN Foundation to host the MTN-SEDCO Cija Ngebhizinisi program which MTN sponsored to the tune of E200 000. Whilst this sponsorship was 25% less than the previous year, it was critical in supporting SEDCO's mission of empowering Emaswati entrepreneurs by providing entrepreneurship training through radio and social media platforms.

The radio program started in the second week of November and as part of its ongoing commitment, the programme will culminate in a capital injection of E10,000.00 for selected 5 MSMEs, helping them upscale their businesses.

### **iii. International Customer Service Week 2024**

SEDCO commemorated International Customer Service Week, underlining our commitment to excellence in service and fostering strong relationships with our valued stakeholders.

As part of the celebration, SEDCO recognized the dedication and integrity of incubated businesses, whose continued commitment to meeting their financial obligations, such as paying rent and bills on time, plays a vital role in sustaining SEDCO's shared ecosystem. The Incubates' reliability strengthens the partnerships and reflects the values SEDCO strive to uphold.

To conclude the Customer Service Week celebrations, SEDCO hosted a complimentary customer care training session for 20 handcrafters. This initiative aimed to equip the handcrafters with valuable skills in customer engagement, communication, and service excellence.

**i. EYA Previous Winner Business Centre Launch**

SEDCO witnessed the official opening of the Indlela Yekuphila Business Centre in Luve. Owned by Michael Masuku, the 2011 Entrepreneur of the Year Awards- Eswatini winner, Indlela Yekuphila continues to thrive and grow from strength to strength.

The complex comprises a hospitality facility and a retail section. During the construction phase, 25 jobs were created for Emaswati with a total investment of more than E2.7 million from the company's coffers. The company aims at employment creation of more than 100 Emaswati by 2030 through the construction of a motel at Luve township.

**i. National Job and Entrepreneurial Expo for People Living with Disabilities**

In the period under review, SEDCO attended the National Job and Entrepreneurial Expo for Persons with Disabilities (PWD) Awareness Day which was hosted by the Deputy Prime Minister's Office in collaboration with the Ministry of Labour and Social Security. The Theme for the Expo was "Innovation for Inclusive Employment and Entrepreneurship". The Job and Entrepreneurship Expo Awareness event allowed Persons with Disabilities to network and connect with potential employers to empower them with information on how to start income-generating activities and venture into business.

The event aimed to promote inclusivity and diversity in the workforce by showcasing the talents and capabilities of persons with disabilities, creating a more inclusive and equitable

society. Attending the event was a success as SEDCO got a platform to support vulnerable groups in the country as part of promoting disability mainstreaming and inclusion

## **ii. Malkerns Youth Forum**

This ending year, SEDCO attended an event co-hosted by the Youth Chamber of Commerce and Industries-Eswatini (YCCIE) and Malkerns Town Council. The event was themed “Empowering Youth Entrepreneurship for a Sustainable Future” and aimed at fostering a collaborative environment where young people can actively contribute to the city’s economic development and social progress.

Participants explored challenges and opportunities facing young entrepreneurs, developed a shared vision and identified actionable steps for creating a more supportive and enabling environment.

The forum marked a significant milestone in the journey to create a vibrant and inclusive youth entrepreneurship ecosystem in the country. The forum provided a valuable lens for understanding the current state, emerging trends and where SEDCO can collaborate in youth entrepreneurship in Malkerns.

## **iii. Peace Corps Partner Resource Fair**

SEDCO participated in a Partner Resource Fair organised by Peace Corps Eswatini. The Partner Resource Fair is an event where partner organizations come to the Peace Corps training centre to share information, resources, and experiences with Peace Corps Volunteers (PCVs) and their counterparts. This event created a valuable platform for networking, exchanging ideas, and exploring potential partnerships for community development.

Partnership areas that were discussed between SEDCO and the PCVs are business training, and more youth participating in the Entrepreneur of the Year Awards to see a positive impact in the communities the PCVs serve.

## **B. PARTICIPATION IN TRADE FAIRS**

### **a) Eswatini International Trade Fair (EITF)**

SEDCO participated in the 56th edition of the Eswatini International Trade Fair (EITF), an esteemed annual business exhibition that brings together a diverse array of products and services from various sectors. The event took place from August 30 to September 8, 2024, at the Mavuso International Trade Centre in Manzini, attracting local and international exhibitors, entrepreneurs, and visitors.

The official opening ceremony of the 56th Eswatini International Trade Fair took place on Saturday, August 31, 2024, at the Mavuso Sports Centre. The event was honoured by the presence of His Majesty King Mswati III.

During the customary stands tour, His Majesty visited SEDCO's exhibition stand, where he was briefed by SEDCO's CEO on the organization's upcoming initiatives. Notably, Ms Mhlanga highlighted the soon-to-be-launched iHub at SEDCO's Pigg's Peak Estate, designed to serve as a dynamic space for fostering innovation and entrepreneurship within the local business community.

### **b) Participation in the 2024 East Rand Show**

In line with its mandate to enhance marketing of local MSMEs and their products to regional and international markets. The institution participated in the 2024 East Rand Show in Johannesburg, South Africa, and facilitated the participation of two (2) MSMEs in the Handcraft business to exhibit and sell their products.

### **c) Botswana Consumer Fair**

SEDCO facilitated the participation of local handcraft entrepreneurs at the Botswana Consumer Fair 2024 held in Gaborone ran from August 26 to September 2, 2024, under the Theme "Building a Sustainable Future: Balancing Economic Growth and Environmental Conservation". The fair featured Botswana and international exhibitors across sectors like technology, fashion, and home goods. This event attracts over 100 exhibitors from Botswana and international participants from Lesotho, South Africa, Japan and Nigeria. SEDCO supported four local MSMEs by securing stalls for them to display their products, while the Ministry of Commerce Industry and Trade arranged transportation for the goods to be showcased at the fair.

