



UNITED NATIONS
ESWATINI



COMMON COUNTRY ANALYSIS
ADDENDUM 1

DECEMBER 2022

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United Nations Country Team in the Kingdom of Eswatini.

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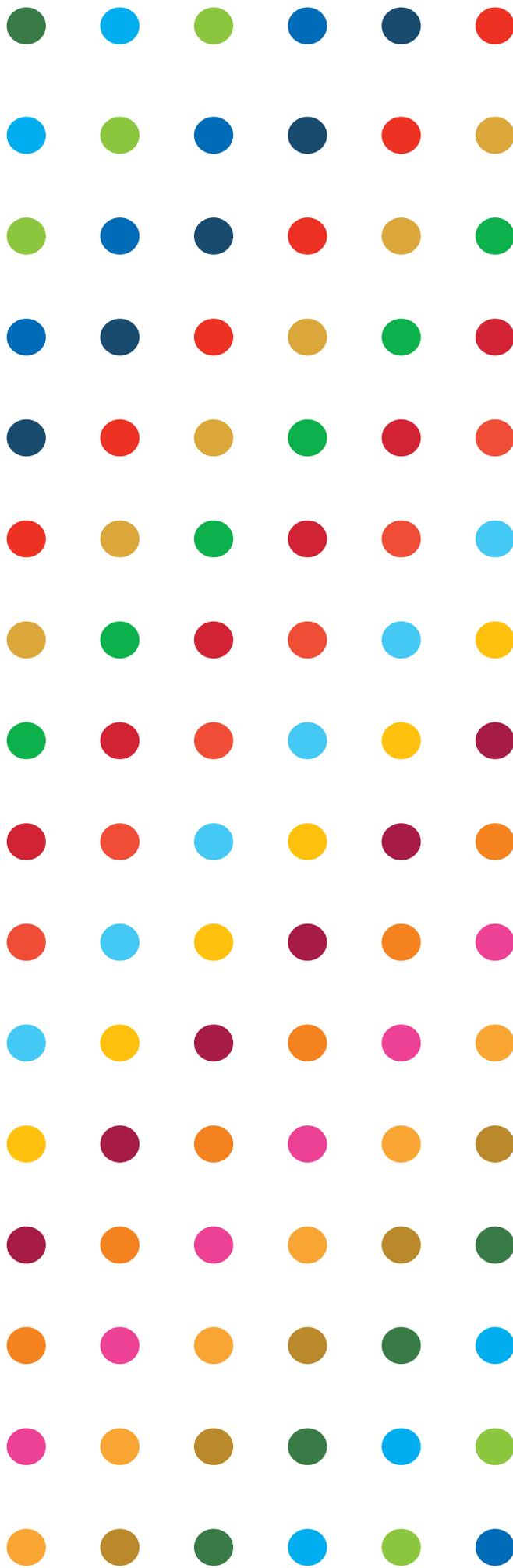
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FOREWORD



Mr. George Wachira
UN Resident Coordinator



The Common Country Analysis (CCA) is a live document updated annually to enable timely, integrated response to emerging issues through evidence-based programming.

Updating the CCA annually recognizes the impact of the ever-changing development landscape in relation to the implementation of the United Nations Sustainable Development Cooperation Framework (UNSDCF 2021-2023). This process is in line with the United Nations reforms aimed at repositioning the UN Development System (UNDS) to better support countries achieve Agenda 2030.

The support of the United Nations Development Coordination Office (DCO) in this comprehensive exercise is highly appreciated.

Since the CCA report of April 2020, Eswatini has been adversely impacted by the challenges of the COVID-19 pandemic, Cyclone Eloise, civil unrest and supply chain disruptions caused by the war in Ukraine.

Economic growth continues to be sluggish and is characterized by a fiscal crisis, high levels of youth unemployment, poverty and inequalities, low levels of private investment, perceptions of rising insecurity, erosion of basic human rights and shrinking civic space; resulting in worsening human development indicators.

All these developments call for a re-think of the country's economic growth model to address the structural socio-economic and governance challenges.

The CCA update is designed to identify progress, gaps, opportunities, and bottlenecks to the country's sustainable development agenda in keeping with the aspirations of meeting the targets of the SDGs.

It examines national developments, including progress on the SDGs, impact of exogenous threats and risks, the financing landscape, and indemnifies areas where the UN could perform a fundamental role.

The addendum reflects the integrated nature of the SDGs, and is structured to provide a cumulative, logical articulation of the key development challenges and opportunities to inform ongoing strategic programming decisions in line with the UNSDCF 2021-2025.

ACKNOWLEDGEMENTS

The production of this analysis could have not been done without the commitment, technical support and inputs of various groups and teams.

Under the leadership and the overall coordination of the UN Resident Coordinator in the Kingdom of Eswatini, Mr George Wachira, the UN Country Team (UNCT) and its technical arm, the Policy and Programmes Support Group (PPSG) who initiated the process under the leadership of RCO Economist, Mr Mphucuko Mamba, International Consultant, Prof Okwach Abagi, who provided technical support and guidance in the finalization of the CCA Addendum Report.

We would also like to thank technical experts from various UN Agencies who submitted inputs and participated in various meetings during the CCA update period. The drafting team acknowledges and appreciates inputs provided by various stakeholders, CSO and, private sector.

We also wish to thank UN colleagues from the Development Coordination Office (DCO) Africa Regional Office in Addis Ababa, Ethiopia and Mr. Kwasi Amankwaah, Regional Program Adviser. Finally, we extend our warm thanks and appreciation to all colleagues from DCO and UN agencies (especial UNDRR), funds and programmes for the sound guidance, continuous assistance and the series of webinars which have helped UNCT Eswatini carry out this exercise in the utmost professional manner in line with DCO CCA guidelines.

We are also grateful for inhouse support on the graphic design by RCO Programme Communications & Advocacy Officer, Mr Sibusiso Mngadi, proof reading by Mr Ferdinand Von Habsburg-Lothringen and logistical and administrative support provided by RCO Team Leader, Mr Benjamin Ofosu Koranteng and Admin Assistance, Mpho Johnston.



UNCT Members and partners at the start of the UNCT Retreat held at the Pigg's Peak in Northern part of Eswatini in August 2022

ACRONYMS

UNRC	United Nations Resident Coordinator
UNCT	United Nations Country Team
DCO	Development Coordination Office
CCA	Common Country Analysis
UNSDCF	United Nations Sustainable Development Cooperation Framework
SDG	Sustainable Development Goal
PPSG	Policy Program Support Group
RCO	Resident Coordinator's Office
UNEP	United Nations Environment Programme
UNDRR	United Nations Disaster Risk Reduction
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
WFP	World Food Programme
WHO	World Health Organisation
FAO	Food and Agriculture Organisation
ILO	International Labour Organization
SACU	Southern African Customs Union
GDP	Gross Domestic Product
NDP	National Development Plan
NDS	National Development Strategy
SRM	Strategic Road Map
LUSIP	Lower Usuthu Smallholder Irrigation Project
MNWAP	Mkhondvo – Ngwavuma Water Augmented Program
INFF	Integrated National Financing Framework
IMF	International Monetary Fund
WB	World Bank
PSFM	Public Sector Financial Management
VAC	Vulnerability Assessment Committee
NDMA	National Disaster Management Agency
ODA	Official Development Assistance
VNR	Voluntary National Report
UPR	Universal Periodic Review
CRC	Committee on the Rights of the Child
NMRF	National Mechanism for Reporting and Follow-up
IPC	Integrated Food Security Phase Classification
HTEI	Higher and Tertiary Education Institution
DPMO	Deputy Prime Minister's Office
MEPD	Ministry of Economic Planning and Development
HCI	Human Capital Index
NSSV	National Surveillance System Report
SADC	Southern Africa Development Community
ASP	Adaptive Social Protection
CHRPA	Commission on Human Rights and Public Administration/ Integrity
NGO	Non-Government Organisation
GBV	Gender Base Violence
NWA	National Water Authority
FDI	Foreign Direct Investment
DFA	Development Financial Assessment
PPP	Private Public Partnership
MoF	Ministry Of Finance
CSO	Central Statistics Office
CSO	Civil Society Organization
CBE	Central Bank of Eswatini
CS-DRMS	Commonwealth Secretariat Debt Recording and Management System
PFM	Public Finance Management
GRB	Gender Responsive Budgeting
DRR	Disaster Risk Reduction
IFMIS	Integrated Financial Management Information System
IFI	International Financial Institutions
EWS	Early Warning Systems
CRNA	COVID-19 Recovery Needs Assessment



EXECUTIVE SUMMARY

In April 2020, the UN Country Team (UNCT) finalized the Kingdom of Eswatini Common Country Analysis (CCA), which provided a contextual analysis and set the basis for the formulation of the United Nations Sustainable Development Cooperation Framework (2021-2025) for Eswatini. The CCA Update 2022 (Addendum) is a regular annual update of the CCA, undertaken by the UNCT to take note of the potential contextual changes that could be considered within the implementation of the UNSDCF 2021-2025. The Addendum has five sections:

Section 1 is an introduction, summarizing the country's context; reflecting on 2020 Baseline CCA, and presenting the process of the CCA Update 2022.

Section 2 presents the key development since the baseline CCA, including update on Eswatini's performance on SDGs; the status of governance, rule of law and human rights; the socio-economic impact of COVID-19 and other events since 2020; and development in the area of climate change, environment and natural resources. The section also summarizes the updated financing landscape analysis.

In progress on SDGs: The update indicates that Eswatini's progress towards the 2030 Agenda and SDGs continue to be average. According to the Sustainable Development Report 2022, Eswatini had a score of 54.6 (out of 100) on progress made on the achievement of SDGs. The main reason for the slow pace of achieving national development goals and SDGs is the country's recently experienced major shocks among which were climate related (Cyclone Eloise), health and economic related (COVID-19 pandemic) and, the unprecedented civil unrest during 2021. The shocks have had devastating effect on the economy and livelihoods.

In the area of governance, rule of law and human rights, the update captures the unprecedented and prolonged civil unrest that began in May 2021, with calls for political reforms, an end to police brutality, and for delivery of basic services to citizens. Expressions of public frustration led to use of excessive force by security forces, deaths and injuries and destruction of property, abuse of human rights, dignity and

freedom of expression. The human rights situation in Eswatini has remained volatile since the civil unrest in 2021, characterized by consistent demands for change, the release of the two MPs accused of supporting pro-change agitations, sporadic protests characterized by organised demonstrations on salary increments by police, nurses; increased harassment and violence against pro-change groups including dawn and night raids by security officers. The emergence of violent extremism in mid-2022, with an armed group targeting and killing security forces (including members of the military, police and correction services) and burning government and private properties and targeting other business investments is a dangerous development in the country. Currently the situation in Eswatini is tense, volatile and fluid, threatening peace and security, as well as investment, economic growth, social transformation and cohesion. The trajectory towards national development goals and SDGs is under threat.

Socio-economic development update, The COVID-19 pandemic exacerbated an already difficult socio-economic situation in Eswatini with slow economic growth in previous years and fiscal challenges, such as falling SACU revenues and high wage bill. Eswatini's Real GDP growth was projected to grow to 1.1 percent in 2022. Overall, on a per capita basis, GDP declined to the lowest levels in 5 years, reaching USD 3,415.4 impacted by COVID-19, climate change, poor governance, civil unrest and limited capacity in both the public and private sectors. Economic activity is expected to accelerate in the medium term and average 4.1 percent between 2023 to 2025. The main sources of growth are earmarked to emanate from increased government investment in productive sectors, including implementation of the [Lower Usuthu Smallholder Irrigation Project](#) (LUSIP) II as well as the commencement of the multi-billion SZL Mkhondvo - Ngwavuma Water Augmented Program (MNWAP).





As differences in price levels across the world evolve, the global poverty line has to be periodically updated to reflect these changes. In September 2022, the World Bank published an updated international poverty line raising from \$1.90 to \$2.15 per person per day. This reflects a change in the units in which the World Bank expresses its poverty and inequality data from international dollars given in 2011 prices to international dollars given in 2017 prices. The implication for Eswatini is that the estimated poverty rate is now 36.1%. This is higher than the previous estimate of 29.2% (using \$1.9 per person per day in 2011 PPP). The change is equivalent to approximately 76,866 individuals.

Through support of UN Eswatini (led by ILO and UNDP), the Ministry of Labour and Social Security conducted Eswatini Integrated Labour Force survey of 2021 and, highlighting that unemployment rate increased from 23% (2016) to 33% (2021). The majority of unemployed are from the rural areas at around 63.3% compared to 36.7% in urban zones. Youth unemployment increased from 47.4% in 2019 to 58.2% in 2021. This may have been impacted by high socio-economic shocks compounded by poor GDP growth, poor governance and the effect of climate change. According to the Eswatini VAC report (2022) and Integrated Food Security Phase Classification (IPC) (July 2022), over 183,000 people (16% of the population) were estimated to be IPC Phase 3 (Crisis) or above (in June and September 2022), with 169,000 people in IPC Phase 3 (Criss), and 14,000 in IPC 4 (Emergency). Furthermore, it was projected that October 2022 to March 2023,

256,000 (22% of the population) will face high levels of acute food insecurity (IPC Phase 3 or above).

In the area of **climate change, environment and natural resources**, the major highlight is that Eswatini's vulnerability to natural hazards contribute greatly to increased poverty, internal migration and inequalities across the country. The adverse impact of natural hazards, particularly droughts and severe flooding, undermines poverty eradication efforts, increases food insecurity, especially among vulnerable groups such as child-headed households, women and youth. Degradation of biodiversity and ecosystems, due to unsustainable management and use of natural resources and pollution from agricultural development, industrial development activities and unplanned urbanization, is compounding the vulnerability of the economy and the population. The loss of primary forest, woodlands and grasslands, which are biodiversity rich areas, was estimated at 11% between 1990 and 2018 whilst human settlements and subsistence cropland increased by an estimated 5% and 8.5%, respectively, during the same period. As things stand, the country's main catchment' stream-flows are projected to decrease by 40% by 2050. Eswatini's National Development Plan 2023/24 – 2027/28 recognises the need to tackle degradation of natural resources, limited access to clean energy services and mitigate and adapt to extreme weather conditions and natural hazards as a necessary condition to achieve the desired growth rate of 5 percent per annum.

Section 3 sets out the updated financing landscape analysis. The key highlight is that Eswatini conducted a Development Financial Assessment (DFA) in January 2022. The DFA report indicates that in the last five years, total development financial flows into the country during the period show a total of SZL 201 billion. Public flows, during the period totalled SZL 105 billion while private flows accounted for the remaining SZL 96 billion. The NDP 2023/24 – 2027/28 articulates government’s priority areas of investment including: Good Governance, Economic Recovery and Fiscal Stability; and Enhanced Social and Human Capital Development and Sustainable Livelihood. Although Eswatini’s investment in the social sector is encouraging, evidence available indicates that more investment in health, education and social protection is required. Eswatini’s total budget allocation to the health sector in fiscal year 2021/22 has nominally increased by 1.8 percent from E2.74 billion in the previous year to E2.79 billion. However, the allocation falls short of spending needs exacerbated by COVID-19. Education spending in the same period has modestly increased from E3.57 billion in the previous year to E3.66 billion, but allocations fall short of spending needs exacerbated by COVID-19, including the need for digital learning. Eswatini is committed to establishing an [Integrated National Financing Framework \(INFF\)](#) and is seeking support from development partners to do this. This is to have capacity to be able to have a comprehensive view of all financing flows. The INFF dashboard would be a useful and efficient way to monitor and track financial flows and exchange data with other international data platforms such as the World Bank and IMF’s.

