



Kingdom of Swaziland

Draft

Poverty Reduction Strategy and Action Plan (PRSAP)

Volume 1

Poverty Reduction Task Force

Ministry of Economic Planning and Development

MARCH 2005

Acronyms.....	9
Acknowledgements	11
Foreword.....	12
CHAPTER 1: INTRODUCTION	15
CHAPTER 2: STATUS OF POVERTY IN SWAZILAND	19
2.1 Meaning of Poverty	19
2.2 Prevalence of Poverty.....	19
2.3 Sources of Income for the Poor.....	20
2.4 Spatial Distribution of Poverty.....	20
2.5 Poverty and Inequality	21
2.6 Social Characteristics of Poverty	21
2.6.1 Employment and Poverty.....	22
2.6.2 Gender and Poverty.....	22
2.6.3 Education and Poverty.....	22
2.6.4 Number of Children and Poverty	22
2.6.5 Vulnerability and Poverty	23
2.6.6 Water supply, Sanitation and Poverty.....	23
2.6.7 Age Group and Poverty	23
2.6.8 Marital Status and Poverty.....	23
2.6.9 Life Prospects	24
2.7 Causes of Poverty in Swaziland	24
2.8 Poverty Reduction Goal	24
CHAPTER 3: POLICY FRAMEWORK FOR POVERTY REDUCTION	25
3.1 Overarching Policy Objective	25
3.2 Framework for Poverty Reduction Strategy.....	26
3.2.1 Macro-economic Stability.....	26
3.2.2 Rapid Acceleration of Economic Growth Based on Broad Participation	27
3.2.3 Empowering the Poor to Generate Income and Reduce Inequalities	28
3.2.4 Fair Distribution of the Benefits of Growth through Fiscal Policy	30
3.2.5 Improving the Quality of Life of the Poor	31
3.2.6 Improve Good Governance and Strengthen Institutions	32
3.3 National Policy Priorities.....	33
3.3.1 Fiscal Prudence	33
3.3.2 Promotion of a more equitable pattern of growth	34
3.3.3 Investment in people.....	34
3.3.4 Ensuring food security	34
3.3.5 Increase agricultural production and productivity of SNL farmers.....	35
3.3.6 Investment in rural infrastructure to increase rural productivity	35
3.3.7 Reducing the poor people's vulnerability.....	36
3.3.8 Decentralisation and strengthening governance institutions	36
CHAPTER 4: MACRO-ECONOMIC ENVIRONMENT.....	37
4.1 Economic Growth Performance	40

4.2	Macro-Economic Policy Environment	42
4.2.1	Fiscal Policy	42
4.2.2	Tax Reform	43
4.2.3	Revenue.....	44
4.2.4	Expenditure	45
4.2.5	Monetary Policy	46
4.2.6	Inflation	47
4.2.7	Trade Policy Reforms	48
4.2.8	Policy Objective in Trade Reform	49
4.2.9	Strategies for 'Poverty-Conscious' Trade Reforms	49
4.2.10	Macroeconomic Strategies to Restore Stability	49
Chapter 5:	EMPOWERING THE POOR TO GENERATE INCOME	52
5.1	Improving Access to Land	52
5.1.1	Goals for Improving Access to Land Resources	55
5.1.2	Strategies for Improving Access to Land Resources.....	55
5.2	Agriculture	55
5.2.1	Increasing Income from Agricultural Production.....	55
5.2.2	Present Policy Environment	57
5.2.3	Goal for Increasing Income from Agriculture	59
5.2.4	Strategies for Increasing Income from Agriculture	59
5.3	Creating Employment Opportunities	61
5.3.1	Current employment environment	62
5.3.2	The Formal Sector	63
5.3.3	Employment in the Agricultural Sector.....	64
5.3.4	Investment Promotion and Private Sector Development.....	64
5.3.5	Adjusting to Globalisation and Technological Innovation	65
5.3.6	Promoting Tourism	65
5.3.7	Impact of Unemployment on Youth and Women	66
5.3.8	Working Conditions of the Poor	66
5.3.9	Enhancing skills	67
5.3.10	Small & Medium Enterprises	67
5.3.11	Micro Finance System	68
5.3.12	Support to the Informal Sector.....	68
5.4	Policy Objective	69
5.4.1	The Goal	69
5.5	Strategies to Create Employment and Business Opportunities	69
CHAPTER 6:	HUMAN CAPITAL DEVELOPMENT	79
6.1	Basic Education	79
6.1.1	Providing Primary Education to Everyone	80

6.1.2	Constraints in Providing Universal Primary Education	82
6.1.3	PRSAP Goal for Providing Primary Education	84
6.1.4	Strategies in Providing Primary Education	84
6.1.5	Reducing Illiteracy.....	85
6.1.6	PRSAP Goal for Reducing Literacy.....	86
6.1.7	Vocational Education and Technical Training	86
6.1.8	PRSAP Goal in Providing Vocational Education and Technical Training.....	87
6.2	Basic Health	91
6.2.1	Primary Health Care	91
6.2.2	Challenges in Providing Basic Health.....	93
6.2.3	The Burden of Disease of on Health Sector Resources.....	93
6.2.4	The Declining Quality of Health Services	94
6.2.5	Ensuring child survival	94
6.2.6	Goal in providing basic health.....	96
6.2.7	Strategic Objectives	96
6.2.8	Provide Effective Basic Health Services.....	96
6.3	HIV/AIDS	99
6.3.1	The Spread of HIV/AIDS.....	99
6.3.2	Socio-Economic Impact	100
6.3.3	HIV/AIDS and Poverty	103
6.3.4	Policy Objective for HIV/AIDS Reduction	104
6.3.5	Goal.....	104
6.3.6	Strategies for addressing HIV and AIDS	104
6.4	Ensuring Food Security and Proper Nutrition	107
6.4.1	PRSAP Goal for Ensuring Food Security and Proper Nutrition.....	110
6.4.2	Strategies for Food Security	110
6.4.3	Safe Water and Sanitation	113
6.4.4	Safe Water Supply	113
6.4.5	Proper Sanitation and Waste Disposal.....	115
6.4.6	Goal in Safe Water and Sanitation	116
6.4.7	Strategies for Water and Sanitation.....	116
CHAPTER 7: IMPROVING THE QUALITY OF LIFE	119
7.1	Social Protection of Vulnerable Groups	119
7.1.1	The Plight of Vulnerable Groups.....	119
7.1.2	Recent Interventions.....	121
7.1.3	The Goal for the Social Protection of Vulnerable Groups.....	123
7.1.4	Strategies for the Social Protection of Vulnerable Groups	123
7.2	Improving Housing	128
7.2.1	Causes of Poor Housing	128

7.2.2	Goal of improving housing conditions.....	129
7.2.3	Strategies for Improving Housing Conditions	129
7.3	Ensuring Sustainable Energy	131
7.3.1	Sources of Domestic Energy	131
7.3.2	Related Policy	132
7.3.3	The Goal	132
7.3.4	Strategies for Sustainable Energy Supply to the Poor	132
7.3.5	Legal Protection of the Poor	135
7.3.6	Obligation of Government.....	135
7.3.7	Shortcomings in current laws.....	136
7.3.8	Goal for Legal Protection	136
7.3.9	Strategic objective.....	136
7.3.10	Strategies for legal protection	137
CHAPTER 8:	GOOD GOVERNANCE	139
8.1	The System of Governance.....	139
8.2	Definition of Good Governance.....	139
8.3	Promoting Good Governance	139
8.4	The Principle of Good Governance	140
8.4.1	Participation	140
8.4.3	Transparency.....	141
8.4.4	Responsiveness.....	141
8.4.5	Consensus Orientation	141
8.4.6	Equity and Inclusiveness	141
8.4.7	Effectiveness and Efficiency	142
8.4.8	Accountability.....	142
8.5	Ensuring Good Governance	142
8.5.1	Improving the Fiscal Position.....	142
8.5.2	Judicial System And Law Enforcement	143
8.5.3	Anti- Corruption Measures.....	143
8.5.4	Traditional And Modern Systems Of Governance	143
8.5.5	Local Government Institutions	143
8.5.6	Service Delivery/Decentralisation	144
8.5.7	Capacity Building in Local Administration.....	145
8.6	Challenges for Poverty Alleviation.....	146
8.6.1	Chieftaincy Disputes on succession and Boundaries.....	146
8.6.2	Women’s Minority Status	146
8.6.3	Authority to Conduct Business in Rural Areas.....	146
8.7	Goal for Improved Governance	146
8.7.1	Strategies for Improved Governance.....	147
CHAPTER 9:	CROSS CUTTING ISSUES	149

9.1	Population Issues	149
9.1.1	Population Dynamics	149
9.1.2	Population Structure and Characteristics	150
9.1.3	Economic Impact of Population Dynamics	152
9.1.4	The Policy Environment	152
9.1.5	Strategic Objective	153
9.1.6	The Goal for Population	153
9.1.7	Strategies for Population Right-Sizing	153
9.2.	Environment	156
9.2.1.	Environment and Poverty	156
9.2.2	Persisting Environmental Challenges	157
9.2.3	Goal for Environmental Conservation	159
9.2.4	Strategic objective for environmental protection	159
9.2.5	Strategies for improving environmental health	160
9.2.6	Strategies for waste management	160
9.2.7	Strategies for reversing land degradation	160
9.2.8	Strategies for conserving forests and wood land	161
9.2.9	Strategies to combat invasive alien plant species	161
9.3.	Gender Equality	164
9.3.1	Inequalities in Poverty	164
9.3.2	Income Generation	165
9.3.3	Gender and Education	166
9.3.4	Health, HIV/AIDS and Gender	167
9.3.5	Gender and Land/Property	168
9.3.6	Gender and Culture	169
9.4.	Strategic objective	170
9.5.	The Goal for Gender Equality	170
9.5.1.	Strategies for achieving gender equality	170
9.6.	INFRASTRUCTURAL DEVELOPMENT FOR INCREASING RETURNS	174
9.6.1	IMPROVING RURAL INFRASTRUCTURE	174
9.6.2	Market Infrastructure	177
9.6.3	Road Safety	177
9.6.4	Strategic Objectives	178
9.6.5	Goal for Rural Transport	178
9.6.6	Strategies for Improving Rural Road Transport	178
9.6.7	Information and Communications	179
9.6.8	Goal for Information and Communications	183
9.6.9	Strategic Objectives	183
9.6.10	Strategies for Information and communications	183

CHAPTER 10: IMPLEMENTATION, MONITORING AND EVALUATION	187
10.1 Planning Framework.....	187
10.2 Co-ordination of Implementation, Monitoring and Evaluation Arrangements.....	189
10.2.1 Implementation Roles of Stakeholders	189
10.3 Financing of the PRSAP	194
10.3.1 Resource Forecasts	195
10.3.2 External Assistance	195
10.4 Institutional Set-up for Co-ordination, Monitoring and Evaluation of Poverty Reduction	196
10.4.1 Cabinet Sub-Committee on Poverty	198
10.4.2 Poverty Sub-Committee of Principal Secretaries	198
10.4.3 National Poverty Monitoring Forum	198
10.4.4 Poverty Reduction Unit	198
10.4.5 Line Ministries, Regional Teams, and Bucophu	199
10.5 Monitoring and Evaluation Processes	199
10.5.1 Monitoring Indicators	200
10.5.2 Monitoring Reports	201
10.5.3 Evaluation Reports	201
10.5.4 Establishment of Management Information Systems for Poverty Monitoring 202	
10.6 Review of the PRSAP	202
Matrix of Strategic Objectives, Targets and Priority Actions for Implementing Arrangements, Monitoring and Evaluation	202
APPENDIX	203
Appendix 1: PRSAP Poverty Monitoring Indicators	203

LIST OF FIGURES

Figure 1: Reserves versus Budget Deficit Developments 1997/98-2006/07	46
Figure 2 : Inflation developments	47
Figure 3: Proposed Growth Rate vs. Real Growth 1991-2003.....	50
Figure 4: Total Primary School Enrolment 1988-2002	81
Figure 5: National HIV Prevalence 1992-2002.....	99
Figure 6: HIV prevalence among ANC respondents by Age group 1994-2002	100
Figure 7: Distribution of Water in Swaziland	114
Figure 8: Total Resident Population 1904 -1997.....	149
Figure 9: Enrolment (Boys and Girls) 1997 – 2001	166
Figure 10: Swaziland's Planning Framework	187
Figure 11: Implementation Arrangements	190
Figure 12: Institutional Arrangements for Monitoring the PRSAP	197

LIST OF TABLES

Table 1: Poverty Status Among Employed Heads Of Households	20
Table 2: Major Economic Indicators 1998 - 2003.....	40
Table 3: Primary School Repetitions 1998-2000.....	83
Table 4: HIV Prevalence by Administrative Region 1992-2002	99
Table 5: Status of Homesteads on Maize Production (%) 1992/93-2002/03	107
Table 6: Maize Production on Homesteads 1992/93-2002/03	109
Table 7: Distribution of Permits Issued by Region by Vehicle type against population	176
Table 8: National Telephone Connections 1986- 2000.....	180
Table 9: Capital Budget Financing of Poverty Projects (E' 000)	194
Table 10: Budget estimates and Projections for 2003/04 –2006/07 (E' M).....	195

ACRONYMS

ADF	Africa Development Fund
AGOA	Africa Growth Opportunities Act
ARV	Anti Retro Viral
CA	Continuous Assessment
CANGO	Coordinating Assembly of Non-Governmental Organisations
CBO	Community Based Organisations
CEDAW	Convention on the Elimination of All forms of Discrimination Against Women
CMA	Common Monetary Area
CMC	Christian Media Centre
CPI	Consumer Price Index
CSO	Central Statistical Office
DPM / O	Deputy Prime Minister' office
EFA	Education For All
EFTA	European Free Trade Area
EPI	Extended Programme on Immunisation
ESMAP	Energy Sector Management Assistance Programme October 1997
EU PMU	European Union Project Management Unit
EU	European Union
FBO	Faith Based Organizations
FDI	Foreign direct Investment
FEZ	Food Economy Zones
FINCORP	Finance Corporation
FSE	Federation of Swazi Employers
GDP	Gross Domestic Product
GDP	Gross Domestic Product
GTZ	Deutsche Gesellschaft fur Technische Zusammenarbeit
Ha	Hectares
HIV/AIDS	Human Immune Virus/Acquired Immune Deficiency Syndrome
IEC	Information Education and Communication
ISAP	Internal Structural Adjustment Programme
LPG	Liquefied Petroleum Gas
MEE	Ministry of Enterprise and Employment
MEPD	Ministry of Economic Planning and Development
MFAT	Ministry of Foreign Affairs and Trade
MFI	Micro Finance Institutions
MHSW	Ministry of Health and Social Welfare
MITC	Manzini Industrial Skills Training Centre
MNRE	Ministry of Natural Resources and Energy
MOAC	Ministry of Agriculture and Cooperatives
MOE	Ministry of Education
MOET	Ministry of Environment and Tourism
MOF	Ministry of Finance
MOH	Ministry of Health
MOPSI	Ministry of Public Service and Information
MOU	Memorandum of Understanding
MP	Members of Parliament
MPWT	Ministry of Public Works and Transport
MTC	Ministry of Transport and Communications
MTEF	Medium Term Expenditure Framework
MVA	Motor Vehicle Accident Fund
MW	Mega Watts
MW	Mega Watts
NAMBOARD	National Agricultural Marketing Board
NASTC	Nhlangano Agricultural Skills Training Centre
NDS	National Development Strategy

NERCHA	National Emergency Response Council on HIV/AIDS
NGO	Non-Governmental Organisation
NMC	National Maize Corporation
NRC	Natural Resources Committees
NUPE	Non-Formal Upper Primary Education
NUPE	Non-Formal Upper Primary Education
OPD	Out Patients Department
PAPPR	Prioritised Action Programme on Poverty Reduction
PHU	Public Health Unit
PMS	Poverty Monitoring System
PMTCT	Prevention of Mother to Child Transmission
PPA	Participatory Poverty Assessment
PRSAP	Poverty Reduction Strategy and Action Plan
PRSTF	Poverty Reduction Strategy Task Force
PRU	Poverty Reduction Unit
PRU	Poverty Reduction Unit
PV	Photo Voltaic
REC	Rural Education Centre
REC	Rural Educational Centres
RHM	Rural Health Motivator
RWSB	Rural Water Services Branch
SACRO	Swaziland Association for Crime Prevention and Rehabilitation of Offenders
SACU	Southern African Customs Union
SBIS	Swaziland Broadcasting and Information services
SC	Save the Children
SCA	Swaziland Commercial Amadoda
SCOT	Swaziland College of Technology
SDP	Sectoral Development Plans
SEA	Swaziland Environment Authority
SEB	Swaziland Electricity Board
SEDCO	Small Enterprises Development Corporation
SHIES	Swaziland Household Income and Expenditure Survey
SIPA	Swaziland Investments Promotion Authority
SITC	Shiselweni Industrial Training Centre
SME	Small and Medium Scale Entrepreneurs
SNL	Swazi Nation Land
SOS	SOS Children's Village
STI	Sexually Transmitted Infection
SWAGAA	Swaziland Action Group Against Abuse
SWSC	Swaziland Water Services Corporation
TB	Tuberculosis
TDCA	Trade Development and Cooperation Agreement
TDL	Title Deed Land
TOP	Training on Production
TOR	Terms of Reference
TPU	Trade Promotion Unit
UDP	Urban Development Project
UN	United Nations
UNICEF	United Nations Children's Emergency Fund
UPE	Universal Primary Education
USA	United States of America
VAC	Vulnerability Assessment Committee
VAT	Value Added Tax
VCT	Voluntary Counselling and Testing
VOC	Voice of the Church
VOCTIM	Vocational and Commercial Training Institute
WTO	World Trade Organization

Acknowledgments

This document is a result of intense and lengthy work by the Poverty Reduction Task Force. It involved a lot of data collection and analysis, various studies and consultations undertaken through workshops and meetings at Tinkhundla. The document was prepared by the Task Force: Nomusa Tibane (Chairperson), assisted by Ncane Dlamini (MPP), Sibusiso Sibandze (MoHSW), Dumsani Sithole (DPMs office), Walter Matsebula (MEE), Lonkhululeko Sibandze (MEPD), Sifiso Mamba (MEPD), Jabulani Shabalala (MoE), Vusi Dlamini (MoE), Ntombifuthi Mkhwanazi (MoJCA), and Dr. Reverence Kalibwani (advisor on poverty reduction). Earlier documents; SPVCO (Social Protection of Vulnerable Children Including Orphans) and PAPPR (Prioritised Action Programme on Poverty Reduction), which formed part of the input into the PRSAP, were drafted with the participation of former Task Force members Phiwayinkhosi Ginindza (MoF), Rudolph Maziya (MoHSW) and Lungile Simelane (MoHSW/MoE). The document was completed with the assistance of Sikhumbuzo Dlamini, Vusi Patrick Mnisi and Vusi Simelane.

The Task Force would like to extend its appreciation to the various stakeholders, individuals and consultants who tirelessly availed themselves for information, analysis, direct participation and comments in the crafting of the PRSAP. In addition, it would like to thank the Principal Secretaries of the different ministries who participated in and gave moral support for this exercise, in particular, Mr E. M. Hlophe (PS -MEPD). Last but not least, to the Chief Economist, Ms Nomathemba Dlamini for her guidance and support. It is also grateful for the technical and financial support from the World Bank, Republic of China and others.

FOREWORD

The Poverty Reduction Strategy and Action Plan (PRSAP) is one of the key documents for operationalising the National Development Strategy and attaining the vision 2022. Underlying this vision is the need to *inter alia* address adverse poverty in Swaziland such that by the year 2022 the kingdom will indeed be among the top 10% of the medium human development group of countries founded on sustainable economic development, social justice and political stability. It is a strategic planning document designed to guide the formulation and action for poverty reduction in all key areas of development. It will be the centre of overall planning and budgeting. Poverty reduction will from now on be central to all sectoral development plans and the medium term expenditure framework.

The concept of the formulation of a Poverty Reduction Strategy for this country started at the end of 2000 when a Poverty Reduction Strategy Task Force was appointed and through a very intense consultative process collected the views of the Swazi Nation of poverty reduction. The PRSAP has incorporated these aspirations and in a consolidated manner presents strategies and specific actions for poverty reduction for next 20 years.

The PRSAP is complimented by two interim documents that were produced by the PRTF in order to fast track action in the priority areas of employment creation, addressing the HIV/ AIDS pandemic, agricultural production and food security, providing basic needs and enhancing the quality of life of the poor. In this regard a Prioritised Action Programme on Poverty Reduction and the Social Protection of Vulnerable Children Including Orphans were produced in 2002.

The PRSAP endeavours to reduce inequalities and disparities amongst the citizens and regions of Swaziland. The document is commensurate with the Millennium Development Goals (MDGs) and will ensure that Swaziland forges ahead in achieving significant progress in all key areas of social importance in particular, in the lives of the poor. The Goals and strategies in this document will with everyone's full participation ensure that the livelihoods of the poor and disadvantaged citizens of Swaziland improve drastically.

I wish to commend the work of the Ministry of Economic Planning and Development through the Poverty Reduction Task Force in consolidating and producing in such a proficient manner the views of the all stakeholders. I would also like to thank all Swazis who participated in contributing inputs to this document. In this regard I wish to particularly thank the people at Tinkhundla level visited by the Task Force including the poor themselves, government officers, non-governmental organisations, chiefs, bucopho, tindvuna teTinkhundla, Members of Parliament, donor community, private sector and other groupings. I would also like to extend my great appreciation

to the financial and technical support received from a number of private institutions and donors, in particular the Republic of China and World Bank.

The government of Swaziland is pleased to produce this important document and to present it to the Swazi Nation and the international community for implementation. The task ahead of us is only beginning and in this regard, I wish to urge all stakeholders to internalise the PRSAP in all their programmes and initiatives. The PRSAP is a national document and for its operationalisation to make a direct impact, it is imperative that the nation owns it and participate in its implementation. This effectively means that government, private sector, civil society, donors and the public including the poor, all have a key role to play.

A.M.C. DLAMINI
MINISTER FOR ECONOMIC PLANNING AND DEVELOPMENT

CHAPTER 1: INTRODUCTION

The PRSAP is Swaziland's overarching statement on the strategy for reducing poverty and the challenges related to it. Its overall goal is to reduce poverty by more than 50% by 2015 and ultimately eradicate it by 2022. This is a very ambitious goal, but it is attainable with lots of commitment. The PRSAP cautions that tackling poverty in Swaziland would require fundamental reforms and a change in development approach.

Reducing poverty is the central challenge confronting Swaziland today and in the long-term. Government realised the great inequalities that are prevalent in the country in terms of resource ownership and allocation and embarked on a national drive to revive the economy and also reduce inequalities and poverty. The first of such initiatives has been the development of the national vision enshrined in the National Development Strategy (1997 – 2022). Poverty Reduction is the central focus of this vision.

To begin the long path to poverty eradication, the government decided on the formulation of a Poverty Reduction Strategy and Action Plan (PRSAP), as a critical component in the operationalisation of the National Development Strategy (NDS) and a direct confrontation to the reality of a development path that has been pursued leaving the majority of the population living under abject poverty. The process of preparing the PRSAP began in earnest 2001 and led to the production of the Prioritised Action Programme on Poverty Reduction in 2002. This document concentrated on a limited number of poverty issues and its formulation did not allow wide consultation among stakeholders. The current document is a comprehensive PRSAP formulated after thorough consultation with a cross section of stakeholders and covers all the main sectors related to poverty.