The diverse range of products on display were beadwork, wooden picnic baskets, dried flowers, grass, table & floor mats and hats. Participants from Botswana were purchasing dry flowers and beadwork while clients from Pakistan and India showed interest in grass mats, picnic baskets and necklaces. The fair benefitted SMEs by providing a prime opportunity for generating sales and advancing their businesses. By the second day of the show, attendees had already begun purchasing products, signaling that sales were likely to increase as the week continued.

#### **d) Coffee and Cocoa Week 2024**

SEDCO facilitated the participation of Eswatini Coffee in international markets (Coffee and Cocoa Week in Cape Town), allowing the business to showcase its products and explore new market opportunities.

SEDCO contributed funds to the sum of E28,000.00 towards the costs of attending the expo. The Expo was hosted with the objective of promoting Intra-Africa Trade within the coffee and cocoa industries, with a focus on African origin, fair trade, and sustainable practices and provides a unique platform for organizations such as Eswatini Coffee to engage in networking, collaboration, and knowledge sharing with other industry professionals from across the continent.

### **C. ENTREPRENEURIAL CAPACITY DEVELOPMENT AND BUSINESS SUPPORT SERVICES**

#### **i. Business Advisory Services**

SEDCO provides business development services aimed at helping Eswatini MSMEs overcome the many challenges that they face in starting, running and growing their businesses. SEDCO relies on walk-ins, virtual contacts and sponsored MSME development programmes for the usage of her services. A collective traffic of 385 walk-in clients was recorded who were assisted with business planning, cash flow projections, general business advice, drafting of company profiles, feasibility studies, bookkeeping business proposal writing, tendering as well as market research.



41 business plans with the collective capital value of E67,759,128.00 were completed this financial year. These business plans included financing proposals directed to the Regional Development Fund as well as banking and non-banking institutions.

#### **D. ENTREPRENEURIAL TRAINING**

##### **i. Face-to-Face Entrepreneurial Training**

SEDCO partnered with RES Corporation, ITC, Inhlanyelo Fund, Taiwan ICDF, Ngwenya Town Board and ESERA to conduct training for a total of 1410 entrepreneurs in various entrepreneurial courses ranging from 1-5 days in the year under review.

##### **ii. SIMAMA Virtual Training Platform**

The Entrepreneurship Distance Learning (SIMAMA) course is available online wherein participants are expected to learn at their own pace and are given one month to finish the course. There are 8 modules that participants need to complete. Since the course's inception, 136 participants have enrolled, and 72 participants have completed the course. Currently, there are 7 participants with ongoing learning. 2 more courses were added to the platform bringing the total number of courses to 3 and the total number of modules to 10.

#### **E. BUSINESS COACHING SERVICES**

##### **i. International Trade Centre (ITC)-SEDCO GRANT MOU**

SEDCO provided business coaching services to 17 multi-purpose co-operatives in 3 regions of the country i.e. Hhohho, Manzini and Lubombo, with a collective membership of 389 Emaswati. The coaching services included training in the following courses;

<b>Title of the Training</b>	<b>Inkhundla</b>
Contract Management	Ntfonjeni
Customer care	Mahlangatsha
Business Model Training	Motshane
Business Model training	Mahlangatsha
Digital marketing & Financial management	Mahlangatsha
Governance of Cooperatives and MSMEs	Mkhovu

## ii. AFRICA MINI-GRIDS Project

SEDCO also facilitated coaching of 2 co-operatives in Ebulimeni and Mvundla comprising of 27 and 38 community members respectively. These cooperatives have benefitted from the installation of a solar mini-grid system for renewable energy under a UNDP-funded initiative. To this end, a pilot project co-financed by Eswatini Electricity Company (EEC) and Eswatini Energy Regulatory Authority (ESERA), was implemented in 2 phases. In Mvundla there is an already existing mini-grid which is currently benefitting 20 homes and 2 churches. The mini-grid project is expected to catalyse economic growth in the pilot areas and the beneficiaries will generate income that they can use to pay the cost of tariffs. The project also seeks to establish the Ebulimeni grid as a greenfield pilot.

## F. BUSINESS INCUBATION PROGRAMME

SEDCO continued to provide business incubation services across nine estates to 123 incubates in the reporting period. The services offered included provision of workspaces and business advisory services.

### i. Provision of Business Workspace

The incubated businesses generated a collective revenue of E86, 616, 556. 32 in the year under review. 24 new businesses joined the program and 25 businesses vacated. The total number of jobs stood at 984. The occupancy rate stood at 70%. Nhlangano had the highest occupancy rates at 95% followed by Manzini (86%) and Piggs Peak at 83%. Sidwashini is the least occupied estate sitting at 46%.

Estate	# of Incubates		New	Vacated	No. of Employees	Vacant Units	# of Businesses with Financial Records
Mbabane	24		6	4	84	12	6
Sidvwashini	11		1	7	46	13	2
Pigg's Peak	20		5	2	623	4	5
Vuvulane	9		2	-	24	7	6
Nhlangano	21		-	4	54	1	21
Hlathikhulu	7		-	2	32	6	3
Manzini	24		9	2	79	4	16
Matsapha	7		1	4	36	4	-
Siteki	2		-	-	6	2	-
<b>Total</b>	<b>122</b>	<b>121</b>	<b>24</b>	<b>25</b>	<b>984</b>	<b>53</b>	<b>53</b>

## **ii. Business Plans Compiled**

19 businesses were assisted with business plan development in the year under review. The developed business plans were used for lodging funding requests from financiers, as well as for admission into the BI programme. The total capital investment required by the businesses equated E2, 866, 000. 00.