Section 4 provides an assessment of multidimensional risks analysis and concludes that the multi-dimensional risks that were highlighted in the Baseline CCA 2020 remain the same, while in some cases higher than they were in 2020. Their likelihood and potential impacts remain high in 2023 and beyond, unless comprehensive interventions are put in place.

Finally, **Section 5 summarizes the key gaps and challenges as well as opportunities** for transformation and change. The conclusions are twofold: Firstly, there is need for more inclusion of those left behind/or at risk of being further left behind into Eswatini’s development planning, programming, implementation, monitoring and

feedback cycle to promote accountability. Secondly, if the political impasse and governance challenges remain unaddressed or only partially so, with continued deterioration of peace and security, Eswatini will likely remain in a prolonged crisis. This will negatively affect the achievement of national development goals and SDGs. Eswatini needs an environment of peace and security; respect for human rights, dignity and freedom; and good governance, including [public sector financial management \(PSFM\)](#), going forward.

Conclusions, the CCA Updates report represents a comprehensive update of the CCA Baseline 2020, providing areas for course corrections that might be needed to inform the current CF. It shows that the gaps and challenges, that are also the opportunity areas for transformation and change towards SDGs and national priorities, and multidimensional risk identified in 2020 have remained high and their likelihood and impact high in Eswatini’s development trajectory to 2023 and beyond. If the political impasse and governance challenges are not addressed, and peace and security continue deteriorating, Eswatini could remain in a prolonged crisis. This could not only regress the gains made on achieving national development goals and progress on SDGs, but also worsen Eswatini’s poverty, food and nutrition insecurity, inequality, and youth unemployment in the medium term. And risk plunging the country into a vicious cycle of poverty and insecurity.

Eswatini needs an environment of peace, safety and security; respect to human rights, dignity and freedoms of association and expression; and good governance, including public sector financial management (PSFM), going forward.

⁴ Women and girls in Eswatini are more vulnerable to climate change and associated disasters. Their vulnerabilities are linked to higher poverty incidence at 67% for female-headed households compared to their male counterparts at 59%. Their limited ownership and control over productive resources increases their vulnerability to food insecurity caused by e.g. floods or droughts.

⁵ UNICEF Eswatini Health Budget Brief 2021; UNICEF Eswatini Education Budget Brief 2021.





1.0 INTRODUCTION: Baseline 2020 CCA

1.1 CONTEXT

The Kingdom of Eswatini is a small land-locked country in Southern Africa bordered by Mozambique and South Africa. The population of Eswatini is around 1.2 million, of which 51.4% are women. Over 78% of the population lives in rural areas. Eswatini has a young and growing population with nearly half (46.9%) of the population under the age of 25 (47.4% male and 46.3% female). The country measures 17,000 square kilometres. Although small in size, the country land and climate are diverse with four agro-ecological zones, including the mountainous high-veld with gorges, waterfalls and rivers; the middle-veld, endowed with fertile soils and home to the largest industrial area; the low-veld with sub-tropical climate, where most of the sugarcane farming takes place; and the Lubombo plateau, which exhibits climatic conditions similar to those of the middle-veld.

The UN Eswatini Common Country Analysis (CCA), concluded in April 2020, referred to as Baseline CCA in this Addendum, described and analysed Eswatini's progress towards achievement of national development goals and SDGs. (CCA Report 2020.pdf) The Baseline CCA 2020 also identified groups left behind and/or at risk of being left behind in the process of Eswatini's development. This contextual assessment supported and informed the development of the Eswatini United Nations Sustainable Development Cooperation Framework (2021-2025) (UN Cooperation Framework).

Realizing that Eswatini has been affected by major socio-economic and environmental challenges and risks including COVID-19 pandemic, Climate change, Civil unrest (3Cs) and the impact of the ongoing Russia-Ukraine since 2020, the United Nations Country Team (UNCT) made a decision to conduct a review and update the Baseline CCA. The

objective of the update was to take stock of the country's progress on SDGs, identify gaps/challenges and risks that could have an impact on Eswatini's development trajectory to 2030. The review and update aimed to help the UNCT to identify course corrections that might be needed in the Cooperation Framework and its Theory of Change.

METHODOLOGY

Through the Resident Coordinator (RC) and UNCT guidance, UN PPSG and M&E undertook the task of updating the CCA in a form of an addendum. The update was based on extensive desk review and analysis of relevant documents and data from national and international sources, and inputs received from the technical experts in UN agencies, non-resident (UNDRR, ILO, UNEP) included. The review included inputs from government's latest publications (produced during the period under review) and non-state (the private sector, religious organization and CSOs) and stakeholders (UNCT Retreat). Key government documents that were consulted during the update are specified in Annex 1, but included, among others:

- National Development Plan 2023/24-2027/28
- Second Voluntary National Review (VNR) Report 2022
- Kingdom of Eswatini (National Employment Statistics Unit), 2021
- Vulnerability Assessment and Analysis Report, 2020,2021 and 2022.
- Commission on Human Rights and Public Administration, Eswatini. June 2021. Preliminary Assessment Report on Civil Unrest in the Kingdom of Eswatini.
- National Disaster Management Agency (NDMA). (January 2021). Cyclone Eloise Rapid Needs Assessment Report, Kingdom of Eswatini.

⁶ Including children, adolescents, youth and women, persons with disabilities, people living with HIV/AIDS, albinism, autism as well as Lesbian, Gay, Bisexual, Transgender, Queer and Intersex (LGBTQI) persons and persons deprived of liberty

⁷ The Resident Coordinator's Office organized a three-day retreat for the Team of Experts and PPSG members to review and refine the updated CCA (Addendum). Inputs from non-resident UN agencies, Funds and Programmes were also taken into consideration when preparing the final report.



*Minister of Economic Planning & Development,
Dr. Tambo Gina*

UNITED NATIONS
SWATINI

2.0 CCA UPDATE 2022

2.1 ESWATINI'S PROGRESS ON SDGS

The Government of Eswatini had targeted 2019-2022 as the period for the implementation of economic recovery reforms, but the country suffered various recent shocks including climate related (Cyclone Eloise) and the other being health and socio-economic related (COVID-19 pandemic). In addition, from June 2021, the country experienced unprecedented and prolonged civil unrests. These shocks have had devastating effects on the economy and livelihoods, and contributed to the decline in the annual GDP from the 2018 figure of 2.8% reported in the last Voluntary National Review (VNR) to 1.9% in 2020 in comparison to a target of 5% - 7% in annual GDP. The Eswatini Integrated Labour Force survey of 2021 shows that the unemployment rate increased from 23% (2018) to 33% (2021). Similarly, the youth unemployment rate also increased from 47.4% in 2019 to 58.2% in the same period. While the COVID-19 pandemic and civil unrest have reversed progress that Eswatini has made in many development areas, discussions about recovery, transformation and building a better, effective and resilient society have been undertaken among various government and non-state stakeholders.

According to the Sustainable Development Report 2022, Eswatini ranked 137 out of 163 countries, with a score of 54.6 (out of 100) on progress made on the achievement of SDGs. This suggest that the country is barely on an average development trajectory (55% of the way to the best possible outcome across the 17 Goals (Figures 2.1 and 2.2).

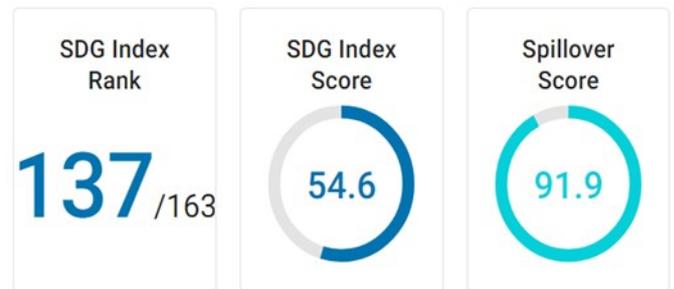


Figure 2.1: Eswatini 2022 Rankings

Eswatini poses a spill-over Index value of 91.9%, indicating that the country has a high potential of turning the existing socio-economic and environmental challenges and opportunities around to fast-track achieving of SDGs and addressing national development goals.



Figure 2.2: Eswatini SDGs Dashboard and Trends

⁸ Eswatini Second Voluntary National Review (VNR), 2022.

⁹ The Spillover Index assesses such spillovers along three dimensions: environmental & social impacts embodied into trade, economy & finance, and security. A higher score means that a country causes more positive and fewer negative spillover effects.





Eswatini's progress towards the 2030 Agenda and SDGs continues to be average. The main reason for the past development and social challenges was inherently limited inclusion and poor governance. The civil unrest of 2021, poor governance and major policy slippages and structural challenges including institutional dysfunction, limited capacity, and corruption, diverted the country from its positive development trajectory. The exogenous shocks, such as the COVID-19 pandemic, climate change and other hazards have also contributed significantly to underachievement of SDGs, in particular increasing poverty, unemployment, food and nutrition insecurity; driving tension and youth vulnerability across the country. The risk for those identified in 2020 as left behind in development being further pushed behind is high. There are also gaps in comprehensive disaggregated data, for example on multi-dimensional poverty, inequality, SGBV and those suffering from mental health, for evidence-based policy and programming. As such, there is limited data to report on the Sendai Framework for Disaster Risk Reduction (SFDRR), and to coherently able to assess disaster risks that threaten to undermine efforts for achieving the SDGs.

The Government, through the National Development Plan (NDP) 2023/24-2027/28 and Voluntary National Review (VNR) Report 2022 recognizes these challenges. The NDP embodies the following objectives:

Implementation of good governance principles to ensure sound economic management - public finance management, fiscal stability and gaining efficiencies, elimination of corruption, respect to the rule of law and human rights;

Strengthening the role of the state in facilitating and guiding socio-economic development;

Rebuilding of the nation and its social fabric for unity, peace and stability. Eswatini has always been known for peace and stability which has been conducive for tourists and investments;

Transformation of agriculture into a productive, high value and market-oriented sector, also capable of providing adequate diverse and nutritious food supplies to the nation;

Development of a competitive private sector with a diversified product package to boost growth, exports and employment;

Comprehensive investments in human capital development encompassing education and skills development, health, as well as harnessing information and technology;

Youth and gender empowerment. Nurturing the potential of the youth and vulnerable groups;

Revitalise the economy for recovery underpinned by inclusive and sustainable growth; Better manage Eswatini's environment and its natural resources;

Invest in quality, viable and resilient infrastructural development, climate proofing all investments;

Promotion of regional economic integration and cooperation; and

Cross-cutting issues: policy reform implementation, gender equity, climate change, disaster risk reduction, sustainable environmental and natural resource management; and ICT.



SDG Voluntary National Review Team at the validation meeting held at the Happy Valley Hotel in Ezulwini in April 2022

The Eswatini VNR 2022 articulates the following challenges the country faces in the implementation of SDGs:

1) Limited resources available for implementation of SDGs related programmes in the

context of fiscal challenges. There is declining support for development in the country in terms of ODA. The Middle-Income country status, which has resulted in inability to access concessional loans.

ii) Availability of timely and quality data to inform programming affected the performance in monitoring of indicators. Data production is costly and competes with other priorities of the country resulting in time lags for availability of updates on data. This compromises the impact of initiatives that are put in place to address development challenges.

iii) Limited capacity for effective implementation of the goals at different levels.

Implementation of the goals has to be visible at grassroots level through the forward and backward linkages between national and grassroots levels. Capacities at the levels below the national level is very limited and needs strengthening.

iv) Involvement of the private sector in development is another challenge. The country has a small economy and government is the main actor in development. This has resulted in crowding out of the private sector as its participation in implementation of

the goals is very limited.

(v) SDGs Popularity and clarity of roles - some stakeholders are still not fully conversant with the meaning of the goals. There is need to have continuous sessions and programmes on the goals to eventually get everyone on the same level of understanding of the concept and to clarify their roles and responsibilities to these ends.

The Government of Eswatini, through the Ministry of Economic Planning and Development, has launched a comprehensive list of projects to rebuild the economy after the Covid-19 pandemic and to achieve key medium-term development objectives. The NDP also incorporates projects to facilitate and encourage private sector's participation in the development efforts of Government. The selected sectors for private investment include Industry, Energy, Manufacture, Tourism, ICT and Water and Sanitation. These projects will be open to foreign and domestic investors interested in channelling resources to profitable projects while having a positive impact in the development efforts of the country. Eswatini's VNR 2022 report concludes that the overall assessment of the country's progress towards Agenda 2030 and achievement of SDGs attest the need for ensuring an enabling policy environment for all sectors and adhere to Sustainable Development Conventions such as the Paris Agreement and Sendai Framework for Disaster Risk Reduction.





KINGDOM OF ESWATINI

SECOND VOLUNTARY NATIONAL Review Report



"Sustainable and resilient recovery from the COVID-19 pandemic that promotes the economic, social and environmental dimensions of sustainable development: building an inclusive and effective path for the achievement of the 2030 Agenda in the context of the decade of action and delivery for sustainable development".

MINISTRY OF
ECONOMIC PLANNING AND DEVELOPMENT

JUNE 2022

2.2 GOVERNANCE, RULE OF LAW AND HUMAN RIGHTS UPDATES

2.2.1 Overview

The Kingdom of Eswatini maintains a dual governance structure: the modern system and the traditional system. The Constitution (adopted in 2005) remains a supreme law of the land and it provides for three independent organs or arms of governance, which are the Executive, a bicameral Legislature and the Judiciary. Each of these organs is independent from the other arms. The Constitution provides the Bill of Rights that promotes participation, accountability and gender equity as well as guaranteeing fundamental freedoms. Constitutionally, the King holds supreme executive powers and appoints the judiciary and the Prime Minister who is head of the Cabinet. Moreover, the Constitution recognizes Swazi law and custom (unwritten) that is somewhat incompatible with international human rights law, norms and standards. At the local level, he devolves his powers through the *Tinkhundla* system, ruling through traditional chiefs. These chiefs govern their respective localities in the King's name, administering land and legal disputes for the local villagers. Traditional chiefs also play a critical role in elections, vetting prospective candidates for elections before they can contest for office. The Constitution provides for equality before the law, but also places the King and the Queen Mother above the law. Despite the Constitution, which guarantees basic human rights and the country's international human rights obligations, the government has not reviewed the decree or changed the 1973 law to allow the formation, registration, and participation of political parties in elections. Hence, the right to participate in political processes remains curtailed. Overall, women are politically marginalized, with the lower house of Parliament falling short of 30% gender quota after 2018 elections.

2.2.2 Eswatini's Commitments to International Norms and Standards

Since 2020, [Eswatini's National Mechanism for Reporting and Follow-up \(NMRF\)](#) within the Ministry of Justice has enhanced its technical capacity and now has a permanent secretariat. The NMRF together with the Inter-Ministerial Committee has played a critical role in coordinating reports between government ministries and implementing recommendations from the UN and regional human rights mechanisms including Treaty Bodies, Special Procedures and the Universal Periodic Review (UPR). In September 2021, the Committee on the Rights of the Child (CRC) reviewed Eswatini and urged the State party to revise its legislation and to amend the Marriage Act to ensure that the minimum age of marriage is 18 for both girls and boys, and to take all necessary measures to eliminate child marriages in practice. To address the high rate of early pregnancies, the Committee recommended that the State party provide young girls with access to family planning services, affordable contraceptives and safe abortion. It also called on Eswatini to take actions to make comprehensive sexual and reproductive health education compulsory in schools.

