47. Country profile: Swaziland



1. Development profile

Landlocked Swaziland, bordered by South Africa and Mozambique, was ruled by an absolute monarch until the late 1990s when King Mswati III began to loosen his grip on the Government. In 2006, he ratified a constitution but maintained bans on all political parties. Because of this, Swaziland still has work to perform in the form of more freedom for its people.

In the early 1990s, development indicators were higher than those found in other Sub Saharan African nations. Unfortunately, the HIV/AIDS epidemic, poor macroeconomic policies and exogenous shocks, "has effectively wiped out three decades of development gains." Swaziland is considered a lower middle income country. However, 69 percent of its population lives under the poverty line. Swaziland has the highest HIV/AIDS prevalence rate (32.4 percent) in the world. The country also has high mortality rates and low life expectancy which stood at 46 years of age in 2008. If the disease is not controlled, by 2015, 30,000 people will die of the HIV/AIDS epidemic annually and life expectancy will decline to 33 years. The Government has made considerable efforts in the fight against HIV/AIDS but more investment and resources are needed in order to control the disease. The Government has committed no less than 15 percent of total spending to the healthcare system. It is estimated that: one-third of the children in Swaziland are orphans or are vulnerable; 15 percent of households are headed by children: and 39.2 percent of women attending antenatal care centres are HIV positive. Unemployment is on the rise and stands at 28.2 percent at the national level and 53.3

¹ Swaziland. (2010). Retrieved from US Government, Central Intelligence Agency: https://www.cia.gov/library/publications/the-world-factbook/geos/wz.html

² Swaziland: Country Brief. (2010). Retrieved from World Bank: http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/AFRICAEXT/SWAZILANDEXTN/0,,menuPK:375118~pagePK:141132~piPK:141107~theSitePK:375023,00.html

³ Swaziland. (n.d.). Retrieved from African Economic Outlook: http://www.africaneconomicoutlook.org/en/countries/southern-africa/swaziland/#/recent_economic_developments

⁴ Swaziland. US Government, Central Intelligence Agency.

⁵ Indicators. (2010). Retrieved from World Bank: http://data.worldbank.org/indicator

⁶ Swaziland. African Economic Outlook.

⁷ Ibid.

⁸ Swaziland. (n.d.). Retrieved from World Food Programme: http://www.wfp.org/countries/Swaziland

percent among those aged 15 to 24.9 Free primary education was implemented for grades 1 and 2 in January 2010, but the opening week was marked by a lack of teachers, overcrowded classrooms and confusion about fees. 10

An estimate 75 percent of the population is employed by the agriculture industry. These farmers are mostly active on Swazi Nation Land (SNL) "which suffers from low productivity and investment". While agriculture employs the majority of the workforce, manufacturing and government services provide for all but 13 percent of the country's GDP. The "dual nature of the Swazi economy, with high productivity in textile manufacturing and in the industrialized agricultural TDLs on the one hand, and declining productivity subsistence agriculture (on SNL) on the other, may well explain the country's overall low level of economic growth, high income inequality and unemployment". 13

Swaziland's economy is extremely dependent on the South Africa. The country gets 90 percent of its imports and sends 60 percent of its exports to its much larger neighbor. Waziland has trade preference agreements with the US and EU for textiles and sugar, respectively. The World Bank's 2009 Doing Business Report ranked Swaziland 108 out of 181 countries in the general ease of doing business, largely the result of a weak regulatory framework.

Socioeconomic indicators ¹⁶		
Population (millions)	1.17	
GNI per capita, PPP (current USD)	5,000	
GDP (current USD) (billions)	2.84	
GDP composition by sector (%)	Agriculture – 7 Industry- 49 Services- 43	
GDP growth rate (%)	2.4	
Percent below poverty line (%)	62.9	
Inflation (%)	10.1	
GINI index	50.7	
Adult literacy rate (%)	79.6	
Life expectancy (years)	46	
Child dependency ratio	67.1	
Elderly dependency ratio	5.9	
HIV prevalence (%)	26.1	

⁹Swaziland. African Economic Outlook.