## **iii. Business Incubation Services**

During the reporting period, business support services delivered to incubated SMEs involved developing Capacity Development Plans (CDPs), offering coaching and mentoring, facilitating access to markets and access to finance for incubated SMEs. A total of 108 CDPs developed for SMEs and 809 coaching and mentorship sessions. The mentorship sessions covered Business Management, Access to Markets and Access to Finance.

## **iv. iHub Project Activities**

The iHub was completed and is ready for launch. This marks a significant milestone in our quest to digitize our MSMEs by providing cutting-edge, high-quality internet connectivity and technology services to the incubates, the business community and the general population in the Piggs Peak and surrounding Tinkhundla. Our goal is to bring reliable, fast and internet to SEDCO incubation centres, empowering individuals, businesses and the entire communities. Some of the key benefits of the iHub project include:

- a) **Economic Growth:** by delivering seamless internet connectivity, we aim to create new opportunities for businesses, entrepreneurs and start-ups. Access to fast, affordable and high-quality internet services will open doors for e-commerce, remote work and global collaboration, fostering economic development in every region we serve.
- b) **Educational Advancement:** the iHub services will help bridge the digital divide giving students and other institutions access to online learning resources, virtual classrooms, and global knowledge. We believe that with reliable internet access, learners everywhere can thrive.
- c) **Connecting Communities:** the project is committed to bringing communities together through high-speed internet. The iHub services will make it easier for

individuals to stay connected, for businesses to thrive and for local economies to grow stronger.

## **G. CORPORATE SERVICES**

### **i. Learning and development**

In line with SEDCO’s training policy to address staff developmental gaps in critical skills, SEDCO carried out training and sensitisation initiatives. The following are the development initiatives that were conducted in the reporting period:

<b>Course</b>	<b>Providers</b>	<b>Participants</b>	<b>Purpose</b>
41 <sup>st</sup> African Corporate Governance Conference	Advantage Training	3	To equip participants with the necessary Corporate Governance skills
Eswatini Procurement Symposium	ESPPRA	1	To equip participants with the necessary procurement skills
Data Protection Officer Training	ESCCOM	1	To equip participants on the role of a Data Protection Officer

### **ii. Wellness**

The Human Resources Department in its aim to promote employee well-being so that the state of health of the employees can be maintained as these are the Organization’s greatest assets ensured that the following activities took place in the 2024/25 FY:

<b>Wellness Activity</b>	<b>Service Provider</b>	<b>Outcome</b>
Breast and Prostate Cancer Sensitization	Ministry of Health	Employees were sensitized on Cancer (diagnosis, treatment, prevention)
Royal Eswatini Police Service crime prevention workshop	Royal Eswatini Police Service	Employees were sensitized on gangsterism, gender – based violence, traffic offences, fraud and general crime
Embiveni Biggest Braai	Philani Maswati	Employees can work as a team

## **H. COMPANY REGISTRATION SERVICES**

SEDCO continued to offer business interventions by facilitating company registrations, Forms C and J renewals, amendments and training MSMEs on applicable laws and regulatory compliance issues. In the reporting period, SEDCO facilitated 150 company registrations, 26 amendments and 1 trading license.

## **4.3 ESWATINI INVESTMENT PROMOTION AUTHORITY (EIPA)**

### **4.3.1 OVERVIEW**

EIPA has focused on strengthening customer experience through digitalization and is developing a strategic plan for 2025-2030 with key focus areas including organizational management, performance measures, and stakeholder communication. Preparations for the annual Eswatini International Trade Fair (EITF) were intensified, with the year's theme being "Accelerating business growth through digital transformation". Key legislative processes have been undertaken, including the development of an investment policy and the EIPA Act to align with the object of transforming the organization to an Economic Development Agency as well as international standards in create a conducive business environment.

### **4.3.2 ACHIVEMENTS**

#### **A. Job Creation**

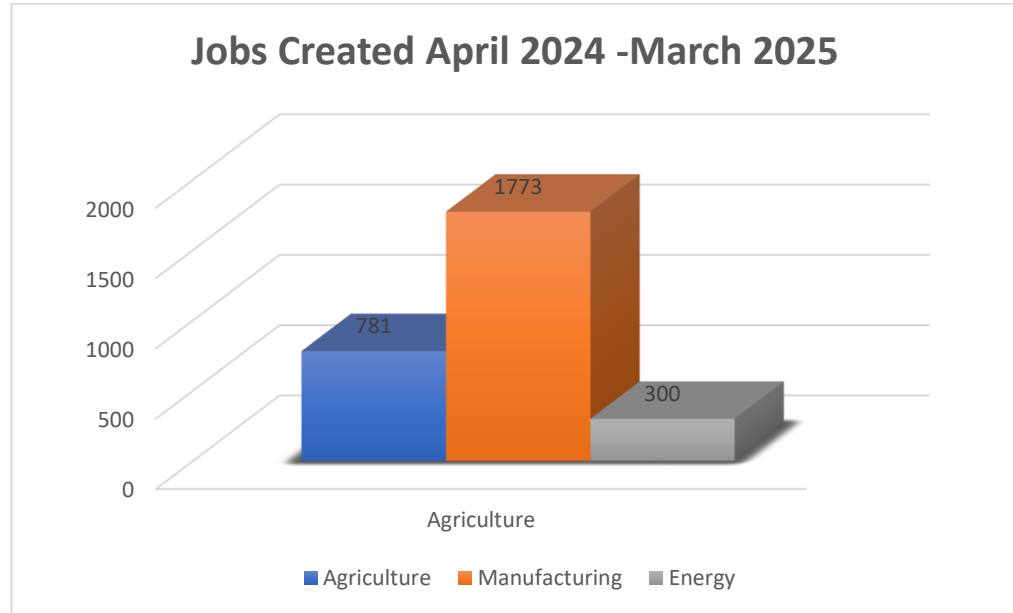
EIPA facilitated over E3 billion in capital investments, with 98% from Foreign Direct Investment (FDI) and 2% from Domestic Direct Investment (DDI). The manufacturing sector attracted the largest share (63%), followed by the energy sector (34%). The investments resulted in the creation of over 2,000 actual recorded jobs, with 66% from expansions and 34% from new projects. The agriculture and manufacturing sectors were key job drivers, accounting for 27% and 62% of employment, respectively.