The PRSAP preparatory process has been a widely participatory process, emphasising inputs from the poor themselves. A wide range of other stakeholders have been consulted in the development process. From the onset, stakeholders from government, parastatal organisations, NGOs, the donor community and the private sector were sensitised through a series of workshops about the need for a poverty reduction strategy. The process of consultation was extended to communities throughout the Kingdom at Tinkhundla level involving the different structures present. All views collected were carefully analysed and every effort has been made to ensure that they are reflected in this document. Drafting workshops were conducted in which all government Ministries and departments working with poverty related issues, the corporate sector, development partners, non-governmental organisations, and the private sector participated. This Plan is therefore the outcome of these very intensive and fruitful consultations.

About 69% of the population lives below the poverty line, and the worst situation being that 48% of the population cannot meet their food requirements i.e. they are considered to be living under extreme poverty. 76% of the poor are found in rural areas and 50% in urban areas. Although agriculture is a dominating activity, more than 40% of households have never had enough to eat. The number has increased with the prolonged drought. They lack even the means of subsistence, insufficient income and the sad conditions of their daily lives combine to obstruct the attainment of their human and economic potential. Opportunities for breaking the cycle of vulnerability to protect future generations pose a serious challenge.

Poverty in Swaziland is about inequalities and wrong distribution policies. Swaziland's GDP per capita of US\$1, 387 (1999) places her among middle-income developing countries as defined by the World Bank. Its economy grew rapidly in the late 1980s, recording an average growth of approximately 9 per cent during the period 1986-1990. This growth declined thereafter to an average of 3.4% for the period 1992-97. Despite the relative impressive growth and wealth, about 69% of the Swazi population live under abject poverty or continuing vulnerability to it.

The 2001 SHIES results indicate deepening poverty with inequalities remaining at the same levels as in 1995. The Gini coefficient is calculated at 51%. The pattern of wealth concentration indicates that only a small share of the population benefits from the national income. 56.4% of the wealth is held by the richest 20% whilst the poorest 20% hold only 4.3% (SHIES 2001). In addition, despite that labour is the major asset owned by the poor, the national unemployment rate is estimated at 29% with the youth as the most affected group at 40% and women at more than 70%.

Employment opportunities have provided the major source of income for many of families in the past. However, with the unfavourable economic conditions, employment opportunities have declined considerably. The unemployment problem is seriously worse for the age group 15-24 as their levels are above 40%. The problem is worse in rural areas (25%) than in urban areas (15%). According to World Bank estimates, 40% of the core poor is unemployed. A majority of employment opportunities have been generated by the manufacturing and agricultural sectors. But it has become increasingly difficult to attract and retain foreign investment.

Furthermore, Swaziland is facing a serious HIV/AIDS pandemic, the highest in the region with national prevalence rate estimated at 38.6% for 2002. The highest infection rates are found among the 15-29 years of age group, who form the skilled and productive segments of society. The whole society is vulnerable to HIV but the poor are least able to cope with its illnesses and associated costs. It results in increased impoverishment of households with the elderly and children being the most vulnerable. Orphaned children are projected to be 120,000 by 2010.

As articulated before, poverty in Swaziland is primarily caused by inequalities. This is segmented between individuals, groups, and regions, urban and rural. The consequences of this situation of hardships are detrimental. There is a growing trend of severe bitterness as the society becomes more deprived. It is unfortunate that the analysis of the country's development indicates that the gains from the past development are being eroded. This situation is likely not only to have an impact on the country's social and political stability, but also the economic development path and the system of governance that is followed.

The present levels of poverty are going to have multiplier effects on the growth prospects thereby affecting negatively the welfare of future generations. Many households will be unable to attain the minimum living standard, face social exclusion, hunger, lack of a reliable source of income, denied satisfactory access to primary health care and basic education and risk fragmentation of family. Destitute children risk growing up on their own without parental love, care and guidance that is indicative of a lost generation in the future.

The PRSAP has been crafted such that it does not just present a list of ambitions and goals whose attainment seems to be beyond reach. The opportunities and limitations for intervention as well as the likely impact are articulated in this document. It is fortunate that the development of the Strategy came at a time when the country faces a vast variety of other national challenges, which put a strain on the country's very limited resources. Realising this, the Strategy development process has been adaptive and the result is a document that reflects the multifaceted nature of poverty, a cross-sectoral response and an extensive implementation structure, all well-linked and coordinated through the implementation and monitoring Plan. The PRSAP proposes the consolidation of these initiative so that they are funded from a designated Poverty Fund. A clear analysis of the resource implications is presented in this document. The country has already embarked on some poverty related initiatives, the operations and monitoring of which was however not well co-ordinated. The PRSAP provides guidance for a more concerted and systematic effort on poverty reduction. However, it belongs to the nation and will be implemented by all stakeholders with government undertaking the co-ordination of implementation, mobilising some of the resources and monitoring the implementation.

The Poverty Reduction Strategy and Action Plan (PRSAP) will be the country's development framework for poverty reduction. It is expected to have an overall impact on the development path to be pursued and it does place poverty reduction as priority. All development programmes are expected to have poverty reduction as the central focus and as such government will ultimately implement the PRSAP through the different supportive mechanisms including the budget. It calls for a development agenda that has a human face. It will guide the formulation of government policy at both micro and macro levels in all the sectors as well as the type of projects to be

implemented for effective poverty reduction. Under the PRSAP, the country will be transformed into a modern economy in which agents in all sectors can participate in economic growth. All stakeholders are expected to participate in the implementation of the PRSAP.

The approach taken is that sustainable economic growth is necessary and it should be accompanied by redistribution and poverty reduction. The future benefits to be derived from economic growth should be shared and the poor empowered to participate in growth. The belief is that neither transfers nor increased growth alone are sufficient to reduce poverty. This implies that the following conditions must exist:

1. Macro-economic stability with sustainable economic growth;
2. Promotion of a more equitable pattern of growth where the poor must be able to participate by expanding their opportunities;
3. Investment in people, quality human resource development to reduce risk and vulnerability;
4. Improvement of the quality of life of the most vulnerable, providing social protection for the poorest and most vulnerable;
5. Strengthening of governance institutions to increase the impact of policies for poverty reduction; and
6. Fostering transparency and accountability.

A credible strategy is one that comes with actionable activities. The PRSAP is therefore divided in two volumes. Volume I: Strategy document, analyses the poverty situation in Swaziland – causes, status and present measures. It briefly outlines the key poverty issues and how they can be addressed as part of a sectoral, cross-sectoral and national strategy. Volume II: Action Programme, it describes in brief actions that should be taken to implement the strategies listed in volume I. It will thus act as a key resource for implementing agencies. The new budgeting approach will also be based on the relevance and link of each funding requirement to these programmes of action.

CHAPTER 2: STATUS OF POVERTY IN SWAZILAND

The overall policies and strategies in this PRSAP were derived from a careful study of: who the poor in Swaziland are, their social and economic characteristics, spatial distribution, how they are coping, why they are trapped in poverty, what opportunities they have and the constraints they face in their struggle to recover from the poverty trap. The state and dynamics of poverty in Swaziland are derived from two household income and expenditure surveys conducted in 1995 and 2001, a Poverty Participatory Assessment carried out in 1997 and consultations with communities at all Tinkhundla undertaken in 2002.

2.1 Meaning of Poverty

The poor in Swaziland are those people without adequate income to buy the minimum amount of food necessary to sustain a normal and active life (set at 2100 calories per person per day), and to acquire basic non-food requirements for a decent living. This is referred to as the income poverty. Along with inadequate income, the poor also suffer from poor living conditions, social deprivations and isolation (referred to as human poverty). The Participatory Poverty Assessment (PPA) of 1997 identified these deprivations to include poor conditions of housing and clothing, as well as lack of access to basic education, which lead to illiteracy. Other characteristics of human poverty are vulnerability to: ill health and lack of access to health care, economic dislocation, displacement, disasters, exposure to ill treatment by organs of state and society, and powerlessness to influence key decisions affecting their lives. Income and human poverty are related. Income poverty leads to human poverty, which in turn locks the poor in a vicious cycle of poverty.

2.2 Prevalence of Poverty

The distinction of the poor from non-poor is based on two poverty lines established from the Swaziland Household Income and Expenditure Survey (SHIES) of 1995. The lower poverty line measures the income sufficient to buy food yielding 2100 calories per capita per day. The upper poverty line measures the income required to buy food requirements plus an allowance for essential non-food expenditures such as basic clothing, heating and lighting. The lower poverty line was established at E47.70 per capita per month in 1995. The prevalence of poverty using the lower poverty line was 48%. The upper poverty line, on the other hand, was established at E71.07 per capita per month giving the poverty prevalence of 66%.

Although a different methodology was used, the SHIES conducted in 2001 revealed that the prevalence of poverty has increased to 69% using the upper poverty line. This was not entirely surprising considering that GDP has been declining since the mid-1990s. Given the above

figures, it is highly unlikely that the earlier target to halve poverty by 2015 will be achieved; hence the proposals in this Plan for more sound economic management leading to a broad based accelerated growth during the remaining period of the NDS. In addition, government has to commit itself to the re-distribution of income and improved service delivery for vulnerable groups.

2.3 Sources of Income for the Poor

Paid and self-employment, rather than farm income, is the main source of income for the rural

poor. According to SHIES of 1995, the rural poor generate 75% of their income from wages and self-employment in business compared to farm income, which generates 12%. Other sources of income were remittances (2%) and other income (9%). These findings show that the labour market has been the main source of income for the poor and that they need the right skills to find the jobs. Prospects for employment in the country and in neighbouring countries, especially South Africa are, however, dwindling. In 1990, there were 16,500 Swazi migrant workers employed in the South African mines compared to about 13,000 in 1997. Also, the slowdown in foreign direct investment domestically, has led to stagnation in employment in the urban sector. Nonetheless, even among the employed, a substantial number are seasonally employed and living below the poverty line. Table 1 shows that seasonal employment is not a solution to poverty. As much as 62% of seasonal workers are still living below the poverty line.

Employment Status	Share of Household Poverty Prevalence (%)	
Paid seasonal	5	62
Subsistence	8	77
Self-employed	23	60
Paid non-seasonal	62	38
Total	98	237

2.4 Spatial Distribution of Poverty

There are large disparities in poverty prevalence among the four regions of the country, between rural and urban areas, and between the different ecological zones of the country. Regionally, the prevalence of poverty in 2001 was greatest in Shiselweni with 76% followed by Lubombo with 73%, very closely followed by Manzini with 70% and Hhohho 61%. Ecologically, Lubombo plateau had the highest poverty level of 81% compared to Middle and Lowveld each with 71% and the Highveld with 64%. SHIES 1995 found that poverty prevalence was 71% in rural areas and 45% in urban areas. According to SHIES 2001 the situation has worsened; poverty prevalence in rural areas was 76% in 2001 compared to 50% in urban areas.

Social dimensions of poverty also vary from region to region and between rural and urban areas. Lubombo had the lowest literacy rate of 73.1% in 1997, compared to Manzini, which had 87.2%, Hhohho 82.2%, and Shiselweni 79.8%. Adult literacy was 90% in urban areas compared to

78.3% in rural areas.

In designing interventions for this PRSAP and its future implementation, preference should be given to the poorest and most vulnerable groups, regions, and rural areas where the majority of the poor live. The standard of living and social circumstances of the poor can be transformed through preferential economic empowerment and access to social services especially health and education. In terms of regions, Shiselweni and Lubombo stand out clearly for such treatment.

2.5 Poverty and Inequality

Income distribution in Swaziland is highly skewed. According to 1995 SHIES, nationally the richest 20% consumed 59% of the national income compared to the poorest 20% who consumed 3.9%. The 2001 SHIES revealed a similar pattern. The richest 20% consumed 56.4% of national income while poorest 20% consumed only 4.3%. The Gini index for the whole country was determined to be 50.7% in 1995 and remained unchanged in 2001 at 51%. An average person in the richest quintile commands more than 13 times the consumption expenditure of the average person in the poorest 20% of the population. Income inequality is highest in Hhohho and lowest in Shiselweni, the poorest region, implying that incomes are very low and not highly differentiated. The poverty gap and severity are much higher on SNL compared with TDL and towns. In parallel to the concentration and inequality in the distribution of incomes, key assets such as land and cattle were found to be unequally distributed, even among smallholder farmers on SNL. Skewed income distribution severely counters economic expansion and increases poverty. The policy implication of these differences is that any economic growth in the country needs to be shared if the goal of overcoming poverty is to be realised.

Differences in income distribution are historically structural and a result of non-corrective *laissez-faire* policies that bypass the poor. Ecological factors (such as drought) and differences in natural resource endowments are structural and much more difficult to reverse in the short term but the Government will give preference to designing and allocating pro-poor resources to mitigate the impact of negative natural factors on poverty stricken areas and groups. Income generation disparities arising from past policies will be corrected through increasing differentiated support and opportunities for the poor. Such interventions will include access to land, improvements on marketing arrangements and infrastructure, credit schemes, and a regional development/equalisation fund.

2.6 Social Characteristics of Poverty

Poverty is strongly related to social characteristics of the population such as education and health standards, access to safe water and sanitation, and family size. The analysis below explains

these relationships and provides the background to the sectoral policies in this Plan.

2.6.1 Employment and Poverty

Employment generates income and hence reduces poverty. The incidence of poverty is therefore, not surprisingly, strongly correlated with the status and nature of employment. Table 1 shows that poverty prevalence is highest among households whose heads depend on subsistence economy or disguised unemployment (77%), followed by paid seasonal workers (62%), self-employed persons (60%) and paid non-seasonal employees (38%). Furthermore, the poor in rural areas derive 75% of their income from employment and 12% from farming (SHIES, 1995). Empowering the poor to find employment and creating employment opportunities are critical in reducing poverty.

The nature and type of employment determines the extent to which employment relieves poverty. SHIES 2001 found that poverty prevalence was 36% among paid non-seasonal employees rising to between 60 and 62% among seasonal employees and self-employed persons. It was highest, at 77% among those living on subsistence economic activities, basically agriculture. Thus, the approach of the PRSAP is to increase agricultural production and commercialise agriculture, and move progressively towards empowering the poor with the right skills to enter the labour market as well as start their own productive enterprises.

2.6.2 Gender and Poverty

Poverty and gender are strongly correlated; 63% of female-headed households are poor and lack productive assets compared to 52% of their male counterparts. For this reason, gender issues have been mainstreamed and are a major part of this PRSAP.

2.6.3 Education and Poverty

The last two SHIES have confirmed that there is a strong relationship between education and poverty. The prevalence of poverty was 71% among the illiterate people compared to 30% among households headed by persons with primary school education. The level of education of the head of a household determines the economic opportunities for the household and the level of poverty. The policy implication of this relationship is the initial concentration on providing basic education during the PRSAP.

2.6.4 Number of Children and Poverty

Poverty is more prevalent among households with larger families. Poor people traditionally keep large families and the dependency ratio is usually higher for the core-poor than for any ordinary

family. Households with 4 or more children had a poverty prevalence of 81% in 2001 compared to 51% for families with one child. Looking after many children burdens parents with school fees, health care and feeding, and the poor end up providing less of these basic necessities. This explains the PRSAP strategy for support of family planning and management of the fertility rate.

2.6.5 Vulnerability and Poverty

Orphans, the elderly and retired, destitute and street children, widowed women and the disabled are considered the most vulnerable groups in Swaziland. SHIES 1995 recorded a poverty prevalence of 76% for households headed by retired persons while SHIES 2001 recorded 65%. Poverty prevalence recorded in 1995 for the retired and elderly persons was 83% while 65% was recorded for households headed by retired persons in 2001. Poverty prevalence was found to be 73% among widows and widowers in 1995. For these groups, social protection schemes are crucial in order to safeguard their welfare.

2.6.6 Water supply, Sanitation and Poverty

In 2001, poverty prevalence among households with safe sources of water was lower compared to others. Poverty prevalence was 68-73% among households using rivers, canals, and wells compared to those using indoor piped water (24%). Like in water supply, poverty prevalence was highest among households using unsafe sanitation. Households using the bush for toilet (characteristic of rural areas) exhibited a much higher poverty prevalence of 78% in 2001 compared to 23% using flush toilets. These findings explain the rationale behind the high priority accorded to water and sanitation in this PRSAP.

2.6.7 Age Group and Poverty

Vulnerability to poverty varies with age. The elderly (above 61 years), often weak and in poor state of health, are poor. SHIES 1995 found that poverty prevalence among the elderly (both men and women) was the highest compared to all other age groups. Poverty prevalence among elderly women was 81.3% in 1995 compared to 51.5% among young women age 15-30 years. It was 76.9% among elderly men compared to 51.3% among young men aged 15-30 during the same year.

2.6.8 Marital Status and Poverty

Widows, regardless of their age, are poorer than their married counterparts. This is especially true where the husbands were the breadwinners. SHIES 1995 found that poverty prevalence was 73% among widows compared to 66.9% among married women and 51.3% among unmarried women.

2.6.9 Life Prospects

Swaziland's past achievements in life prospects are mixed. Life expectancy rose from 46 years in 1976 to 56 years in 1986 and 60 years in 1997. The Literacy rate rose from 70.1% in 1986 to 81.3% in 1997. Crude death rate per 1,000 dropped from 18.5 in 1976 to 13 in 1986 and to 7.6 in 1997. Under-Five Mortality dropped from 221 per 1,000 live births in 1976 to 139 in 1986 and 88 in 1997. On the contrary, HIV/AIDS prevalence rose from 3.9% in 1992 to 38.6% in 2002, the highest in the world. Together with the decline in economic growth, the impact of HIV/AIDS on the small economy of Swaziland is set to reverse all the above achievements.

2.7 Causes of Poverty in Swaziland

The main reason for poverty planning is to identify the causes of poverty and identify measures to reverse it. Many structural factors are responsible for the high prevalence of poverty in the country. Among those raised by the poor during the Participatory Poverty Assessment (PPA) of 1997 and the Tinkhundla consultations were the chronic drought accompanied by crop failure, death of domestic animals, and lack of drinking water; lack of adequate agricultural land; isolation from mainstream markets and information sources; limited options for diversification of opportunities for income generation; and lack of competitive skills acquired through education. For women, tradition accords them a minority status that denies them access to assets and productive resources. These factors trap the poor in poverty and militate against recovery. In addition, limited resource base and external competitive in a globalised environment limits the scope for increased income.

2.8 Poverty Reduction Goal

The main basis for the PRSAP is the reversal or neutralisation of the above causes so that everyone possesses adequate income to acquire the basic food needs and the essential non-food requirements. Accordingly the twin goals of the PRSAP are:

- 1 Reduction of the prevalence of poverty from 69% in 2001 to 30% by 2015 and to eliminate it altogether by 2022 thus fulfilling the Vision and aspirations of the people of Swaziland; and
- 2 Raising the quality of life of all people in Swaziland to levels aspired in the NDS and encouraging them to participate in the growth of their country.

The strategies and measures to achieve these goals are presented in the following chapters of this Plan.

CHAPTER 3: POLICY FRAMEWORK FOR POVERTY REDUCTION

3.1 Overarching Policy Objective

The overriding goal of the PRSAP is to reduce poverty by more than 50% by 2015 and then ultimately eradicate it by 2022. This may sound a very ambitious goal, however, it is based on several commitments that the government has made, and also on the Vision 2022 which states that by 2022 Swaziland will be classified in the top 10% of middle income developing countries according to the human development index. Government believes that the elimination of poverty in Swaziland is imperative and achievable if all national potential and the support of the international community are fully harnessed. In addition to reducing income poverty, the PRSAP seeks to achieve an acceptable level of living standards for the entire population free from deprivation, malnutrition, vulnerability to ill health and preventable diseases, illiteracy, isolation, poor shelter, voicelessness and vulnerability to external shocks. The PRSAP advocates for pro-poor fiscal policy and service delivery.

The PRSAP has been designed under severe conditions of deepening poverty, HIV/AIDS and experiences drawn from the past. In the past, Swaziland had remarkable levels of economic growth which was driven by agriculture and manufacturing. In spite of this, inequalities in terms of income distribution and opportunities worsened and the poor increasingly got worse off. Obviously, economic growth has not been pro-poor and there is great need to have the poor participating in the dynamics of growth. This should be accompanied by a deliberate policy and resource envelope to provide social protection to help the poorest of the poor and the most vulnerable out of poverty.

The policy objective is to create an environment that will empower the poor to participate actively in uplifting their standards of living by taking advantage of existing and future opportunities. Central to this is the transformation of the agricultural sector, effecting structural reforms, investing in the lives of the poor to reduce their risks and vulnerability and restructuring the public expenditure pattern. This will create linkages with the manufacturing sector through support to industrial output while at the same time obtaining the means to increase incomes of the poor and fulfilling their basic needs. Nevertheless, it is necessary to identify the poor in Swaziland in terms of where they live, how they live, how they derive their livelihood, their gender patterns etc.

Achieving the above targets demands a change in approach as well as additional and more aggressive measures to broaden economic participation. Resultantly, a new pattern of pro-poor development is urgently needed in order to enable the poor to participate and share fully in

growth and human development. Allowing the poor to participate in the areas where they dominate (in terms of numbers) will lead to equitable distribution of the gains from growth.

Furthermore, it will reverse the distortions that inhibit their access to services. The legacy of unequal access cannot be reversed by only changing policy but also by strengthening governance institutions so that the poor can exploit maximally those opportunities availed to them. It is expected that as an outcome of the PRSAP, the poor will benefit from economic growth through increased incomes generated through wages, self-employment and improved service delivery by government, NGOs and communities.

This policy framework takes into the account the Millennium Development Goals (MDGs). These goals have been mainstreamed in the PRSAP goals and targets and have been customised to fit Swaziland's economic situation and planning framework.

3.2 Framework for Poverty Reduction Strategy

The PRSAP is developed around six pillars, which form the thematic areas for poverty reduction in Swaziland. These outline the strategic components for classifying certain policies, projects and activities into a coherent framework for reducing poverty. These pillars are expected to provide the necessary stimulus for the economy to grow. Economic growth is a condition for poverty reduction, without which incomes cannot grow and there cannot be any sustainable re-distributive measure. Growth prospects are however dependent on the creation of an enabling environment as well as timely and proper interventions in certain sectors. This must be accompanied by equal participation so that there is no discrimination, macro-economic stability, human capital development, reduced vulnerability and good governance so that all institutions are strengthened to improve service delivery and the protection of human rights.

3.2.1 Macro-economic Stability

Macro-economic stability is a cornerstone of any successful effort to eradicate poverty and increase economic growth. It provides a framework for growth, income redistribution and transformation. Government considers macro-economic stability essential for poverty reduction and that poverty reduction cannot take place without a growing economy, vibrant private sector and a sustainable budget. It is important to think about the availability of resources to meet the demands of the PRSAP as well as the growth prospects from which the resources should be generated and sustained. Sound macro-economic policies will reduce the country's exposure to shocks and contain interventions in the form of safety nets to protect the poor. Instability hurts the poor most as it creates inflationary pressure by eroding the strength of their incomes. In order to achieve the goal of poverty reduction, the economy has to grow at more than 5% per annum and

the policy direction should be towards income re-distribution. Economic growth will require a framework whereby the private sector can grow i.e. creating an enabling environment for the private sector to perform to its full potential and draw linkages with other related sectors such as small and medium enterprises, agriculture, environment and social issues. Without macro-economic stability, domestic and foreign investors will stay away and resources will be diverted towards unproductive sectors or consumption expenditure.