¹⁰ Swaziland: Free Primary Education, at Last. (2010, January 31). Retrieved from Medilinks: http://medilinkz.org/news/news2.asp?NewsID=30064

¹¹Swaziland: Country Brief. World Bank.

¹² Ibid.

¹³ Ibid.

¹⁴ Swaziland. US Government, Central Intelligence Agency.

¹⁵Swaziland. African Economic Outlook.

¹⁶ Indicators. (2010) Retrieved from World Bank: http://data.worldbank.org/indicator

Overseas development aid per capita (current USD)	55
Net official development assistance (USD millions)	67
Remittances as % of GDP	3.5
2009 Human Development Index (HDI) ranking	142

2. Vulnerability analysis

2.1 External shocks

Swaziland enjoys preferential trade agreements with the US and the EU. However, "the continued vibrancy of the export sector is threatened by the removal of trade preferences for textiles, the accession to similar preferences for East Asian countries, and the phasing out of preferential prices for sugar to the EU market. Swaziland will thus have to face the challenge of remaining competitive in a changing global environment".¹⁷

The global economic slowdown has resulted in a decrease in GDP growth from 3.5 percent in 2007 to an estimated 2 percent in 2010. Swaziland fixes its currency to the South African rand which led to a depreciation of the lilangeni in 2008 as the rand also declined in value. ¹⁸

Recently, the country has experienced severe draughts. These droughts have increased food insecurity and caused malnutrition levels to increase by 24 percent from 2006 to 2007. 19

2.2 HIV/AIDS

Swaziland has the highest HIV/AIDS prevalence rate in the world and subsequently the highest death rate and lowest life expectancy. The Government has shown a strong commitment to fighting the disease, "Some notable areas of intervention include mainstreaming HIV/AIDS into the planning and budgeting processes and increasing programmes on awareness, anti-retroviral therapy, voluntary counselling and testing, home-based care and sex education in schools. These initiatives are financed, in part, by grants from the Global Fund and a total of USD16.6 million was disbursed in 2008". There are thousands of orphans in Swaziland because of HIV/AIDS and the epidemic has broken down family structures. The structure of the

2.3 Foreign aid and remittances

Remittances to Swaziland totalled USD 99 million in 2007 and remittances per capita are USD 86 which is significantly more than the regional averages of USD 16.815 million and USD 26 per

¹⁷ Swaziland: Country Brief. World Bank.

¹⁸Swaziland. African Economic Outlook.

¹⁹ Ibid.

²⁰ Ibid.

²¹Swaziland. (n.d.). Retrieved from United Nations Children's Fund: http://www.unicef.org/infobycountry/swaziland_937.html

capita.²² Because of this, the country would be severely imperilled if foreign governments or economies slowed down the flow of either aid or remittances into the country.

3. Monitoring and evaluation

According to the *Poverty Reduction Strategy and Action Plan*, "Monitoring will be a continuous process at all levels. At cabinet level, monitoring will concentrate on the impact of all anti-poverty initiatives on the final indicators of welfare (poverty prevalence, depth and severity, income distribution, levels of household incomes, literacy rate, health status indicators etc). Principal Secretaries will monitor and evaluate the PRSAP implementation and advise on any action to correct any undesirable deviation from the objectives and targets. The Forum will be concerned with key poverty issues as well as the overall implementation of the PRSAP, especially the projects and measures as well as poverty trends once a year. Poverty Reduction Unit will be concerned with all aspects of implementing the Plan and monitoring poverty at all levels. At implementation level (Tindvuna Tetinkhundla, Regional Teams, line Ministries), the main concerns will be whether inputs at micro level (resources, personnel, equipment) are made available timely and are producing the desired outputs (schools, health centres, rural roads, household income etc)".²³

4. Social assistance programmes overview

*All currency conversions are based on 17th February 2010 rates:

- 1 SZL = 0.12745 USD
- 1 EUR = 1.369 USD
- 1 GBP = 1.57161 USD²⁴

	Programme name	Old Age Grant ²⁵
provident fund and stance system	Programme overview	■ The Old Age Grant was a policy adopted by the government in response to the worsening plight of the elderly, largely as an indirect consequence of HIV/AIDS. The loss of remittances from young family members and the increasing phenomenon of the elderly being care-givers for orphaned children as well as chronic drought conditions in certain parts of the country are key variables that informed the policy response.
Programme# 1: p social assist	Programme components	 Old-age benefit (provident fund): The benefit is calculated based on total employer and employee contributions plus at least 3% interest per year. The benefit may be paid as a lump sum, in installments, or converted to an annuity. Old-age grant (social assistance): 300 lilangeni (USD 38.24) is paid quarterly.

²²Swaziland: Country profile of human development indicators. (2010). Retrieved from United Nations Development Programme: http://hdrstats.undp.org/en/countries/profiles/SWZ.html

²³Poverty Reduction Strategy and Action Plan. (2005, March). Retrieved from Southern African Regional Poverty Network: http://www.sarpn.org.za/documents/d0001791/index.php

²⁴Currency Converter. (2010). Retrieved from OANDA: http://www.oanda.com/currency/converter/

²⁵Table drawn from *Social Security Programs Throughout the World: Africa 2009*. (2009). Retrieved from US Government, Social Security Administration: http://www.ssa.gov/policy/docs/progdesc/ssptw/2008-2009/africa/swaziland.html

	 Disability benefit: The benefit is calculated based on total employer employee contributions plus at least 3% interest per year. The bene may be paid as a lump sum, in installments, or converted to an annu
	Survivor benefit: The benefit is calculated based on total employer employee contributions plus at least 3% interest per year. The bene
	may be paid as a lump sum, in installments, or converted to an annu Provident fund: Employed persons.
Drogramma coverage	 Voluntary coverage for employees not compulsorily covered and for members of religious organizations.
Programme coverage	 Exclusions: Self-employed persons, household workers, casual empl and foreign workers. Special system for civil servants.
	Social assistance: Citizens of Swaziland
	Old-age benefit (provident fund):
	 Age 50 (age 45 if covered employment ceases, any age if emigrating permanently). Retirement is not necessary. Benefits are payable abroad only under reciprocal agreement.
	Old-age grant (social assistance):Age 60 or older and assessed as needy.
	Disability benefit:
	 Paid if the member is assessed with at least a permanent p
Beneficiary	physical or mental disability.
determination process	Benefits are payable abroad only under reciprocal agreements.
	Survivor benefit:
	Paid to one or more dependents for the death of the fund
	member before retirement.
	 The eligible survivor is the spouse. In the absence of the spouse.
	the eligible survivors are other dependents or other person
	named by the fund member.
	 Benefits are payable abroad only if there is a reciprocal
	agreement.
	Insured person:
	 Provident fund: 5% of covered earnings.
	o Social assistance: None.
	■ Employer:
Finance	 Provident fund: 5% of covered payroll.
	o Social assistance: None.
	■ Government:
	o Provident fund: None.
	 Social assistance: The total cost.
	First law: 1974 (provident fund)
Legal framework	 In the absence of legislation, the regulatory framework for the Old A
regai irailiework	Grant is a Cabinet resolution of 2005 and its operations are supervise
	a Caninet Suncommittee on Social Weltare
Administrative	 a Cabinet Subcommittee on Social Welfare. Ministry of Labour and Social Security provides general supervision in

•	Managed by a tripartite board and a director, the National Provident Fund administers the provident fund program.
•	Social Welfare Department administers the social assistance program.

	Programme name	Public Assistance Grant ²⁶
fer	Programme overview	The grant covers those members of vulnerable groups that are under the age of 60 years old and who do not qualify for another grant or source of income.
ind transfer	Programme coverage	 The programme targets the elderly, disable, poor and terminally ill who do not otherwise qualify for a grant or assistance from the government.
: in-kind	Beneficiary determination	A means test is used to determine eligibility for the grant.
ne# 2:	process	 Approximately 5,000 individuals are assisted each year.
Programme#	Programme duration	■ The programme started in 1967 and continues to be implemented.
Prog	Finance	 The Government of Swaziland finances the programme at a cost of USD 2,738,000 a year.
	Administrative framework	 The Government of Swaziland implements the programme through the Social Welfare Department.