The graph below illustrates the actual jobs created during the FY 2024/25. In addition to tracking realized employment figures, EIPA also reports on potential job creation based on investments in the project pipeline. However, there is often a discrepancy between projected and actual jobs realized due to various factors, including phased project implementation, shifts in investment decisions, and unforeseen economic conditions.

To improve the accuracy of job tracking, EIPA is actively working to strengthen relationships with investors, enabling more precise monitoring of employment outcomes. Furthermore, the organization is in the process of implementing robust tracking

mechanisms and data-driven monitoring tools to enhance reporting reliability and provide deeper insights into job creation trends.

### Actual Jobs Created

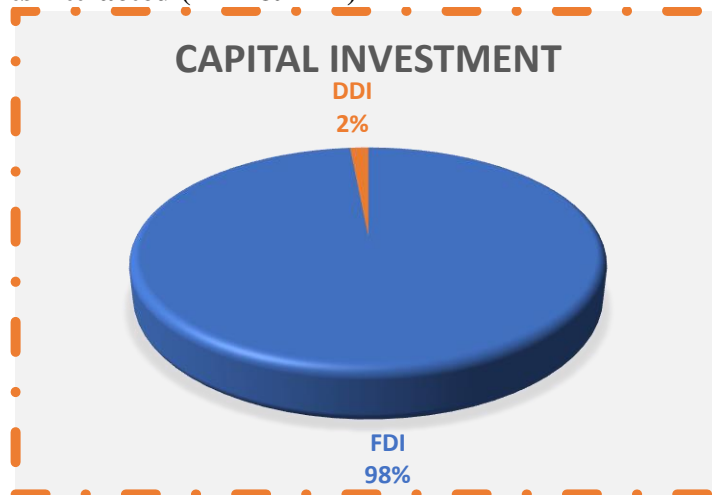


Source: Author's calculations

### B. Foreign Direct Investment (FDI)

Global FDI flows showed mixed trends in 2024, experiencing an overall decline, although projections indicate a potential modest recovery. In the Southern Africa region, FDI exhibited positive momentum, largely driven by increased investments in renewable energy.

### Investments Attracted (DDI & FDI)



Source: Author's calculation

### **C. Domestic Direct Investment (DDI)**

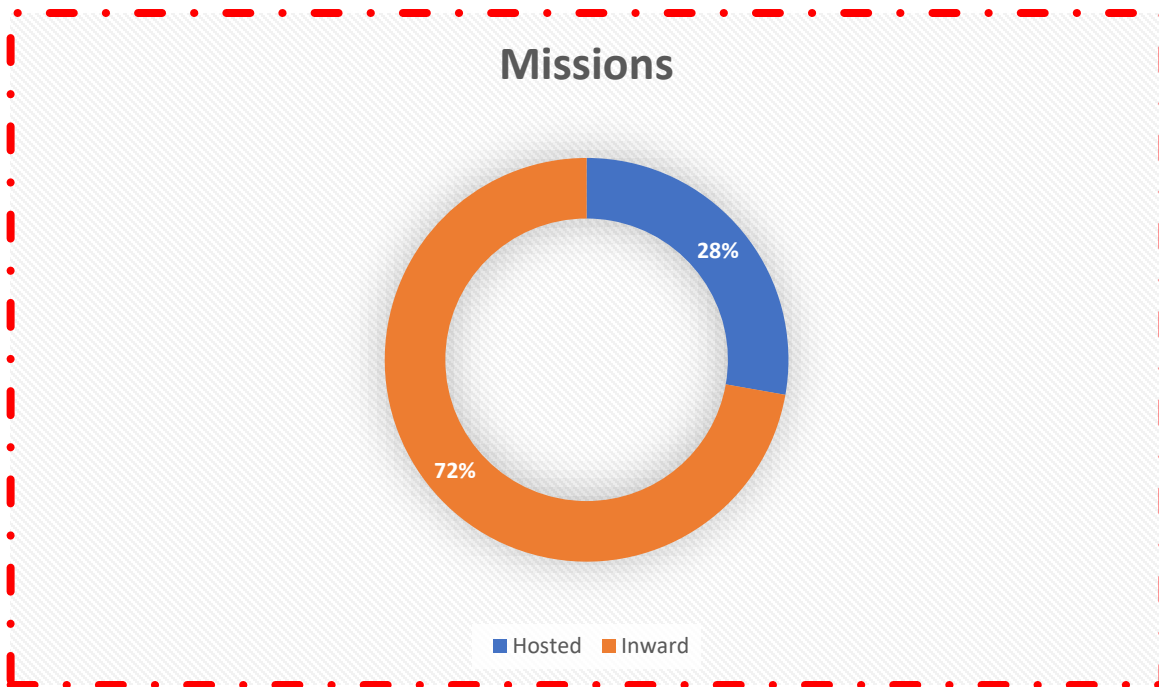
EIPA recognizes the need for strategic and deliberate efforts to stimulate domestic investment and provide targeted support to local businesses. To enhance visibility and impact, the organization is actively exploring mechanisms to improve reporting from domestic enterprises, ensuring that their contributions are accurately captured. Strengthening local business participation is not only vital for economic diversification but also fundamental to fostering long-term, sustainable economic growth.