The PRSAP includes a commitment to maintain macro-economic discipline, particularly fiscal discipline that must reinforce the future path for growth. But this discipline and growth will not be automatic; it calls for the nation to build institutions necessary for accelerated growth. Unless that is done, economic growth will not be sustainable. Some of the other fundamental elements for the framework include efficient and equitable revenue collection, efficient utilisation of public funds, good governance and safety.

The PRSAP is presenting a new opportunity to put in place economic policies, which can achieve sustainable equitable growth and poverty reduction. At the centre of the PRSAP, the pursuit will be of a “shared growth” principle whereby the country will have to reallocate existing public resources to new needs, while ensuring that fiscal commitments are sustainable and there is adequate response to social pressures. This will give birth to the legitimacy and fairness of economic policies aimed at producing a rapid, sustainable and equitable economic growth.

Important policy strategy areas:

- i. Privatisation of public enterprises;
- ii. Trade liberalisation to improve access to markets;
- iii. Banking and financial sector reforms;
- iv. Efficient labour markets;
- v. Transparent Judicial system and
- vi. Regulatory environment for service provision.

3.2.2 Rapid Acceleration of Economic Growth Based on Broad Participation

Rapid economic growth is a prerequisite for an effective poverty reduction strategy; however, a new equitable, dynamic and participatory pattern of growth is required for a serious poverty reduction agenda.

Acceleration of economic growth will depend on the recovery of the private sector, which in turn relies on the vibrancy of the agricultural sector and a sound macro-economic policy environment.

The private sector will need to be further supported by a complement of public sector policy measures that will improve equity directly and assist in accelerating the transition towards a new growth pattern. The government commits itself to these reforms which include a commitment to exercise fiscal prudence, prioritise expenditures, improve infrastructure, human capital investment, remove obstacles to private investment and implement a conducive taxation system.

Swaziland's growth must therefore be stimulated and sustained from the current average of 2.5% per annum to not less than 5% per annum rising to the over 9% as experienced in the late 1980s. The poor will benefit from this growth if the economy is steered on a labour-demanding path that is based on the broad participation of all the active Swazi labour force. The strategy for rapid growth with broad-based participation implies that Government will facilitate and encourage all Swazis to assume participatory roles in production and to earn income for themselves, to their full potential, at all stages of national production. Forward and backward linkages between tertiary, secondary and primary production sectors will be strengthened and households supported to harness their potential. The performance of the agricultural sector will be improved and idle or under-utilised land released for more productive use.

Strategies to be followed under this pillar are:

- i. Macro-economic stability and good governance
- ii. Maintaining fiscal discipline and prioritising public expenditure
- iii. Creating a conducive and competitive business environment
- iv. Redesigning a tax system conducive to investment and growth
- v. Providing physical infrastructure to attract investment
- vi. Investing in human capital to support economic growth
- vii. Pro-active and aggressive search for new products and markets
- viii. Integrating participatory planning approaches to empower poor people.

3.2.3 Empowering the Poor to Generate Income and Reduce Inequalities

About 70 % of the population lives in rural areas and derive their livelihood mainly from agricultural activities. Of the rural population, 76% also live below the poverty line (2001-SHIES). Under present rural conditions, yields are low and the concentration is on maize and traditional livestock farming for subsistence purposes. To reach full potential and increase earnings, households should increase agricultural production, switch to high valued crops, and commercialise overall agricultural production on SNL. Presently, SNL crops provide less than 6% of GDP even though SNL land accounts for 56% of total land available. This means that only a small proportion of the population residing on SNL land generates Swaziland's national income.

By harnessing the income generation potential of the majority of the poor, the gross national product would increase. Areas for action include small-medium enterprise promotion, technology, research, and security of tenure, liberalisation of markets and pricing policy, environmental management and gender equality. There is potential to reduce poverty provided mechanisms are identified to target the poor.

Inequality in income generation and distribution has never been a deliberate Government policy but is a result of limited productivity linkages between rural and urban development, industry and agriculture, large agricultural plantations and smallholder growers, and capital and labour. The pricing policy and the distribution of financial and product markets has not only failed to empower the poor to generate income but has facilitated and promoted the inequality in income distribution.

Government plans to empower the poor to generate substantial income through a judicious mix of policies and programmes. The measures are to enable the poor to increase production and meet their basic needs while progressively graduating to self-sufficiency and commercialisation and ultimately out of poverty. Measures to empower the poor to generate their own income and reduce inequalities are:

- a) The promotion of irrigation on SNL to guarantee regular agricultural production
- b) Improving security of tenure on SNL to attract capital and generate incentives to increase production;
- c) Promotion of rural production including support to high value crops through appropriate pricing and marketing improvements;
- d) Diversification of industrial base to supplement traditional export products and heavy industries. This will involve a judicious mix of heavy, medium, small and cottage industries located in urban, peri-urban and rural areas;
- e) Promotion of self-employment and informal sector growth;
- f) Expansion of extension services to reach all Tinkhundla, which are closer to poor communities. The measure will involve posting development /extension officers to all 55 Tinkhundla;
- g) Provision of physical infrastructure such as rural roads and reliable bridges that promote development in rural areas; and
- h) Protecting the natural resource base so that it can support intensive production.

The increase in the productivity of the poor will not only benefit the poor but the economy as a whole through raising their purchasing power and effective demand for goods and services in other sectors.

3.2.4 Fair Distribution of the Benefits of Growth through Fiscal Policy

The use of the open market regulatory mechanism to distribute the benefits of growth has, in the past, not been efficient considering the wide social disparities that exist in Swaziland. Past growth achievements have hidden significant levels of social inequality, poverty and deprivation. Structural shift in the public spending pattern is needed to focus on primary and secondary education levels rather than academic tertiary levels, and, on preventive, core health services rather than curative services. Investing in people is valuable in itself and ensuring universal access to proper nutrition, health and education services lessens misery, enriches the quality of life and empowers people with wider opportunities. Furthermore, such investment advances social equity where the poor are major beneficiaries.

Provision of social services is open to the public and private sector. The Government, however, has the ultimate responsibility for delivery of basic social services such as primary health care, basic education, clean water and security. Despite a substantial allocation of the public budget to social sectors, the mechanisms of delivery have not been pro-poor. Social sector analysis indicates that the allocation of public expenditures within the education sector is biased towards tertiary rather than basic education.

In addressing the needs of the poor, it will be necessary to re-orient the focus of the national budget. Public sector activities need to be selective, preventive and targeted to reduce the socio-economic vulnerability of the poor to major risks. Focus on social protection should give priority to HIV/AIDS, disaster preparedness, gender equality, and social protection of vulnerable groups.

To meet the above objectives, the government will pursue a variety of strategic measures and actions at both macro and micro levels. These will include:

- a) Reorientation of public expenditure towards financing basic social services, such as basic education, primary health care, reducing HIV/AIDS infections, provision of safe water services etc;
- b) Redesigning the current tax system to make it more progressive and avoid tax regimes that discriminate against certain groups and tend to raise prices of goods massively consumed by the poor;
- c) Decentralising the budgeting process to increase grass-root participation in decision making;
- d) Establishing a properly managed revolving Poverty Reduction Fund to finance pro-poor projects. The Fund would replace occasional funds like Regional Development Fund and Community Poverty Fund;
- e) Provision of free or subsidised primary education and the considerable reduction

of the subsidy in post-secondary education

- f) Encouraging labour intensive programmes through the provision of appropriate investment incentives;
- g) Providing infrastructure in rural areas such as roads, water supply, electricity and other forms of renewable energy, and telecommunications;
- h) Encouraging research and the adoption of labour intensive technology appropriate to Swaziland's conditions;
- i) Designing programmes and providing preferential funding that reduce regional imbalances and differences in the lives of the Swazi Nation;
- j) Developing special programmes for vulnerable groups such as orphans and other vulnerable children, the elderly, women and the disabled;
- k) Establishing rural credit and banking institutions structured to operate and serve in a low-income environment;
- l) Encouraging co-partnership with NGOs for pro-poor programmes; and
- m) Eliminating monopolies that distort prices payable to primary producers and smallholder farmers.

3.2.5 Improving the Quality of Life of the Poor

Poverty has a material (income) aspect and a human face and these two are related. Human poverty involves lack of basic human capabilities, characterised by illiteracy, malnutrition, abbreviated life span, poor maternal health, and illness from preventable diseases. It is associated with unacceptable deprivation in human well-being that often comprises both physiological and social deprivation. Physiological deprivation involves the non-fulfilment of basic material or biological needs, including inadequate nutrition, health, education, and shelter. Social deprivation widens the concept of deprivation to include risk, vulnerability, and lack of autonomy, powerlessness, and lack of self-respect. Low income leads to insufficient food and poor nutrition, poor access to education, health facilities, safe water, proper sanitation and personal hygiene. Ensuring food security is crucial, as a majority of homesteads never produce enough to eat. They fail to buy enough food because they do not have income. Indeed, statistical data confirm that poverty prevalence is higher among persons with low or no education, no access to safe water and proper sanitary facilities, and people who live in low standards of houses.

Food insecurity has been declared a disaster and that has been the main focus of the Disaster Task Force but even then there has been no activities regarding preparedness, rehabilitation and awareness aspects of disasters. Nonetheless, policy development and the legal framework developed have to be implemented in order to ensure disaster preparedness and management.

A further challenge facing Swaziland is to reverse the trend in HIV/AIDS and restore performance in welfare indicators. Furthermore, there is need to step up mitigation measures to contain the socio-economic impact and the plight of the poor especially orphans and the elderly. The strategies to achieve this goal are:

- a) Introduce universal and compulsory primary education;
- b) Shifting public expenditure to basic education;
- c) Provision of safe water to all population;
- d) Achieve full immunisation for all children;
- e) Implementing primary health care strategy to improve services and fight opportunistic infections;
- f) Halting the spread of HIV/AIDS by scaling up measures for prevention new infections and expanding VCT centres and the availability of ARVs;
- g) Assistance to vulnerable groups especially orphaned and other vulnerable children and the elderly; and
- h) Strengthen the provision of safety nets and disaster preparedness and management to mitigate emerging disasters

3.2.6 Improve Good Governance and Strengthen Institutions

Governance is the exercise of economic, political, and administrative authority to manage a country's affairs at all levels. It comprises mechanisms, processes, and institutions, through which citizens and groups articulate their interests, exercise their legal rights, meet their legal obligations, and mediate their differences. Weak and poor governance compromises the delivery of services and benefits to those who need them most because the influence of powerful interest groups affects and prejudices policies and programmes. As a result transparency and accountability disappear and the poor become invisible, voiceless, powerless and unprotected.

Good governance is crucial for promoting macro-economic stability, growth and the role of the private sector. The private sector must operate in an enabling environment that will enable it to identify and exploit investment opportunities in all sectors without any obstacles.

Despite the fact that, Swaziland has in place all institutions for good governance, there is insufficient institutional capacity to ensure that all processes are conducted efficiently and effectively. There is need to strengthen institutions and processes for accountability, administration of law and justice, public sector management, fostering participation of the poor in decision making through decentralised governance, stamping out corruption, and protection of human rights. The existence of dual sources of law sometimes brings conflict in implementation and a lot of uncertainty and strife in the lives of those affected. PRSAP strategies for

strengthening governance will be:

- a) Enhance implementation of constitutional governance
- b) Decentralised governance
- c) Promoting top down and bottom up accountability
- d) Promoting transparency
- e) Promoting participation of local communities in the planning and implementation processes.
- f) Upholding the rule of law, and the protection of human rights.

The pillars are interlinked and as explained above, each pillar is then linked with the goals, objectives, strategies and activities that are explained in detail in the appropriate chapters.

3.3 National Policy Priorities

The implementation of strategies under each pillar requires consideration of their complementarity and conflicts with others. The focus is on the creation of an enabling environment where there is a potential for sustainable pro-poor growth. The private sector will be the driving force for pro-poor growth and investments in small and medium enterprises where the poor are active. The poor will be encouraged to participate in all the sectors of the economy and to generate their own incomes and be able to feed and look after themselves. Sustainable growth requires a stable macro-economic environment and the mainstreaming of crosscutting issues in all interventions. Government, private sector, other development partners and others must make investments in human capital in order to increase productivity and to effectively address the effects of the HIV/AIDS challenge.

While government will lead the process, poverty reduction requires a multi-sectoral, multidisciplinary, and multilevel effort on the part of all the stakeholders, which include Government departments, parastatal institutions, donors, international development organisations, non-governmental organisations, civil society, the private sector, and above all the poor themselves. The policies and efforts of all stakeholders need to be synchronised and self-supportive in order to set the lead. For this reason, the Government sets below its broad priority areas to which those of other stakeholders need to be aligned for a maximum impact on poverty reduction.

3.3.1 Fiscal Prudence

This is critical for restoring a sound macro-economic environment and is the anchor for all the other reforms that are being recommended. Swaziland's fiscal position has been deteriorating for the second decade since early in the 1990s. The position has severely affected service delivery,

credibility of government including its ability to make sound policy, attract investment, contain inflationary pressure and address the scourge of HIV/AIDS. Government has to give priority to the building up of reserves, secure a favourable balance of payments position and the parity of the currency to the Rand. There should be efficiency in the collection of revenue, prioritisation and targeting of resources towards pro-growth and pro-poor expenditures.

3.3.2 Promotion of a more equitable pattern of growth

Poverty reduction does not take place in a declining economy. Rapid economic growth is necessary, though not a sufficient condition for poverty reduction. World Bank studies indicate that a 1% increase in national income reduces poverty by 1.2% and that a 1% increase in national income reduces the depth of poverty by 1.7%. Furthermore, recent studies have concluded that under an assumption of 2.75% per annum population growth rate, Swaziland requires a minimum growth rate of 5 % per annum in real GDP in order to stop the numbers of the poor from rising. Thus for poverty to decline in Swaziland, the rate of economic growth should be greater than 5%. But this growth must be accompanied by measures for income redistribution.

If the poor do not participate in income generation activities, they not only become a burden to the government but also do not create demand for the rest of the economy. Thus persistence or increase in poverty retards growth elsewhere. Their participation will be enabled by reforms to sanction access to productive assets particularly land and water resources. Agriculture still remains the key sector for pro-poor growth in the medium term.

3.3.3 Investment in people

Human resource development is crucial to reduce risk and vulnerability as well as to build quality human capital so as to create a productive labour force for an expanding economy. The basic focus is to enhance the quality of life for all and in particular address the crisis resulting from HIV/AIDS pandemic. The main areas for empowerment include basic education and life skills for both girls and boys; primary health care for all including full immunisation of children against common diseases; maternal health care; access to basic health facilities; promotion of hygiene in private homes and public places; and adequate nutrition especially for infants, children at home and school, expectant mothers, and persons living with AIDS.

3.3.4 Ensuring food security

Securing adequate food from own production or the ability to afford to purchase adequate supplies of food is the primary condition that determines whether one is poor or not. Ensuring that

nutritious food is available, affordable and accessible for the poor remains a challenge. Food insecurity has characterised the rural environment with economic collapse and chronic hunger being the main attributes to the living conditions facing rural households. The prolonged drought has worsened those conditions as more than 20% of the population lives on food aid. Independent sources of income have collapsed for these rural and peri-urban households with the increasing unemployment levels fuelled by the downturn in the economic performance. The vulnerability of most households has increased with the HIV/AIDS pandemic contributing to growing levels of destitution and poverty.

Ensuring food security from either sources (own food or earned cash) is a key pillar for poverty reduction. In Swaziland, a mixture of both sources to access adequate food is necessary because not all farmers produce enough food such as maize (Table 5) and not all households of employed heads live above the poverty line (Table 1). The dependence of agriculture on rain renders most farmers, vulnerable to crop failure due to occasional drought. Households that never produce enough maize are ever increasing while poverty prevails among all categories of employees.

3.3.5 Increase agricultural production and productivity of SNL farmers.

Outgrowing dependence on rain-fed agriculture will mitigate risk to hunger particularly during the drought. This strategic priority area seeks to turn the SNL into a powerful source of growth commensurate with the size of this land relative to the entire area of Swaziland. Increasing the productivity of SNL not only increases the overall GDP but also empowers small producers and enhances income distribution without further fiscal reform. Government will thrive to reduce poverty through the provision of services, producing conditions and infrastructural development to increase agricultural production and income of the poor.

3.3.6 Investment in rural infrastructure to increase rural productivity

This will not only boost the creation of employment opportunities but will reduce the rate of rural-urban migration by increasing opportunities of investment in the rural sector. The government will therefore continue to invest in rural roads and bridges, power supply, rural water supply, rural electrification, industrial parks and telecommunication. Notwithstanding government obligations, investment in infrastructure and telecommunication are not areas of exclusive mandate to the public sector. The private sector will therefore be encouraged to participate wherever feasible in infrastructural investment and private-public partnerships will be greatly encouraged.

Reviewing and strengthening industrial development policies and incentives Selective incentives

will be used to boost both domestic and foreign investment and to make Swaziland more competitive. In addition, special attention will be given to small and medium enterprises (SMEs) to widen participation in industrial development and create employment, as well as to provide intermediate services to the larger enterprises.

3.3.7 Reducing the poor people's vulnerability

Government will work with other development partners to ensure that vulnerability to economic shocks, crop failure, natural disasters, and dislocations (due to government projects) are given urgent attention and their effects are greatly minimised. The complex nature of this vulnerability calls for collective and often simultaneous effort of all stakeholders. NGOs, CBOs, FBOs and communities will be encouraged to make interventions in the areas they have been working on to help alleviate suffering.

3.3.8 Decentralisation and strengthening governance institutions

Government will endeavour to improve policy making and targeting of resources in order to increase the efficiency and effectiveness of policies for poverty reduction, foster transparency and accountability. Bad governance practices such as corruption or inappropriate public expenditure result in the misuse of state funds, which reduces resources reaching the poor. State institutions responsible for accountability, rendering of justice, ensuring the rule of law, human and social equity will be strengthened and their autonomy guaranteed. They will also be closely monitored to ensure proper delivery of services. Tinkhundla centres will be strengthened through gradual decentralisation of power to empower communities to participate in the identification of their priorities, planning, and budgeting for their development. Decision-making and accountability will also be decentralised to Tinkhundla in order to increase positive impact of public expenditure in the lives of the poor and close monitoring by the beneficiaries.

CHAPTER 4: MACRO-ECONOMIC ENVIRONMENT

Macro-economic stability is crucial for economic growth and poverty reduction because before wealth can be redistributed, it has to be produced. The role of the government is basically to facilitate this growth, by creating an enabling environment and providing specific support for the identified sectoral sources of pro-poor growth. Inevitably, macro-economic policies influence and contribute to the realisation of a rapid and sustainable growth aimed at poverty reduction in a number of ways. By pursuing sound economic policies, those in authority send indicators to the private sector and the external world on the direction of development being taken by the country, thus boosting investor and consumer confidence, which in turn stimulates the growth. Otherwise, without macro-economic stability and certainty the private sector is negatively affected and thereby diverted elsewhere. It is recognised that the driving force for growth is the private sector, which includes large and small business activities, smallholder commercial farmers, small scale vendors in the informal sector, small, medium, and large scale national and international enterprises. This condition is important for the achievement of all the pillars but in particular pillar 2 which is the main strategy for achieving rapid accelerated growth based on broad participation.

Macroeconomic stability is a balance between fiscal, monetary and exchange rate policies. Economic growth remains one of the most important factors that contribute towards development, and the quantity and quality of growth matter. Overall development is achieved when both quantity and quality are interrelated, intertwined and when the process includes an agenda that addresses the human, social, environmental and governance issues. Often the multi-faceted nature of development is ignored in preference of high economic growth. However for effective development, macro-economic stability becomes the central issue and the principle of sound macro-economic management becomes a challenge for countries aiming to reduce poverty.

Poverty is multi-dimensional and touches on economic, political, social, cultural, environmental issues etc. However, macro-economic policy overrides all these because economic growth is the single most important factor influencing poverty and macro-economic stability is essential for high and sustainable rates of growth. Nonetheless, macro-economic policy by itself does not ensure high rates of growth if not accompanied by structural reforms like regulatory reforms, privatisation, civil service reform, trade liberation and improved governance.

Growth should be accompanied by progressive distributional changes in order to have greater impact on poverty. It is important to design and implement macro-economic policies that will improve the distribution of income and assets within a society. Development is about improving the quality of people's lives and expanding their ability to shape their own futures. In general, this

calls for the respect for basic human rights, favourable and sensitive fiscal and monetary policies, higher income per capita, more equitable education and job opportunities, greater gender equality, better health and nutrition, sustainable environment and legal protection.

The basic principles that underpin development in the PRSAP are:

- 1 Focus on the development of all the assets – human, capital and natural;
- 2 Give attention to distributive aspects across population groups and over a period of time;
and
- 3 Give emphasis on the institutional framework for good governance.

Sound macro-economic environment is the cornerstone underpinning development and will facilitate the success of the PRSAP. The following aspects are crucial for the achievement of this objective:

- a) Fiscal discipline – conducive tax system, efficiency in revenue collections and pro-growth and pro-poor taxation and expenditures and sustainable budget deficits of less than 5% of GDP;
- b) Sound monetary policy environment with low inflation, healthy balance of payments, favourable exchange and interest rate policy as well as ensuring that the peg with the South African Rand is maintained, as long as doing so is a viable option;
- c) Encouraging the growth of the private sector to boost exports which will enhance the build up of reserves and the improvement of the trade account position;
- d) Trade reforms that are aimed at insulating the poor from negative shocks and facilitating their ability to realise positive gains/opportunities created by a more open world trading system and;
- e) Designing a tax system that redistributes wealth to the poor and where possible reduce their taxation. Specifically, the tax system must be designed so as to gradually reduce the tax burden on the poor whilst broadening the tax base.

Undeniably, government has limited leverage in influencing some of these indicators. For example, monetary policy is under the prerogative of the Reserve Bank of South Africa and trade policy is determined by outcomes of negotiations undertaken under the SACU group arrangement. Therefore, policies adopted under each arrangement should not differ from those pursued by the Government under this strategy. Invariably, government should monitor, and where possible influence, the developments with regard to policy on these areas. To the extent that this influences private sector performance and the ability of the Government to invest in pro-growth, pro-poor programmes and policies, the Government has the primary responsibility to improve the macroeconomic climate. In this regard, the Government will pursue its programmes and policies in a way that sustains macroeconomic stability and credence. For example, the expansive budgetary implication of this PRSAP will need to be managed in a way that ensures increased productivity with no increase in the budget deficits.