The Government of Eswatini has accepted its first visit by a Special Procedures mandate holder. The Special Rapporteur on extreme poverty is scheduled to visit Eswatini in May/June 2023. Eswatini was also reviewed during the 3rd cycle of the UPR in November 2021. It received 222 recommendations and it supported 156 recommendations (an increase in 19 percent from the 2nd UPR cycle) at the adoption its UPR in March 2022 during the 49th session of the Human Rights Council. Supported recommendations related to: legal and general framework of implementation, international humanitarian law, universal and cross-cutting issues, civil and political rights, economic, social, and cultural rights, women's rights, children's rights, and other specific groups and persons. Recommendations were aligned with the SDGs as follows: 50% with SDG 16 (peace, justice and strong institutions), 17% with SDG 5 (gender equality) and 10% with SDG 10 (reduced inequalities). Eswatini's Commission for Human Rights and Public Administration / Integrity still lacks financial and administrative independence. However, in 2022, the Cabinet approved the harmonization of the institution with the Anti-Corruption Unit and a draft enabling law is being developed in line with the Paris Principles.





2.2.3 Key development in 2021 and 2022

Unprecedented pro-change demonstrations by citizens began in May 2021, with calls for political reforms, end to police brutality, and criticism of the government’s failure to deliver basic services to its citizens. What began gradually as protests and submission of petitions to MPs turned violent at the end of June 2021. The banning of petitions by the Government on 24th June 2021, further fueled the situation. Burning and destruction of buildings and other properties; looting of shops; and burning of tires were reported. After intensification of violence and in response to the protests, security forces were deployed on 29th June 2021. Consequently, allegations of killings, human rights violations and Gender-based Violence were made. The demonstrations continued through the year, despite a ban on protests from October by the government. Government reported that 27 people had died during the unrest in contrast with civil society that alleged between 60 to 80 people and hundreds injured and more than 1,000 people, including 38 children arbitrarily arrested. The Commission on Human Rights and Public Administration/ Integrity in Eswatini verified 46 deaths, 245 injured and 235 arrested and detained.

The #JusticeForThabani was sparked by the death of law student Thabani Nkomonye in an alleged incident of police brutality. His death led to a

widespread demand for an end to excessive use of force by police and were a catalyst for widespread civil unrest.

The petitioning strategy was the people’s way of exercising their constitutional right to freedom of expression, where they were using the right structures of the system, which are Tinkhundla centres and demanding their MPs to come and receive petitions.

African Commission on Human and People’s Rights Press statement 25 October 2021: <https://www.achpr.org/pressrelease/detail?id=608> and 17 July 2021: <https://www.achpr.org/pressrelease/detail?id=591>

Commission for Human Rights and Public Administration/Integrity, ESwatini. Preliminary Assessment Report on Civil Unrest in the Kingdom of Eswatini, June 2021; Council of Swaziland Churches (CSC). Political Situation in Eswatini, March 2022; Amnesty International Report 2021.

While the government has sought to contain and downplay public dissent since 2021, signs of continued discontent, tension and insecurity abound.. In July 2021, the Southern African Development Community (SADC) of which Eswatini is a member, initiated a fact-finding mission in response to the “political and security disturbances” in the country. SADC envoys returned

¹⁷ <https://www.ohchr.org/en/press-releases/2021/11/eswatinis-human-rights-record-be-examined-universal-periodic-review>

¹⁸ The #JusticeForThabani was sparked by the death of law student Thabani Nkomonye in an alleged incident of police brutality. His death led to a widespread demand for an end to excessive use of force by police and were a catalyst for widespread civil unrest.

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²¹ Commission for Human Rights and Public Administration/Integrity, ESwatini. Preliminary Assessment Report on Civil Unrest in the Kingdom of Eswatini, June 2021; Council of Swaziland Churches (CSC). Political Situation in Eswatini, March 2022; Amnesty International Report 2021.

²² In 2020, Reports without Borders ranked Eswatini 141 out of 180 countries on media freedom, based partly on constraints that journalist face in working freely due to the absolute monarchy, and because courts are not permitted to prosecute representatives of the monarchy.

²³ As the situation is evolving, please find links below to open credible sources (CEOs with ECOSOC status) in relation to freedom of expression and association: Amnesty International: <https://www.amnesty.org/en/location/africa/southern-africa/eswatini/report-eswatini/>; HRW: <https://www.hrw.org/africa/eswatini>; Committee to Protect Journalists: <https://cpj.org/africa/eswatini/>; Open Society: <https://osisa.org/inclusive-national-dialogue-in-eswatini/>; CANGO: <https://cangoeswatini.weebly.com/media/cango-calls-for-investigating-the-police-for-extra-judicial-killings>.



in October 2021 as protests continued, while the South Africa President met with King Mswati III to discuss resolutions to the crisis in November 2021. In August 2022, the SADC Heads of State Summit concluded that an Extraordinary Summit of the Organ Troika plus Eswatini should aim at finding a peaceful and lasting solution to the “security challenges facing the country” at a date to be determined.

The human rights situation in Eswatini has remained volatile since the civil unrest in 2021, characterized by consistent demands for change, the release of the two MPs, sporadic protests, and continued presence of security forces in the streets in some parts of the country. Worrying trend that demonstrate a breach of the social contract are characterized by organised demonstrations on salary increments by police, nurses; increased harassment and violence against pro-change groups including dawn and night raids by security officers, violence against protesters, arson attacks against business and government structures, fatal shootings of security officers (police and prison staff), shrinking of civic space and other related developments. On 15 and 16 November 2022, the trial for the two MPs, accused of supporting pro-democracy groups, commenced at the High Court in Mbabane. There was a national economic shutdown with no public transportation throughout Eswatini for two days as transport workers went on strike in solidarity with the MPs. Shops, businesses and the majority of schools in the urban centres closed. The army was deployed to prevent crowds from marching to the High Court, while live rounds and teargas were reportedly fired. The trial was adjourned to 13 December 2022 and to end of January 2023.

In conclusion, the current state of political governance and insecurity situation in Eswatini risks undermining achievement of the SDGs. The current civil unrest, while perhaps less intense to that of 2021, is contrasted by the emergence mid-2022 of an armed group calling for the overthrow of the country’s leadership/government, targeting and killing security forces including police and members of correction services, burning

residences and business investment (including hijacking trucks transporting goods and burning shops). This marks a significant and concerning development in the country, creating uncertainty and undermining peace and security. Emphasis on the security sector could lead to development resources being shifted away from development. Under the Global Peace Index, Eswatini has dropped through 2012-2021 period and ranked at 1.96 in 2021. According to 2021 Mo Ibrahim Governance Index, Eswatini ranked 36 out of 54 African countries, with a score of 43.8%. According to Transparency International Corruption Perception Index 2021, Eswatini was ranked 122, out of 180 countries and territories globally, with a score of 32 out of 100 (down 1 from 2020) out of 117.

In 2020, Reports without Borders ranked Eswatini 141 out of 180 countries on media freedom, based partly on constraints that journalist face in working freely due to the absolute monarchy, and because courts are not permitted to prosecute representatives of the monarchy.

As the situation is evolving, please find links below to open credible sources (CEOs with ECOSOC status) in relation to freedom of expression and association: Amnesty International: <https://www.amnesty.org/en/location/africa/southern-africa/eswatini/report-eswatini/>; HRW: <https://www.hrw.org/africa/eswatini>; Committee to Protect Journalists: <https://cpj.org/africa/eswatini/>; Open Society: <https://osisa.org/inclusive-national-dialogue-in-eswatini/>; CANGO: <https://cangoeswatini.weebly.com/media/cango-calls-for-investigating-the-police-for-extra-judicial-killings>.

²⁴ The Governing Council of Inter-Parliamentary Union dispatched an observer to attend the trial.

²⁵ The group, who has remained largely anonymous, have claimed that they are not affiliated to any political group, and demand national dialogue, release the two pro-democracy MPs, and for democratic reforms in Eswatini.

²⁶ According to various media sources at least 10 security personnel from the Royal Eswatini Police Service (REPS), His Majesty’s Correctional Services (HMCS) and from the Umbutfo Eswatini Defense Force (UEDF) have been killed.

²⁷ <https://knoema.com>

²⁸ Transparency International CPI rank countries around the world by their perceived level of public sector corruption (score of 0 depicts highly corrupt to 100 very clean).

2.3 ECONOMIC SITUATION UPDATES

2.3.1 Overview

The COVID-19 pandemic compounded Eswatini's already difficult socio-economic situation with slow economic growth in previous years and fiscal challenges, such as failing SACU revenues and high wage bill, rising fiscal deficit and public debt, affecting the productive age group in particular. The country recently experienced major shocks one of which was climate related (Cyclone Eloise) and the other being health and socio-economic related (COVID-19 pandemic). In addition, the country experienced an unprecedented and prolonged civil unrest during 2021. The Russia-Ukraine war has also impacted the country. This is mainly because Eswatini is a net importer of crude oil, fertilizer, and food (mainly grains and edible oils). As of July 2022, food and fuel prices were recorded at historical high levels of 8.0% and 62.3% respectively. Such inflationary pressures have eroded the purchasing power of many households, especially the poor and vulnerable groups, thereby weighing negatively on their spending. These shocks have had devastating effect on the economy and livelihoods. The shocks have contributed to the decline in the annual growth of GDP from the 2018 figure of 2.8% reported in the last Voluntary National Review (VNR) 2019 to -1.9% in 2020 against a target of 5% - 7% in annual GDP growth. National unemployment rate increased from 23% reported in the last VNR to 33.3% in 2022. Similarly, youth unemployment rate also increased from 47.4% reported in 2019 to 58.2% in the same period. The regression in performance of these indicators is reversing progress made in achieving national development goals and SDGs. Recent assessments on the impact of COVID-19 and Poverty estimates that poverty rates may increase between 2.3 - 5.6%, such that about 27,435 to 65,844 people may fall below the poverty line. The COVID-19 pandemic together with harsh environmental conditions and unstable political and economic environment have a negative impact on ending hunger. The effect of these was an increase in food insecurity, as a result of limited income sources, restricted commodity movements and inaccessibility of markets and high food prices.

Unfavourable weather conditions – which in the planting season were characterized by drought conditions in last quarter of 2020 and subsequently by storms and excessive rains (including Cyclone Eloise in first two months of 2021) – resulted in flooding, leaching and denitrification thus affecting crop yields (e.g., sugarcane, cotton, vegetables). Poor agricultural produce was reflected in agro-processing particularly sugar production, which fell by 10.3%. Unprecedented socio-political unrests that occurred in mid-2021 also weighed negatively on economic activity, particularly on wholesale and retail activities. However, the launching of the Reconstruction Fund supported a quick recovery for most of the affected entities and thereby cut-back some of the losses in the same period. The easing of lockdown measures in 2021 also accelerated the recovery.

2.3.2 Economic Projections 2022

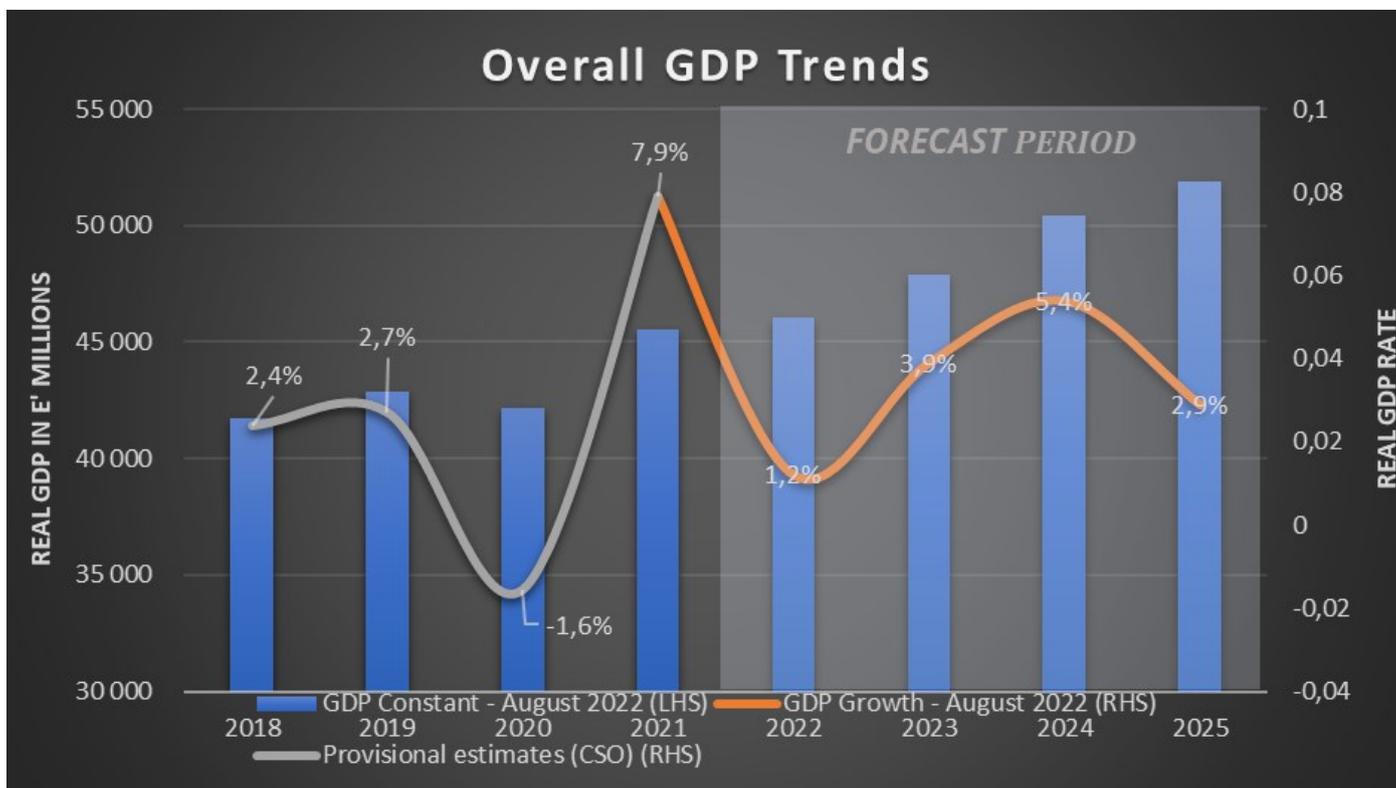
The World Bank diagnostic report on Eswatini's economic situation indicates that the Real GDP growth was projected to slow to 1.1% in 2022 and average 2.7% for 2023-2024, reflecting the implementation of the government's three-year fiscal adjustment program and inflationary pressures from the Ukraine war (Figures E2.3 and 4). The fiscal adjustment will dampen growth in sectors linked to government operations such as construction, public administration, wholesale, and trade, while inflationary pressures dampen domestic demand. Annual average inflation is projected to increase to 4.8% in 2022 from 3.7% in 2021. Further, the tight monetary policy will discourage borrowing and constrain economic activity. The risk of further civil unrest creates uncertainty for medium-term private sector investment and growth.

²⁹ Eswatini volunteered and conducted its Voluntary National Review (VNR) report on the implementation of SDGs in July 2022. This will be Eswatini's second Voluntary National Review (VNR) report following the first VNR report presented at the High Level Political Forum (HLPF) during 2019.

³⁰ Minister of Economic Planning and Development Statement: Eswatini Medium Term Economic Growth Forecasts (2022 – 2025)

³¹ World Bank. Eswatini Economic Outlook 2021/22).





Source: Macro Forecasting Team (August 2022)

2.3.2.1 Medium Term Outlook 2023-25

Economic activity is expected to accelerate in the medium term and average 4.1% between 2023 to 2025. The growth trends are shown in Figures E2.3.2 and E2.3.3. The main sources of growth are earmarked to emanate from full implementation of the Lower Usuthu Smallholder Irrigation Project (LUSIP) II as well as the commencement of the multi-billion Mkhondvo – Ngwavuma Water Augmented Program (MNWAP). Other notable public projects envisaged in the period include the construction of Strategic oil reserve, completion of ongoing projects such as the Nhlanguano – Sicunusa road, International Convention Centre (ICC) amongst others. On the private sector side, projects under the energy sector, include the construction of a 40 MW solar and 40 MW biomass energy generation plants (by the Independent Power Producers – IPPs) as reflected in the Energy Master Plan. The tourism sector is expected to continue in its recovery path throughout the medium term as travel restrictions are projected to remain eased.