### **D. Investor Facilitation & Policy Advocacy**

EIPA played a vital role in supporting investment projects by ensuring seamless licensing and permit acquisition for our clients. Additionally, we have influenced policy reforms, including advocating for the Income Tax policy review and finalizing the National Investment Policy, which aims to enhance Eswatini's attractiveness as an investment destination. The Eswatini Trade and Investment Act, currently under development aims to establish a strong legal framework that, among other objectives, will serve as a strategic launchpad for the Eswatini Economic Development Agency, marking the transition from EIPA. This legislative effort is designed to enhance the agency's mandate, positioning it for greater impact in driving investment & trade, economic growth, and development in Eswatini.

### **E. Missions undertaken, Hosted and Trainings**

Inward investment missions during the period included the Samlex Group, which was allocated land at the Nokwane ICT Park, and China Unique, which explored opportunities in the textile sector with a visit to the Gamula factory. However, these are not the only missions into the country in the period under review as some come in through other avenues. Notwithstanding, EIPA remains committed to tracking all investment initiatives in Eswatini with the aim to provide equal premium support to all investors.



*Source: EIPA Statistics*

The Authority successfully conducted 13 missions in the period under review. These missions covered regions such as COMESA, Middle East, South-East Europe, Southern and Western Europe, Central Africa. These missions led to the effective information dissemination about Eswatini as an ideal investment and sourcing destination and strengthening of economic relations with various countries. Hosted missions and trainings were 5 during the period.

**F. One-Stop-Shop Centre (Report & Update)**

Through the technical assistance from the International Trade Centre (ITC), EIPA has made significant progress towards operationalisation of the business One-Stop-Shop Centre. An independent local consultant was engaged to lead the establishment of the OSS. The proposed model for operationalizing the One-Stop-Shop (OSS) involves seconding officers from key government departments to the OSS. This approach ensures that specialized expertise and resources from various sectors are directly integrated into the OSS, facilitating seamless service delivery and coordination. By embedding departmental officers within the OSS, the model promotes efficiency, faster decision-making, and a holistic approach to addressing the needs of investors and stakeholders.

Negotiations are currently underway with the Ministry of Public Service regarding the secondment of employees to the One-Stop-Shop and the viability of this approach.



### G. Eswatini Investment Conference Preparations

Preparations of the inaugural Eswatini Investment Conference are well underway. A cabinet subcommittee successfully screened over 32 projects assessing their readiness for implementation and bottlenecks inhibiting investment. 19 projects were eventually selected with an estimated value of E30 billion. These projects will be implemented in the next 4 years and are expected to create over 40 000 employment opportunities. The theme for the conference is “creating opportunities for rapid economic transformation”.

### H. Pipeline Projects

Some key Pipeline Projects Recorded in the FY2024/25

CATEGORY	SECTOR	INVESTMENT VALUE (E 'millions)	JOBS ESTIMATED	COMPANY NAME
<b>Expansion</b>	Agri-business	26	161	Crookes Plantation
<b>Domestic</b>	Agri-business	10	500	Elangeni Poultry
<b>Domestic</b>	Manufacturing	150	300	Matsapha Lifestyle
<b>FDI</b>	Manufacturing	200	150	Union Papers
<b>FDI</b>	Manufacturing	50	60	Power Pack
<b>Domestic</b>	Manufacturing	25	40	Exipro Swaziland
<b>FDI</b>	Energy	419	250	Volitalia
<b>FDI</b>	Energy	200	50	Innovent
<b>Expansion</b>	Manufacturing	415	TBC	Opex (D.D. Williamson (Pty) Ltd)
<b>FDI</b>	Energy	1 billion (USD)	7,000 per phase	Co Carbon

*I. Source: EIPA Statistics*

Energy projects dominated the pipeline in the reporting period. For instance, in the second quarter alone, energy investments accounted for 73% of the total investment value, reflecting a significant step toward achieving the national strategy for energy self-sufficiency. This trend also aligns with global FDI patterns, where the energy sector continues to attract a substantial share of investment flows. At full scale, energy projects

alone are expected to generate approximately 9,241 jobs, contributing significantly to employment creation and economic growth.

## **J. TRADE DEVELOPMENTS**

### **a) Trade Promotion & Export Growth**

EIPA facilitated 35 companies to export to regional and overseas markets, with five being new exporters. Notably, 23 businesses accessed the Taiwanese market, leading to over E100 million in exports. The Eswatini Sugar Association and Eswatini Meat Industries secured their first orders to Taiwan, with an annual potential trade worth over E50 million. Overall, Eswatini's 2024 exports reached E35 billion (US\$2.1 billion).

To strengthen export competitiveness, EIPA trained 20 officials (including five from EIPA) on ITC market analysis tools to support SMEs. These Certified Trainers will annually train 50 MSMEs to enhance their export capabilities.

### **b) Hosting Major Trade Events**

The Eswatini International Trade Fair (EITF) 2025 was successfully hosted, attracting 252 exhibitors and 60,000 visitors, including 20 foreign exhibitors. The event contributed E40 million in direct economic activity and facilitated trade deals worth E161 million. It also created approximately 3,000 jobs through contracts.

### **c) Digital Transformation of SMEs**

EIPA secured funding to upgrade the Buy Eswatini platform into a full-fledged e-commerce marketplace like Amazon. The Buy Eswatini 2.0 App is now available on Google Play, with 35 UNESWA students assisting in registering local businesses to enhance digital trade.