Table 2: Major Economic Indicators 1998 - 2003						
	1998	1999	2000	2001	2002	2003
REAL SECTOR						
Nominal GDP and	7,439.1	8,412.0	9,530.0	10,838.7	12,436.8	14,302.3
Real GDP (factor cost) E'Million	1,398.5	1,449.9	1,480.1	1,504.3	1,562.6	1,607.9
Real growth rate	3.2	3.4	2.1	1.7	3.6	2.9
Agric/ GDP (%) Factor cost	10.1	10.5	9.8	8.8	8.5	8.3
Manuf/ GDP (%) Factor cost	36.9	36	35.8	35.6	35	34.7
Govt/ GDP (%) Factor cost	16.5	16.2	16.6	16.6	16.2	16.5
Paid employment ['000]	91.9	93.3	96.3	95.5	98.7	98.6
Paid public employment ['000]	31.9	32.4	32.7	33.3	33.5	33.9
Paid private employment ['000]	60	60.9	63.6	62.3	65.2	64.7
Paid employment growth rate	-0.5	1.5	3.3	-0.8	3.4	-0.2
Average inflation	8	5.9	7.3	7.5	11.7	7.4
BALANCE OF PAYMENTS - E'Million						
Merchandise exports	5,350.5	5,722.6	6,280.7	8,975.4	10,847.7	11,821.8
Merchandise imports	-5,936.4	-6,525.8	-7,225.2	-9,578.7	-9,501.9	-10,891
Trade balance	-585.9	-803.2	-944.5	-703.3	1,345.7	930.4
Net Services	974.3	748.6	555.4	961.7	-1,304.8	-1,068.0
Net Income	311.8	538.9	237.2	880.4	47.90	-83.9
Net Transfers	732.4	801.1	742.9	296.3	659.1	301.7
Current Account	-516	-214.7	-519.8	-488.4	748.0	81.4
Direct Investment (net)	712.1	532.4	514.6	396.2	885.5	-502.1
Portfolio Investment (net)	3.1	36.1	-4.3	-68.3	20.0	14.3
Other Investment (net)	57	-275.3	-394.6	-907.9	-1,586.3	292.2
Overall Balance	279.2	130.7	-44.8	-486.9	307.3	-128.5
MONEY AND BANKING						
Narrow money growth (%)	1.9	32.3	-0.3	14.2	9.5	26.9
Broad money growth (%)	12.9	15.6	-6.6	10.7	3.1	14.1
Domestic credit net - E'Million	-301.5	-280.1	-381	-653.5	468.6	1,595.3
Government	-1441.3	-1,516.1	-1,705.6	-2,052.6	-1,314.5	-744.4
Private sector	1,139.8	1,236.0	1,324.60	1,399.1	1,783.1	23,339.7
Interest rates (% p.a.)						
Prime lending	21	15	14	12.5	16.5	11.5
Discount rate	18	12	11	10.5	13.5	8.00
Deposit rate	12.5	6.75	5.75	4.75	8.38	4.41
	14.13	8	7	6.25	9.5	4.23
	13.65	8.03	8.62	6.28	10.5	7.45
Ratios						
Liquidity ratio (required = 15%)	22	16.6	16.4	15.2	18.4	17.2
Loans/deposits ratio	58.9	53.2	65.5	59.5	70.1	84.0
Net foreign assets (E)	2,457.7	2,717.0	2,761.3	3,634.8	2,816.7	1,872.3
Gross official foreign reserves (end of period)(E)	2,057.3	2,237.9	2,562.5	3,242.3	2,472.3	1,758.2
In months of imports of goods and services	4.6	4.7	4.9	4.8	3.5	2.3
PUBLIC FINANCE (E'Million)						
Total revenue and grants	2,275.0	2,649.6	2,825.3	3,117.3	3,425.1	3,946.7
Total expenditure and net lending	-2,282.2	-2,770.7	-2,948.3	-3,857.6	-4,018.2	-4,391.6
Overall surplus/deficit	-7.2	-121.1	-123	-740.3	-593.1	-444.9
As a percentage of GDP	-0.1	-1.4	-1.3	-6.8	-4.6	-5.8
External financing (net)	198.3	-117.6	-42.8	112.6	112.6	126.4
Domestic financing (net)	191.2	238.7	165.9	627.7	480.5	318.5
Total external debt (E'Million)	1,691.8	1,963.7	2,710.3	3,498.0	3,031.1	2,742.2
As a % of GDP	22.7	23.4	28.1	31.9	24.7	22.3
As a % of exports of goods and services	28.9	32	34.9	35.1	26.8	24.3
Debt service (E'Million)	112.6	159.5	168.6	168.9	251.3	282
As a % of GDP	1.5	1.9	1.8	1.6	2.1	2.3
As a % of exports of goods and services	1.9	2.6	2.2	1.7	2.2	2.5

4.1 Economic Growth Performance

Swaziland's past economic achievements have been driven mainly by the performance of the agricultural and manufacturing sectors. Agriculture was the leading sector until in the mid-80s when the manufacturing sector took the lead and that resulted in the contribution of agriculture to

GDP dropping from an average of more than 25 % to 16 %. It continued to perform poorly as it further dropped to an average of 11 % in the 1990s and then ultimately to about 8.6 % in 2002. Even though the manufacturing sector is very narrow and is dominated by wood pulp, sugar, sugar concentrates and most recently the garment industry, it has kept to an average of 35 % to GDP. The manufacturing sector is export-oriented and South Africa is the major trading partner with more than 45 % of Swazi exports going to the RSA and 80 % imports coming from that country.

During the 1980s Swaziland received a lot of private investment because of the unfavourable political climate that prevailed in Mozambique and South Africa. She enjoyed a prosperous and investor friendly environment that lured major businesses into the country. Economic growth in this time averaged 8.2%, whilst population growth remained subdued. Government realised the importance of the private sector as the engine of growth and introduced certain incentives meant to attract more investments to diversify production from traditional exports into non-traditional exports. That was supported by favourable infrastructure and an attractive tax system that paid dividends by attracting industries like the manufacturing of refrigerators and sugar concentrates. However, in the 1990s, the situation changed as major boosting factors for an attractive Swaziland diminished. Resultantly, less foreign investment was coming into Swaziland, those that remained curtailed their operations and others closed down. The level of unemployment increased, revenue decreased the, level of service delivery was impacted negatively and growth prospects became uncertain.

Despite the significance of the manufacturing sector, there was no specific strategy to enhance the competitiveness of specific industries especially those regarded as infant industries and strengthening those who had a comparative advantage and those that produced for the external market. A lot of emphasis has been put on the development of infrastructure and the taxation system, with very little emphasis on securing new markets and human capital development. Of particular note is the lack of an industrial development strategy to support the development of the private sector.

Swaziland has been experiencing declining economic growth rates which reach an average of about 2.5 % between 1995 and 2000 because the industrial base shrank as some of the companies faced marketing problems. Furthermore, the level of foreign investment declined significantly even though the country received an influx of textiles firms due to the African Growth opportunity Act (AGOA). The related low levels of domestic and foreign direct investment (FDI) have led to the stalled growth of the Swazi economy in the 1997-2002 periods. This reduced the growth dynamics of the economy and resultantly exposed the vulnerability of the economy and its ability to sustain itself without FDI inflows. FDI inflows have continued to decline, notably, in

favour of South Africa and Mozambique because they have improved their competitiveness and their investment environment, especially their economic and social policies, legal instruments and governance. They have also continuously reviewed their structural policies to promote private sector growth.

Secondly, the agricultural sector that is the backbone of the economy and the principal employer in the country has been performing poorly with a downward trend in terms of contribution to GDP at factor cost. Drought and disease have been consistently affecting production, and in some instances these have resulted in failure to meet export quota requirements. Also, the social sector, which is critical for driving the growth, has also been adversely affected. Investing in human capital through education and health care will boost growth. The relative scarcity of skilled human resources is hampering the structural transformation and growth of the Swaziland economy. Attempts to increase skills have also been frustrated by the difficulty of retention, as many trained professionals and technicians are quickly lost to the higher wages offered in the larger South African market. In addition, the very high incidence of HIV/AIDS also distorts decisions on the acquisition of higher skills.

The present environment seems to be unfavourable for the improved performance of the private sector. Over the past months, the Rand has strengthened significantly eroding profits. Also, the serious challenges of governance, civil service performance and fiscal indiscipline are posing a serious threat to macro-economic stability, especially, retaining the parity to the Rand. The private sector is concerned about future market prospects for the country's export products. This will inevitably affect the balance of payments position, foreign earnings, tax revenue, and more foreign direct investment. Strategically, a plan for overhead infrastructural development done in consultation with the private sector will help create an environment conducive for growth. A politically stable environment should accompany this.

4.2 Macro-Economic Policy Environment

4.2.1 Fiscal Policy

Government has pursued a policy of maintaining sound macro-economic management through the creation of an enabling environment for private sector investment using fiscal policy instruments as the tool. Fiscal policy focused on reviewing the taxation system in order to improve revenue collection and on giving priority to infrastructural development in the capital development budget. Resultantly, expenditure grew much higher than revenue because revenue collection was driven by the performance of the economy whereas expenditures were driven by commitments. Expenditure continued to grow faster on an average of 50% compared to revenue growth of 12% in the past 5 years. Personnel costs take up more than 50% of total government

revenue and have become unaffordable. On average, the capital programme is 25% of total expenditure and the rest is recurrent expenditure. About half is financed externally through loans while 5% is financed through grants.

One of the critical issues for pursuing the macro-economic policy adopted by government was revenue mobilisation. Government designed an ISAP in 1994 following the unfavourable fiscal climate whereby revenue was dwindling whereas expenditure was starting to escalate uncontrollably. The ISAP policy stance was to diversify revenue collection and control expenditures. Only certain aspects of the expenditure control were implemented and the programme was discontinued in 1998/99. In addition, government took a decision to improve service delivery by reviewing public sector management with a view to improve efficiency and effectiveness. This stance called for pursuing the privatisation of public enterprises, reviewing the tax laws, developing a strategy for debt management and re-considering the size of the establishment together with the terms and conditions of service. It also called for targeting a certain level of a budget deficit that was not above 5 % of GDP.

The government recognises that, fiscal discipline remains a pivotal element in growth enhancing initiatives. It gives indicators to the outside world how well managed an economy is. In this respect, government introduced the MTEF in 2003 as a mechanism for improving the planning and budgeting process, and also improve the management of resources. It is envisaged that the deficit position will improve and build up reserves.

4.2.2 Tax Reform

Since the design of the ISAP, government has planned various measures to reform the tax system. The intention was to broaden the tax base by increasing the number of taxpayers and the activities being taxed and reduces cases of tax avoidance. The other intention was to level the playing field for foreign and domestic investment. The additional revenue was to cater for the increased expenditure. Consequently, the 1975 income tax order was revised and the final deduction system introduced on personal tax. The top marginal tax rate was reduced and offset by the taxation of fringe benefits until it reached full market value.

For the corporate side, the package included a reduction of the tax rate from 37.5 % to 30 % in line with the reduction in personal tax, removal of tax concessions such as tax holidays and certain exemptions, tax on public enterprises, withholding tax on dividends and royalties as well as capital gains tax. VAT will be introduced in 2006 in the place of the general sales tax to improve collections. To avoid experiencing counter results, the importance of thorough preparation for implementation were envisaged. The overall reforms were proposed to minimize the impact of the reduced revenue receipts from SACU.

For sustainable economic development, Swaziland needs a tax system that will balance the various attributes of taxation - eliminate distortions, promote efficiency and equity among the different sectors and groups in society and also not cause a burden on tax administration. The various reforms introduced at different periods needs to be assessed in order to chart out an appropriate analysis of their impact. Unless assessed adequately, some revenue enhancing measures most likely hurt vulnerable groups than benefit them. Furthermore, the impact of tax differs according to the sexes. To come up with an efficient tax system, the country needs to be informed about the living conditions of income groups, and further sensitise taxpayers of their rights concerning service delivery and expectations from government. A tax regime is ideally a redistribution mechanism and eliminates inequalities among members of society, regions and sexes. The private sector expects improved infrastructure, a healthy, educated and skilled workforce and a clean environment while citizens want to be treated equitably. An equitable tax policy should not make taxpayers poorer, but should enhance their standard of living. Central to tax reform is the reform on expenditures and it is important to recognise the interdependency and complementarity of the two.

Tax reforms should ensure that pursuance of interests by certain powerful groups is discouraged. Such groups should be prevented from affecting the tax policy and its implementation through the design of comprehensive objectives and guidelines. Expanding the tax base is vital, but it is equally important to desist from raising tax rates to levels that are detrimental to the objectives of such policies. It should not be deterrent to private investment, and the development and expansion of existing companies.

4.2.3 Revenue

Revenue collection has not kept up with expenditure and inflation since 1990. There is heavy reliance on trade taxes – customs revenue received from the membership of the Southern African Customs Union agreement. Swaziland derives on average 50 % of her revenue from SACU. Although government has developed strategies on broadening the tax base, attempts to do so have moved very slowly. The introduction of the value added tax has been delayed and is now proposed for 2006. Meanwhile government has financed her operations by completely running down of her reserves including drawing down the capital investment fund such that in 2003 the parity of the local currency with the South African Rand was threatened. This has serious ramifications on the balance of payments position, inflation and the exchange rate and has forced government to review her borrowing stance following the run-down of reserves and the uncertainty over the stability of macro-economic environment.

There is a lot of uncertainty over the future revenue sources. The SACU agreement was re-negotiated with huge implications on the revenue receipts following the revision of the SACU revenue formula. The new formula will be effected in 2005 and revenues are expected to be depressed further. There is also the impending loss of preferential entry for the country's sugar into the European Union (EU). The implementation of the RSA-EU TDCA, which advocates for the gradual reduction of tariffs and movement towards free trade in 2012, also threatens the country's revenue sources. There are also parallel negotiations like the SACU/USA, Mercusor, China, EFTA, which will not only impact on revenue but will also affect the viability of the industrial sector.

An analysis of the low revenue collections reveals leakages resulting from tax avoidance, non-compliance, exemptions and the need to improve information system and assessments. The revenue base is very narrow and only a few entities are actually paying tax with certain groups being overtaxed.

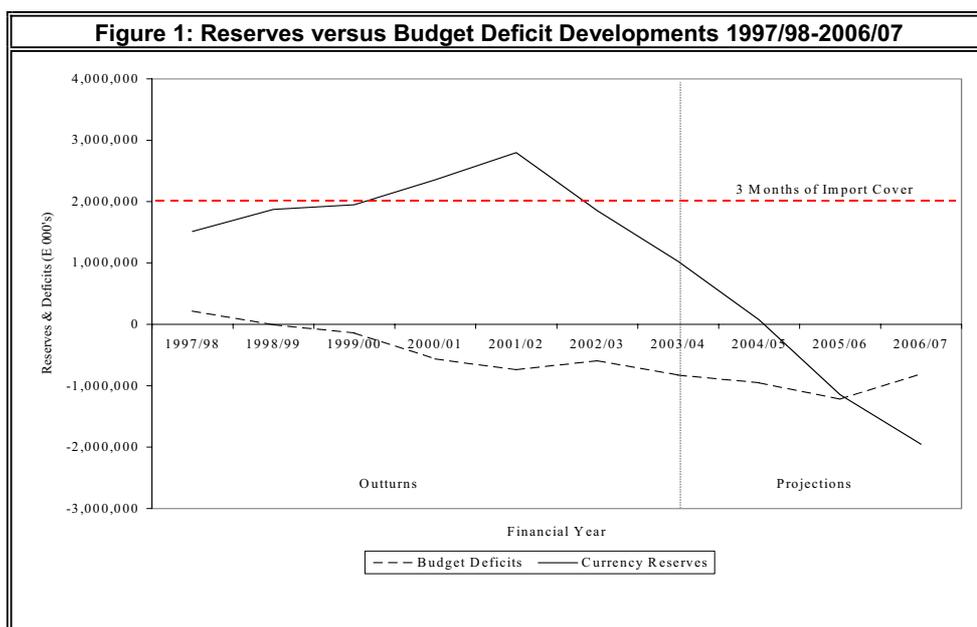
Revenue collection could be improved by addressing the capacity constraints and inappropriate institutional frameworks that preclude comprehensive implementation and execution of tax policies. The establishment of the Revenue Authority envisaged in 2006 will introduce better incentives, facilities and improved tax administration and collection. However, while these issues must be addressed quickly, there is still a long way to go before the benefits of doing so are realised.

4.2.4 Expenditure

Government expenditure have grown by an average of 12% per annum, over the past five years and it reflects a heavy bias towards the recurrent expenditure with capital expenditure taking only about 25% of the overall budget. Expenditure on personnel has grown even faster and now accounts for about 60% of recurrent expenditure. Nonetheless, capital expenditure has more than doubled in the last five years, even though it still stands at less than one-third of total expenditure. The present levels of recurrent expenditure are unsustainable and have been a cause for concern for more than a decade now, particularly because very little has been done to reverse the trend. Instead, there have been attempts to cut the capital programme in order to contain the escalating expenditure. If the key development challenges of poverty reduction, HIV/AIDS and unemployment are to be addressed, capital expenditures must be increased substantially and government recurrent expenditure should be geared towards activities that facilitate the delivery of social services.

However, the ability of the government development programme to stimulate economic growth has been compromised by the very low implementation rate, which delays the realisation of the potential benefits of the development.

Government is aware of the undesirability of overspending, even where such expenditure is indispensable. To prioritise expenditure on yearly and long term basis, the government began the implementation of the medium term expenditure framework (MTEF) in 2003/04 with the intention



to focus on poverty reduction, food security, HIV/AIDS pandemic, and employment creation. Furthermore, emphasis is to be given to food security and revenue generation, given the prevailing drought and weakening fiscal situation. Due to resource constraint, competing priorities, resource constraints, or increasing commitment in other areas, the MTEF has not been effective in its objectives and the need to focus public expenditure in these areas remains.

4.2.5 Monetary Policy

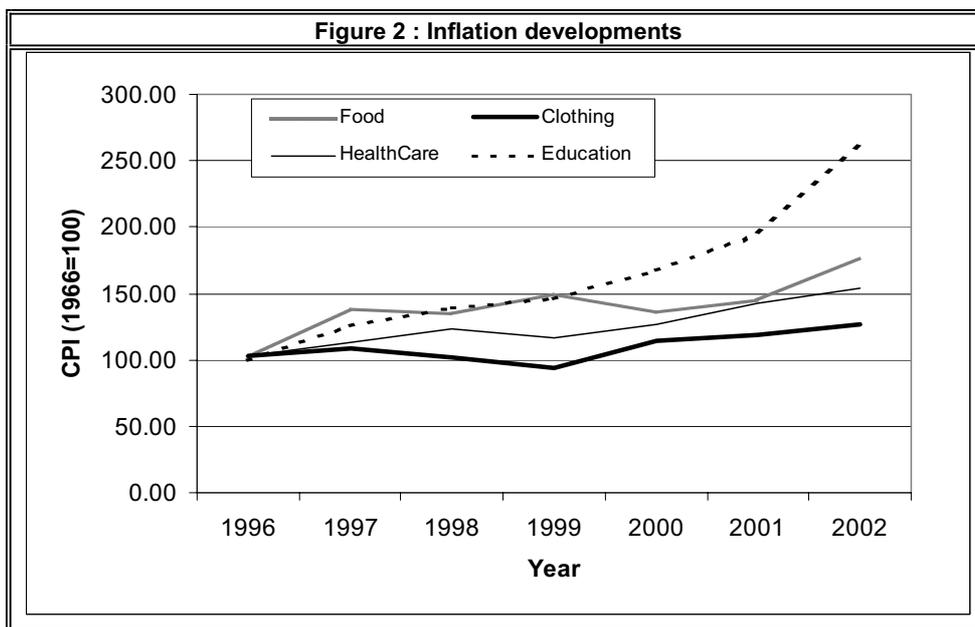
Swaziland's membership to the CMA removes her ability to manipulate the exchange rate and interest rate policy and to influence the direction of her monetary policy. Swaziland only has complete control over fiscal policy developments, over the last decade developments have made the fiscal position unsustainable and have impacted negatively on growth. The run down of currency reserves cannot fund projected budget deficits indefinitely. Reserves are already seriously depleted, and now represent about 2.5 months of imports cover, which is below the internationally accepted minimum standard of 3 months of cover by which the ability to sustain a

currency peg is judged. Further the policy of financing her obligations by running down reserves threatens the sustainability of the Rand–Lilangeni currency peg and could lead to the de-linking of the Lilangeni from the Rand, which could in turn ignite inflation.

The country still has the role of ensuring monetary stability and prosperity in the financial sector. Policies that promote financial intermediation should include support to initiatives that will keep inflation low and interest rates at affordable (but positive) real levels. A sound financial sector is an important catalyst for economic growth and a symbol of a stable macroeconomic climate. Thus whilst the country does not have a significant influence over the broader instruments of monetary policy, domestic policies should not threaten the peg, which is sustained through reserves.

4.2.6 Inflation

Overall, domestic inflation has been within the single digit level. However, the cost of living for the low-income group (proxy for the poor) has risen considerably (Figure 2). Average Consumer Price Indices (CPI) for the Low Income Group for food increased from 102.3 in 1996 to 144.5 in



2001. The corresponding CPI for clothing and footwear moved from 103.0 to 118.5 during the same period. The CPI for health care reached 143.1 from 102.5. The worst increases were on education where the CPI rose from 100.0 in 1996 to 194.2 in 2001. Since the ability of low-income people to hedge against the rising cost of living is extremely limited, more people succumbed to poverty over this period as evidenced by the rise of the incidence of poverty from 66% in 1995 to 69% in 2001.

Most of the inflation is however imported, limiting the ability of the Government to reduce its effect on the poor. Further inflation is caused by structural issues e.g. the drought and increased wages. There is thus a limit to how far it can be controlled and/or reduced. However, because inflation affects the poor through the items they consume a government strategy to subsidise the prices for the items mainly consumed by the poor may be warranted. This should not however equal price regulation and/or setting.

4.2.7 Trade Policy Reforms

Trade Policy Reform is an important aspect of a sound macro-economic policy environment and it depicts the close relationship that exists between growth, investment, employment, balance of payments, reserves and government revenue. The link with poverty is drawn in the facilitation of trade and in presenting opportunities for increased production and the participation of the poor in employment and/or small and medium enterprises and other related sectors. Goods that are produced are either consumed locally or exported to generate foreign earnings. Those goods face competition from other countries and the trading world has become so small and complex such that it is important to have a favourable environment and a competitive trade policy.

Swaziland derives more than 50% of her revenue from trade taxes, and has experienced a downturn in her growth path because the trading environment has not been favourable to the private sector. As a result, some companies are facing an uncertain future and that has serious implications for the poverty situation in the country. In addition, WTO is leading the change in trade as part of the globalisation process which dictates that companies be competitive and the production environment stimulating, otherwise companies relocate to other countries that can provide better services. Globalisation brings with it a set of rules and regulations that govern the trading environment and presents the challenge of designing trade policies (and reforms) such that adverse consequences for the poor are avoided or ameliorated to the greatest extent possible. In fact, trade liberalisation gives support to economic growth, which in turn should support poverty reduction.

Unless the investment and trade policy issues are dealt with professionally and timeously, there will be losses for Swaziland. The on-going trade negotiations are changing the environment for conducting business and it still has to be discovered whether the infant industries and some of the big industries will survive these changes and also, what the implications will be for employment, monetary sector, fiscus and growth. The impact could be severe for the poor and could also increase the level of unemployment.

The following key issues must be considered when designing a trade reform package:

- a) The impact on prices, production, employment, government revenue
- b) The impact on the structure of the private sector and the sectors in the economy that will be affected positively or negatively
- c) Growth potential, country's competitiveness and socio-economic gains or losses.

4.2.8 Policy Objective in Trade Reform

The Government policy guide in formulating or reviewing trade policy and in subsequent trade negotiations would be to ensure that the outcome of the reform benefits the poor either directly or by stimulating economic growth for poverty reduction. Of course these objectives will need to be complemented by other relevant support schemes/policies in other sectors.