For contribution of sub-sectors to 2023-2025 Growth, see Annex IV.

The LUSIP II Project would bring an additional 4,000 hectares under sugarcane production by 2025 and

1,200 hectares on other crops. This is expected to boost the agricultural production as well as agro-processing. The first Phase of MNWAP, which includes the construction of the Mpakeni Dam and subsequent development of 10,000 hectares under irrigation infrastructure, is projected to commence in 2023. This would yield broad based economic activity touching on multiple sectors such as construction, ‘mining & quarrying’, transport and services in general.

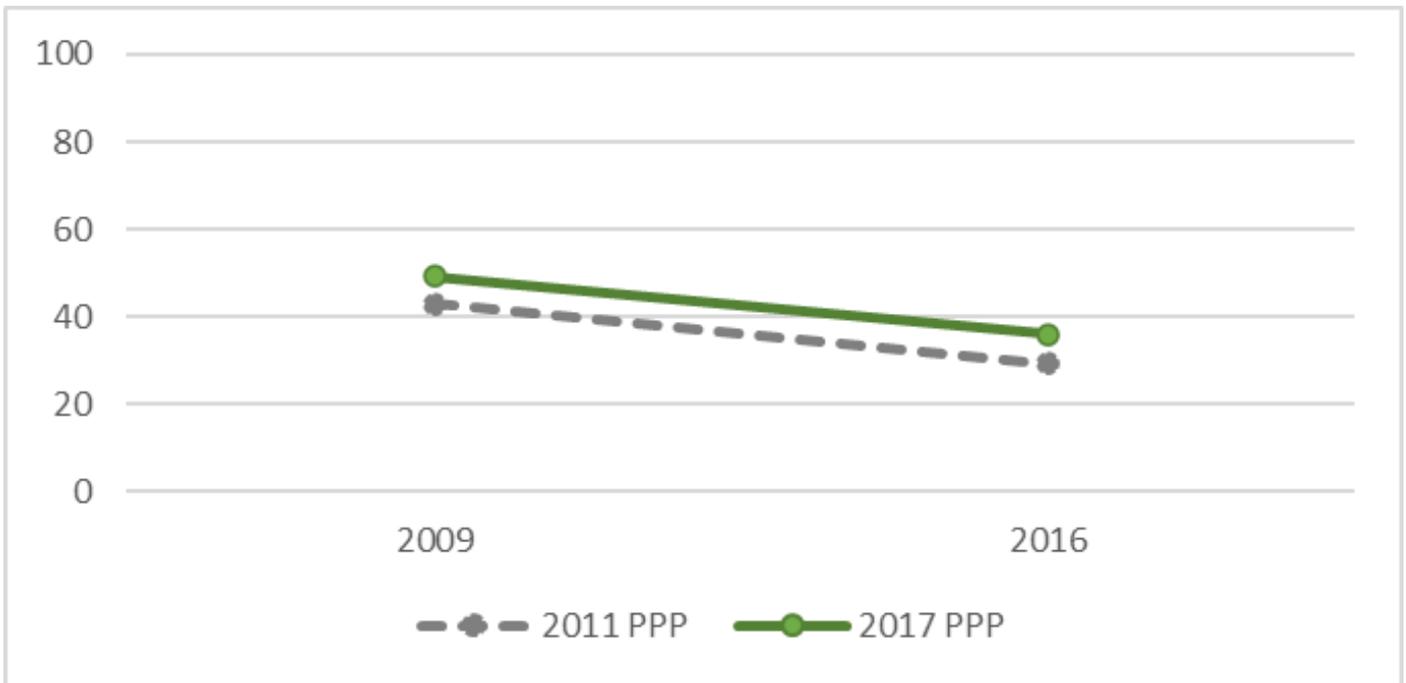
While there has been delays in the procurement of the 40 MW Solar Power, initially expected to come through in 2022, it is expected that in the medium term there would be notable progress as the country aims to improve local power generation.

³² For contribution of sub-sectors to 2023-2025 Growth, see Annex IV.

³³ The LUSIP II Project would bring an additional 4,000 hectares under sugarcane production by 2025 and 1,200 hectares on other crops. This is expected to boost the agricultural production as well as agro-processing. The first Phase of MNWAP, which includes the construction of the Mpakeni Dam and subsequent development of 10,000 hectares under irrigation infrastructure, is projected to commence in 2023. This would yield broad based economic activity touching on multiple sectors such as construction, ‘mining & quarrying’, transport and services in general.

³⁴ While there has been delays in the procurement of the 40 MW Solar Power, initially expected to come through in 2022, it is expected that in the medium term there would be notable progress as the country aims to improve local power generation.





Source: World Bank, 2022

Figure E2.3.4: Eswatini Poverty trends remains the same

The level of poverty remains considerably high particularly for a lower middle-income country of just above a million people. This due to various factors including, among others, recurrent floods and droughts which threatens the livelihoods of the majority of the population,, subsistence agriculture which is rainfed, limited jobs and destruction of means of livelihood, crowding out of the private sector, limited government strategies and programmes on poverty reduction and social protection, and limited accountability and corruption. The Ministry of Labour and Social Security conducted Eswatini Integrated Labour Force survey of 2021, showing that unemployment rate increased from 23% (2016) to 33% (2021). Similarly, youth unemployment rate also increased from 47.4% in 2019 to 58.2% in the same period. The majority of unemployed population is from the rural areas, amounting to about 63.3% compared to 36.7% in urban areas. Poverty reduction in Eswatini is also constrained by limited job opportunities in the private sector (which continue to be very small and crowded-out) with relatively low salaries and weak labor productivity.

World Bank analysis in 2022 indicates that Eswatini remains among the top 15 percent of the world's most unequal countries. The country's Gini coefficient for consumption per capita fell from 53.2 in 2001 to 50.9 in 2016—at only 2.3 Gini points over 15 years. And now in 2022 stands at 54.6 (income and consumption becoming more unevenly distributed). Differences in tertiary or post-secondary education attainment are a key driver of inequality. Disparities in higher education, which is key to human capital accumulation, account for about 36 percent of overall inequality.

³⁷ Eswatini Second Voluntary National Review (VNR), 2022: the Ministry of Labour and Social Security conducted Eswatini Integrated Labour Force survey of 2022.

³⁸ World Bank, 2022, Inequality in southern Africa – Eswatini Brief: an assessment of the Southern African Customs Union



Social Protection: The Government of the Kingdom of Eswatini and its development partners and NGOs (including religious organizations/associations) has been involved in reducing vulnerability among poor households through social protection programmes. Social Assistance Program in the country is coordinated by the Deputy Prime Minister’s Office (DPMO) through the Dept of Social Welfare (DSW) administers Social Assistance Program. Policies, strategies and plans that underscore the critical role played by Social Assistance Programs in Eswatini include the: National Development Plan 2022- 2028; Eswatini Strategic Roadmap 2019-2022; and National Social Assistance Policy (Draft) 2021. With Eswatini’s vulnerability to hazards and shocks, and an increase on number of people who need assistance as indicated above, building and sustaining Adaptive Social Protection (ASP) system is imperative. ASP refers to an agenda for preparing social protection systems to improve their response to shocks and to build the resilience of poor and vulnerable households. Although the government, and NGOs, have mobilized social protection services in response to COVID-19 and other shocks/ disasters, the World Bank Report of 2022 that takes stock of ASP in Eswatini and identified several challenges including the following:

- The role of social protection in responding to shocks and promoting household resilience is only mildly recognized in Eswatini’s existing relevant policies. Resource and capacity constraints limit the ability of key actors, including government, to fulfil their mandates related to DRM and coordination.
- Despite Eswatini’s relatively high coverage for social protection, driven by the School Feeding Program and the Old Age Grant, ASP is constrained by the lack of a cash transfer program targeted to the poor and/ or children that could be scaled up after a shock.
- Food aid reaches only a small percentage of people identified as being severely food insecure. Benefit amounts are generally low, limiting their potential for building household resilience to shocks, although recent efforts have aimed to improve the adequacy of some benefits.
- The transition from manual to electronic delivery of cash benefits has already started in Eswatini, which can speed up response mobilization. Before the pandemic, only about 20 percent of beneficiaries were paid via the electronic transfer method (Raju and

Younger 2021). In April 2020, manual disbursement of the Old Age Grant was transferred to electronic payments to minimize COVID-19 infection risks (GOE 2021),

- The information systems required for effective ASP in Eswatini are assessed as nascent, with the main weakness in this area related to the lack of digital registries and information systems for the major social protection programs. Vulnerability assessments are focused on food insecurity and follow international methodologies. However, the information they generate has some limitations for ASP: it is static, available only once a year, and based on forecasts of future food needs
- Eswatini does not have financing mechanisms in place to support shock-responsive social protection; Social assistance spending in the country is low, about 1.5% of GDP, 8% of the national budget (2021/22). Furthermore, the government does not have a disaster risk financing strategy in place and no financial commitments to fund scale-up of social protection when the need arises.
- Eswatini does not have a contingency disaster risk financing instrument. It lacks contingency planning, risk pooling, and risk transfer facilities (World Bank 2022b). While the country’s Public Financial Management Bill creates a legal framework for a disaster risk management fund, it has not yet been operationalized or capitalized.

These challenges need to be addressed in a comprehensive and sustainable manner to make social protection system in Eswatini effective, efficient and sustainable.

⁴⁷ The World Bank defines ASP in the following way: “Adaptive social protection helps to build the resilience of poor and vulnerable households by investing in their capacity to prepare for, cope with, and adapt to shocks, protecting their wellbeing and ensuring that they do not fall into poverty or become trapped in poverty as a result of the impacts” (Bowen et al. 2020). The four building blocks for ASP include the following: i) Institutional Arrangements and Partnerships; ii) Programs and their delivery system, iii) Data and Information System, and iv) Finance.

⁴⁸ World Bank. 2022. Adaptive Social Protection in Southern Africa: Eswatini Report

⁴⁹ UNICEF. 2022. Eswatini Education and Health Budget Briefs.





GBV and abuse: According to the National Surveillance System Report (NSSV) for the period January-December 2021, there were 15,498 reported GBV/abuse cases against 14,987 survivors, which was an increase from 13,537 in 2020. In 2022 January to June, the NSSV reported a total of 9,756 abuse incidents against a total of 8,554 survivors. The COVID-19 pandemic with lockdowns and distancing has enabled unseen violence, which is a second (shadow) pandemic against women and girls, as in many cases they found themselves in lockdown with their abusers. The country's GBV helplines saw an increase in reporting of cases leading GBV counsellors to be burnt out and needing psychosocial care themselves. The natural disasters i.e. Cyclone Eloise and storms followed by the civil unrest compounded the challenges - making the situation difficult especially for women and girls.

Trafficking in Persons: Eswatini is a country of source, transit, and destination for trafficking in persons. Human traffickers exploit domestic and foreign victims in Eswatini, and traffickers exploit victims from Eswatini abroad. Traffickers target vulnerable communities particularly orphans, in sex trafficking and domestic servitude, primarily in

Eswatini and South Africa. Some Swati girls in forced domestic work are physically and sexually abused by their employers. Unfortunately, trafficking in persons cases are still under reported due to the lack of knowledge among the population to identify and report the cases to the authorities. In 2021, seven cases of trafficking in persons were reported however, according to the Secretariat to Combat Trafficking in Persons under the Prime Minister's Office this number is far from the reality on the ground that is believed to be higher. The government has made significant efforts to create structure at the central level to manage cases of trafficking in persons through the Prime Minister's Office (Secretariat to Combat Trafficking in Persons). However, this structure needs to be decentralized to allow the government to engage the population at the Tinkundla level where the majority of the cases are reported from. Furthermore, additional awareness raising efforts are needed to ensure that community members are able to identify and report trafficking cases. In 2022, the government allocated funds for the construction of the first shelter for Victims of Trafficking (VoTs). The shelter will allow victims to have a safe and protected place to stay while their cases are being processed.



2.3.4 Food insecurity and vulnerability

Acute outcome analysis for the period June to September 2019 indicated that an estimated population of 200,000 (20 % of the rural population) in the country were experiencing severe acute food insecurity, out of which 157,000 people were facing a Crisis situation (IPC Phase 3) and 47,000 people are facing an Emergency situation (IPC Phase 4). 370,000 people were also in a stressed situation (IPC Phase 2). The overall food insecurity was attributed to the dry spells during the start of the season (November – December 2018).

A total number of over 330 000 (30%) of the population in the country was classified on Phase 3 and 4 for the period June – September 2020. For the period October to March 2021 a total number of 366,261 required support as they were in Phase 3 and 4. Over the course of the year, households were faced with a number of shocks that had an impact on households' ability to meet their food and nutritional needs for the current and projected period.

Livelihood and food vulnerability continue to be a major concern in Eswatini. In the 2022 Global Hunger Index, Eswatini ranks 73rd out of 212 countries with sufficient data. With a score of 16.3, Eswatini has a level of hunger that is moderate. Weather-related disasters, high disease incidents and socio-economic shocks compounded by poor GDP growth and poor governance continually driven food security landscape and vulnerability in Eswatini. According to the Eswatini VAC report (2022) and Integrated Food Security Phase Classification (IPC) (July 2022) indicates that (Figure E2.3.2) over 183,000 people (16% of the population) were estimated to be IPC Phase 3 (Crisis) or above (in June and September 2022), with 169,000 people in IPC Phase 3 (Criss), and 14,000 in IPC 4 (Emergency).

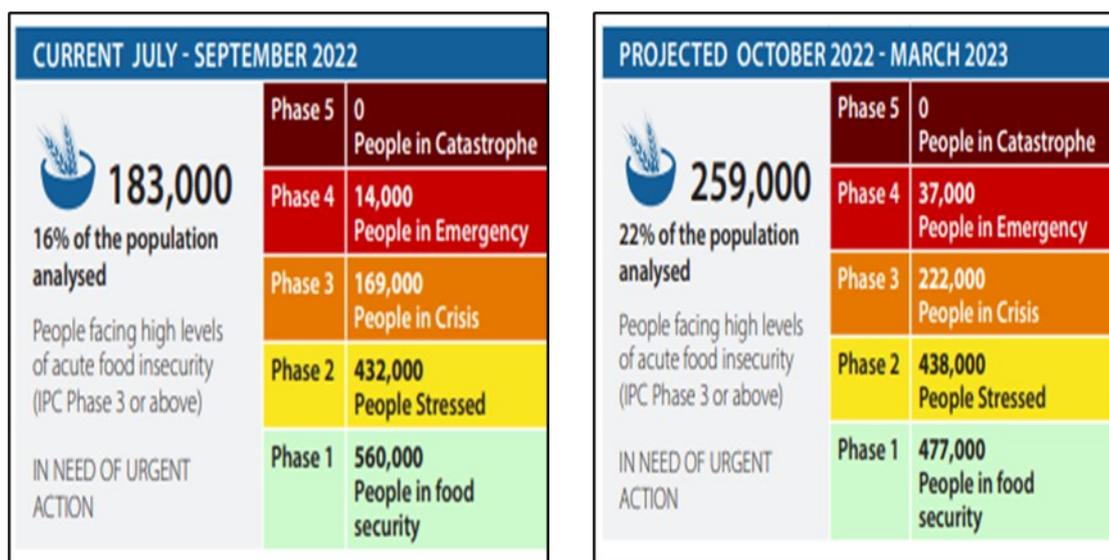
The United Nations Food Systems report 2021 for Eswatini indicates that despite the COVID-19 pandemic, the country held 16 FSS gathering of state and non-state stakeholders. The dialogues revealed that the major challenges to the local food system towards addressing the “Eswatini triple burden” of malnutrition marked by stunning, anaemia and overweight in children under five years of age. The main causes included high vulnerability, low production and productivity, poor linkages and coordination, limited access to finance, poor agriculture information and data systems, and unsustainable exposure to trade and climate shocks.