	Programme name	Work Injury ²⁷
Programme# 3: social insurance	Programme components	 Temporary Disability Benefits: The benefit is equal to 75% of the insured's earnings and is paid after a 3-day waiting period until full recovery or certification of permanent disability. The benefit is paid for a maximum of 24 months. The benefit may be paid as a lump sum calculated according to the expected duration of the disability. The minimum monthly earnings for benefit calculation purposes are 75 lilangeni. The maximum monthly earnings for benefit calculation purposes are 500 lilangeni. Permanent disability benefit: If the insured is assessed with a total disability, a lump sum is paid equal to 54 times the insured's monthly earnings at the time of the accident. Constant-attendance allowance: If the insured is assessed with a total disability, a lump sum is paid equal to 25% of the permanent disability benefit. Partial disability: A percentage of the full benefit is paid according to the

 ${}^{26}Swaziland: summary\ data\ on\ social\ protection\ schemes.\ (2007, January).\ Retrieved\ from\ United\ Nations\ Development\ Programme:\ http://www.ipc-undp.org/publications/cct/africa/SwazilandSumarrySPprogramsJan2007.pdf$

²⁷ Table text from *Social Security Programs Throughout the World: Africa*, 2009. US Government, Social Security Administration.

	loss of working capacity. The minimum monthly earnings for benefit calculation purposes are 75 lilangeni. The maximum monthly earnings for benefit calculation purposes are 500 lilangeni. Workers' Medical Benefits: Benefits include medical care, surgery, hospitalization, medicines, dental and eye care, transportation, appliances, and medical care abroad if necessary (up to 6,325 lilangeni). Survivor benefit: The survivors receive a lump sum equal to 48 times the
	 deceased's monthly earnings at the time of the accident minus any permanent disability benefits paid to the deceased. The minimum monthly earnings for benefit calculation purposes are 75 lilangeni. The maximum monthly earnings for benefit calculation purposes are 500 lilangeni. Eligible survivors are an unemployed widow, a disabled widower and children; a reduced benefit is paid to survivors who were partially dependent on the deceased.
	 Funeral grant: A lump sum is paid by the employer to cover the cost of the funeral, up to 300 lilangeni. Employed persons in the private and public sectors, trainees, and
Programme coverage	 Employed persons in the private and public sectors, trainees, and apprentices. Exclusions: Self-employed persons, household workers, certain types of contract workers, family labour, and casual workers.
Beneficiary determination process	 Work injury benefits: There is no minimum qualifying period. Accidents that occur while commuting to and from work are covered.
Finance	 Insured person: None. Self-employed person: Not applicable. Employer: The total cost is met through the payment of insurance premiums. Government: None.
Legal framework	First law: 1963.Current law: 1983.
Administrative framework	 Ministry of Labour and Social Security enforces the law. Employers must insure the assessed liability with a private insurance company.

	Programme Name	Food Aid ²⁸
_	Programme objective	 To provide emergency relief to areas of the country affected by drought or other food security issues.
transfe	Programme components	 A transfer of food in the form of either maize meal, corn, soya blend or oil.
conditional food transfer	Programme coverage	 Areas of the country that have severe food security problems caused by draughts or other natural disasters.
lition	Programme duration	■ The programme began in 2002.
# 4: cond	Beneficiary determination	 Beneficiaries are determined by using geographic vulnerability assessments in the case of food security vulnerability.
Programme# 4:	process	 Beneficiaries typically live in areas that are plagued by draught and high- unemployment as well as having few assets.
Progr	Finance	 The programme is financed by the WFP, government or other partner agencies depending on the area.
	Administrative framework	 The programme is implemented by various agencies including World Vision, ACAT and LDS.