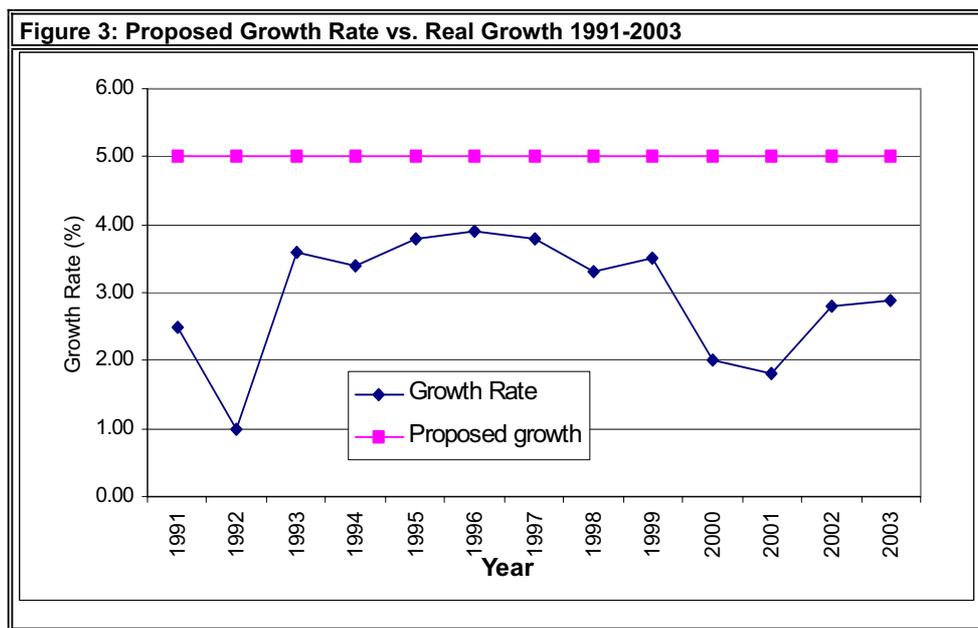
4.2.9 Strategies for 'Poverty-Conscious' Trade Reforms

Trade reforms should re-enforce the creation of an enabling environment for a sound macro-economic management whereby Swaziland will have a vibrant private sector, financial system, full employment, sustainable budget and ultimately no poverty. The following strategies will be adopted in order to facilitate trade reform:

- a) Promote the establishment of new companies and search for new markets;
- b) Provide infrastructure support to the poor in order to increase potential opportunities for poor producers to benefit from a more open trading regime;
- c) Create and/or support market institutions (for bundle orders) in order to make it viable to deal with the poor in terms of inputs and outputs;
- d) Improve access to micro-credit so that the poor can have sources of financing their income generating activities;
- e) Facilitate the mobility of labour between and within regions and the neighbouring countries;
- f) Simplify and relax the regulations for business establishment;
- g) Improve (and establishing) safety nets for the poor against the (mainly temporary) negative consequences of globalisation.

4.2.10 Macroeconomic Strategies to Restore Stability

The present macroeconomic environment has been unfavourable for poverty reduction. The rate of economic growth has been much slower than is required to prevent the poor from growing poorer (Figure 3). Investing in people has assumed a secondary role. The financing of pro-poor capital budget projects has been gradually squeezed out of public expenditure.



Accordingly, government will undertake far-reaching reforms to restore macroeconomic stability and accelerate participatory economic growth to not less than 5% per annum. The following strategies will be adopted to achieve this:

- a) Attract foreign direct investment to stimulate economic growth
- b) Introduce fiscal reforms to increase the tax base and tax collection whilst reducing (or eliminating) the tax burden on the poor;
- c) Rebuild reserves so as to restore investor confidence and restore the strength of the Lilangeni;
- d) Shift public expenditure to greater social spending especially in primary education, basic health and safe water to generate a productive workforce;
- e) Restructure and right-size the public service to a small well motivated team;
- f) Increase strategic spending on HIV/AIDS mitigation programmes;
- g) Improve governance (both economic and political) so as to build investor confidence and allow for greater transparency and accountability;
- h) Adopt policies and measures that mitigate the negative consequences of trade liberalisation;
- i) Improve the opportunities of benefit from trade liberalisation and ensure that small and medium scale enterprises are able to capture the markets that open up and generally improve the export base and capacity in the economy;

Matrix of Strategic Objectives, Targets and Priority Actions in Macro-Economic Environment

Poverty Area	Key poverty problems	Strategic objectives	Target for poverty reduction	Programmes, Projects, and Actions	Agency Responsible
Macro-economic environment	Slow economic growth	Accelerate shared economic growth	Increase rate of growth to above 5% per annum	<ul style="list-style-type: none"> - Campaign to attract FDI - Promote SMEs and other income generating activities by simplifying investment and licensing procedures - Support micro-finance institutions and encourage lending to SMEs - Commercialise SNL agriculture - Provide infrastructure and markets for locally produced products - Promote exports 	SIPA, MEPD, MOF
	Budget deficit	Reduce deficit to sustainable level	Deficit below 5% of GDP	<ul style="list-style-type: none"> - Broaden tax base - Introduce VAT - Implement the MTEF - Right size the Civil Service 	MOF, MEPD and MOPSI
	Escalating expenditures	Targeting to pro-poor priority areas	40% total spending on pro-poor programmes	<ul style="list-style-type: none"> - Give preference to social development spending and empowerment initiatives 	All ministries

Chapter 5: EMPOWERING THE POOR TO GENERATE INCOME

Poor communities need income in order to get food, water, shelter, education, and good health. Enabling the poor to earn their own income is the most sustainable approach to poverty reduction. Pillar 2 of this PRSAP emphasizes the support and empowerment of the poor to generate their own income. The four main areas this chapter has focused on in empowering the poor to generate income are:

- i. Improving access to land
- ii. Increasing income from Agriculture
- iii. Employment creation (Formal and Informal Sector)
- iv. Small Medium Enterprises (SME) support.

5.1 Improving Access to Land

Land is the most important resource for livelihood of all people as it provides for food, housing, wood/energy, traditional medicine, waste disposal etc. It is the pillar for overall development and the reason why sustainable environmental management cannot be comprised. Otherwise, future generations will suffer. Land is the most important asset for the poor and all their livelihoods revolve around the size and nature of the land they have access to. In view of the fast growing population in Swaziland, pressure on land has increased tremendously. Population density has increased from 44 persons per sq km in 1990 to 56 per persons per sq km in 1997 and could be approaching 69 persons per sq km in 2004. Only 11% of the country's land area of 17,360 square kilometres is arable. 56% is SNL, communal land held by the King in trust for the nation and administered by chiefs, 43% is TDL, privately owned by government, companies and individuals, and less than 1% is for urban development.

SNL is governed by Swazi law and custom and the communal ownership implies that residents have a right to the custody and use of the land but hold no title to it. It can be passed on through generations and primarily for subsistence purposes even though there are a lot of commercial activities on it driven by government policy to commercialise it in order to generate incomes. Agricultural production of livestock, maize, vegetables and recently sugarcane dominates SNL but it is not significantly mechanised neither fully irrigated. Production is highly dependent on rains the land such that production is highly susceptible to drought. User rights without title to the land were always secure in the past, but recent developments indicate that evictions are becoming a norm implicating that land on SNL can be withdrawn any time from an individual without compensation. On the other hand, TDL is secured, highly mechanised, irrigated and

market oriented, earning very high income for the producers.

Government prepared a draft national land Policy in 2000 to address the problems faced by the SNL and support government's endeavour of changing agricultural production culture and giving security of tenure to residents. The NLP still awaits approval. The NLP seeks to empower land owners by "maximise benefits ...from land on a sustainable basis. Also, ...to promote the enhancement, protection and conservation of the environment". It underscores that land access, clearly defined property rights, and secure land tenure are fundamental vehicles towards improved productivity of the land and resultantly fostering human development. A proposal to extend a 99-year leasehold to areas on Swazi Nation Land was also formulated and is already being practiced in those areas implementing large government projects such as Maguga and LUSIP. Furthermore, it seeks to empower women to have a right of ownership to land. In Section 21, the draft Constitution enshrines that all persons are equal before the law in all spheres of political, economic, social and cultural life. Section 20 (equality before the law) upholds that a person has a right to own property either alone or in association with others and shall not be deprived of property or any interest or right over property. Notwithstanding that clause, section 94(2) clearly states that SNL cannot be used as collateral for loans.

The SNL is administered by Chiefs, on behalf of the King allocating land to families, groups and for development. Traditionally, every family has a right to land to be allocated a piece of land from the SNL on which to build a home and grow food to feed their families. The allocation of land is through the system of kukhonta, wherein unmarried persons whether male or female can not in their own right be allocated land. Young men cannot be allocated land if they are unmarried. Women get land but only through a male relative and they cannot inherit the land from their parents or husbands. On the other hand, all persons can access TDL, unfortunately it is very costly and the poor cannot afford to buy it hence the emergence of crowded and unplanned peri-urban areas on the outskirts of the country's major cities. However, SNL is crowded and not managed well. The number of homesteads has increased by 2% between 1992 and 2002 growing to 95,128. About 92% of them are on SNL and 8% classified as squatters on TDL. Soon after independence, the government embarked on a land purchase programme with the main purpose of alleviating the pressure on SNL. However, most of the purchased land has not be re-distributed and still remains under-utilised. More effort is needed from the government to address the Land Policy and distribution issue on both TDL and SNL. In addition, there are land disputes between chiefs that are retarding progress on development. As the disputes drag on, development initiatives are postponed with NGOs, government workers and donors shunning those communities.

Government also developed a Land Use Plan demarcating land usable for agriculture, housing

and other uses but never implemented. Most of the agricultural land both SNL and TDL is increasingly being used for housing purposes, diminishing the amount of land available for increased production and maximising returns. Private sector cites land shortage as a hindrance especially for agricultural companies. Due to delays in implementing the LUP and NLP approval, there is a missing link in the enforcement of environmental regulation and proper use of the land.

The land tenure system has come under serious scrutiny in the past years because of the numerous problems being encountered. The problems range from low productivity, resettlement, idle government and individual farms, environmental management, discrimination against women and youth, landlessness and access to water. First, the size of holdings on SNL is not proportional to the population settling on the land. It has diminished from an average of 3 hectares to only 1.8 hectares or less per household. Second, because of communal ownership, there is limited incentive to invest on the land and users do not safeguard nor conserve the quality of the land, for example overgrazing and deforestation are practiced. Third, land can not be used for collateral and trade it for high value use even though there is no concrete evidence to suggest that Swazis are prohibited from using fully the land in their possessions due to the lack of title. Fourth, there is discrimination against women and unmarried youth in rightfully accessing SNL yet they are the ones responsible for tilling the land for the production of food while the husband is at work. Fifth, TDL often lies idle, where government is the owner, or is a local and where the landlord is absent. Sixth, women cannot inherit SNL land rights therefore they remain marginalised. Seventh, due to HIV/AIDS, a significant amount of land will lie idle. According to the agricultural census 2002, about 15% of homesteads do not cultivate their land. Reasons could range from poverty, evictions, drought, debt, CHH or elderly left alone and not able to farm. Finally, the 8% of homesteads squatting on private farms face the threat of never owning land being evicted from those farms when ownership changes. Those people who have known that land to be their forefathers are evicted, cannot farm to their full potential, are expected not to invest in housing and other structures because they do not own the land and cannot buy the land because they cannot afford to. These problems emphasize that access to land is inequitable and persistently locks the poor in poverty.

Compounding the problem of access to land is the fact that land endowments are not equal. Lubombo and the Lowveld ecological zones are drier and more prone to rain failure compared to Highveld and Middleveld. Water as a resource is in short supply in Swaziland, leading to dependence on rain fed agriculture for most people. In July 2004, a National Water Authority was launched to assist in the management of water resources in the country. Preference for water rights is given to large plantations such as sugar cane. As a result, even where land is available, because of the shortage of water, people in the Lowveld and Lubombo are always susceptible to

hunger and a number of water borne disease associated with lack of irrigation and safe drinking water.

5.1.1 Goals for Improving Access to Land Resources

The principle goals of the PRSAP in land resources are:

- i. Providing secure land tenure for all Swazis and maximise productivity on land;
- ii. Ensure that all land is put into proper use, and maximum potential;
- iii. Ensure sustainable environmental management to safeguard availability and productivity of land;
- iv. Universal access to existing water resources to meet the needs of the population.

5.1.2 Strategies for Improving Access to Land Resources

To achieve these goals the following strategies will be implemented:

- i. Respect the fundamental right to own and have equal access to land as will be entrenched in the constitution.
- ii. Existing laws will be repealed to permit ownership of land by women, and young unmarried men, amending current customary laws on *kukhonta*
- iii. Extend water rights to smallholder farmers for agricultural purposes.

5.2 Agriculture

5.2.1 Increasing Income from Agricultural Production

Investments in the agricultural sector are supportive of achieving Pillar 2 and 6 which are concerned with the rapid growth of the economy and broad participation of the poor as well as the improving the quality of life of the vulnerable. It is therefore, crucial for poverty reduction and enhancing incomes. Although the agricultural sector is by far the most important because of its contribution to the manufacturing sector, employment and also to the majority of the population who are rural inhabitants as they derive their livelihood from it, its contribution has declined considerably. It dropped from 15.7% in 1985 to 8.7% in 2001. Of the agriculture contribution to GDP, as much as 80% comes from Title Deed Land, with the balance of 20% coming from SNL. This shows the huge productivity differentials and the management techniques between the two land tenure systems above, as well as the levels of income generated. Government has acknowledged the importance of SNL and invested heavily aiming to maximise production and incomes. These include the rural areas development programme, earth dam project and recently Maguga and LUSIP, but production has continued to decline significant. Drought has had an

effect and some of the programmes have instead released labour. Furthermore, the returns on SNL have been much lower than the wages provided by off-farm employment. Prices of inputs are quite high and not controlled while output prices are regulated resulting in a low profit margin or losses to those farmers.

Agricultural production can be used as a source of income through crop production, forestry, fisheries, and animal husbandry. Agricultural production reduces poverty in three ways: as a source of food, cash from sale of cash crops, and employment on farms or plantations. The poverty levels are high in rural areas calculated at 76% and food poverty at 43% against 20% in urban areas. This is indicative of the food security status of rural people. Farmers on SNL produce some crops but are unable to produce enough for their consumption and also realise surplus for sale. According to the agricultural census 2002, only 85% homesteads cultivated their land and the remaining 15% did not. Table 5 shows that only 4% of homesteads produce enough and sell surplus, 56% never have enough to eat. The number of homesteads who have enough to eat has dropped from 9% in 1992 to 4% in 2002. A majority of those homesteads that never have enough to eat are found in Lubombo (62%) and the other regions have an average of 55%. A recent vulnerability study conducted by the Ministry of Agriculture and Cooperatives and Save the Children Fund also concluded that the poor are net buyers of food especially for maize, which is a staple food. It is therefore clear that to earn income from agriculture, productivity of SNL must considerably be raised beyond household consumption so as to produce surplus for sale. Only 12% of income is generated from farming indicating the non-viability of farming as an income generating activity. Most households rely on remittances to meeting their needs.

Evidence from the management practises applied in TDL suggests that irrigation is crucial for increased production. This is supported by the yield levels during plenty rain seasons as against years of drought. Only 15% of SNL homesteads irrigate their land and the methods are primitive. 9% use the bucket, 2% furrow while drip and sprinklers are 2% each. Moreover, there are gender dimensions related to increased production. According to the census, MHH are better producers than FHH. Even though women care for the land and crops, the level of investment differs between MHH and FHH.

Other than crops, the Swazi population keeps a large cattle population, which causes overgrazing, and soil erosion on SNL. Government has been unsuccessful in promoting cattle breeding for the market, instead the social value has outweighed the monetary value and this has contributed towards environmental problems. The main crops grown on SNL are maize, cotton, pumpkins, beans and groundnuts. With the exception of cotton, other crops are mainly for subsistence. On TDL sugar cane, citrus fruits, pineapple, bananas and vegetables are grown for commercial purposes. Over the past years government has promoted the growing of vegetables

sugar cane and wattle trees for the poor to earn income. About 31,589 homesteads grow sugarcane especially those in the Lowveld and 15, 000 grow exclusively cotton due to climatic conditions.

Draught power is important for increased productivity on SNL and unfortunately it is not adequate. Furthermore, the costs for tractors are unaffordable for the majority of homesteads. As a result, farmers suffer delays in ploughing and planting while at the same time the rain pattern is not favourable. 48% of holdings are ploughed using tractors of which only 5% are by those owned by government and 20% by private tractors. 49% ploughed using oxen and 2% by donkeys. Oxen are important not only for social activities but for ploughing and planting. Marketing and pricing have been identified as disincentive to increased production. The NMC and NAMBOARD are parastatals who have supposedly discouraged farmers from increasing production because of the influential role in price determination.

5.2.2 Present Policy Environment

The agricultural sector policy aims at transforming production on SNL from subsistence to commercial farming. The draft policy objective aspires for an agricultural sector that “contributes fully to economic growth, food security, poverty alleviation and sustainable natural resources management”. Consequently, MOAC expects to increase agricultural production and diversification of agricultural activities thereby improving food security at household level and expanding employment opportunities through the promotion of agricultural enterprises and agro-industries.

In addition, environmental management is seen as pivotal to the increased agricultural production and sustainability of production in the future. Government has realised that the policy of self-sufficiency does not in itself ensure access to food for everybody, but there is a need to divert funding used for promoting such policy to other activities that can ensure food security at both household and national levels. Government will continue to promote increased productivity in food production as well as promoting diversity in income generation to ensure that food at all levels is accessible, affordable and available. Emphasis is also given to the elimination of gender biases in agricultural production.

The Government's main interventions presently aimed at increasing agricultural production are:

- 1 Conducting adaptive research on best agronomic practices and disseminating the results through an extension service and
- 2 Review of operations of state trading institutions currently trading in maize and horticulture products (NMC and NAMBOARD).

These institutions also regulate the importation of foreign produce with a view to giving local produce an advantage in the market. Government has supported technological change through operating subsidised services such as tractor hire and soil testing and the provision of extension services on agricultural production, animal health and livestock production.

Other Government interventions are the provision of subsidised specialised services that include:

- 1 The control of tick borne disease through operating dipping services;
- 2 Artificial insemination services, inspection of animal products;
- 3 Breeding at Sisa ranches aimed at “improving” the local herd.
- 4 Improving disease control and prevention through surveillance and efficient diagnosis;
- 5 Promotion and regulation of co-operative development through training and enforcement of co-operative legislation;
- 6 Promotion of fisheries, forestry and other income generating activities;
- 7 Promotion of nutrition education and
- 8 Limited services in land-use planning, irrigation planning and development.

The effectiveness of these interventions is very evident on TDL farms, plantations, and livestock compared to small SNL fields. The majority of the poor population is found on SNL. The success on SNL has been hampered by, inter alia:

- 1 Lack of authority for women farmers to make decisions;
- 2 Degradation of the environment, mainly due to overstocking, deforestation, and other environmentally unfriendly farming systems;
- 3 Vulnerability of the entire agricultural sector to natural disasters, especially drought; poor adoption of technology by farmers, due to poor farmer education;
- 4 Lack of finance/credit;
- 5 Poor marketing systems and
- 6 Poor linkages between agriculture and the processing sector.

Other handicaps include lack of property rights, especially to land leading to poor management of rangeland in particular; discriminatory access to land and water; the decline of commodity prices, continually rising production costs; and lately the loss of human resource in the sector, mainly due to HIV/AIDS and a young population that is unwilling to embrace agriculture as an occupation.

5.2.3 Goal for Increasing Income from Agriculture

The overall goal of the agricultural sector for poverty reduction is to increase agricultural production entirely but with spatial focus on SNL agriculture, transforming it to semi-commercial and commercial production levels, observing environmental limitations and providing equal access to factors of production. Drought will be managed proactively through better early warning systems, fairer distribution of water rights, and extensive irrigation. Farmer education will be achieved through extension services. Lack of incentives and credit facilities will be tackled through improving land tenure and ownership.

The goal of the PRSAP is to increase agricultural production on SNL beyond meeting subsistence requirements.

5.2.4 Strategies for Increasing Income from Agriculture

- I. Develop and promote production systems that are suitable for farmers who have a weak resource base by:
 - a) Re-orienting research so that it maintains adequate focus on improving efficient and cost effective indigenous farming methods, including species; (*such as chicken, goats, pulses etc*);
 - b) Promoting the adoption of well researched extension packages that are well suited to the different agro-ecological zones of the country and the socio-economic contexts of different farmers;
 - c) Conducting research and providing advice on cropping systems that maximise moisture retention in the soil.
- II. Instituting measures that reduce the vulnerability of the agriculture sector to disasters, both natural and man-made by:
 - a) Implementing the Disaster Management Policy and Plan prepared by the Disaster Task Force;
 - b) Intensifying research into and promotion of the production of drought resistant crops and livestock, especially small stock which even poorer farmers can afford;
 - c) Working with communities, to plan and implement in each of the four administrative regions, one integrated irrigation development scheme (minimum 500ha each) every five years;
 - d) Intensifying water harvesting through construction of at least four (4) earth dams per year, with provision for down stream development. These should be located in the most drought prone areas of the country;

- e) Encouraging on-farm establishment of pastures, legumes and multi purpose trees so as to supplement open grazing on the range.
 - f) Encouraging mixed farming for diversification and cushioning price risks, such as introducing bee-keeping, medicinal plants, agro-processing, etc.
 - g) Encouraging the implementation of the environmental management plan on SNL.
- III. Improving access to information through decentralising the extension service as well as organising farmers so that they can be reached more easily by;
- a. Redeploying extension officers and community development officers to *Tinkhundla* and organising extension into a comprehensive and well-packaged service that is delivered at least at the Inkhundla level and encouraging the participation of both men and women.
 - b. Organising farmers into efficiently run co-operatives (or associations at initial stages) and to channel most extension through groups so that it is cost effective and beneficial to the majority.
 - c. Encouraging the development of apex bodies at the regional and national levels so that co-operatives (or associations) can be co-ordinated and communication with Government and other development partners is made easier.
- IV. Improving efficiency in marketing systems so that prices are not only stable but also give true signals of economic scarcities that will guide efficient resource allocation by:
- a) Continuously reviewing MOAC's interventions in marketing systems with a view to introducing (or supporting where already existing) systems that are privately operated and more community driven and owned;
 - b) Promote the development of creative marketing systems such as the open market concept, auctions sales, barter systems etc;
 - c) Support the development of food processing activities both as a business and a way of preserving food for use at the household level;
 - d) Support needs-based research on food processing, preservation and storage technologies, especially on products that are mostly produced by the poor particularly women.
 - e) Encourage skills transfer from TDL to the nearby SNL and establish joint markets for both TDL and SNL
- V. Capacitate poorer farmers through introducing well-targeted special dispensations aimed at aiding the adoption of high-output yet cost-effective technologies through:
- a) Empowering (sensitise and train) communities so that they take full advantage of existing community empowerment funds, whilst also ensuring that those involved are fully accountable;

- b) Recapitalising the Poverty Reduction Fund and directing it such that it only finances activities that are socially viable and can regenerate themselves in the long term;
 - c) Simplifying lending processes so that rural women and men, and other disadvantaged groups can effectively make use of existing financial assistance schemes.
 - d) Enacting legislation that removes barriers or restrictive procedures in accessing finance, particularly that there are no discriminatory practices that bar women from accessing credit.
- VI. Piloting innovative measures aimed at improving efficiency and equity in land use, land tenure and water, especially for women by:
- a) Introducing culturally acceptable and communally enforced contracts on SNL that allow those who have land but without the human and financial resources to farm it to lease it out to those who are able to do so;
 - b) Supporting the implementation of the Land Policy, Land Use Plan, Water Policy and Act, and ensure that these reverse all existing forms of discrimination on access to land and water;
 - c) Encouraging and supporting community efforts aimed at establishing sustainably managed communal grazing areas, and;
 - d) Leasing out under-utilised Government land for use in implementing viable agricultural activities.