The 2022 Annual Vulnerability and Livelihood Assessment covered all key sectors including agriculture, health, nutrition and education in an effort to understand household vulnerability status in Eswatini. This multi-sectoral approach brought together Government departments, non-state actors/CSO/NGOs and Development Partners.

³⁹ Annual Vulnerability Assessment & Analysis Report 2019

⁴⁰ Annual Vulnerability Assessment & Analysis Report 2020

Table E2.3.2: IPC Food Insecurity Analysis, June 2022 to March 2023



Source: IPC (Integrated Food Security Phase Classification), July 2, 2022.

The situation is projected to worsen, with available data for October 2022 – March 2023) indicating that the number of people in IPC Phase 3 (Crisis) or above is expected to increase by an estimated 6%. This includes more than doubling the populations in IPC Phase 4 (Emergency) and an increase in the areas classified in IPC Phase (Crisis) to seven in the projection period. Lubombo Plateau has the highest percentage of the population above IPC Phase 3 (Crisis) in both the current and projection periods with 30% and 35% respectively. Lowveld cattle and maize has the highest population above in IPC Phase 3 or above in both the current and projection period with 56,000 and 68,000 respectively. The key drivers for the prevailing food security situation include continued effects of COVID-19 and the impact of the fuel price increase on food prices.

The IPC Acute Food Insecurity report (July 2022) recommend that Eswatini should strengthened food production and distribution system, targeting the poor/disadvantaged and vulnerable groups and households in particular (in rural area and urban poor). In particular response priorities include the following:

1. Urgent action is required to protect livelihoods and reduce food consumption gaps for populations in IPC Phase 3 (Crisis) or above, prioritizing orphaned and vulnerable children, child-headed households, the elderly and people living with HIV and disabilities where appropriate.

2. Promoting and strengthening of livelihood programs, prioritizing child-headed households, women, elderly, disabled, and chronically ill persons where appropriate.

3. Strengthening innovative and cost-effective ways to improve food diversification and reduce food consumption gaps.

4. Scaling up child integrated community-based growth monitoring interventions.

5. Increasing nutrition awareness among households’ members.

6. Strengthening health system for preparedness, surveillance and response on emerging pandemics, including COVID-19.

7. Increasing awareness on access and use of improved sanitation facilities, incorporating gender and inclusion principles.

⁴⁰ Annual Vulnerability Assessment & Analysis Report 2020

⁴¹ The United Nations Food Systems report 2021 for Eswatini indicates that despite the COVID-19 pandemic, the country held 16 FSS gathering of state and non-state stakeholders. The dialogues revealed that the major challenges to the local food system towards addressing the “Eswatini triple burden” of malnutrition marked by stunning, anaemia and overweight in children under five years of age. The main causes included high vulnerability, low production and productivity, poor linkages and coordination, limited access to finance, poor agriculture information and data systems, and unsustainable exposure to trade and climate shocks.

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2.3.5 Basic and Social protection updates

The data/report indicate that the slow growth, COVID-19 pandemic, increased vulnerability due to loss of jobs and livelihood had negative impact on access to and quality basic social and protection services, including health and education.

Health Sector: The impact of the COVID-19 pandemic on essential health services in Eswatini is a source of great concern. Major health gains achieved over the past two decades are threatened by the pandemic. This is exacerbated by low morale among health staff (leading to demonstrations, call for strikes etc.). The decrease in provision of essential health services – including health promotion, preventive services, diagnosis, treatment, and rehabilitative and palliative services – is having serious adverse health effects, especially on the most vulnerable populations, such as children, older persons, and people living with chronic conditions or disabilities. COVID -19 affected the demand and supply of essential health services. The operation of health services was affected by shifting resources to fight the COVID-19 pandemic or by closures of non-emergency health services like elective surgeries. Supplies of medicines and commodities were disrupted. In addition, societal measures such as partial lockdown to combat the pandemic affected people's socioeconomic situation as well as their ability to reach the health services they needed. The pandemic, socio-economic problems including increased unemployment and loss of livelihood has increased the challenge of mental health, especially among adult and youth. According to WHO, depression, anxiety, behavior disorders and suicide are among leading causes of illness and disability among young people (youth).

Education: A World Bank report shows that the education system in Eswatini has been affected by the COVID-19 pandemic. It is estimated that 18% of girls drop out of primary school and 35% of girls drop out of junior secondary school. An estimated 22% of children do not transition from junior to senior secondary school. Children in rural areas are at greater risk of dropping out of school. Approximately 25% of children in senior secondary school are at risk of dropping out before graduation. With the massive loss of face-to-face teaching and learning time in schools, lack of access to remote learning opportunities, the pandemic had detrimental effect on student learning and learning outcomes. It could also exacerbate inequalities in education, with the poorest children likely to be hardest hit. The World Bank indicates that a child born in Eswatini today will be 37 percent as productive when she grows up as she could be if she enjoyed complete education and full health. This is lower than the average for Sub-Saharan

Africa region and Lower middle-income countries. Between 2010 and 2020, the Human Capital Index (HCI) value for Eswatini increased from 0.31 to 0.37. Disruptions to instructional time in the classroom can have a severe impact on a child's ability to learn. Further, prolonged closures disrupt essential school-based services such as school feeding and psychosocial support. The situation can also cause stress and anxiety due to the loss of peer interaction and support and disrupted routines. These negative impacts will be significantly higher for vulnerable children, such as children living with disabilities, girls and boys from poorest households. Higher and Tertiary Education Institution (HTEIs) education were also affected by the COVID-19 pandemic. The capacity of the universities and colleges to switch to virtual learning was weak. At this level, especially at technical and vocational centres, the scope of their work is physical and requires actual demonstrations and practical work. Having their facilities closed has hindered progress in this sub-sector. Further, learners who had to be attached in companies for their apprentices, internships and on-the-job training programmes could not complete these effectively.

In addition, girls and boys from vulnerable households take on additional household chores, caregiving and contribute to family livelihoods and therefore would not access the learning support provided on various platforms such as radio, TV and newspapers during school closure. As well, children using online learning without proper monitoring systems has potential effects of cyber bullying and age inappropriate content.

⁴³ Kingdom of Eswatini COVID-19 Recovery Needs Assessment (CRNA) March to December 2020; The NDMA report on the Kingdom of Eswatini COVID-19 Recovery Needs Assessment (VRNA) Dec 2020.

⁴⁴ World Bank. August 2021. Eswatini Education Sector Analysis; UNICEF Budget Review – Education Sector.

⁴⁵ World Bank, Eswatini Education Sector Analysis 2021, 2021; UNICEF Education Budget Brief, 2021.



UN Transforming Education Summit September 2022 and Eswatini's Commitment

The education system in the Kingdom of Eswatini was severely affected by the devastating impact of the COVID-19 pandemic, which forced about 900 schools and ten tertiary institutions to suspend operations for over 18 months, reversing many education gains achieved by the country over the past years. The substantial losses incurred may take a long time to recover. As a result of the extended period out of school, many learners were disoriented, lost hope as well as value for education. Others, especially girls, could not return to school due to various reasons, including early unintended pregnancies increased by more than thirty-fold. Overall, the education system was found to lack resilience and the challenges that existed before COVID-19 were exposed. The Government of the Kingdom of Eswatini effectively participated in the UN Transforming Education summit in New York and pledged to:⁴⁶shared the following national commitments:

Priority 1: Recovering education losses due to COVID-19. The first action is an assessment to quantify the extent of the losses, including school dropouts, losses in learnings and other factors. The country will also launch a campaign to bring every learner back to class, including those with disability and girls who dropped out of school due to pregnancy and other reasons. In addition, a catch-up programme for remedial classes facilitated by volunteer teachers from within the communities will be implemented in all the 59 Tinkhundla community learning centres during school breaks and weekends for learners to attend and catch up with their learning. This programme will also promote community involvement to become stewards of the education of their children. The country will also expand rollout of the Learning Passport (Online Learning Platform) which started at secondary to also cover all primary schools. The MoET is also piloting digitalized learning materials at primary through an alternative learning management system. Our target is to fully achieve recovery of education losses by 2024.

Priority 2: Transforming approaches to teaching and learning: Teaching and learning needs to be supported by digitalizing the curriculum so that learners can study from various platforms to strengthen learning outcomes and deliver education in accordance to the SDG 4 targets as well as making the education system more resilient. The Government commit to creating capacity for digital learning through investing in infrastructure improvements, making internet accessible in all schools and tertiary

institutions in the country for educational purposes, facilitating blended learning and innovation and producing radio and television channels for educational purposes. In this regard, new learning programmes and support material to cater for all types of learners, including vulnerable learners, and learners with disability will have to developed.

Priority 3: Improving the quality of education: The country has recently reformed its curriculum to a Competency-Based Curriculum at primary school level. The implementation of Competency Based Education aims to develop skills required for life and for work in order to achieve sustainable development as well as meeting the country's current and future industry needs. Eswatini is committed to up-scaling the implementation of this curriculum to secondary level and aligning examinations to the framework. This would ensure that skills development is research-based and addresses the current and future needs of the country through consultations with captains of industry. Capacity building will be provided to upgrade educators on the compressed curriculum, online teaching and Competency-Based Education. To this end, the government will intentionally strengthen and capacitate the in-service training of teachers to provide quality training for teachers, leading to Continuous Professional Development. The country will also strengthen social protection systems to improve household resilience to shocks and commitment to their children's education in the long term.

Priority 4: Transforming Financing of Education Transforming our education system will require a transformation of our financing system. Having successfully introduced free primary education in 2010, which significantly improved enrolment in primary education from 85.9% in 2009 to 92.7 % in 2018, the country sees an opportunity to increase its mileage by extending free primary education to free basic education and to Grade Zero. Free basic education will increase chances for learners to complete basic education and ultimately access tertiary education. The government will also transform the scholarship mechanisms through establishment of an autonomous National Education Revolving Fund, which will provide loans to tertiary students. This will significantly improve access to tertiary education while ensuring sustainability of resources for tertiary education.

⁴⁶ In addition, girls and boys from vulnerable households take on additional household chores, caregiving and contribute to family livelihoods and therefore would not access the learning support provided on various platforms such as radio, TV and newspapers during school closure. As well, children using online learning without proper monitoring systems has potential effects of cyber bullying and age inappropriate content.



2.4 CLIMATE CHANGE, ENVIRONMENT AND NATURAL RESOURCES UPDATES

Climate change and environmental degradation present a significant threat to Eswatini's economy and its progress for the United Nations 2030 Agenda for Sustainable Development. Eswatini, for instance, is susceptible to hydro-meteorological hazard-induced disasters, including droughts, flash floods, storms, and tropical cyclones among the common and recurring disasters which continue to take a toll on the productivity of its nature-dependent enterprises such as agriculture. Most of the flash, riverine and pluvial flooding experienced in Eswatini result from excessive rainfall in conjunction with Tropical Cyclones, which have increased in frequency and magnitude within the SADC regions in the past three decades. About 50% of the national land area is a communal land, out of which 75% is affected by degradation and indiscriminate deforestation, a situation which continues to jeopardize the country's food security, biodiversity, and livelihoods. The exposure levels of the country's population to different hazards associated with environmental degradation vary with the ecological zone.

Eswatini's vulnerability to hazards and the effects of climate change contribute greatly to increased poverty and inequalities across the country. The adverse impact of climate change, particularly droughts and severe flooding, undermines poverty eradication efforts and food security, particularly among vulnerable groups such as child-headed households, women and youth. Between October 2019 and March 2020, about 230,000 people will be in urgent need of food (VAC 2019). Eswatini's National Development Plan 2023/24 – 2027/28 recognises the need to tackle degradation of natural resources, limited access to clean energy services and mitigates and adapt to extreme weather conditions and hazards as a necessary condition to achieve the desired growth rate of 5 percent per annum. This is because the economy is largely nature based and sensitive to environmental quality and climate variability. For example, sugar and fruit concentrates contribute about 70% of the country's exports and 79% of the rural population depends on rain fed agriculture for their livelihoods and subsistence. Thirty two percent (32%) of Eswatini's population are exposed to intermittent hydrometeorological, bio-epidemiological and geophysical hazards induced disasters on a yearly basis. Most recent is the Tropical Cyclone Eloise of 2021 which increased

flooding and landslides that affected the whole country, with an estimated economic impact of E186,805,400.00.

Degradation of biodiversity and ecosystems, due to unsustainable management and use of natural resources and pollution from agricultural development, industrial development activities and unplanned urbanization, is compounding the vulnerability of the economy and the population. The loss of primary forest, woodlands and grasslands, which are biodiversity rich areas, was estimated at 11% between 1990 and 2018 whilst human settlements and subsistence cropland increased by an estimated 5% and 8.5%, respectively, during the same period. The loss of biodiversity rich ecosystems means reduced capacity of ecosystems to provide goods and services, especially for water retention and flood attenuation, thus increasing the population's exposure to natural hazards. The annual cost of land degradation in Eswatini is estimated at US\$100 million, which is equal to 2.9 percent of the country's GDP. Among the policy and institutional interventions being run by the country to support actions on biodiversity conservation include those housed under its protected area conservation strategy. The country current has 14 protected areas, with three of them having management effectiveness evaluations.

Eswatini relies mainly on transboundary rivers and groundwater for its water supply. Sustainable management of the country's water resources and its broadening of access to safe water and sanitation are crucial for unlocking national economic growth and productivity, while also providing a considerable leverage for existing investments in health and education. This is accentuated by the 2030 Agenda which acknowledges the centrality of water resources in fostering sustainable development as well as the critical position of improved drinking water, sanitation and hygiene play in fast-tracking the achievement of targets in other areas, notably health, education and poverty actions. Article 210 of the 2005 Constitution of the Kingdom of Eswatini declares water as a national resource and vests the

⁵¹ National Disaster Management Agency (NDMA), January 2021.

⁵² NDMA. Tropical Cyclone Readiness Plan.

⁵³ Women and girls in Eswatini are more vulnerable to climate change and associated disasters. Their vulnerabilities are linked to higher poverty incidence at 67% for female-headed households compared to their male counterparts at 59%. The limited ownership and control over productive resources increases vulnerability to droughts and food insecurity.

⁵⁴ NDMA. Cyclone Eloise Rapid Needs Assessment Report, Kingdom of Eswatini (January 2021).

⁵⁵ World Database on Protected Areas (WDPA) 2022. <https://www.protectedplanet.net/country/SWZ>

ultimate responsibility for its protection in the State. Its Water Act of 2003 has also consolidated the administration of water under one ministry and created basin level structures as well as the country's National Water Authority (NWA) bestowed with substantial authority in overseeing the country's water resources, including on policy matters.