## **4.3.3 CHALLENGES & MITIGATION STRATEGIES**

- i. Limited export capacity - With only 180 exporting companies, Eswatini struggles to meet international demand. EIPA is rolling out an Export Readiness Programme to support SMEs.

- ii. Agriculture & Agro-processing limitations - Existing exporters lack production capacity to fulfil large orders.
- iii. Restricted local market access - Local goods struggle to secure shelf space in major retailers. The A "Made in Eswatini" campaign will be launched to promote local products in addition to the Buy Eswatini 2.0 App.

#### **4.3.4 OUTLOOK - MARCH 2025 & BEYOND**

- i. Hosting the Eswatini Investment Conference:
  - ✓ 19 high-impact projects worth E30 billion selected for implementation.
  - ✓ Anticipating over 40,000 jobs in the next four years, driving rapid economic transformation.
- ii. Rolling out a new strategic plan, focusing on:
  - a) Digitalization for Enhanced Service Delivery – The strategy prioritizes the digital transformation of EIPA’s operations, enabling streamlined investor facilitation, real-time data access, and automated reporting to improve efficiency and responsiveness.
  - b) Strengthened Stakeholder Engagement – EIPA aims to build stronger partnerships with local and international investors, government agencies, and development partners, ensuring better coordination, increased investment inflows, and improved investor aftercare services.
  - c) Data-Driven Decision-Making – By implementing robust data collection and analysis tools, the organization will enhance transparency, track investment performance more effectively, and provide evidence-based insights to guide policy and promotional efforts.

## **4.4 ESWATINI STANDARDS AUTHORITY (SWASA)**

### **4.4.1 EXECUTIVE SUMMARY**

ESWASA continued to deliver its annual plans during this quarter. The organization participated at the IEC annual meeting held in Edinburgh, UK. This formed part of the key strategic actions in advancing development of electrical standards in Eswatini. The organizational corporate strategy development advanced during the third quarter with 2 workshops organized for staff and senior management. During the quarter we also had an official visit by the honourable minister to engage on organizational performance.

The work programme 15b with 13 standards was completed with a gazeting and publishment of the standards. The organization continues to work on work programme 16 with 23 standards undergoing public review process and consultation stages. On training, we had 2 main trainings organized during the quarter. About 80 MSMEs were trained on product labelling and quality standards and 56 farmers trained on the international standard Global GAP Version 6. The training aimed to align their farming practices with the food safety, quality, and environmental requirements of the standard. The Quality Assurance department continued to conduct surveillance audits targeting three clients: DD Williams, MP Food Processers and Galp Eswatini to ensure deserved maintenance of their certifications. The Ingelo certification Scheme was launched by the Honourable Minister for Commerce, Industry and Trade in November, marking the start of the certification scheme for products of MSMEs. Several engagements were facilitated with potential donors to support the operationalization of the testing laboratories. The International Trade Centre supported by EU committed to supporting us to operationalise the Metrology Labs. Taiwan also committed to supporting ESWASA with technical capacity, knowledge transfer and technology support.

The following recruitments were finalised during the quarter: Training and Information Officer, Metrology Officer and Procurement officer. The Senior Certification officer was also recruited internally.

### **4.4.2 ACHIEVEMENTS, CHALLENGES AND PLANNED ACTIVITIES**

This report outlines the key activities achieved by the parastatal during in the period under review.

### **i. Standards Development**

ESWASA develops standards under different work programmes. Currently there are two work programmes (Work programme 15b Work Programmed 16) that are currently being implemented.

The work programme 15b constituting of 13 standards has been concluded and currently under the gazetting stage. Work programme 16 has 23 standards under development. During the quarter we facilitated 12 Technical Committee meetings for developing the standards. One standard under this work programme has entered the Public Review (PR) stage.

### **ii. Standards Training**

#### **a) MSME Product labelling and packaging training**

This training was aimed at imparting knowledge about the importance of standards, requirements for product labelling and roles played by standards for market access. It drew more than 80 participants at CODEC in Ezulwini. Our Partners, Speakers and Sponsors who supported the MSME's training included the Ministry of Commerce, Industry and Trade MSME unit, UNDP Eswatini, Young Heroes, Royal Science and Technology Park, SEDCO and Eswatini Competition Commission.

#### **b) Global gap training**

On October 22-24, 2024, 56 local farmers supplying agricultural produce to NAMBOARD participated in a training session on the international standard Global GAP Version 6. The training aimed to align their farming practices with the food safety, quality, and environmental requirements of the standard. It highlighted the importance of obtaining Global GAP certification to access international markets that mandate compliance to the standard. ESWASA provided critical insights into these requirements, supporting efforts to ensure the safety and quality of Eswatini's products. This initiative strengthens export potential and fosters international trade.

### **iii. Stakeholder engagement on Standardization**

ESWASA continues to engage new stakeholders on standardization work. The aim is to increase the uptake and use of the standards by different sectors and industry players. In the quest to increase ESWASA's footprint, the following stakeholder engagements were facilitated:

- IEC Meetings focused on Case Studies and Conformity Assessment Webinars on Technologies used in the Electrotechnical Industries. As well as to attend SADCSTAN EELA e-learning platform training on renewable technologies and Electrical Energy equipment for Solar PV systems.
- ESWASA attended the “National Ozone steering committee meeting” from the 20<sup>th</sup> to the 22<sup>th</sup> of November 2024 at Emafini country lodge, Mbabane. The National Ozone Unit (NOU) is currently implementing the Hydrochlorofluorocarbon Phase-out Management Plan (HPMP) Stage II as part of our commitment to the Montreal Protocol on Substances that Deplete the Ozone Layer. This project is vital for ensuring compliance with international standards aimed at protecting the ozone layer. The project activities are funded through the Multilateral Fund, requiring diligent monitoring, reporting, and adherence to compliance protocols.