5.3 Creating Employment Opportunities

Employment creation is crucial for pro-poor economic empowerment and is central to the debates on the attainment of pillars 2, 3 and 5 which focus on empowering the poor to generate their own income and reduce inequalities by ensuring accelerated economic growth and their participation in economic development. The benefits of pro-poor economic empowerment are seen through the improvement of their lives. The performance of the private sector is crucial in facilitating this improvement. The private sector is the engine of growth, source of employment and small and medium enterprise development through forward and backward linkages between the agricultural, manufacturing and services sub-sectors. In recent years it has been very difficult for job seekers to find employment opportunities in the formal sector hence a number of people are either unemployed, have joined the informal sector or the micro, small and medium enterprise sector.

The drastic and fast increase in unemployment is the major reason for the impoverishment and deepening inequalities among the Swazi population. The poor are more vulnerable to redundancies and job losses as they hold low paying, low skill and seasonal jobs. They are also very dependent on employment income and remittances. According to the statistics, they derive

about 75% of their income from employment sources and as those opportunities are getting very scarce, the impact on their livelihoods is also very severe. Creating employment opportunities for the people of Swaziland is therefore one of the main strategies for reducing poverty.

5.3.1 Current employment environment

Although Swaziland has grown in the past, this growth has not translated into the creation of quality jobs. The national unemployment rate is very high, calculated at 29% (SHIES 2001) with the youth at more than 40%. This development is in direct relationship with the decline in economic growth driven by the poor performance of the agricultural sector; low levels of foreign direct investment; lack of skilled man-power; loss of skilled personnel who leave the country in search for greener pastures; poor infrastructure in rural areas compared to urban infrastructure; closure and the restructuring of major export-oriented companies. Furthermore, the structure and size of industries which have become more capital intensive has not provided solutions to the unemployment problem. Unfortunately, these developments have coincided with a decline in migrant labour opportunities in the South African mines.

Resultantly, the number of unemployed people has grown significantly with more people getting retrenched and an increase in the number of new entrants to the labour market failing to secure jobs. For the period 1997-2002 the country's labour force grew at an annual average rate of 2.9 % whilst average employment growth was 1.7%. The country has also failed to gain from job opportunities presented by AGOA as the garment industry is facing serious marketing problems and some of companies have retrenched while others are on the verge of closing down. Forecasts point to an even bleaker future as the agricultural and manufacturing sectors are going through a contraction period.

Agriculture and forestry have the potential to generate high employment opportunities for the poor, but an analysis of the sector indicates that employment opportunities are shrinking. For instance, the sector's employment share fell from 35% in 1995 to 29% in 2000. It has been overtaken by manufacturing, which is also presently undergoing through a crisis. The employment statistics also indicate a trade-off between the formal and informal sectors. As the retrenchments in the formal sector increase, the informal sector is growing especially in urban areas. It is now estimated to be 36% of total employment. The number of vendors as well as the numbers joining the micro, small and medium enterprise sector has increased significantly. The poor in rural areas work in family or neighbouring farms and are paid very low wages or in-kind.

With an estimated 40% of the core poor unemployed, it is expected that their standard of living has worsened in recent years since the subsistence livelihoods have also been adversely

affected by drought. Although secondary employment accounted for most income sources in the past, recent economic conditions dictate that self-employment will be vital in poverty reduction. Opportunities for formal employment are dwindling whilst the labour force is growing at a higher rate. Support to the SME sector and the informal sector should thus be central to any poverty reduction programme. The logical intervention in this regard is to support SME and informal sector activities and at the same time provide opportunities for their sustainability and growth.

Regions vary in levels of unemployment with Shiselweni at 53% compared to Hhohho at 20%. Unemployment is also higher in rural areas estimated at 34% compared to 20% in urban areas. Also, the incidence of unemployment is unequal among different groups in Swaziland. It is higher among rural men at 37% compared to rural women at 31%. The reverse is true in urban areas where women are less competitive in the labour market. In urban areas, unemployment rises to 26% for women compared to 15% among men. Nonetheless, without considering cases of underemployment, FHH are the most affected.

5.3.2 The Formal Sector

This sector is dominated by the private sector. The private sector accounts for 69% and the public sector 31% of total formal employment. Recent developments have shown the inability of the formal sector to create more jobs and that the SME sector is absorbing most of the unemployed population. During 1994-2000, the average growth rate for private sector employment was 0.7% whilst for the same period the growth rate for public sector employment was 1.4 %. The services sector has over the past years consistently accounted for the majority of paid employees (32%) followed by the agriculture and forestry sector (21.4%).

In response to the tough political and socio-economic conditions faced by the country, both the private and public sectors embarked on restructuring their operations in order to improve efficiency and remain competitive in international markets. Subsequently, the rate of unemployment increased over the years due to redundancies and retirement (voluntary and forced). Unless the retirees join the SME sector, for many, early retirement means a loss of livelihood and a stable source of income, since the retirement packages are not likely to sustain a majority of lowly paid employees. These redundancies are seriously causing an increase in extreme poverty because of the very narrow focus in the country's investment, health related, education and training policies and systems, making it difficult for able-bodied people to apply themselves multi-sectorally.

5.3.3 Employment in the Agricultural Sector

The agricultural sector remains the key sector for food security, generating incomes and creating employment opportunities. It contributes 20% to total formal employment while SNL employment from arable land can be estimated at over 80,000 (mostly seasonal) jobs. Government acknowledges the great potential that agriculture has and is developing more diversified commercial agriculture in rural areas. The rural areas have a higher incidence of poverty and it appears very likely that improving the agriculture sector would have a much wider impact in the fight against poverty. Given that 70% of the population derive their livelihood from agriculture and that agriculture is the mainstay of the manufacturing sector in Swaziland, there is need for policies that will increase their agricultural production and improve the employment opportunities of the rural people.

Government should seek to advance policies that use the poor's major resource – labour – most efficiently. The development of agriculture has to go in tandem with a review of the land tenure system and related policies and should facilitate access to and control of SNL as well as policies that will ensure participation of men and women on an equitable basis in the sector.

5.3.4 Investment Promotion and Private Sector Development

Foreign and direct investment is important for employment creation and the establishment of backward and forward linkages with Small and Medium Enterprises. The first step towards increasing job opportunities and creating employment is to achieve high and sustainable levels of shared or pro-poor economic growth through appropriate macroeconomic, sectoral and structural policies. Such policies should support export-oriented and, as far as possible, labour intensive industries. Government will produce the investment code and investment incentives so that the investment incentive package introduced will not only promote such industries but also ensure diversification of industries and the sustainability of the jobs created.

However, Government should ensure that these incentive packages do not cause further harm to the already precarious revenue position as that would lead to deterioration in service delivery, infrastructure, and development necessary to attract more investment and provide for the needs of the poor. Government policies will facilitate the promotion private sector development through improving the economic, social and regulatory environment. The sectors that have a comparative advantage will be complemented by an aggressive investment and trade promotion campaign necessary to determine the location of foreign enterprises in the country.

5.3.5 Adjusting to Globalisation and Technological Innovation

Swaziland is faced with the challenge of having a competitive private sector that can survive in the global market by producing high quality products that meet all the market and consumer requirements. That means adopting the latest technologies and being up to date in terms of Information and Communications Technology (ICT). Employment creation faces a further threat, especially with the reality that companies require new technology, which is designed to improve the productivity of firms, but might reduce the labour force required. Growth depends greatly on a flexible, educated and healthy workforce that would take advantage of advanced information communication technology. Under the current circumstances, the poor are most likely to lose as it results in unskilled labour force being redundant, as they cannot easily adapt to new technologies.

Most developing countries view globalisation as the main reason for increased unemployment and poverty. Failure by the private sector to compete globally will mean the collapse of the sector, increased unemployment and poverty. Just like all other developing countries, Swaziland is expected to compete and survive in the global village. Unfortunately the rules based multilateral system does not take into account the circumstances and the economic and social difficulties faced by these countries. Full liberalisation might increase production and trade or even result in an influx of cheaper goods from developed countries, however because of the undeveloped industrial base of countries like Swaziland, goods from more developed countries impose unfair competition on infant industries and has a negative impact on locally produced goods. Whilst this is good for the consumer who buys cheaper goods, it usually destroys the private sector and SMEs, which are still trying to secure markets both at the local and international level.

Swaziland needs to develop a concise private sector development strategy, investment code and trade policy, so that the opportunities of globalisation together with trade liberalisation would be effectively explored and exploited. Government must ensure that the benefits are channelled to the agriculture, manufacturing and tourism.

5.3.6 Promoting Tourism

The tourism sector has the potential to create jobs for the unskilled, semi-skilled workers and those who are in SMEs because it creates demand for certain goods and services. It is thus an important factor in raising incomes of local producers because it covers small producers and communities. It also has the potential to earn foreign exchange as international tourists spend on activities and goods. This potential still needs to be fully exploited in Swaziland. The Government is expected to fast track the development of an effective tourism development policy and strategy,

provide the necessary infrastructure in tourist attraction areas and invest more in the development and promotion of this sector. The public, particularly handicraft producers will be encouraged to be innovative and actively participate in promoting the industry, thus enhancing their own market and self-employment opportunities. In order to create more employment opportunities, there will be a fervent drive to promote community tourism and thus reduce the need to migrate to the cities.

5.3.7 Impact of Unemployment on Youth and Women

The unemployment rate is about 40 percent for the youth and this problem is affecting both uneducated and educated. Unfortunately the youth consist of about 54% of total population they form the majority of the unemployed, unskilled and are most likely to be poor. They face a number of hindrances in acquiring productive assets necessary for generating income. For instance, they cannot acquire land. Another major problem that has emerged in recent years is that of increased unemployment of the educated youth resulting from lack of employment opportunities, inefficient human resource management practices and the present high retirement age, particularly in the civil service.

Considering the population structure of the country where the youth is in the majority, the delayed retirement results in a very slow process of employment, hence the very high rates of youth unemployment. If nothing is done to address this situation, a lot more Swazis will enter the poverty bracket in the foreseeable future. In most cases the redundancy criteria used by companies, affects employees in the lower grades where the majority of employees are female. This makes women more susceptible to redundancies, yet they have the primary responsibility to provide the basic needs of their families.

5.3.8 Working Conditions of the Poor

One of the main causes of unemployment among the poor is lack of competitiveness in the labour market, the principal cause of which is inadequate or no education and skills. The poor are also subjected to very poor working conditions, which in most cases are never designed to benefit the employee. Although most job categories in the formal sector are regulated for minimum wages, there are a number of instances where these are not adhered. The result is that the poor, whom the minimum wages regulations are designed to protect, are not able to attract decent wages to sustain their livelihoods. Because of the low level of skill among the poor people, even those who have been able to secure employment are unable to adequately provide for their families. There is need to strengthen the inspection process so that the working conditions (health, safety,

wages, management, industrial relations, etc) are observed at all levels and in all employment establishments.

Most of the poor are seasonal workers, which renders their income source unreliable and unpredictable. This situation exacerbates the poverty problem and incapacitates them in terms of providing for their families. The unpredictability of income flows further perpetuate poverty because of the requirements of financial institutions, which precludes these people from accessing loans, and this results in the failure to transform the economic plight of the casual and seasonal workers.

5.3.9 Enhancing skills

Labour is the basic asset for the poor. But the poor are less educated, unskilled and thus earn less and unless empowered cannot start their own small businesses. Although they tend to have big families which could be providing ample labour, their main disadvantage is that the majority are children and elderly thus dependency ratios are very high. Due to the lack of skill, the size of poor households makes them more vulnerable to increased poverty. One of the main causes of unemployment among the poor is lack of competitiveness in the labour market, the principal cause of which is inadequate or no education and skills. There is a need to enrich the education curriculum with vocational or skills development and remove the bias towards academic or white-collar jobs. Government should implement policies aimed at enhancing prospects for self-employment especially among the poor.

5.3.10 Small & Medium Enterprises

The Small & Medium Enterprise (SME) sector is another growing sector in the country and it is expected to be the driving force of the growth of the economy. According to the 2003 National SME Survey there are 70 000 businesses employing about 140 000 people, with 56% owned by males and about 93% are owned by Swazis.

Government has established the SME Unit and the sector is receiving great support. However, it is faced with the fundamental challenge in that the businesses fail to develop and grow because of poor access to credit, limited business management skills and lack of technological training. Furthermore, there are very rigid and lengthy government bureaucratic procedures, which delay the establishment of businesses and frustrate the efforts of SMEs.

There is evidence that employed and self-employed people have a better chance of avoiding poverty. Thus promoting equal business opportunities and ensuring favourable conditions for

small enterprises and self-employment is important for poverty reduction. This sector has a great potential to tap the resources of the poor and involve them in the mainstream of the economy, thereby alleviating poverty.

5.3.11 Micro Finance System

Micro finance is the cornerstone for the development of the SME sector, agricultural sector as well as the informal sector. However, access to credit is cited as the major constraint to SME growth and efforts to establish sustainable sources of finance for the sector have not been very successful. This sector has also not sufficiently developed to accumulate adequate savings for reinvestment, which is a crucial requirement for the sector's development. There is a need to encourage the culture of saving and also to improve SME access to micro finance and bank finances by making them attractive candidates for venture capital and/or loan financing.

There are numerous problems experienced by entrepreneurs when trying to access credit. The problems range from the absence of a policy to guide the operations of micro-finance institutions, limited information on the requirements and procedures of financial institutions, which are often lengthy and complicated, very high lending rates as well as the requirement of collateral. Furthermore financial institutions consider SMEs and micro enterprises a very high risk and costly sector in terms of management of loans and are not always willing to lend to them. Married women face a further impediment resulting from their limited contractual capacity, imposed by the current marriage laws, this renders them incapable of accessing credit in their own right. As a consequence of all these interests of micro enterprises are never adequately served.

5.3.12 Support to the Informal Sector

The informal sector has continued to be the primary source of livelihood for the unemployed and poor, especially women. It has become the only solace for most people, especially women, school leavers, returnees from migrant employment, redundant, unskilled and disadvantaged members of society. Because it absorbs the majority of the population that cannot find jobs in the formal sector, the informal sector is proving to have a great potential of alleviating unemployment and poverty. However, the sector lacks government support and thus its potential for growth is inhibited. The major challenge faced by the informal sector is the lack of appropriate shelter for their businesses, which often exposes business operators, clients and the community at large to hazardous conditions. There are also too many restrictive laws which affect the operations of the informal sector resulting in failure to adequately exploit market opportunities. Moreover, the knowledge of these laws is very limited particularly amongst the poor hence they very often unknowingly find themselves on the wrong side of the law.

At a more disaggregated level, the differential between formal and informal sector employment indicates that more attention needs to be given to the development of the informal sector that is increasingly becoming a source of income for the poor. There is a lot of potential for this sector to grow and contribute to employment creation and income sources for the poor, if it can get the necessary support in terms of training, finance and infrastructure.

5.4 Policy Objective

The objective is to support the growth of the private sector, SMEs, informal sector and financial supportive structures through the creation of a vibrant, disciplined and growing production and trade sector environment that can improve the livelihoods of the poor.

5.4.1 The Goal

The long-term goal is to facilitate the creation of business and employment opportunities through effective support to the private sector, such that all Swazi citizens will have an opportunity to generate their own incomes and improve their welfare.

5.5 Strategies to Create Employment and Business Opportunities

The Government will follow a number of strategies aimed at creating employment opportunities and developing the human potential for jobs and self-employment. All strategies identified for shared growth lead to increasing employment.

- 1) Strategies and measures for private sector and business development (Formal Sector):**
 - a) Create a conducive environment for private sector development through domestic and foreign direct investment promotion in agriculture, tourism and other related fields, human resource enhancement and technological innovation;
 - b) Remove inhibiting policies, laws and regulations and provide infrastructure for the promotion of SME development and providing support to the informal sector;
 - c) Review retirement laws and facilitate the employment and business development of the youth;
 - d) Promote and support labour-intensive industries with special emphasis on tourism and the agro-processing industries which will add value to activities where the majority of poor people are already involved.
 - e) Government and investors in consultation with trade unions will have to ensure that a minimum wage that allows a reasonable standard of living is adhered to.
 - f) Facilitate the development of human capital, the Government will have to

implement universal free education at primary school level, reorient its education system and school/University curricula to suit the needs of the industry. In addition, technical and vocational subjects as well as business skills will be introduced in all schools at an early age in order to build a culture of entrepreneurship among the youth and reduce the dependency on formal employment.

- g)** In order to nurture and develop local entrepreneurship, the Government will have to adopt internationally acceptable trade and investment policies that enhance industrial growth and diversification.
- h)** In view of the very challenging technological innovations and new industrial methods, the private sector should introduce retraining programmes for their workers in order to keep them in line with the changes.
- i)** The Government intends to invest in database systems that will provide information on the labour market to the general public, private sector and government.
- j)** There is a need to develop policies that will put women and the youth in the mainstream of the labour market particularly, by improving their access to resources.
- k)** Government, civil society and the private sector have to assist in developing programmes, which will encourage the disillusioned youth to engage in income generating activities.
- l)** The Government needs to develop and strengthen the institutional capacity for dealing with trade and industrial policy in the public sector.
- m)** The private sector being assisted by the relevant Government institutions will be proactive in soliciting information on their competitors, the size of the market, trade policy issues, emerging opportunities and others.
- n)** The Government will adopt policies that promote and enhance industries in which the country has a comparative advantage while at the same time encouraging and adapting to new technologies that will promote investment in new and diverse areas.
- o)** Stronger policies that encourage the transfer of skills and technology to Swazis have to be developed and implemented.
- p)** There is a need to develop more productive agricultural activities and crops and to encourage other income generating activities that will supplement agricultural production and sustain rural livelihoods.
- q)** Priority in terms of budget resources will be given to investment promotion and infrastructure development in the most impoverished regions, namely Shiselweni

and Lubombo.

2) Strategies for the SME Sector:

- a) Providing economic infrastructure and identifying market niches that will increase the economies of scale for SME establishment;
- b) Establishing and satisfying demand in external markets and enhancing capacity of the SME sector to respond to market opportunities;
- c) Developing an outsourcing and sub-contracting policy in order to promote the establishment of more SMEs and expanding business and investment partnerships between larger businesses and the SMEs;
- d) Increasing the sector's access to credit by encouraging savings and providing a framework for the efficient operation of micro financing institutions and other financiers willing to lend to the SME sector;
- e) Facilitating dialogue between SMEs and the government to address key policy and regulatory issues that are constraining the development of this sector;
- f) Analysing the overall SME policy environment in terms of competitiveness, economic growth and employment creation;
- g) Increasing the volume, profitability and efficiency of the SMEs accomplished by expanding the SME markets, improving their capacity to operate businesses efficiently, providing capital (where viable) for starting and/or expanding business and developing supportive legal and regulatory framework;
- h) Training the small-scale investors to be more innovative and venture into new areas rather than concentrating on the common businesses, which already have saturated the local markets.

5.6 Strategies for Supporting the Informal Sector

- i. Development of infrastructure to facilitate the development of informal sector operations;
- ii. Providing of support systems to informal activities with opportunities for growth and employment creation. These will include facilitating access to micro-finance and simplified licensing requirements;
- iii. Providing cluster training opportunities for people involved in informal trade services in business management and development skills;
- iv. Providing training and inspections on health and quality requirements. This will also involve the regulation (or possible elimination) of sub-standard goods from foreign countries, through cross-border illegal movements or other unscrupulous means.

Matrices of Strategic Objectives, Activities and Targets

Employment in the Formal Sector

Objective	Strategy	Activity	Verifiable indicator	Target	Agency
To mitigate the effects of retrenchments	Broaden existing retrenchment policies	-Where possible retrain employees instead of retrenching. -Amend Labour Laws to facilitate adequate compensation of workers -Amend Taxation Laws relating to terminal benefits -Facilitate skills empowerment of workers whilst on the job	-Training Certificates -Amended labour Law - Amended taxation Law (Eradicating heavy taxation of benefits) -Retrenchment Policy	3 months 2 years	Private sector Labour Dept Finance Income tax MEE
To adjust retirement age (for example 55 years retirement, 40 years voluntary)	Put in place retirement policies	-Formulate retirement policy -Amend retirement laws	-Retirement policy -Retirement legislation	2 years	MOPSI
To broaden employment perspective	Capacity building	-Workshops, refresher courses, motivational speakers	-Certificate of attendance -Enlightened work force	Immediate	Industry
To encourage innovation and improvement	Gradual diversification of activities	-Rotation, training	-Rotation plan -Training plan	1-4 weeks	Industry
To improve standards of living	Increase wages Minimum wage (to be regularly updated)	-Formulate wage policy and amend wages act -Set up a regulatory body	-Wage policy -Wage legislation -Wages board	1-5 years	Industry Labour Dept MEE
To improve working conditions	Put in place favourable work condition laws and policies	-Formulate work condition laws -Strengthen existing structures -Set up an independent body	-Amend employment legislation to allow for improved work conditions -Independent regulatory body	2 years 2 years	MEE Labour Dept LAB
To combat Unemployment	-Create entrepreneurial spirit (i.e. divert from formal employment) -Diversification in the academic institutions to stop channelling of pupils to formal employment -Capacity building of the existing academic institutions. -Institutionalise gender in formal, non- formal and technical institutions -Put in place proactive employment measures to promote equal participation in all sectors of employment	-Public workshops -Review and incorporate changes for diversification purposes in the education policy. -Ensure proper co-ordination between the EU funded education and training project and all other related projects already under implementation -Training of academic personnel (schools, university, colleges, etc -Addition of technical colleges. -Simplification of bureaucratic procedure in terms of access to funds. -Incorporate gender aspects in the formal, non- formal and technical educational institutions -Enact pro-poor laws. -Gender training for mainstreaming gender in employment policies.	-Education policy -Pro-poor laws -2 more Technical colleges -More Small and Medium Enterprises	2 years 2 years 3-5 years	MOE Academic Inst Vocational Inst Gender Unit Women org. EU PMU

		-Capacity building workshops for women to venture into traditionally male – identified sectors			
--	--	--	--	--	--

Increasing agricultural production and incomes from Agriculture

Poverty area	Key poverty problems	Strategic objectives	Target for poverty reduction	Programmes, Projects and Actions	Agency Responsible
Increasing Cash Income from Agriculture	Inability of SNL farmers to produce surplus for cash	<ul style="list-style-type: none"> - To increase agricultural production - To generate surplus for cash sale - Reduce dependency on rain-fed agriculture 	Average household agricultural production on SNL to exceed household consumption	<ul style="list-style-type: none"> - Implement the 99 Year Lease proposal and Land Policy. - Modernise farming methods on SNL. -Provide farming incentives through good prices. -Increase subsidised tractor hire serves at Tinkhundla level. - Decentralise extension services to Tinkhundla. -Improve marketing, infrastructure and markets. 	<ul style="list-style-type: none"> - MOAC & MNRE - MOAC - MOAC -MOAC - DPM & MOAC - MOAC, MOPWT
Cost effective farming systems	Inability to produce due to weak resource base	-To adopt cost effective and efficient farming methods and production systems and the production of indigenous products and animal species	-more cost effective and innovative farming methods adopted	<ul style="list-style-type: none"> -conduct research into the most efficient and cost effective farming methods for indigenous species. -promote and adopt well researched extension packages suitable for different farming environment -encourage moisture retaining cropping systems in dry areas. 	<ul style="list-style-type: none"> -MOAC -MOAC -MOAC
Vulnerability of the agricultural sector to disasters	Agricultural losses due to susceptibility to natural disasters	Reduce the vulnerability of the agricultural sector to natural and man made disasters	Effective disaster preparedness strategies adopted by 2006	<ul style="list-style-type: none"> -implement the Disaster Management Policy and Plan -Research drought resistant crops and livestock -Plan and implement in each of the four administrative regions, one integrated irrigation development scheme (minimum 500ha each) every five years. -Promote and implement water harvesting and construct more earth dams in drought prone areas -Encourage mixed farming and diversified crops (bee-keeping, 	<ul style="list-style-type: none"> -DPM, MOAC, MNRE, Communities -MOAC -MNRE, MOAC -MOAC -MOAC