Eswatini's water resources, however, are under threat from degradation of catchments especially wetlands that are drained for agriculture, road construction and human settlements. The country's total renewable water resources are estimated at 4.51 cubic kilometres per year. Out of this, 23.6% is currently harnessed, with its water stress level being defined as high as it stands at 77.6%, a situation which represents a threat to the country's progress on anti-poverty actions, water supply, sanitation, human health, and wellbeing. Present figures show Eswatini's water resources originating outside the country are at 41.4% representing a considerable dependency ratio. This situation is being experienced at a time when the country is struggling to strike a balance between different water needs. These include agricultural water withdrawal which remains at a high of 94.1% of the water resources, as well as domestic and industrial uses that account for a paltry 3.9% and 1.9%, respectively. Projections show that the country will experience a decrease in precipitation, thus even run-off patterns and water availability in the country's catchment will decrease. The country's main catchment's stream-flows are projected to decrease by 40% by 2050. The decrease in water quantity in these water resources is likely to affect the country's irrigated agriculture, domestic and industrial use and hydropower generation capacity, which abstract water from these catchments. It also has an adverse bearing on the country's quest to, by 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity. The ensuing water shortages have the potential to undercut the country's food security needs and the income streams of rural farming communities. In the other hand, improving Eswatini's water management makes national economies, the agriculture and food sectors more resilient to rainfall variability and able to fulfil the needs of its growing population. Protecting and restoring the country's water and water-related ecosystems and their biodiversity have added benefits of ensuring water purification and water quality standards. Eswatini, jointly with

its development partners and stakeholders, including the UN Country Team, have an opportunity to strengthen the generation of accurate data on the country's freshwater resources. Harnessing synergies and combination of traditional and non-traditional methods of generating such data is going to be imperative. Among the promising ones is the use of satellite imagery to generate data on spatial extent of Eswatini's freshwater ecosystems and certain water quality parameters of its freshwater resources and ecosystems. The country's 2018 Water Policy recognizes data uncertainty coupled with insufficient institutional capacity as some of the impediments of actualisation of the applicable water targets at different levels of water resources management.

Poor agricultural practices contribute to water pollution particularly the use of chemicals for crops and animals. The organic pollutants used in agriculture, such as pesticides and herbicides amongst others, are hazardous to land resources and habitants thus disturbing ecosystems. These chemicals not only have a negative impact on biodiversity, but the bioaccumulation also affects human beings. Inappropriate disposal of waste from households, commercial nodes and health care facilities contributes to environmental degradation in Eswatini. The problem of waste management is compounded by the limited capacity of government to safely collect and dispose solid waste. The total amount of collected waste by the municipalities is about 46% of the population-based estimates. It is therefore important that integrated waste management and circular economy is a key consideration of urbanisation and industrial development to tackle the pollution challenge.

Energy is a basis for economic activities in both urban and rural communities — energy poverty (be it due to no access or unaffordability) hampers efforts towards overall poverty eradication. Eswatini has one of the highest rates of electricity access in Africa, at 80% in 2019. However, 70% of the electricity consumed in Eswatini is imported from South Africa and Mozambique, making it costly to use. Due to high electricity tariffs, about 90 percent of the population rely on biomass energy for cooking, using inefficient cookstoves contributing to deforestation and associated climate change

⁵⁶ African Development Bank Group. October 2022. Country Strategy Paper 2020-2024 Mid-Term Review and Country Portfolio Performance Review. <https://www.afdb.org/en/documents/eswatini-combined-mid-term-review-country-strategy-paper-and-country-portfolio-performance-review-2022>

⁵⁷ UN Eswatini Country Team <https://unsdg.un.org/un-in-action/eswatini>

⁵⁸ Eswatini Water Policy – 2018 https://www.gov.sz/images/MNRE_PICS/National-Water-policy----Final--Document-Aug-2018-1.pdf



2.5 ESWATINI'S FINANCIAL LANDSCAPE UPDATES

2.5.1 Financial Flow

Achieving Eswatini's development goals and the SDGs requires mobilizing a diverse range of public and private financial resources. As per the Addis Ababa Action Agenda, Eswatini conducted a Development Financial Assessment (DFA) in January 2022. The DFA provides a comprehensive situation of the recent financial flows into Eswatini, coming from different sources, whether private or public, domestic or external. The report indicates that in the last five years, total development financial flows into the country during the period show a total of SZL 201 billion. Public flows, during the period amounted to SZL 105 billion while private flows accounted for the remaining SZL 96 billion. Development financing in Eswatini shows a balanced distribution between the public and private sources. Table F2.5.1 below shows a summary of financing flow in Eswatini in the last five years.

Government revenues show steady increase over the years while borrowing, external and domestic experienced a more market growth during the period. Private flows, on the other hand displays the importance of remittances in Eswatini, almost tripling the size of Foreign Direct Investments (FDI). The Government of Eswatini, through the Ministry of Economic Planning and Development, has launched a comprehensive list of projects to rebuild the economy after the Covid-19 pandemic and to achieve key medium-term development objectives. This is a move towards the Integrated National Financing Framework (INFF), which provides the country with two advantages: promotes investment

in the country by launching projects suitable for FDI; and channels mobilized resources to Government priority development areas.

Table 2.5.2 shows the fiscal trends 2017-2022. Government revenues are projected to improve to 29.2 percent of GDP from the 2019/20 level of 26.8 percent. Government expenditure, on the other hand, underwent significant revisions in order to re-direct expenditure towards the pandemic response. At 35.7 percent of GDP, expenditures are expected to be approximately 1.8 percent higher than the outturn in 2019/20. Total public debt stock is estimated at 38.1 percent of GDP. Furthermore, despite the challenges during the financial year 2020/21, Government has been able to reduce the stock of arrears with suppliers as part of the effort to provide the private sector with liquidity.

The fiscal situation has been fragile due to overreliance on volatile Southern African Customs Union (SACU) revenues, which translates into significant fluctuations in public spending and pose a challenge to the management of fiscal operations and growth potential. Volatile SACU receipts (which declined about 2.5% of GDP in 2019) have been met by rigid government expenditure, leading to persistent fiscal deficits in the recent past (the fiscal deficit widened from 7% in FY17/18 to 11.2% of GDP in FY18/19, before dropping to 7.9% in 19/20 and 6.6% in 20/21).

Table 2.5.1: Eswatini's financial flow

	2015	2016	2017	2018	2019	2020	TOTAL
Government Revenues	14.057,41	14.122,91	14.009,91	16.127,04	15.501,15	17.330,53	91.148,94
Grants	778,16	270,94	813,45	425,57	525,96	550,08	3.364,16
External borrowing	427,56	865,86	1.710,16	2.253,42	3.028,44	3.187,36	11.472,79
Domestic Gross T-Bonds	229,85	548,14	1.621,85	1.024,39	3.614,94	2.393,39	9.432,56
FDI	527,22	314,56	746,27	482,70	1.881,93	673,95	3.134,10
Remittances	1.224,86	1.441,58	1.918,66	1.667,48	1.719,79	1.586,26	9.558,63
Domestic Credit to P.S.	10.589,81	11.815,81	12.271,87	12.903,90	13.491,53	11.925,99	72.998,89
Total	27.834,86	29.379,80	31.599,62	34.884,50	39.763,74	37.647,56	201.110,07

Source: DFA Eswatini, 2022.

The decline in the share of education budget is a trend that has been observed over the recent past. Before 2018, education was the main financial priority in Eswatini. Education spending in the current year has modestly increased despite economic shocks and COVID-19. In fiscal year 2021/2022, the Government of the Kingdom of Eswatini allocated E3.66 billion to the education sector, which constitutes a 2.62% nominal increase compared to E3.57 billion in the previous year or a 2.24% increase in real terms. The health sector budget has largely stagnated at 11.7 percent as a share of the total government budget, on average. This level of spending is slightly below the Abuja Declaration target for African governments to allocate at least 15 percent of their total budgets to health. A similar trend has been observed in the sector budget when measured as a percentage of the GDP. In 2021, the total sector budget is approximately 4 percent of the country's GDP. The total budget allocation to the health sector in fiscal year 2021/22 has nominally increased by 1.8 percent or 1.7 percent after adjusting for inflation, from E2.74 billion in the previous year to E2.79 billion. However, the allocation falls short of spending needs exacerbated by COVID-19.

Fiscal deficit: The fiscal deficit is financed through a combination of domestic sources and development partner support. Net domestic financing increased from the budgeted 0.9 percent of GDP to 2.4 percent of GDP drawing on government deposits, and greater issuance of treasury bills and bonds than earlier anticipated. However, compared to last year, net domestic financing was lower, reflecting a shallow domestic financial market. Foreign financing declined from the budgeted 5.7 percent of GDP to 3.8 percent of GDP. The approved World Bank budget support operation (US\$75 million, or 1.6 percent of GDP), together with AfDB budget support (US\$36 million, or 0.7 percent of GDP) is helping in closing the financing gap. In the 2020/21 fiscal year, deficit is estimated at 5.7 percent of GDP, significantly lower than the 6.2 percent deficit for financial year 2019/20.

Debt sustainability: According to DFA report 2022, Eswatini finds itself in a medium debt distress situation due to a recent fiscal underperformance. Furthermore, external borrowing is being conditioned by the country's classification as middle-income status causing concessional borrowing to continue decreasing in the coming years. Public debt increased further in 2021 reflecting an increase in both domestic and foreign borrowing. Public debt is estimated to increase to about 50 percent of GDP in 2021. Domestic debt increased by 2.8 percent of GDP to 29.7 percent in 2021. While domestic debt has maintained its dominance as a share of GDP since 2016, external debt is

increasing as the government accessed more foreign financing from IMF and World Bank in 2020. Also, the gross public debt grew consequently, from 14.7% of GDP in 2014 to 41.6% in 2020 (IMF, 2020). At end of December 2021 (Budget speech 2022), total public debt stock stood at E27.7 billion, which translates to 39.8% of GDP (domestic debt 23.8% of GDP and external debt 16.0% of GDP). The latest Debt Sustainability Analysis, conducted before the COVID pandemic, showed Eswatini's public debt ratios to be raising as fiscal deficits widen over the medium term. Fiscal deficits as the main driver of debt accumulation, have exercised an upward pressure on both domestic and external debt. Since 2016, public debt to GDP ratio has almost doubled, raising from 15.9 percent to 28.1 percent in March 2019. The increase was more significant in the domestic debt ratios, raising from 6.2 to 16.9 percent during the same period, while external debt has only increased slightly from 9.7 percent to 11.2 percent. The gross financing needs have been on an upward trajectory, rising from an average of 3.3 percent in the past 5 years to 6.8 percent of GDP by the end of the last fiscal year.

The Eswatini Government through the Public Debt department endeavours to maintain public debt and obligations at sustainable levels in line with section 72 of the Public Finance Management Act (PFMA), 2017. Going forward, in order to bring Government operations to sustainable levels, Government has designed a Fiscal Adjustment Plan which lays out a set of fiscal policy measures aimed at an overall consolidation of 6.5 percent of GDP over a three-year period. The Government also has a medium-term debt management. Domestic financing, on the other hand, will take the form of both short and medium-term instruments comprising of Treasury Bills, Treasury Bonds, Advances from Central Bank as well as domestic loans (DFA Eswatini, 2022). It is currently difficult to monitor and review budgetary flows to development priorities and SDGs. To support full compliance with the PFM Act of 2017, Treasury is expected to continue implementing the Integrated Financial Management Information System to replace the existing Treasury Accounting System.

⁶³ UNICEF. 2021. Eswatini Health Budget Brief.

⁶⁴ Report on public debt sustainability analysis for the Government of the Kingdom of Eswatini. Public Debt Management Unit. MoF 2019

⁶⁵ The procurement process of the IFMIS was concluded, however not successfully as none of the bidders were found satisfactory. Despite the failure to find a suitable supplier, the Ministry of Finance, Treasury Department and the Ministry of ICT are still committed to delivering the system within the proposed three-year timeframe.





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2. 5.2 Integrated Financing Dashboard

Eswatini is committed to establishing an Integrated National Financing Framework (INFF) and is seeking support from development partners to do this. This is to have capacity to be able **to have a comprehensive view of all financing flows**. The monitoring would focus on private and public, external and domestic, and would facilitate policies and strategies designed to foster those flows that might experience a certain sluggish period. Currently there are a variety of institutions and IT systems involved in capturing and reporting on this type of flows such as MoF, MEPD, CSO, CBE, CS-DRMS. Eswatini intends to develop a well-functioning integrated data system. Such system will help the country to effectively implement and operationalize INFFs and achieve Eswatini's national priority objectives by tracking and synchronizing all key public, private, domestic, and international financing flows to the country, such as tax and non-tax revenue, budget expenditure, public debt (domestic and external), official development assistance (ODA), private investment, credit/equity to private sector, foreign direct investment (FDI), remittances, NGO flows, foundations, climate finance, blended finance, public/private partnership (PPP).

Such dashboard, therefore would be a useful and efficient way to monitor and track financial flows and exchange data with other international data platforms such as the World Bank and IMF's. The Eswatini Development Finance Assessment (January 2022) recommends the following:

- Install the IFMIS system at the Ministry of Finance in order to facilitate tracking of budget flows
- Expand coverage for tracking FDI and Remittances flows into the country
- Expand coverage in the Budget Execution Reports to include sectoral and NDS related analysis
- Develop a budget implementation analysis similar to the Ugandan in order to review the Budget's impact on the NDS and SDGs. This could be organized through a South/South type of arrangement with an Ugandan specialist coming to Eswatini and assisting government officials to develop their own criteria and methodology.
- Develop an integrated dashboard to monitor financial flows to national development priority areas and SDG building on existing financial tracking systems (establishment of Integrated Financing Dashboard).

Table 3: Eswatini Risk Analysis Framework

Nature of Risk	Description/Analysis of Risk in CCA Baseline 2020	Likelihood in 2023+	Impact in 2023+	SDGs
Socio-economic risks	<ul style="list-style-type: none"> - Eswatini’s economic outlook is subject to major uncertainties, including external factors and reliance on volatile SACU revenues and the socio-economic impact of COVID-19 crisis. - Weak economic growth due to varied factors, including volatile political climate and weak governance, debt, limited FDI and private sector development, creation of decent jobs promoting poverty and inequalities, and limited shared prosperity - Government control of the economy and investment, and crowding-out of private sector, - Limited investment and leveraging on technology for growth of MSMEs - High unemployment, especially among youth, and rural areas - Access to quality basic (health, education) and social protection services - Corruption in the delivery of services. 	High	High	1, 2, 3, 4, 5, 8, 9, 10, 16
Environment & Climate risks	<ul style="list-style-type: none"> - Eswatini is a disaster-prone country due to its geophysical conditions, climate extremes, and high degree of exposure and vulnerability. Eswatini is vulnerable to recurrent climate-related and external shocks. Drought, dry spells, heat waves, flash floods, hailstorms and a heavy burden of epidemics (HIV/AIDS, cholera, diarrhoea and malaria) pose the highest risks. - Eswatini’s vulnerability to hazards and the effects of climate change contribute greatly to slow growth, increased poverty, inequalities, and food insecurity across the country, and disrupts peace/security 	High	High	13, 6, 7, 11, 12, 14, 15, 1, 2, 3, 4, 10, 16
Food and Nutrition security risks	<ul style="list-style-type: none"> - Eswatini is increasingly becoming food and nutrition insecure because of climate change, poor government policies and strategies among other factors. - Worsen during COVID-19 - Subsistence agriculture prone to recurrent climate-related and external shocks. 	High	High	2, 1, 9



Nature of Risk	Description/Analysis of Risk in CCA Baseline 2020	Likelihood in 2023+	Impact in 2023+	SDGs
Political and Governance risks	<ul style="list-style-type: none"> -Eswatini is an absolute monarchy, controlled in law and practice by the King. - Extractive political institutions and practices: no space for meaningful national dialogue on democratic reforms - The Government's closure of space for civil society, human rights defenders and the media to play their role in an efficient, independent and transparent manner. - Abuse of human rights and freedom - Civil society remains relatively weak in terms of financial and human capacity, which poses a challenge to accountability and to SDG implementation and monitoring. 	High	High	16, 17
Democratic space risks	Shrinking of freedoms and social and political rights, including access to information, freedom of speech and association, and civil engagement.	High	High	16, 17
Justice and rule of law and abuse of human rights risks	Limited access to and delayed justice, especially for the marginalized and poor rural areas communities, amplified by weak legal institutions and politicized judiciary, and made worse by abuse of human rights, corruption and fear of the ruling elite.	High	High	16, 17
Social Cohesion, Gender Equality and Non-Discrimination	<p>Harmful social norms, attitudes, behaviours and practices, in particular discriminatory gender norms and inequitable power relations between men and women – are major causes of inequality, SGBV including SEA.</p> <p>-Women and girls, including those with disabilities, living with HIV, and those working in the informal sectors often face additional intersectoral forms of exclusion and discrimination.</p>	Moderate	Moderate	10, 3, 4
Regional and Global Influences	Regional tension from neighbouring countries and global fluctuation of prices on primary products, and unfair trade policies	Moderate	Moderate	17
Displacement and migration	Land communally owned and controlled by local chiefs. Displacement and forced evictions common, leading to destruction and loss of property, and increased poverty and food insecurity.	Moderate	Moderate	16, 17



Risk governance is a concern in Eswatini, and there is a need of improving the understanding and management of systemic risk among national actors such as Ministries of Finance, Disaster Risk Management, Infrastructure, Labour, Agriculture, Transportation, Energy, National Planning, and other ministries, national research organizations, and non-governmental organizations. Important challenge is on risk data governance as there is a lack of understanding of the need to – and, hence, a lack of will, funds and legislative support for – the sharing data across functional sectors and administrative levels in Eswatini. The central Statistical Office (CSO), for instance, acts in accordance with the Statistics Act from 1967, which does not mandate it to be a clearinghouse for the gathering and distribution of data for risk management purposes. The need for a centralized data management system was strongly voiced during a national workshop on systemic risk assessment run by the NDMA in October 2022. Inter-agency exchange of information is currently mainly done through workshops and a lot of data only exist in analogue format (on paper) and thus

need to be digitized in order to be easily shared and used for analytical purposes (e.g. hazard mapping and risk modelling). Allocation of funds and a revision of legislation are purportedly needed to facilitate and enforce the creation and sharing of data. To further propel the understanding and management of systemic risks in Eswatini, there is a need to identify essential producers and distributors of vital societal functions and support these to undertake business continuity planning to identify their core dependencies (in terms of goods and services).



