Structural Economic Transformation
The Kingdom of Eswatini March 2019
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Introduction

- Over the past decade, economic growth, investment, and exports have slowed down in Eswatini, while the business environment has at best stagnated, unemployment has risen, production and exports have not diversified.

- The National Industrial Development Policy (2015-2022) sets out what the Kingdom of Eswatini intends to achieve in the area of industrial development towards attainment of Vision 2022 targets. The Policy is aligned to the Costed Action Plan for the implementation of the SADC Industrialization Strategy and Roadmap.

- The vision is “to achieve structural change in Eswatini’s growth path through value addition and diversification for a globally competitive industrial base.”

- It is important for the country to reinvigorate its industrial sector, and this will be achieved through creating value chains in various sectors to ensure structural and economic transformation.
Objectives

- To enhance manufacturing and services sectors contribution to GDP to be above 50% and increase manufactured exports by 5%.
- To promote diversification of the country’s industrial activities and increase employment in the manufacturing sector by 5% per year.
- To increase utilisation and beneficiation of local and regional raw materials in the production of goods for domestic and export markets by 50%.
- To promote broad based industrialization path by increasing the participation of SMMEs in the manufacturing sector by 10%.
Policy Interventions

- Standards, technical regulations and quality infrastructure. Regulatory and Quality Infrastructure (Standards, Metrology, Quality Assurance, Accreditation and Technical Regulations).
- Promoting industrial upgrading through innovation, technology transfer and research & development
- Liberalization of trade in services to accelerate industrialization
- Competition
- Incentives and Tariffs in Investment, Trade and Industrialisation
- Support for valued addition
- Development Finance Institutions (DFIs)
- SACU Development Fund
Top Ten Exports - 2017

- Essential oils and resinoid; perfumery, cosmetic or toile preparations
- Sugar and sugar confectionery
- Miscellaneous chemical products
- Articles of apparel and clothing accessories, knitted or crocheted
- Wood and articles of wood; charcoal
- Articles of apparel and clothing accessories, knitted crocheted
- Preparation of vegetables, fruit, nuts or other parts of plant
- Beverages, spirits and vinegar
- Minerals fuels, minerals oils and products of their distillation; bituminous substances; minerals waxes
- Organic chemicals
## Manufacturing to GDP

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>2016</td>
<td>31%</td>
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<tr>
<td>2017</td>
<td>30%</td>
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<tr>
<td>2018</td>
<td>28%</td>
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National Export Strategy Objectives:

- To increase the country’s exports through diversification and value addition with an ultimate target of increasing contribution of exports to GDP by (5%);
- To strengthen existing relationships with current export markets to ensure that Eswatini takes full advantage of preferences offered by these markets;
- To explore new markets;
- To secure Swaziland’s key interests in trade negotiations by enhancing the country’s trade negotiations capacity;
- To enhance market access for Eswatini exports through branding and improved product quality;
- To improve trade facilitation in order to expedite movement of goods and services;
- To allow for technological innovations that will enhance competitiveness of Swaziland’s exports by ensuring the use of low cost production methods that do not compromise the national objective of employment creation.
Thank you!