transfer	Programme name	Food for Assests ²⁹
	Programme objective	 The improvement of food security for households and participation of those households in community activities.
food	Programme components	 Food transfers similar to the Food Aid programme above. These transfers include maize meal, pulses and vegetable oil.
conditional	Programme coverage	 The programme seeks to cover vulnerable households in drought-prone regions of Swaziland.
e# 5:	Programme duration	■ The Programme began in 2006 and continues to run.
Programme#	Finance	 The programme is financed by the various organizations involved; however, the major donor is the WFP.
	Administrative framework	 The programme is implemented with the support of various NGOs. The government also provides personnel and technical assistance.

²⁸ Table drawn from *Swaziland: summary data on social protection schemes*. United Nations Development Programme.

²⁹Ibid.

fer	Programme name	MCH and under 5 Support ³⁰
od transfer	Programme objective	 The improvement of nutrition of children under 5 years of age as well as pregnant and lactating mothers.
onal food	Programme components	 Monthly food transfers that include corn and soya blend.
conditional	Programme coverage	■ The programme is implemented on the national level in 51 clinics.
9:	Programme duration	■ The programme began in 2005 and continues.
mme	Finance	■ The WFP is the major donor of the programme.
Programme#	Administrative framework	 The programme is implemented by the Government through the Ministry of Health and Hospitals.

er	Programme name	Neighbourhood Care Point ³¹
d transfer	Programme objective	 Provide at least one meal a day to orphans and other vulnerable children in order to better their nutrition and food security.
l food	Programme components	■ Food rations to OVCs.
conditional	Programme coverage	 Orphans and other vulnerable children who attend neighbourhood care points. There are 252 neighbourhood care points across the country.
me# 7:	Finance	■ The programme is financed by donations from UNICEF and WFP.
Programme#	Administrative framework	The programme is implemented by the Government through neighbourhood care points at the community level. Coordination is provided by the Deputy Prime Minister's office.

	Programme name	School Feeding ³²
al food	Programme objective	 To provide one meal a day to school-age children as well as to provide an incentive to attend school.
conditional	Programme components	Daily transfers of food to children that attend school.
Programme# 8: con	Programme coverage	 National programme being implemented in 96 schools with more schools added each year.
		 In order to receive the transfer, the child must attend school.
rogra	Programme duration	■ The programme was initiated in 1982 and continues.
	Finance	■ The programme is financed by donations from WFP and UNICEF.

³⁰Ibid.

³¹ Ibid.

³²Ibid.

	Administrative framework	•	The programme is implemented by the Government through the Ministry of Education with partnerships from various NGOs.
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	Programme name	Support for families of ART patients ³³
transfer	Programme objective	 To increase the accessibility of food for families of anti-retroviral treatment (ART) patients.
food t	Programme components	Monthly transfers of food including maize meal, pulses and vegetable oil.
conditional fo	Programme coverage	 A national programme that covers families with no more than 5 members of ART patients.
icon:		 Families must be referred into the programme by a nurse.
ne# 9	Programme duration	■ The programme was initiated in 2005 and continues.
Programme#	Finance	■ The programme is financed through donations from WFP.
Pro	Administrative framework	The programme is implemented by the Government through the Ministries of Health and Social Welfare.

	Programme name	Urban Maize Distributions ³⁴
food	Programme objective	■ The improvement of household food security in urban areas.
conditional	Programme components	 Quarterly transfers of maize and bean rations to food insecure adults and households.
10: con	Programme coverage	The programme covers food insecure adults and households in 72 wards in 11 towns.
	Programme duration	■ The programme was initiated in 2004 and continues.
Programme#	Finance	■ The programme is financed by the Global Fund.
Pre	Administrative framework	 The programme is implemented by the Community AIDS committees in the local areas as well as AMICALL.

³³ Ibid.

³⁴ Ibid.