## **vi. Quality Assurance and Certification**

### **a) Renewal of certifications and Surveillance audits**

- A surveillance audit for the Environmental Management System (EMS) for DD Williamson PTY (LTD) was successfully conducted on the 06<sup>th</sup> of November 2024. This included planning, scheduling and communicating the plan with auditee as well as ensuring the audit is conducted. A report was prepared, reviewed and sent to the client, informing of findings of the audit and areas that need to be worked on for improvement.
- MP Food Processors, a client whose SZNS SANS 10330, Hazard Analysis and Critical Control points (HACCP) system was due for recertification, has successfully cleared all the findings raised in their recertification audit. A follow up audit report was prepared and shared with them with the recommendation to have their system recertified. Certification Approval Committee sitting to review the recertification process of MP Foods, client was granted recertification of the HACCP System. A Certificate was prepared and presented to the client.

- GALP Eswatini, a Quality Management System (QMS) certified client in the petroleum industry had their first surveillance audit planned and successfully conducted on 06 December 2024.

**b) ISO/IEC 17021 Internal Audit**

Internal audit of the certification system was concluded on 30<sup>th</sup> October, the internal audit team still needs to compile and send through a report of the findings for which corrective and preventive measures must be put in place for the findings to be cleared.

**c) Ingelo Certification scheme Launch**

The Ingelo certification scheme for MSMEs was launched successfully on the 14<sup>th</sup> November 2024 by the Honourable Minister for Commerce Industry and Trade. About 21 MSMEs have been identified to participate in the scheme. A budget of SZL300K has been set aside by ESWASA to support the certification process. This program is implemented in collaboration with the MSME unit and SEDCO. The program is financially supported by the UNDP. During the launch the hon. minister pledged to increase the budget for MSMEs with investments into their cottage buildings and cover costs for certification. This certification scheme is aimed at assisting MSME products to penetrate local and export markets with locally manufactured safe products. The rolling out of the implementation plan is underway.

**d) Establishment of ESWASA Testing and Laboratory services**

The proposal for supporting the establishment of the ESWASA testing laboratories was approved by the EU and ITC. Initially, the support will provide technical guidance in the establishment of the Metrology laboratory. The Metrology Lab will provide calibration services to the public especially local business that uses measurements. Once fully operational the laboratory will calibrate the following parameters: Mass, Temperature, Pressure, Length and Volume. A technical needs assessment mission by the EU is planned for February 2025.

ESWASA participated in the 26<sup>th</sup> Republic of China Taiwan and the Kingdom of Eswatini Economic and Technical Cooperation conference organized through the Ministry of Economic Planning and Development conducted on the 21<sup>st</sup> November 2024. During the meeting, a cooperation between ESWASA and BMSI (Taiwan) was approved. Through

this the Taiwan Bureau of Standards, Metrology and Inspection approved that they will assist ESWASA to enhance standards and Inspection capacity building and invest on basic infrastructure particularly for the laboratories.

#### **4.2.3 CHALLENGES**

Outline of challenges for the quarter and actions taken to address them

- i. **Lack of testing facilities** – ESWASA testing laboratories are not functional. This limits the growth of the institution in certification processes, especially for MSMEs. There is a need to strengthen ESWASA to establish its testing facilities.
- ii. **Limited Clientele for Certification** – ESWASA has been struggling in attracting certification clients especially for products. Over the years fewer clients have taken up the certifications from ESWASA. This is attributed to 2 main challenges which are limited accreditation scope and SWASA certification being voluntary. While the certification scopes is being dealt with the latter needs review of the legislative frameworks to make some ESWASA certifications mandatory.
- iii. **Limited pool of local Auditors** – The country has limited pool of Auditors for quality standards. ESWASA experiences challenges to access these services locally even after issuing expression of interests. Hence, most Auditing services are provided by South African at higher costs. The country needs to establish a training program working with local tertiary institution to ensure that local auditors with the relevant capacity are developed
- iv. **Lean human resource in the certification and standards development departments** – ESWASA has limited staffing capacity to effectively carryout its mandate. There is a need to increase human resources to increase the potential of the organization to carry-out its function appropriately. This is mainly caused by the lack of financial resources for increasing the staffing capacity. We will continue exploring income generation to support these departments to recruit adequate and competent staff.



## **4.5 ESWATINI INDUSTRIAL DEVELOPMENT CORPORATION (NIDCS)**

### **4.5.1 MISSION**

The ENIDC invests in projects that are economically and financially viable, technically feasible, and environmentally friendly and have sustainable medium to long term returns and growth effects to Eswatini's socio-economy and its stakeholders.

### **3.5.2 VISION**

A frontrunner in integrated industrialization finance.

### **Objectives of the ENIDC**

The Corporation sets out to fulfil all the objectives stated in the NIDC Act of 1971 including the following: -

- a) Establish and conduct any industrial undertaking,
- b) Hold government stocks or shares in any Corporation on such terms as may be recommended by Government,
- c) To become a holding Corporation or parent Corporation of companies and statutory corporations as may be determined by Government,
- d) Manage and supervise certain companies and statutory corporations,
- e) Facilitate, promote, guide and assist in the financing of new industries and schemes of expansion towards the modernization of existing industries, to meet the economic requirements in Eswatini and industrial development within and outside Eswatini,
- f) Foster development of small, medium enterprises and cooperatives towards the creation of employment, particularly in under-developed areas in Eswatini,
- g) Leverage Foreign Direct Investment in Eswatini and elsewhere through the use of international presence and networks,
- h) Encourage the creation of new knowledge-based industries, services, establishment and growth of new technology-based firms and industries,
- i) Enhance corporate government so as to achieve business