Access to agricultural information	Limited or lack of access to information on farming and farming methods	Improve access to information by farmers	Farming Information available to all farmers by 2007	<p>medicinal plants etc) -Implement the environmental management plan on SNL. -Establish pastures and encourage the growing of legumes and multi-purpose trees to supplement rangeland grazing.</p> <p>-Deploy extension and community development officers to all tinkhundla. -prepare and deliver a comprehensive and well packaged service at inkhundla level. -organize farmers into efficiently run cooperatives and channel extension services to them.</p>	<p>-MOAC, MNRE, SEA</p> <p>-MOAC</p> <p>-MOAC</p> <p>-MOAC</p> <p>-MOAC and communities</p>
Efficiency of markets	Inefficient marketing systems and unstable prices	Improve the efficiency of markets and ensure that prices truly reflect economic circumstances	Efficient markets and stable prices	<p>-Review the role of state marketing and trading institutions and encourage increased private sector participation. -Promote the development of creative marketing systems (open market, auction sales, barter trade etc). -encourage skills transfer from TDL to SNL and establish joint markets for TDL and SNL production.</p>	<p>-MOAC, MEE, MOF</p> <p>-MOAC & MOF</p> <p>-MOAC & private farmers/companies</p>
Access to credit and empowerment funds	Lack of capacity and information to access funds	Build capacity of poor farmers to take advantage of credit facilities and empowerment funds	Poor farmers having access to credit facilities and taking advantage of empowerment funds	<p>-Sensitise and train communities on how to take advantage of and being accountable for empowerment funds -Relocate and recapitalise the Poverty Reduction Fund and direct it to socially and economically viable activities -Simplify lending procedure for the credit and empowerment schemes</p>	<p>-DPM, NGOs, Communities</p> <p>-MOF, MEPS & DPM</p> <p>-MOF, MEE, DPM, MPs and CBOs</p>
Efficient agricultural land use	Inefficient use of land suitable for agriculture	Improve efficiency and equity in land use, tenure and	Land and Water equitably distributed and efficiently used	-Implement the Land Policy, Land Use Plan and Water Policy and Act and ensure no	-MOAC, MNRE,

		water rights	by 2007	discrimination. -Encourage and support the establishment of sustainably managed grazing land. -Lease out under utilised and idle farms for viable agricultural projects -Encourage mutually beneficial methods of leasing and using idle or under utilised land of those households who are incapacitated (financially or through lack of manpower) to efficiently use it.	-MOAC -MOAC, MNRE -MOAC communities &
--	--	--------------	---------	---	---

Business acumen, boosting confidence, enhancing knowledge and skills to facilitate growth in the SME sector

Objectives	Strategies	Activities	Verifiable Indicators	Target	Agency
Develop and improve business skills in the SME sector in order to reduce the risk of lending to the sector	-Provide training on business management skills	-Revive extension services for business training -Encourage SMEs to invest training their staff on business management	-Efficiently run businesses	Immediate	Training Inst. SME unit
Improve access to credit	-Provide training on the ability to access credit	-Achievement motivation training	-Increased access to credit	Immediate	MFI Banks
Provide strategically located business premises	-Plan and provide business premises in strategic places	-Conduct research on market of goods in the SME sector - Build businesses premises	-Number of strategically located workshops	2006	MEE City Council SEDCO
Promote skills transfer and technological training	-Encourage SMEs to train their staff on technology and managerial skills -Promote transfer of technology particularly from foreign investors through incentives	-Provide in service training. -Develop an incentive package to encourage technology transfer	-Improved technological and managerial skills	Immediate	Private sector SMEs SME unit
-Develop procedures and update legislation to facilitate the establishment and growth of SMEs	-Review and update all legislation that affects SME development -Simplify procedures for establishing business in the sector -Remove the role of Swazi Commercial <i>Amadoda</i> in licensing of businesses	-Review and update all legislation pertaining to the development of SME especially on SNL -Expediting granting of licenses	-Facilitative laws and procedures developed	2005	MEE SME unit AG
Encourage partnership and business co-	-Provide training on partnership formation through	-Conduct workshops for business	-Increased number of successful partnerships	2005	SME FSE Industry

operation	business association -Disseminate information on successful partnership	associations on partnership arrangements -Research and gather information on partnerships -Disseminate information on successful partnerships and the important elements for success -Design a package and provide incentives for successful partnership			
Increase confidence and knowledge on how to access business capital	-Train business associations on business skills, business planning and operations -Train bank personnel on the advantages of lending to SMEs and encourage dialogue with SMEs	-Conduct workshops for business associations on motivation achievement -Conduct workshops for bank personnel on the lending to the 3. SME sector -Create fora for dialogue between banks and managers of SMEs	- Increased access to capital	2005	Training Inst SME unit Banks SMEs
Develop a competition policy	-Finalise and implement the competition policy	-Finalise consultations and drafting of the competition policy -Implement the policy	-Fair competition between SMEs and big businesses	2005	MEE
Develop facilitative standards for establishing business and Create an enabling environment for SME development	-Review all standards and procedures for establishing business -Simplify all laws and procedures for SME development	-Review and update all standards and procedures for establishing an SME -Review and update all relevant laws and make them facilitative to business	-Increased number of business established	2005	MEE SME unit SME Forum
Encourage maturity and stability in business	-Train entrepreneurs on the value of building one business to maturity before considering diversification	-Conduct workshops on business building -Encourage financiers to provide a follow up services to their clients (with the assistance of business management training institutions)	-Growing and stable businesses	Immediate	Training Inst. Banks MFI

Increasing access to available financial services for the poor (Micro Finance)

Objective	Strategy	Activity	Indicators	Target	Agency
To expedite the process of acquiring loans	Simplify and shorten the process	-Simplification of application forms/procedures. -Educate MFIs on short falls of process. -Information on services and products	-Simplified application form (user friendly). -Workshop for a dialog between SME unit and MFIs	3 months from the day of implementation	SME Unit, MOF and MFIs
To remove non-essential hindrances that prevent access to micro-finance by the poor.	-Review existing requirement -Design products that will best serve the poor -Lobby for the 99 year lease	-Commission a study or workshop or research -Public awareness on new products	-Report on review of funding requirements -New products	2 years	MEE and MOF
To improve capacity of SMEs and trainers to produce quality business plans	-Decentralize BDS providers -Accredit BDS trainers and Counsellors	-Train and accredit trainers and counsellors -Provide more incentives for trainers in rural areas -Provide basic templates on business plans	-Templates -Increased number of accredited trainers and counsellors -Number of SMEs producing and understanding business plans and accessing finance	1 Year	Training Inst MEE SME unit NGOs
4. Eliminate political interference in the entire administration of the Regional Development Fund	Draw up an MOU with ETF and other MFIs to administer the regional fund and make it more accessible to the poor	-Evaluate the impact of the Regional Development Fund -Consult with Regional Secretaries, DPM's Office, ETF, Inhlanyelo, MEE, Cabinet, MoF etc. -Implement recommendations	-Report with recommendations -Amended Gazette -Improved access	2005	DPM MFI SME unit SME forum
6. Establish a coordinating framework for management and administration of financial support initiatives	-Set up a structure for co-ordination of Govt efforts -Develop a regulatory framework for MFIs	-Hold consultative meetings with stakeholders -Develop mandate and TORs for the co-ordination structure -Follow up on the policy formulation for the regulation of MFIs -Produce a report -Identify areas of intervention	-Number of meetings and minutes -Common guidelines for all MFIs for service delivery -TOR approved -Inputs of concerned parties reflected in the final policy		MOF MFI Banks SMEs Informal sector
7. Strengthen capital base of MFIs to adequately meet the challenge of funding Swazis	-Pool together the available Government resources to deepen the capital base	-Identify the funds that can be pooled -Have in place mechanics for pooling funds -Delegate the management and administration of the pooled funds -Put in place monitoring tools for the fund	-List of pool able funds drawn -Mechanism report compiled -The management structure of delegated agency operational	2 years	MOF DPM MFI
8. To have MFIs develop new financial services that meet the needs of the poor	-Develop a comprehensive product menu for the poor	- Investigate available financial services options -To investigate the demand and financial needs of the poor	-New financial services for the poor	2 years	MFI
9. To improve MFI coverage	-Decentralise access to finance	-Consult DPM's office -Decide on strategic locations	-A reasonable spread of MFIs throughout the country	2 years	MFI DPM MOF

		-Identify MFIs that are willing and to decentralise operations			
Increasing opportunities for Economic Advancement in the Informal Sector					
Objectives	Strategies	Activities	Verifiable Indicator	Target	Agency
To provide working space for the informal sector	-Build structures for informal business in urban and rural areas	-Identify strategic areas for informal business - Zone and develop the informal business areas	-Number of work spaces provided	1 year	City Council MEE MPWT
To ensure that environmental, health and safety standards are adhered to	-Set health, environment and safety standards - Develop a mechanism for enforcing the standards	-Develop a policy that will stipulate standards in business areas -Train managers of these business areas to monitor these standards -Enforce regulations and by laws on these	-Policy developed -Environment, health and safety standards adhered to -Effective management mechanisms in place	1 year	SEA MHSW City Council Zone Leaders
To update and develop facilitative legislation	-Develop all relevant legislation to facilitate business	-Draft and amend all legislation affecting the development of the informal sector -Train and encourage all relevant institutions on facilitative laws and regulations	-Legislation developed	2005	MEE Training Inst. MoJ
To develop a policy on informal sector	-Develop an informal sector policy	-Draft policy on informal sector	-Policy developed	2005	SME unit MEE
To provide information on labour and business laws	-Provide information on labour and business laws	-Train informal sector associations on labour and business laws -Introduce a training programme through the media	-Information available	Immediate	Labour Dept MEE
Improve access to credit for the sector	-Encourage credit and savings schemes in the informal sector -Encourage pooling of resources (luholiswano) -Train and discourage the use of shylocks for business purposes	- Train informal sector associations on credit and savings schemes -Train informal sector on <i>luholiswano</i> and discourage use of shylocks	-Number of credit facilities	Immediate	MFI Banks
To develop business skills for the informal sector	-Train the informal sector on business management skills	-Conduct workshops for informal sector -Revive extension services on business management -Improve media training on business	-Improved business management and growth of business	Immediate and ongoing	Training Inst. MEE SME unit
To provide infrastructure to facilitate the development and operations of the informal sector	-Provide infrastructure for the development of informal sector	-Build sanitary facilities next to informal sector work spaces -Provide power and water for informal business	-Adequate infrastructure for informal sector	2006	WSC SEB MPWT City Council
To take advantage of economies of scale	-Train the informal sector to act cooperatively in sourcing goods and pooling resources	-Conduct workshops on the advantage of pooling resources, buying in bulk and sourcing goods cooperatively	-Expansion of the business	2005	Training Inst Industry

CHAPTER 6: HUMAN CAPITAL DEVELOPMENT

The ability of the poor to participate actively in the growth dynamics of the country and reap benefits from existing and future opportunities that depends entirely on the quantity and quality of their human capital. The investments made are also directly linked to the national policy on human development and the budget that supports those policies. In addition, that investment will determine that returns of their labour and whether or not they can participate in the labour market and sell their skills. Labour is the basic commodity that the poor can sell and unfortunately it is not with skill and thus cannot reap high returns on it. The emergency of HIV/AIDS and its ravaging effects is taking away many years of investments.

The quality of human capital is influenced by the level of education, health standards, access to safe water and proper sanitation, housing standards, enjoyment of basic freedoms, security and social contentment. The poor are known to be uneducated or less educated and if they are, they have gone as far as primary school, are prone to diseases, do not access clean water, are food insecure and vulnerable to HIV/AIDS. This form of deprivation in terms of all these aspects reveals a state of human poverty. Human poverty is directly related to income poverty. All past SHIES have illustrated that poverty prevalence in Swaziland is much higher among the less educated members of the population, households without access to safe water and those using poor sanitation facilities (Chapter 1). Improving the quality of life of the population is therefore a critical component for poverty reduction in Swaziland. Otherwise, it will be impossible to achieve the aspirations embedded in pillars 2, 3, and 5.

This chapter covers issues of basic education, basic health, safe water and sanitation, food security, good nutrition and HIV/AIDS. Social Welfare is discussed in Chapter 7 and Governance in Chapter 8.

6.1 Basic Education

Basic education has been identified as a basic social service, access to which has been argued to be critical for overcoming the broader dimensions of poverty and social exclusion. Education not only provides people with a means for livelihood, but it also gives them knowledge, confidence and social skills to effectively participate in society. This is why Governments in Jomtien, Thailand adopted the Education for All (EFA) agenda as a key to fighting underdevelopment and poverty. Basic education was defined as:

1. Being able to survive
2. To develop to the full one's capacities

3. To participate fully in development
4. To improve the quality of life
5. To make informed decisions
6. To continue learning and development.

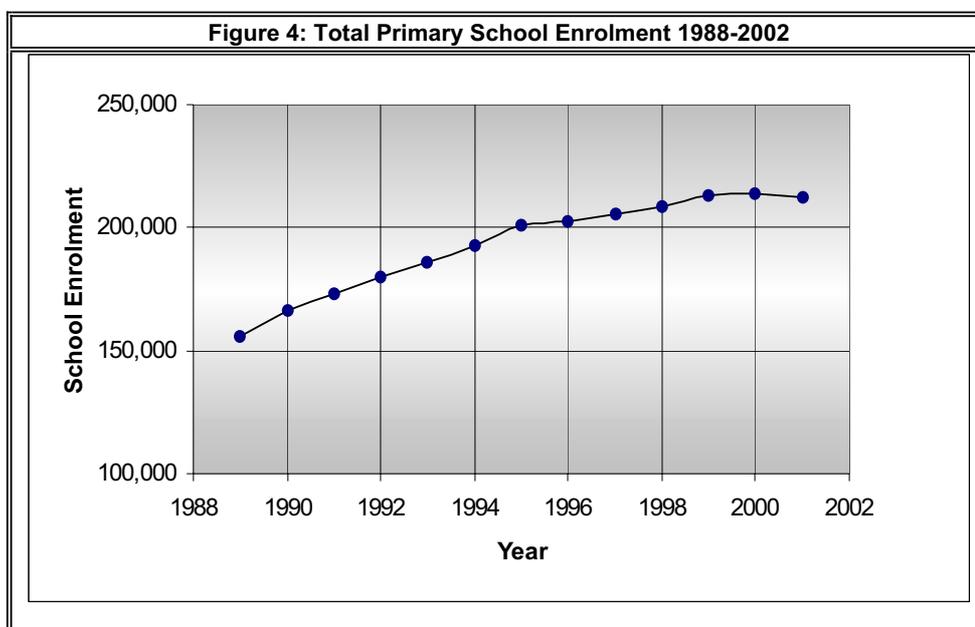
It is thus imperative that in addressing poverty every citizen be afforded basic education, and that programmes be in place at all levels for all people to get a basic education. But in Swaziland, about 23% of children never go to school and a further 17% drop-out of school before they finish primary school. Those children are deprived of a basic need to read and write and their chances of breaking the poverty cycle are very slim.

The best education system is one that can be of benefit to a country and will benefit all people irrespective of their social background. It is one that meets the needs of and is capable of helping the people solve emerging problems and challenges. These problems can range from being emotional, moral and materialistic and are solved through access to education, health, proper sanitation, food and nutrition, housing/shelter, provision for social justice, tolerance, respect of culture and spiritual heritage. In Swaziland, the poor have no access to education, they are more prone to dropping out before the end of the primary cycle, and if they do reach the end of the cycle they seldom go beyond primary education. Moreover, the challenges brought about by the HIV/AIDS situation and poverty has seen an increase in the illiteracy and drop-out rates as well as the enrolment of school-aged population in the non-formal education sector. There has been a tremendous increase in the number of children attending Sebenta adult lessons. Although in the past this sector was largely for adults, the incidence of school-aged population has demanded the need for a more comprehensive and inclusive basic, formal and non-formal education. Since the non-formal education sector is still being developed, the poor who access it are getting second-rate education, which further makes them more vulnerable.

6.1.1 Providing Primary Education to Everyone

Swaziland's education policy has been to provide affordable, relevant and good quality basic education to everyone. One major effort in this endeavour is the introduction of Universal Primary Education (UPE) by 2006. Efforts have been made towards making education more affordable by introduction measures that reduce the burden of the cost of education to parents through bursaries, building of more schools, providing free books to primary school children and re-organising non-formal basic education. The re-orientation of non-formal education is meant to cater for those children who are above the primary school age, and enable them to get an equivalent education. As a start the Government has introduced "free books" to primary school children and the introduction of school bursaries for the poorest children. One major shortcoming

of these initiatives has been that it is the children who are already in school, or who recently dropped out of school who benefit from them and not poor children who have never been to



school. This meant the system is targeting the moderately poor, but the poor of the poorest still do not benefit the system continues to bypass those children who are less likely to go to school. More effort has to be made to reach the poor and offer them the same opportunities as other children.

Primary school enrolment grew rapidly since the 1970s. Figure 4 shows that primary school enrolment has steadily increased but so has the number of children not in school. In 2001 there were 547 primary schools in the country (mainly constructed by communities) with a total enrolment of 230,000 pupils. Of the total enrolment, 82% of the children are in rural areas. The enrolment has recently received a boost from the Education Fund (E36million), the Social Protection of Vulnerable Children Including Orphans Project, and UNICEF support, which paid school fees mainly for orphans and children more likely to drop out due to lack of school fees. Children of school going age but who never had a chance to go to school have continued to be bypassed by the existing arrangements for assistance. Again this huge investment did not reach the poorest of the poor and there is still a concern that the poor are not being reached by these initiatives.

In rural areas, the quality of primary school resources and facilities is usually low and compounded by the reluctance of qualified teachers to work in a rural environment hence the achievement of pupils is lower when compared to urban schools. This is one of the many reasons

the PRSAP gives priority to rural development. Enrolment is also not equitable between girls and boys. Enrolment of girls is lower than that of boys. This has serious economic and social implications. Lack of education among women translates in lower employment prospects for them, yet many households are increasingly female-headed. Uneducated women are also not well informed about how to raise their children in terms of home based health care, good nutrition, and home education.

Provision of education in Swaziland has always been a partnership between communities and the government. Even though the government subsidises about 75% of the direct costs, poor parents still find the school fees exorbitantly high and unaffordable. A major contribution factor being the fact that more than 60 % of government contribution goes into teacher salaries and administrative costs, and a huge proportion goes into tertiary education, which is fully subsidised. Education has therefore remained unaffordable to a large section of the population. This has been due to costs not directly related to education, like payment of uniforms, auxiliary staff in the school, and other school generated costs. Another major cost has been school feeding, which is important especially with the emerging problem of orphans, other destitute children and child headed households, which live, in absolute poverty.

Primary school curriculum has remained geared towards providing basic literacy and numeracy with very little training for life-long skills. There is comparatively less emphasis on teaching children vocational or practical skills (such as home related skills and agriculture) that would enable them to create employment for themselves. But government is piloting vocational training in 16 schools to give skills to children.

6.1.2 Constraints in Providing Universal Primary Education

Hitherto many children do not enter school or complete primary school because of a complexity of factors revolving around:

1. Poverty, as their parents/guardians can not afford;
2. The high and continually rising cost of education;
3. Age discriminative primary school entry requirements;
4. The repetition and drop-out rate;
5. Shortage of teachers' houses and other social infrastructure in rural areas. These include electricity, water, clinics, shopping and other social services;
6. Inequitable distribution of qualified teachers, where rural school often end up with lowly or non-qualified teachers;
7. Lack of proper management in schools;
8. Inadequacy of school curriculum to address vocation and other employment needs; and

9. Lack of flexibility in the curriculum and learning hours.
10. Lack of facilities for children with special needs.

The cost of primary education goes beyond the reach of poor parents and consumer price index of education for the poor has been rising very steeply (Figure 2). These costs are often inflated by ambitious school projects propelled by well-off parents, unnecessarily expensive types of uniforms insisted on by different schools, and organisational behaviour practices in different schools. Although the cost of textbooks was recently reduced through the provision of free textbooks by the government, other education related costs have remained high because of lack of proper school management. The poor respond in a variety of ways under such circumstances. They may not send any child to school, send boys only, or withdraw their children before they complete school.

Presently, there is no coherent policy regarding admission requirements in primary schools. Children who have attended pre-school are given preference, which discriminates against the children of the poor that are not able to afford pre-school education. There is also rigid reluctance by head teachers to admit children that are above age limit of around age 5-6 years. Yet by denying basic education opportunity to the so-called “over-aged” children, their vulnerability to poverty is entrenched.

Table 3: Primary School Repetitions 1998-2000

YEAR	Boy Repeaters	Girl repeaters	Total Repeaters	Boy repeaters as % of Boy Enrolment	Girl Repeaters as % of Girl Enrolment	Total Repetition as % of Total Enrolment
1998	18,983	12,982	31,975	17.7	12.8	15.3
1999	21,331	15,019	36,350	19.5	14.5	17.1
2000	20,076	14,337	34,413	18.2	13.8	16.1

School repetition and drop-outs militate against the provision education to everyone. Dropping out of school terminates one’s future academic prospects and leads to loss of money and time already invested on the individual. Repetition not only increases investment costs on the same individual but also occupies vacancies that should have been filled by others, thus frustrating universal access to education. Repetition in all grades totalled 36,350 pupils in 1999 and 34,423 in 2000 accounting to 17.1% and 16.1% of total enrolment, although the reasons for this are not very clear. Repetition is highest among boys (Table 3).

However such factors as inadequate facilities and shortage of qualified teachers in rural areas are related and have the same negative effect on school performance. They work together to lower standards, result in repetitions and drop-out of those pupils who cannot afford to repeat classes.

School curricula that do not prepare the children to face the realities of post-primary school fall short of improving the welfare of those that do not proceed to secondary schools and university.

The situation is worse for children with special needs as they have limited facilities for their education. This is worse for those children who are blind, or deaf or dumb because there are no facilities past primary level. This means these children are never going to “exit” the cycle of poverty in the country. Those with learning difficulties are all catered for until upper primary level only at Ekwetsembeni.

The strategies for funding primary education during PRSAP are designed to address the above problems at different stages and over time.

6.1.3 PRSAP Goal for Providing Primary Education

The goal of the government in primary education is to provide relevant, high quality and affordable primary education for all Swazi children by the year 2015.

6.1.4 Strategies in Providing Primary Education

To achieve this goal, a number of strategies and measures will be followed:

- i. Get those children who never attend school (23%) to learn to read and write. Investigate possibilities of expanding the curriculum for Sebenta to accommodate them. For those at the school going age, be catered under UPE.
- ii. Gradually introducing universal primary education in all public schools by the year 2006. Although the focus initially is on primary education, there is need for the country to consider Early Childhood programmes and the lower levels of secondary education becomes this forms the core of “basic education”.
- iii. Standardising school uniform to reduce the cost to parents throughout the Kingdom
- iv. Standardising infrastructure in all primary schools thus ensuring even quality of education in rural and urban schools.
- v. Formulating and implementing new primary school entry requirements to facilitate admission of children above age 5-6 years in public primary schools without the prerequisite of pre-school education.
- vi. Shifting from highly subsidising tertiary education and using savings to pay school fees for universal primary education and subsequently secondary education.
- vii. Constructing additional primary schools to accommodate the anticipated influx arising the demand of universal primary education.