	Programme name	3 by 5 Support ³⁵
food	Programme objective	■ To provide food to ARV patients at 75 hospitals across the country.
conditional	Programme components	 The monthly provision of food in the form of corn and soya blend to ARV patients.
H	Programme coverage	 ARV patients in 75 hospitals across the country.
me# 1	Programme duration	■ The programme was initiated in 2005 and continues.
Programme#	Finance	■ The programme is financed by donations from WFP.
Prc	Administrative framework	 The programme is administered by the Government through the Ministry of Health.

F	Programme name	Community Gardens ³⁶
transfer	Programme objective	 To help communities produce food and generate income to alleviate both food insecurity and poverty.
conditional	Programme components	 One time transfers of garden inputs such as seeds, tools, fertiliser and fencing.
12: cond	Programme coverage	 The programme covers 7 communities in drought-prone regions of the country and is targeted towards farmers in those areas.
	Programme duration	■ The programme was initiated in 2004 and continues.
Programme#	Finance	 The programme is financed by FAO and the Government of South Africa at a cost of USD 35,000 per year.
Pro	Administrative framework	■ The programme is implemented by FAO and MOAC.

	Programme name	Indlunkhulu/Chief's Fields ³⁷
ısfer	Programme objective	 To increase accessibility of food for OVCs and other vulnerable community members.
nal trar	Programme components	 Annual transfers of inputs such as seeds and tools that are required to cultivate crops in each region.
3: conditional transfer	Programme coverage	 The programme is national and targets OVCs, the ill, the elderly and the disabled. Beneficiaries must be referred into the programme.
ne# 1	Programme duration	The programme was initiated in 2004 and continues. • The programme was initiated in 2004 and continues.
amu		
Programme#	Finance	 The programme is financed by FAO, Microprojects and the Government of South Africa at a total cost os USD 315,000 per year.
	Administrative framework	The programme is implemented by FAO, MOAC, Microprojects and NERCHA.

³⁵ Ibid.

³⁶ Ibid.

³⁷Ibid.

	Programme name	Input trade fairs/seed fairs ³⁸
transfer	Programme objective	 To provide inputs to farmers in drought-prone regions in order to allow for an increase in yields.
conditional tr	Programme components	 Annual distribution of vouchers to farmers that can be exchanged for any necessary farming inputs.
14:	Programme coverage	The programme covers drought-prone regions across the country and is targeted to the poor farmers who are most susceptible to drought-related problems.
nme#	Programme duration	■ The programme was initiated in 2004 and continues.
Programme#	Finance	 The programme is financed by FAO and the Government of South Africa at a cost of USD 500,000.
_	Administrative framework	■ The programme is implemented by FAO and MOAC.

er	Programme name	NCP Gardens ³⁹
transfer	Programme objective	 To provide sustainable fresh vegetables to individuals.
	Programme components	 One-time transfers of garden inputs such as seed, tools, fertiliser and fencing.
conditional	Programme coverage	 The programme covers 20 NCPs across the country and is targeted at pre- primary OVCs.
le# 15:	Programme duration	 The programme was initiated in 2004 and continues with plans of expansion.
Programme#	Finance	 The programme is financed by the Government of South Africa at a cost of USD 140,000 per year.
Pro	Administrative framework	■ The programme is implemented by FAO and MOAC.

	Programme name	Urban Farming ⁴⁰
transfer	Programme objective	 Provide food for vulnerable members of the community by providing seeds and other necessary inputs for the cultivation of crops.
conditional t	Programme components	 Annual provision of inputs such as seeds and tools necessary to grow maize, legumes and cassava.
16:	Programme coverage	 The programme covers 3 towns and is targeted towards food insecure adults and households in those communities.
ne#		■ The programme expanded to cover an additional 2 towns in 2006.
Programme#	Programme duration	■ The programme was initiated in 2005 and continues.
Prc	Finance	 The programme is financed by the Global Fund at a cost of USD 1,000 per field per year.

³⁸ Ibid.

³⁹Ibid.

⁴⁰ Ibid.

Administrative framework

• The programme is implemented by AMICALL and MOAC.