### **4.5.3 KEY HIGHLIGHTS, ACHIEVEMENTS, AND FUTURE PLANS**

#### **I. Key Highlights 2024/25**

- a) During the financial year 2024/25, the Corporation disbursed a total of E2.596 million funds to local MSME`s.
- b) Investment in equities worth E1.725 million in 2 enterprises in the agriculture (30% shareholding) and manufacturing sectors with a 25% shareholding.
- c) Completed a research study on Financing Women and Youth in High Impact Sectors in the Kingdom of Eswatini.
- d) Loans worth E0.872 million were approved and disbursed during the period under-review.
- e) A total of 83 new direct jobs were created for local Emaswati in 4 sectors of the economy. Worth mentioning is that most of these jobs are in textile and apparel sector contributing 43 jobs in total.
- f) Risks associated with projects funded by the ENIDC are based on pertinent risk elements for each project. This project-centric approach allows the Corporation to develop sector specific risk treatment plans to safeguard scarce resources while increasing access to finance to the general public. Average risk for each of the approved loans was between 3% and 4% for the financial year 2024/25.

#### **II. Achievements**

##### **a) Job Creation**

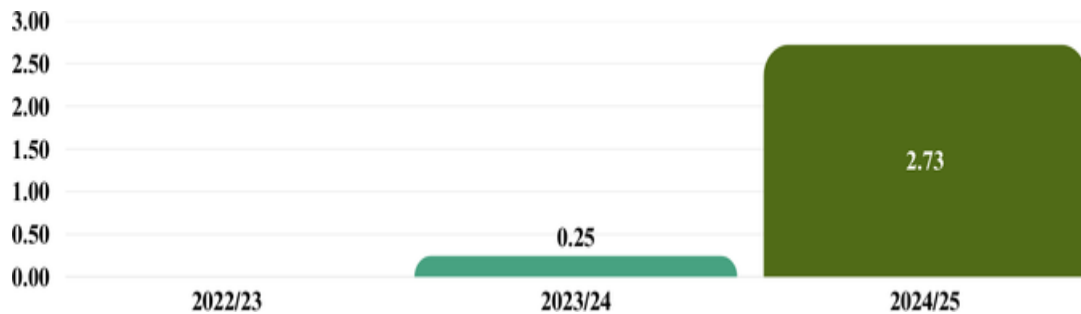
Through our funding and investments in agriculture, textile and apparel and manufacturing sector, the Corporation created 83 new jobs. These are direct jobs that our clients have managed to provide to emaSwati. Furthermore, Our portfolio significantly contributes towards the country`s output. During the financial year 2024/25, our clients contributed more than E2 million in total output to the economy of Eswatini with a potential to increase production to E5 million in the upcoming year.

##### **b) Increased Access to Finance for SMEs**

The Corporation increased its funding to SMEs from E0.25 million in the previous financial year to E2.725 million in 2024/25 as reflected in the graph below. This was a result of

increased financial liquidity of the Corporation. Although this may be seen as a weakness, there has been proven research that SMEs are the engine for growth and therefore have been prioritised for inclusive finance.

**GRAPH 1.: FUNDING LEVELS BY THE COERPORATION BETWEEN 2022/23 - 2024/25**



**Source: ENIDC Portfolio Investments**

**c) Equity Investments in SMEs**

ENIDC has been mandated by the ENIDC Act to also procure equities in local business that project financial feasibility and high medium-term returns. Therefore, as an impact investor, the Corporation concluded the procurement of equities in 2 local SMEs in the manufacturing (25% shareholding) and agriculture sector (30% shareholding). As a result, a total of E1.725 million was allocated towards this initiative and funds were disbursed to the entities during the financial year.

**d) Recovery of ENIDC Assets**

A Supreme Court matter was removed from the roll and the Corporation equity stake for 15% was reinstated during the review year. These processes to recover assets belonging to the Corporation, have been intensive and legal routes had to be considered in order to subjugate and safeguard ENIDC assets. On the other hand, successful subdivision of the property owned by the Corporation was approved and Notarial lease between the occupants and the ENIDC was positively registered. Partial recovery of funds from an investee company to the tune of E18 million has been received by the Corporation and arbitration processes is in motion for the recovery of the outstanding Income Note interest.

#### **e) Research and Development**

The Corporation through the technical support from the ICR Facility received a research report and recommendations on sector-centric financial products for high impact sectors within the economy of Eswatini targeting women and the youth. The study was completed with a stakeholder validation workshop led by the ICR Facility and an appointed Consultant and is now being implemented.

#### **f) Large Scale Projects**

The Corporation also pursued large scale projects. The Eswatini Atlantic Salmon, where the Corporation has equity of 10%, fully incorporated in Eswatini during the review period and has filed an application for Special Economic Zone License. This project is at financial close stage and to-date it has secured at least 70 % of its funding. Another project for beneficiating iron ore is also underway and is now at pre-feasibility study stage. Through strategic partnerships with two major foreign Development Finance Institutions, the Corporation has made large scale funding for projects requiring above E100 million available for qualifying projects. During the year, three projects were submitted for consideration under this arrangement; one of these was rejected and the others are currently improving their scope for reconsideration. The Corporation started talks towards and is concluding partnership engagements for a facility to cover partial funding of feasibility studies.

### **III. Future Plans**

The ENIDC will focus on:

- i. Financing medium to large scale projects fulfil its mandate. Target sectors include the mining and agriculture’
- ii. Concluding a funding channel for feasibility studies to unlock large scale project study and therefore implementation.
- iii. Exploring the Creative industry to bring a number of marginalised businesses into the industrial sector.