- strategies to promote social and economic inclusion and integrity, shared prosperity; and empowering the people, CSOs to enjoy their rights and freedoms while building a resilient cohesive society;
- Developing a platform and practical strategies for inclusion of those identified in Baseline CCA 2020 as left behind or at risk of further being left behind to participate actively in development programming, monitoring, evaluation and reporting (giving feedback for accountability).
- Stabilizing Eswatini's growth, food/nutrition security and social protection programmes by coming up with, and effectively implementing, resilient and inclusive economic development strategies and programmes;
- Developing strategies to accelerate economic growth, creation of decent jobs especially for youth and women, reduction of poverty, including addressing crowding-out of the private sector and leveraging on appropriate technology for business/entrepreneurship development;
- Promoting and completing PFM reforms and promoting government's fiscal responsibility, accountability and [gender responsive budgeting \(GRB\)](#), by government adopting the INFF.
- Investment in comprehensive and sustained environment management/protection and pollution management (Integrated waste management that includes circularity, use of clean renewable and affordable energy, integrated urban and regional planning in the country etc.)
- Investment and improvement in [disaster risk reduction \(DRR\)](#) and management, including research, establishment of National Early Warning Systems (EWS) for understanding of risk (hazards, vulnerability, Exposure, Coping Capacity), effective hazard monitoring, data/information dissemination and risk communication and capability building programmes.
- Increased investment and financing of natural resource management (forests, mountains, fresh water resources, national artifacts etc.,) to increase areas under protection and revalorization and re-proclamation of existing protected areas.
- Strengthening national health system (developing an integrated health system that includes a 'One Health' approach, and aspects for combat anti-microbial resistance) and provision of quality basic health services for all, especially for the marginalized and vulnerable groups;
- Investment in quality and equity inclusive basic education (including ECDE) and skills development (TVET) including digital skills and literacy, targeting especially the disadvantaged and marginalized groups;
- Investment in and improvement of inclusive social protection programmes, targeting especially the disadvantaged and marginalized groups (those left behind or at risk of being further left behind).
- Investing in prevention and mitigation of mental health challenges, including depression and suicide. Youth and middle-aged men are at greater risk of suffering from depression and committing suicide because of economic pressures and loss of livelihood caused by COVID-19 and Civil unrest in 2021.
- Strengthening existing and potential and genuine partnerships, in their diversity (regional bodies/institutions, CSOs, religious leaders, development partners, IFIs, academic, private sector, youth etc.) for 2030 Agenda in general, and in particular supporting/facilitating national dialogue for good governance, peace and security, and building a resilient society.



Roundtable on the Universal Declaration of Human Rights held at the UN House in Mbabane

The CCA Updates report represents a comprehensive update of the CCA Baseline 2020, providing areas for course corrections that might be needed to inform the current CF. It shows that the gaps and challenges, that are also the opportunity areas for transformation and change towards SDGs and national priorities, and multidimensional risk identified in 2020 have remained high and their likelihood and impact high in Eswatini's development trajectory to 2023 and beyond. In the last three years, Eswatini's progress towards achieving the national development goals and SDGs have been negatively affected by socio-economic development (impact of COVID-19), climate change and environment, volatile peace and security, and financial landscape.

If the political impasse and governance challenges are not addressed, and peace and security continue deteriorating, Eswatini could remain in a prolonged crisis. This could not only regress the gains made on achieving national development goals and progress on SDGs, but also worsen Eswatini's poverty, food and nutrition insecurity, inequality, and youth unemployment in the medium term. And risk plunging the country into a vicious cycle of poverty and insecurity. Eswatini needs an environment of peace, safety and security; respect to human rights, dignity and freedoms of association and expression; and good governance, including public sector financial management (PSFM), going forward.

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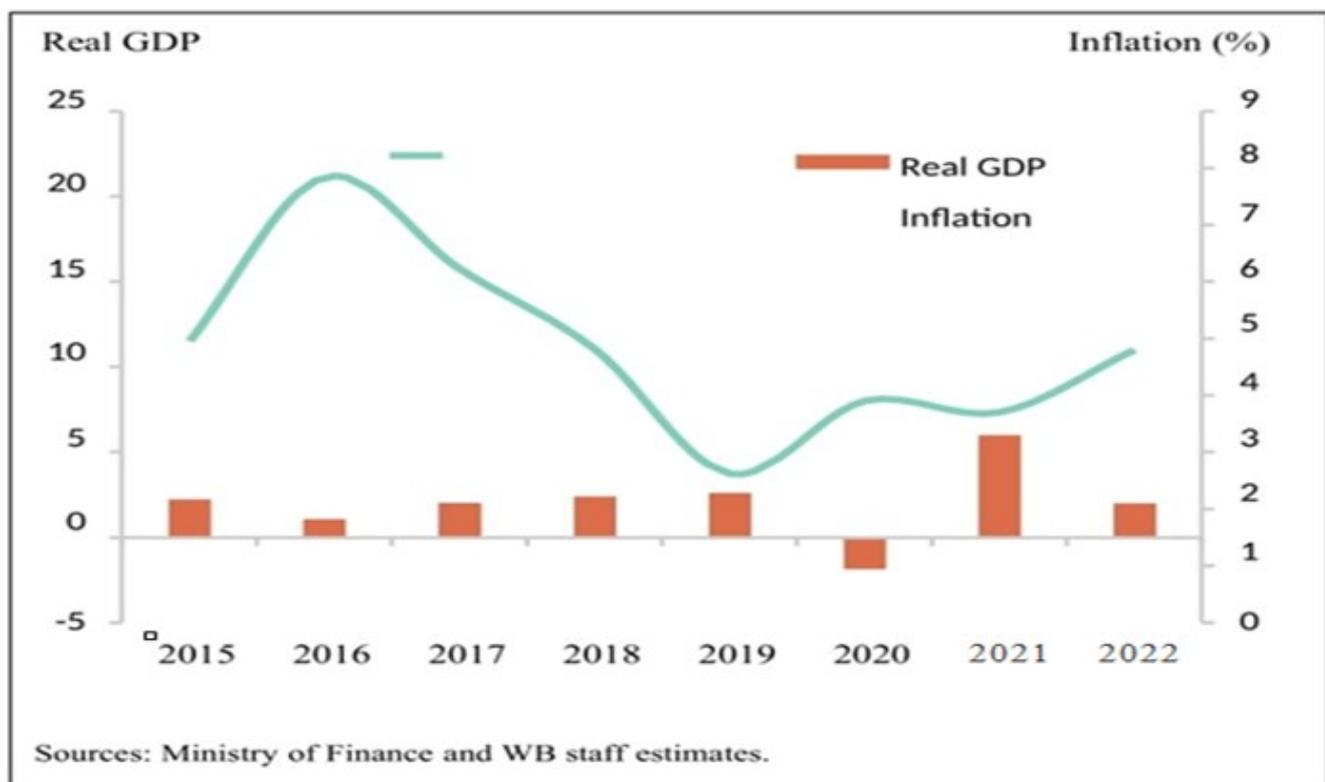
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Figure 2.5: Eswatini Real GDP Inflation



Annex III: Impact Analysis on Groups Left Behind

People living in extreme poverty: In Eswatini, poverty is higher because the change in the international poverty line, the change in PPPs conversion factor, and inflation rates between 2011 and 2017 factors are such that, the new poverty line when expressed in local currency increased. Or alternatively, Eswatini's PPP-denominated income increased by less than the PPP-denominated cost of the minimum basket. The new poverty line expressed in local currency is 15.2 percent higher than the old poverty line. Therefore, the poverty headcount rate based on the 2017 PPPs is higher than the previous estimate in Eswatini. Before the new International Poverty line the proportion of population living below the poverty line improved from 63% in 2010 to 58.9% in 2017. Poverty was most pronounced in rural areas at 70.2% than urban area 19.6% (2017) and slightly more females (59.4 percent) than males (58.4 percent) are poor. The estimated poverty rate in 2014 (using the new international poverty line of US\$2.15 per person per day in 2017 PPP), is 36.1%. This is higher than the previous estimate of 29.2% (using \$1.9 per person per day in 2011 PPP). The change is equivalent to approximately 76,866 individuals

People living with HIV/AIDS: Eswatini has one of the highest HIV prevalence rates, with about 26.8% of adults living with HIV. The estimated number of people living with HIV is 200 000. In 2021, new HIV infections was at 4 800 and AIDS-related deaths estimated at 2 300. The country is one of the first countries to have achieved the 95-95-95 global HIV target. This means 95% of PLHIV know their HIV status, 95% of PLHIV are accessing treatment and 95% of those accessing treatment are virally suppressed. This achievement is attributed to investments in prevention and treatment interventions. However, the country still needs to find ways of ensuring that we do not lose the gains that we have made. One of the things that we may require to do is empowering PLHIV to stay on treatment by giving them information that would assist them to understand the treatment and options available so that they are able to cope with challenges that are related to taking ARVs. As more PLHIV are accessing treatment, it means more people require knowledge and skills to ensure that they stay on treatment and take it as prescribed. The COVID-19 induced partial lockdown significantly impacted the

socio-economic livelihoods of most PLHIV by reducing incomes, and access to food therefore placing households at risk of food insecurity. Furthermore, the anticipated deterioration in food access as noted in the Eswatini 2020 Vulnerability Assessment will lead to a default in ART medication for PLHIV, further compromising their health and reversing the impressive gains made in the HIV response in Eswatini.

Persons with disabilities – Eswatini has a population of 1,093,238, of which 146,554 persons or 12 percent have disabilities. There are proportionately more females (16 per cent) than males (11 per cent) who have disabilities. These figures are drawn from the most recent census, conducted in 2017. The prevalence of disability is much higher in rural areas. Eighty-two per cent of people with disabilities live in rural areas whilst the remaining 18 per cent live in urban areas. The most prevalent type of disability was persons who have difficulty in seeing (32.6 per cent), followed by those with difficulty in walking (mobility impaired), whilst the least prevalent category assessed was that of persons with difficulty in communication at 4.7 per cent. Despite the Kingdom of Eswatini having ratified the United Nations Convention on the Rights of Persons with Disabilities (CRPD) in September 2012, their plight still remains an issue of concern in a number of areas affecting their full and equal enjoyment of all human rights as well as their fundamental freedom and their inherent dignity. The National Disability Policy of 2013, the National Disability Plan of Action (NDPA) 2018-2022 was issued by the DPMO in 2015, but they have never been fully implemented in accordance to their specification.

Persons with albinism – According to the Eswatini Africa Albinism Network, people with albinism in Eswatini are unable to participate in public and political life because of health risks. Albinism often results in two congenital and permanent health conditions: visual impairment to varying degrees and high vulnerability to skin damage from ultraviolet rays, including skin cancer. Women and girls with albinism face unique and compounded discrimination on the basis of gender as a result of deep misunderstanding and mystification of the condition. Parents of children with albinism, especially mothers, are also subjected to stigma, isolation, and ostracism.

Persons with albinism in Eswatini are discriminated

against and are at risk for being killed for ritual purposes. People with albinism has been the object of erroneous beliefs and myths influenced by superstition, witchcraft, or both. Witchcraft-related myths have fostered acute marginalization, social exclusion, and physical attacks.

Ritual attacks result from the belief that appealing to the supernatural will bring about fortune or power. In certain instances, some believe that using body parts and those of people with albinism in particular because they are more effective. These beliefs lead to violent attacks, including forced mutilation, dismemberment, and sex acts. These crimes increase at specific times, for instance, near election periods. As such people with albinism live in fear for their lives such that some may skip school during such periods further compromising their right to education and prosperity in future. There is no national plan of action on albinism in the country despite the country being a signatory of the International Convention on the Elimination of All Forms of Racial Discrimination and the Convention on the Rights of Persons with Disabilities. As such there is no framework that outlines objectives, establish timelines, assign responsibility to particular entities, and allocate the necessary resources. The DPMO has included albinism in their programs without a clear framework and action plan. There is no reliable and robust disaggregated data about people with albinism living in Eswatini which makes it hard to set aside required resources to support.

Women – With unemployment topping 40 percent and rural job opportunities drying up in the persistent COVID-19, civil unrest and climate change, the burden of caring for families ends up squarely on the shoulders of women compared to their male counterparts. Some women resort to prostitution to put food on the table for their families. Prostitution leads to increased gender-based violence which disproportionately affects women compared to men. Increased prostitution leads to increased unwanted and unplanned pregnancies which leads increased abortion rates and ultimately maternal deaths as a result of abortion complications. The risk of contracting HIV also is higher amongst women because women feel powerless to demand the use of a condom during sexual activity. Despite being the most active health seekers, statistics show more women got infected as well as died from COVID-19

compared to men.

Youth - The Kingdom of Eswatini has more than 33% of the population between 10 -24 years and more than 700, 000 young Emaswati who are aged less than 35 years, accounting for approximately 72 Percent of the country's total population. This makes prioritising young people in the development agenda an imperative and crucial investment, especially for the UN and the government of Eswatini.

The State of the Youth Report (2015) and the National Youth Policy 2020 highlight the challenges the Eswatini Youth faces. These include a high unemployment rate (58%), and a low education completion rate including the transition to higher grades and dropping out of school. Young Emaswati face the struggles of high unemployment, limited access to finances for business; education not equipping them with required market skills; limited educational opportunities, poor access to health services, especially for youth in rural communities and opportunities to fight poverty including the creation of youth employment.

Furthermore, consultations throughout the year have illuminated other pressing issues for the youth such as depression, mental health issues, high suicide and lack of employment opportunities (worsened by COVID-19). Youth also stated that they have no skills for starting their businesses or engaging in dialogue, limited access to contraceptives, rejection of sexual minorities, gender-based violence, and risky behaviour due to a lack of resources for basic needs.

⁶⁹ World Bank - Eswatini brief: New International Poverty Line upon adoption of 2017 PPP, September 2022

⁷⁰ Central Statistical Office (CSO), The 2017 population and housing census preliminary results (2017) 10.

⁷¹ Based on the Washington Group Questions on disability

⁷² The State of World Population 2014, Eswatini, <https://www.unfpa.org/data/world-population/SZ>



Group Left Behind	Drivers of inequalities	Likelihood 2023+	Impact 2023+
Children	Governance, social institutions and institutions	High	High
Adolescents	Governance, social norms and institutions	High	High
Youth	Structure and performance of the economy	High	High
Women	- Social norms and institutions -Structure and performance of the economy	High	High
People with disabilities	Social norms and institutions	High	High
People living with HIV/AIDS	Governance, social norms and institutions	High	High
Persons with Albinism	Governance, social norms and institutions	High	High
Persons with Autism	Governance, social norms and institutions	High	High
Lesbian, Gay, Bisexual, Transgender, Queer and Intersex (LGBTQI persons)	Governance, social norms and institutions	High	High
Persons deprived of liberty.	Governance institutions	High	High

Annex IV Brief Progress on SDGs – selected indicators

SDGs	PROGRESS ON THE SDGs IMPLEMENTATION	
	Baseline (VNR 2019)	Status (VNR 2022)
No Poverty	The previous estimated poverty rate was 29.2% (using \$1.9 per person per day in 2011 PPP).	The estimated poverty rate in 2014 (using the new international poverty line of US\$2.15 per person per day in 2017 PPP), is 36.1%. The change is equivalent to approximately 76,866 individuals joining
Zero Hunger	Underweight for children under 5 years was 5.54 percent in 2019 VNR 19.9 percent Children reported stunted in the 2019 VNR.	Underweight for children increased to 9.2 percent in 2021 and highest in the Shiselweni region at 9.3 percent compared to 5.1 percent reported in the 2019 VNR. 29.4 percent of children under the age of 5 are stunted. Has regressed by 9.5 percent. Stunting is more prevalent in the Shiselweni and Manzini regions at 37.2 percent and 34.8 percent respectively.
Good Health and well being	The maternal mortality ratio stands at 452per 100,000 live births The proportion of births attended by skilled health personnel at 88.3 percent The under 5 mortality rate was 104 per 1 000 live births. The country has reached the 95-95-95 HIV targets meaning 95 percent of People Living with HIV (PLHIV) know their HIV status, 95 percent of those positive are initiated on ART and 95 percent virally suppressed	The maternal mortality ratio stands at 452per 100,000 live births as recorded in the first VNR in 2019. There is no current data. However, the proportion of births attended by skilled health personnel, remains high at or above 88.3 percent as reported in the first VNR. However, this may have been affected by COVID-19 due to the observed increase in home deliveries. Mortality of children in the country is reported to be on the decrease. The under 5 mortality rate is at 67 per 1 000 live births which is a decline from 104 per 1 000. Same data on HIV/AIDS as 2019.
Quality Education	The completion rate in the lower secondary education was reported to at 74 percent in 2019. The enrolment of students in universities and colleges of the country was 13, 277. While, TVET recorded 682 in 34 institutions	The completion rate in the lower secondary education is lower than that of primary education. It currently stands at 67.8 percent. The enrolment of students in universities and colleges of the country is 15, 888 students which is an increase from 13 277 students in the first VNR. While, TVET recorded only 188 students enrolled under TVET programme



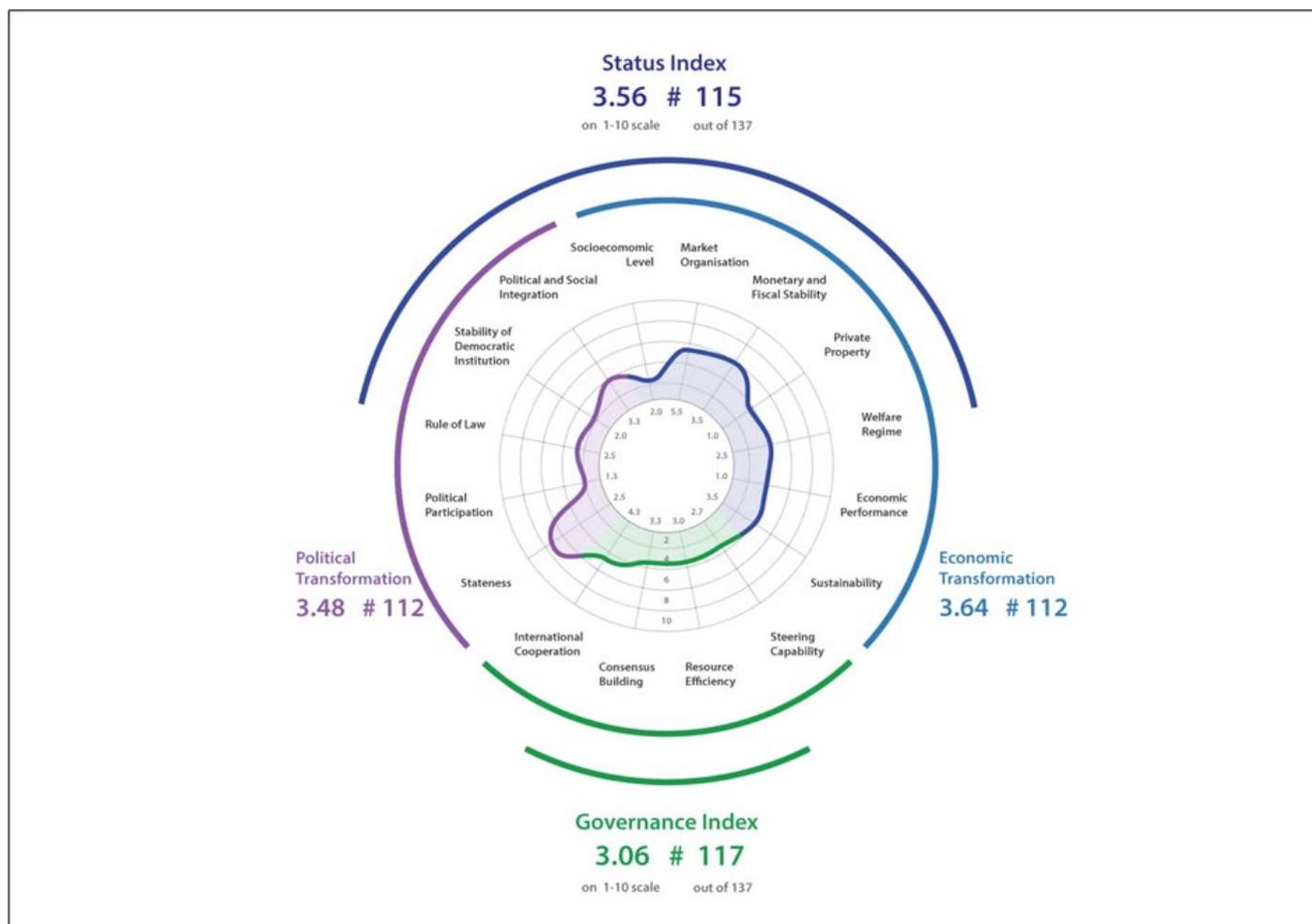
SDGs	PROGRESS ON THE SDGs IMPLEMENTATION	
	<i>Baseline (VNR 2019)</i>	<i>Status (VNR 2022)</i>
Gender Equality	Gender-based violence is prevalent, with 1 in 3 women experiencing some form of sexual violence by age 18 years and 48 per cent in their lifetime, arising from negative social norms and discriminatory practices within customary laws. T	There are reports that there is an increase of 15 percent in GBV cases, which is believed to have been fuelled by the COVID-19 lockdowns . Due to lack of data in this area, the actual situation of the vice not known.
Peace and Security	The country was generally peaceful and there was security. Homicide was reported at 14.1 per 100 000. Most of the victims are women and age group of 25 and above	During 2021, the country experience riots which destabilized peace and security, increase abuse of human rights and freedom expression. The number of victims of intentional homicide increased from 12.6 per 100 000 in the first VNR to 14.1 per 100 000 currently. Most of the victims are women and age group of 25 and above
Financing landscape	The total Government revenue in 2019 in the country amounted to E17.3 billion,	The total Government revenue in 2019 in the country amounted to E17.3 billion, increasing to E18.6 billion in 2020

⁷³ Annual Vulnerability Assessment & Analysis (2021) findings

Annex V. The BTI 2022 Country Report: Eswatini

According to the BTI 2022 Country Report: Eswatini score poorly in key governance and economic transformation indicators including political stability, rule of law and accountability (Figure 2.6).

Figure 2.6: BTI 2022 Country Report- Eswatini



Eswatini: Covid-19 Fiscal Response Package

	SZL (million)	As % of GDP
Health and Other Frontline Services	246	0,4
Food Distribution Programs	335	0,5
Water and Sanitation Services (vulnerable groups)	121	0,2
Urban Human Settlements	156	0,2
Commerce Industry and Trade	105	0,2
Education and Social Protection Services	37,4	0,1
Total	1.000,4	1,6

Source: DFA Eswatini

74 The Bertelsmann Stiftung's Transformation Index (BTI) 2022 covers the period from February 1, 2019 to January 31, 2021. The BTI assesses the transformation toward democracy and a market economy as well as the quality of governance in 137 countries. More on the BTI at <https://www.bti-project.org>.

75 Rapid Financing Instrument, IMF. July 2020

GLOBAL INDICES		
Index	Data + comments	Sources + comments
INFORM Risk Index 2023	3.3 Overall risk (low – ranks 106 of 191) 1.5 Hazard exposure (low) 4.3 Vulnerability (medium) 2.7 Vulnerable groups (low) 5.5 Lack of coping capacity (medium)	Country Risk Profile Data set Methodology
World Risk Index 2022	1.82 Overall risk (very low) 0.14 Exposition (very low) 23.59 Vulnerability (medium) 17.11 Susceptibility (medium) 13.54 Lack of coping capacities (high)	Full report Data set
Human Development Index	0.597 HDI (2021) Rank 144 (medium)	Country HDI Profile Data set
Multi-dimensional Poverty Index	0.081 (based on 2009-2014 survey)	Full report Data set
Gender Inequality Index	0.540 (2021) Rank 138 out of 170	Data set
Global Health Security Index	29.3 (2021) Rank 140 out of 195	Full report Country GHSI Profile

HAZARDS					
Typ	Cluster	Specific	Risk	Datapoints - information	Sources
M e t e o r o l o g i c a n d h y d r o l o g i c a l	Flood	Riverine flood MH0007	High	. High probability that potentially damaging and life-threatening river floods will occur within a period of 10 years	Think Hazard - Country Profile
	Flood	Flash flood MH0006	High	High probability that potentially damaging and life-threatening urban floods will occur within a period of 10 years	Think Hazard - Country Profile
	Mass movement (HM trigger)	Land-slide MH0052	High	Map showing landslide points	Think Hazard - Country Profile NASA Landslide Viewer Map UNEP GRID - Ecosystem approaches for disaster risk map
	Pressure Related	Cyclone MH0030	Low	1% chance of potentially- damaging wind speeds in the next 10 years Map showing low cyclone exposure and frequency	Think Hazard - Country Profile UNEP GRID - Ecosystem approaches for disaster risk map
	Temperature Related	Heat-wave MH0047	Me- dium	More than 25% chance that prolonged exposure to extreme heat, resulting in heat stress, will occur in the next 5 years Map showing risk of heatwaves	Think Hazard - Country Profile ESRI map
	Precipitation Re- lated	Drought MH0035	Low	Risk for water scarcity is low 1% chance of drought in next 10 years	WRI Aqueduct Water Risk Atlas Think Hazard - Country Profile
G e o h a z a r d	Seismo- genic	Earth- quake GH0001	Low	Seismic Hazard PGA: 0.0213099 10% poe in 50 years	Global Seismic Hazard Map (GEM)



HAZARDS					
Type	Cluster	Specific	Risk Level	Datapoints - information	Sources
Environmental	Forestry	Deforestation EN0009	Low	Lost 3.13kha of natural forest which is equivalent to 1.38Mt of CO ₂ emissions in 2021 From 2001 to 2021, Swaziland lost 105kha of tree cover, equivalent to a 22% decrease in tree cover since 2000,	Global Forest Watch map
	Forestry	Wildfire EN0013	High	Greater than 50% chance of encountering weather that could support a significant wildfire likely to result in both life and property loss Maps showing areas of possible fire alerts	Think Hazard - Country Profile Global Forest Watch map European Forest Fire Information System map
	Environmental degradation	Sea level rise EN0023	---	No data available	WRI Resource Watch - Sea Level Rise
	Environmental degradation	Biodiversity loss EN0008	Low	0.91 proportion intact (2005)	WRI Resource Watch
Technological	Transportation accidents TL0052			Approx. 26.9k deaths per 100,000 in 2018	WHO Global Status Report on Road Safety 2018
	Chemical emergency			No data available	
	Occupational hazards			No data available	ILO Occupational Safety and Health Country Profile
Biological	Airborne diseases	Tuberculosis		Estimated Tuberculosis Incidence: 319/100,000 (2020)	CDC Country Profile
	Waterborne			No data available?	
	Infectious Diseases (Human and Animal)	COVID-19 BI0033		In Eswatini, from 3 January 2020 to 5:38pm CEST, 24 October 2022, there have been 73,526 confirmed cases of COVID-19 with 1,422 deaths, reported to WHO. As of 25 September 2022, a total of 773,579 vaccine doses have	WHO
	Animal			No data available?	

EXPOSURE		
	Datapoints - information	Sources + comments
Population + Communities	Population: 1,172,000 (2021) Pop. density (per km2): 68.2 (2021) Population growth rate (average annual %): 1 (2021) Urban population (% of total population): 24 (2021) Urban population growth rate (average annual %): 2.6 (2015) Life expectancy at birth (females/males, years): 63.9 / 55.2 (2021)	UN data
Basic services + institutions + infrastructure	Urban Population Living in Slums, 2018 (Thousands): 108	UNHABITAT
Natural Resources	Threatened species (number): 46 (2021) Forested area (% of land area): 28.8 (2021) Important sites for terrestrial biodiversity protected (%): 30.6 (2021) 3 designated Ramsar sites (wetlands), with surface area coverage of 1,183 ha 420kha of natural forest, extending over 24% of its land area in 2010	UN data Ramsar sites Global Forest Watch
Economy + livelihoods	GDP (2021) GDP (million current US\$): 4 594 growth rate (annual %, const. 2015 prices): 1.1 per capita (current US\$): 4 001.6 Economy (2021): Agriculture (% of Gross Value Added): 9.1 Industry (% of GVA): 35.4 Services and other activity (% of GVA): 55.4	UN data

CLIMATE CHANGE		
Global Climate Risk Index (CRI)	130 out of 180 countries	Germanwatch
ND-GAIN Country Index	39.6 ND-GAIN score, ranked 141 0.519 vulnerability score, ranked 136	ND-GAIN
Past Trend 1971-2020	Mean annual temperature: Increase Maximum of daily max-temperature: Increase	WBG
Mean Projections (CMIP6) 2020-2039	Mean annual temperature: Increase Maximum of daily max-temperature: Increase Precipitation: Decrease in Shiselweni and Lubombo; Increase in Hhohho, Manzini	WBG SSP2-4.5, Multi-model Ensemble, (Ref. Period: 1995-2014)





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