- viii. Increasing the intake in teacher training schools to produce enough primary school teachers and to ensure that teachers are equipped with teaching like skills, counselling and parenthood.
- ix. Improving teachers' accommodation by constructing new primary school teachers' houses or creating of schemes that would allow teachers to own land and buy houses within the communities that they serve.
- x. Reducing primary school drop-outs and repetition rates by implementing the "continuous assessment policy" that aims to improve the flow from one class level to the next.
- xi. Introducing school gardens and feeding schemes so that all children especially the OVCs have at least one full balanced meal a day in school, in order to encourage poor children to go the school.
- xii. Revising school curriculum to strengthen the practical or vocational subjects in schools and expanding and operationalising the pre-vocational programme that is already piloted in 16 schools.
- xiii. All these initiatives have to be targeted at the poorest of the poor. This means that the country will only observe gains when the lowest 20% of the population gains access to the services.

6.1.5 Reducing Illiteracy

Enrolment at Sebenta National Institute has increased massively over the past years and major reforms have been undertaken to diversify the curriculum. The new curriculum now incorporates child-friendly methods aimed at assisting children who are increasingly rejected by the formal education system, most of whom are victims of poverty and HIV/AIDS. Adults are not only taught basic numeracy and literacy but life-skills as well. The Non-Formal Upper Primary Education (NUPE) program, which is currently being piloted, also places emphasis on skills development courses such as business marketing, gardening, brick laying and other vocational programmes.

The increase in primary and adult education has brought the expected impact of reducing illiteracy in Swaziland. Total literacy rose from 70% in 1986 to 81.3% in 1997. By 1997, literacy was 82.6% among men compared to 80.2% among women. Rural areas had a literacy rate of 78.3% compared to 90% in urban areas. Further reduction and elimination of illiteracy from all categories of people is the next challenge for PRSAP.

6.1.6 PRSAP Goal for Reducing Literacy

The goal of the government is to reduce adult illiteracy by 50% by the year 2015 and ultimately eliminate it completely in 2022. This long-term goal is to be achieved through universal primary education supplemented by intensified adult education over a long-term perspective.

Primary education reduces illiteracy among the youth but the older generation needs specially designed adult education programmes. The government has a duty to ensure that adult education remains an explicit and integrated element in the life-long learning policies and practices of the government. Doing so assists adults, and the youth alike, to constantly develop their talents and skills to enter or remain in the job market for the benefit of their households.

Despite the successes in providing adult education, the Department of Adult Education and Training is still faced with a huge number of challenges, the main ones being:

- i. The need to further diversify the curriculum to include trades in agriculture such as growing vegetables and crops, local tourism and small businesses and other skills.
- ii. Increasing the participation of the private sector in non-formal education.
- iii. Strengthening of Education Rural Development Centres so that they become focal points for all adult education programmes.
- iv. Need for a co-ordinated strategy for all activities of adult education providers.
- v. Developing and implementing a policy that will ensure that all structures are user-friendly to enable the disabled to access education.
- vi. Reviewing the working conditions for adult education providers with the objective of encouraging and attracting the participation of other people in this worthwhile agenda.

6.1.7 Vocational Education and Technical Training

Skills development is the main means by which the poor, especially the youth, can be empowered to access labour markets in the country and the region. It is also a means to support entrepreneurial development and promote small and medium scale enterprises

The Government, through the Ministry of Education and other organisations, has established a number of vocational institutions. They include SCOT, Gwamile VOCTIM, Skills Centres, Emlalatini Development Centre, and the GTZ funded Training on Production (TOP). Swaziland Skills Centres (MITC, SITC and NASTC) have made a notable impact on the lives of many young Swazis. Moreover, enrolment in these institutions seems to reflect a positive move towards a gender balance in fields previously considered a preserve for male students.

New initiatives have also been made in recent years. At school level, the Ministry of Education, through a loan from the African Development Fund, introduced a pre-vocational education programme in sixteen schools, which are evenly distributed among the four regions of the country. This was an effort to reinforce and diversify practical or vocational subjects offered in the schools and to give the pupils entrepreneurial skills. With the assistance of the European Union (EU), a pre-vocational agriculture programme was piloted in six schools to prepare students for life skills.

It has been observed, however, that there is lack of co-ordination in terms of the skills offered by all these institutions and the formulation of policies for vocational education and training. Tuition fees are remarkably high and thus discriminatory against the poor. There is also no proper co-ordination of government scholarship scheme towards students who wish to pursue courses in such institutions. Some students undertaking vocational studies are sponsored by government and while others are not. Most importantly, a lot remains to be done to change people's mindset and their attitudes towards pursuing skills-based career paths as opposed to white-collar jobs. The concept of entrepreneurship needs to be introduced to the students at the earliest stage of their training so that they can easily adapt in the competitive world. Problems and challenges identified in these institutions include the issue of accreditation and the requirement for a pass in English language, which still remain an impediment towards entry into such institutions. Entry into such institutions should mainly be talent or skills oriented. Some trades offered by these institutions are still not accredited and appropriate structures and facilities to enable the physically challenged to get skills training are not available. Tracer studies to follow up on trainees graduating from such institutions are not carried out to determine their rate of absorption into the market.

6.1.8 PRSAP Goal in Providing Vocational Education and Technical Training

The PRSAP objective in promoting vocational education and training is to increase employment opportunities for the poor through providing skills for self-employment in their own Small and Medium Scale Enterprises (SMEs) or employment in the formal sector. To achieve this goal, the government will take a series of measures and actions to:

- i. Improve the co-ordination and rationalising the use of existing vocational training institutions and programmes to improve efficiency;
- ii. Review the structure of fees charged by government vocational training institutions with a view to improving access;
- iii. Introduce vocational skills at primary school level;
- iv. Establish pro-active links between industries and the training institutions;

- v. Review courses in public vocational training institutions and gear them towards self employment skills; and
- vi. Base admissions in vocational training institutions on talent rather than proficiency in the English language.

Matrix of Strategic Objectives, Targets and Priority Actions for Providing Primary Education and formal education

Poverty Area	Key poverty problems	Strategic objectives	Target for poverty reduction	Programmes, Projects and Actions	Agency Responsible
	High cost of primary school education	To provide universal primary education to all children of school going age	Full enrolment by the year 2015	- Pay school fees in all public schools - Standardize school uniform - Shift subsidies from tertiary to primary education	- MOE, MOF, MEPD
	Children never been to school	Teach them to read and write	Full enrolment by 2006	- expand curriculum at Sebenta	
	Children with special needs (over-age and others)	To provide equal opportunity of access to primary education	Full enrolment by 2006	- Admit all school going age children in primary schools - Put in place facilities for special needs - Implement the policies on special education needs	- MOE
	High drop-out and repetition rates	To ensure completion of the primary school course	Education of good quality	- Improve availability of learning materials - Implement the National Assessment Framework - Set up and strengthen outreach libraries - Construct additional teachers houses - Improve infrastructure in rural schools - Appropriately train and retain qualified teachers in rural schools - Assess and address reasons for high drop out - Introduce school gardens and feeding in all schools	-MOE, MHSW
	Shortage of teachers in rural areas	To ensure uniform quality of education in rural as in urban areas			
	Inadequacy of school facilities	To standardise facilities in rural and urban areas	Rural schools adequately equipped and accessible	- Provide requisite infrastructure in rural schools: water and electricity	- MOE, MOF, MEPD
	Relevance of school curriculum	To develop human resources in skills most needed by the economy		Review and redesign school curriculum	MOE

Matrix of Strategic Objectives, Targets and Priority Actions for Vocational Education

Poverty Area	Poverty Problem	Strategic Objective	Target	Strategies and activities	Responsible Agency
	Inaccessible and irrelevant vocational training	Improve quality and accessibility of vocational training programmes	Quality of Vocational education greatly improved and relevant to industrial needs by 2007	<ul style="list-style-type: none"> - Colleges should review admission requirements so that irrelevant subjects are not made a prerequisite for admission. -Revise and formulate policies for granting and recovering scholarships to ensure an equitable distribution of available scholarship funds to students in all the various institutions. -Devise a follow up mechanism and mentoring and conduct a tracer studies to establish absorption of trainees in job market. 	<p>SCOT, Gwamile Voctim, Skills Centres, MOE and MEE</p> <p>-MOE</p> <p>-MOE & MEE and private sector</p>
	Rendering vocational education and training effective and relevant to poverty reduction	Realign trades and vocational skills, curriculum taught in schools, and training institutions to needs of the country.	By 2007	<ul style="list-style-type: none"> -Improve attachment of trainees to relevant industries -Investment promotion agencies to craft programmes of visitations across Swaziland to encourage people to engage in diversified entrepreneurial activities. 	<p>-MEE & private sector</p> <p>Vocational Training Institutions</p>

6.2 Basic Health

Poverty is both a consequence and a cause of ill-health. Ill-health, malnutrition, and high fertility, are often reasons why households end-up in poverty or if already poor sink further into it. The illness of a household breadwinner and the consequent death and loss of income can undermine a poor household's ability to cope financially. Out of pocket payments for health services can make a difference between a poor household and one that is not and it can also determine whether or not the poor seek the services of a health facility.

A vibrant health system is important for overall economic and social development. The poor most particularly depend on their good health for economic survival because their employment is mainly seasonal and they have no job security except for their labour power. It is "no-work no-pay" for the poor either on own farm or in casual employment. Expensive curative medical care is beyond their reach. Moreover, the price index for health has been rising for the low-income group. Prevention of disease and reduction of morbidity is the best hope for the poor to sustain employment and resist deeper poverty. Public investment in basic health therefore, directly contributes to long-term poverty reduction prospects and is of paramount priority.

6.2.1 Primary Health Care

The Ministry of Health and Social Welfare adopted the Primary Health Care Strategy in 1983 as a mode for the delivery of basic healthcare, particularly in the rural areas. The basic health services include amongst others environmental health, ante- and post-natal care, immunisation, family planning, treatment of minor ailments (e.g. diarrhoea diseases, respiratory infections, etc) and the treatment of sexually transmitted diseases.

The Primary Health Care Strategy aims at providing services that will be accessible and affordable to all. In an attempt to accomplish that, the Ministry had, by 2004, established 187 outreach sites and 162 clinics, distributed countrywide. Clinics and outreach sites comprise the first level of health care.

Basic health services, even prior to 1983, have had a major impact on the health and welfare of the people of Swaziland. The country had made significant advances until the 1990s. Life expectancy rose from 46 years in 1976 to 56 years in 1986 and 60 years in 1997. Crude death rate per 1,000 dropped from 18.5 in 1976 to 13 in 1986 and to 7.6 in 1997. Under-Five Mortality dropped from 221 per 1,000 live births in 1976 to 139 in 1986 and 88 in 1997. However, in spite of these achievements, HIV/AIDS has emerged as a major threat and is eroding past gains. Its prevalence rose from 3.9% in 1992 to 38.6% in 2002. This together with the decline in economic

growth is to reversing all the above achievements. The budget allocation to the MOHSW has not kept pace with the demands on the health sector but instead has declined. For instance, it has continued to decline over the past three financial years, from 6.7% in 2000/2001 to 6.2% in 2002/2003. This has rendered the Ministry of Health incapacitated to deal with the increased burden of disease in the whole country. It is therefore crucial for government to re-affirm its commitment to the Millennium Development Goals by increasing investment in health services. Even though the health policy advocates for preventative care and most of disease burden is preventable, health budget is biased towards curative care. According to the World Bank study, curative medicine accounted for close to 80% of budget leaving 20% towards preventative care. Government has aided more resources through the civil service referral scheme and the Phalala Fund. Analysis on the scale of beneficiaries the poor and non-poor is yet to be undertaken.

A new fee structure was introduced in 1997, and an analysis of its impact was done in 1999 which indicated that the outreach attendance was poor due to the introduction of a new fee structure. This situation was further aggravated by the inaccessibility and non-operation of these sites due to a number of factors including transport and inadequate infrastructure e.g. rural roads. The imposition of fees situation manifested itself in reduced immunisation coverage from 91% in 1995 to 82% in 1997. Moreover, the inaccessibility of healthcare services in certain areas has influenced health seeking behaviour, leading many people to seek the services of traditional healers before approaching the modern health system. As a result the health status of the rural population has deteriorated over the years.

In order to encourage the usage of existing health facilities, the Ministry of Health and Social Welfare recently introduced free primary health care in all clinics in the country whether privately or government owned. Such an initiative is expected to improve the health status of the rural populace. There is however a major concern related to the capacity of service providers in terms of resources (human, material/supplies), facilities (disproportionate allocation of health facilities in poor regions), management capacity, bed capacity, home based care capacity, unattractive remuneration, affordability and geographical accessibility.

In an endeavour to bring health services closer to the population in remote areas of the country, the Ministry has engaged the services of Rural Health Motivators (RHMs). These RHMs provide a link between outreach sites, clinics, health centres and hospitals and the communities. These non-professional health personnel encourage communities to participate in activities related to the management of health, particularly the preventive and promotive aspects. There are approximately 3000 RHMs working under the supervision of public health nurses. However, their work is constrained by several factors ranging from inadequate medical supplies to lack of support from the formal institutions.

According to a Family Health Study conducted in 1994, at least 70% of the rural population lived within 8km of a health facility. Over the years, new facilities have been constructed and the coverage was presumably 85% by 2004. The 1997 Population Census also revealed that, on average, 35.5% of households in Swaziland travel less than 30 minutes to the nearest health facility. However, access differs among regions and communities. The Health Sector Study (1998) revealed a strong urban bias in the distribution of health facilities and services and rural poor are the least served. Although 30% of the population is urban, 90% of inpatient beds are in urban areas and likewise the concentration of medical personnel and higher quality facilities. Rural areas are not well serviced even though this is where 70% of the Swazi population lives. There remains some 'pocket areas' without health facilities e.g. communities close to the border between South Africa and Swaziland in the Lubombo region. In Shiselweni, only 3.5% of households travel less than 30 minutes to the nearest health facility. In Lubombo, the figure is 7.6%. The population in those areas do not have comparable access to basic health services and it can be safely assumed that the vulnerability to avoidable disease in such communities has exacerbated poverty levels by increasing morbidity and reducing incomes of those already poor households.

6.2.2 Challenges in Providing Basic Health

Swaziland's impressive achievements in the recent past are masked by major challenges facing the provision of basic health, particularly the following:

- i. The rapid spread of HIV/AIDS and STIs, and reducing its incidence
- ii. The burden disease on health sector resources
- iii. The falling quality of health services resulting from the disease burden
- iv. The vulnerability of children survival from the above challenges.
- v. The continuing reduction of the health sector budget

6.2.3 The Burden of Disease of on Health Sector Resources

Health facilities and health care personnel are stretched beyond their capacities due to the increased number of patients seeking medical care thereby reducing the standard of care received by all patients. For example admissions for HIV/AIDS patients increased from 1 person in 1994 to 873 persons in 2000; for tuberculosis, patients increased from 566 persons in 1986 to 3,854 persons in 2000; for malaria, went up from 852 patients in 1986 to 3,692 persons in 2000. Outpatients diagnosed with malaria increased from 6,258 in 1992 to 45,712 in 2000.

Despite the efforts made by Government in the health sector, due to the increased burden of disease, morbidity and mortality rates in the country are unacceptably high. The diseases that

have been found to be most common and contributing to the high mortality and morbidity rates include amongst others tuberculosis, malaria, skin diseases, and acute respiratory infection. There has been a steady increase of TB cases from 1987 to 1993. This has been followed by a sharp increase in cases seen at the various surveillance facilities, while deaths are increasing at a very high rate. Malnutrition, poor housing and overcrowding, defaulting treatment, food insecurity, lack of access to information and indisputably the rate of HIV/AIDS infection have increased the vulnerability to TB infection amongst the poor.

One of the most important interventions in primary health care is greater attention to reproductive health especially to limit fertility through family planning. The number of children in a family is closely associated with poverty. SHIES 2001 showed that homes with 4 or more children have a poverty prevalence of 81% compared to those with one child who have a poverty prevalence of 51%. Fertility rate for Swaziland has, however, declined from 6.4 in 1986 to 4.5 in 1997 in response to better knowledge on planned parenthood (or family planning).

Malaria is yet another growing burden. Malaria transmission is unstable and, hence, there is a high risk of epidemics. The burden of malaria is greatest in Lowveld and Lubombo plateau regions of the country, which are the most poverty stricken. Recent (2002) malaria parasite prevalence surveys indicated rates of less than 5% (3.4% among pregnant women and .08% in children under 5 years. It is estimated that 30% of the population live in malaria infested areas.

6.2.4 The Declining Quality of Health Services

The declining quality of health services is an outcome of many factors affecting the demand and supply of health care. The quality of health services has been compromised by the increasing disease burden against limited human resource capacity, limited medical supplies, shortage of equipment and inadequate infrastructure.

Health services are under-funded and public expenditure has not been pro-poor. Recurrent expenditure on health sector has been less than 9% of total recurrent expenditure since 1992/93. Of the capital projects in the budget estimates considered pro-poor, health projects have accounted for only 7% in the last two years. Per capita recurrent expenditure on health in 2000 was about E185. Expenditure on basic health therefore needs to be increased in order to restore the quality of health service delivery.

6.2.5 Ensuring child survival

Over the years, there have been several efforts implemented to alleviate child-related illnesses. The country has conducted immunisation campaigns in order to reduce the prevalence of

diseases common amongst children such as polio and measles. Reported cases of measles have dropped from 7,148 in 1993 to 607 in 1997. No case of polio has been reported since 1993 and no cases of diphtheria and tetanus have been reported in the country since 1995.

Among other indicators, the proportion of under weight children at first clinic visit has also continued to decrease from 5.9% in 1994 to 3.06% in 1997.

Infant mortality has steadily declined over the years. While it was 98 per 1000 live births in 1986, it decreased to 74/1000 in 1993. Child mortality also decreased from 218 per 1000 in 1976 to 89 per 1000 in 1991. However, with the emergence of HIV/AIDS, this trend is not expected to continue, as more children will become infected at birth. The situation will further be aggravated by the fact that there are a substantial number of women who prefer to give birth at home where there are totally no means of preventing mother to child transmission of HIV.

It has been observed with concern that since 1997 there has been a significant decline in the immunisation coverage from 82% in 1997 to 72% in 2001 according to the EPI Household Survey which confirmed the following findings: irregularity in servicing outreach sites; poor integration of services; introduction of a new fee structure, which has resulted in the poor utilisation of the immunisation services; shortage of staff at national level to provide support to the regional and peripheral levels; ageing of refrigerators in health facilities, which results in frequent breakdowns and consequently stock-outs, and the high number of affected areas in the Lubombo and Shiselweni region which are not well serviced.

Factors that threaten child survival especially in the pocket areas thus inducing high infant and child mortality include amongst others malnutrition, lack of clean water, lack of access to information, poor sanitation, HIV/AIDS, lack of income and health-seeking behaviour. Outbreaks of cholera and prevalence of skin conditions have mostly occurred in the Lubombo and Shiselweni regions, which are the most poverty stricken regions. The drought situation has also contributed to the re-emergence of child related diseases which had been previously eradicated e.g. scurvy.

According to the study on Health Fee Waiver (2002) for the 0 -18 years group, ARI upper, diarrhoea gastroenteritis and skin diseases made up over two thirds of the total number of OPD visitations at Sithobela Health Centre (Lubombo), a phenomenon which remained almost the same in all the other health centres.

6.2.6 Goal in providing basic health

The overall goal of the PRSAP is to provide quality, efficient, effective, affordable and accessible basic health services to the whole population by 2015.

6.2.7 Strategic Objectives

To achieve this goal within the time set government will pursue the following objectives, which arise from the challenges facing the basic health services and the close linkage between health sector and water, sanitation, income poverty, and current budget priorities:

- i. Reduce factors that contribute to the vulnerability of the poor to ill-health;
- ii. Improve affordability and accessibility of health services to the poor;
- iii. Ensure availability of health care services to the poor;
- iv. Improve the quality of health care services provided to the poor; and
- v. Improve availability and quality of health information with respect to utilisation and provision of service to the poor

6.2.8 Provide Effective Basic Health Services

Strategies for preventive health care to be followed will be:

- i. Reinforce primary health care by redirecting public expenditure in health from curative towards preventive health care. Most prevalent diseases causing morbidity are preventable diseases. Therefore, preventive health care services are likely to benefit the majority of the people, in particular the poor in rural areas.
- ii. Protect the poor from impoverishing health costs.
- iii. Review the expenditure in health with a view to increasing per capita expenditure that meets the needs of primary health care.
- iv. Motivate the private sector into preventive health delivery.
- v. Remove the urban bias in the provision of health services. 70% of the population live in rural areas and that is where the majority of the poor reside.
- vi. Improve physical infrastructure (hospitals, clinics, beds) to cope with the rising number of admissions and outpatients.
- vii. Train and recruit additional health personnel (doctors, nurses, RHMs) to cope with increased demand.
- viii. Provide adequate incentives to retain health personnel in service.
- ix. Improve service delivery to the poor by increasing the number of rural health motivators and training them to improve their skills and knowledge.

- x. Improve access to safe water and proper sanitation as these have been demonstrated to have positive effects on health.

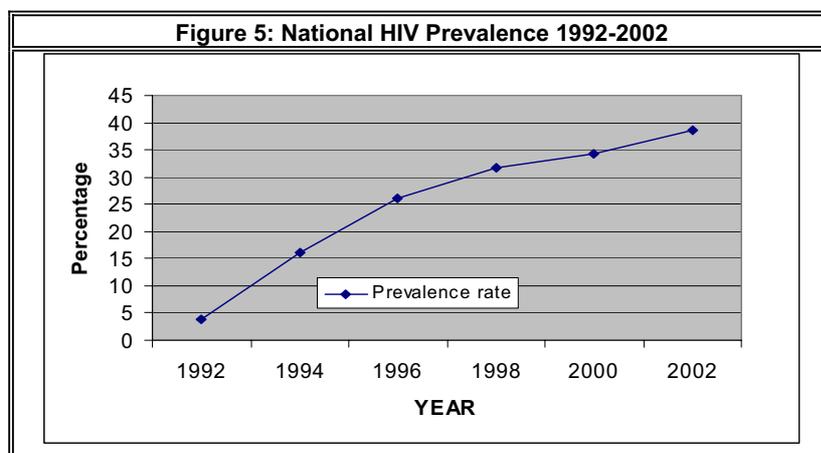
Matrix of Strategic Objectives, Targets and Priority Actions for Basic Health

Poverty Area	Poverty Problem	Objective	Target	Strategies and Activities	Responsible Agency
Basic Health	<p>-No access to basic health care</p> <p>-Health services too costly Quality of health care service and facilities poor</p>	<p>-To improve access to basic health care</p> <p>-To reduce the cost of health for the poor</p> <p>-To improve the quality of health services and facilities particularly in rural areas</p>	Access to good quality basic health care for all by 2015	<p>-Redirect public expenditure towards preventive instead of curative health care.</p> <p>-Motivate the private sector to participate in preventive health care delivery.</p> <p>-Improve access to safe water and sanitation in rural and peri-urban areas.</p> <p>- Improve the nutrition of the poor</p> <p>-Increase the number of health motivators, train and equip them.</p> <p>-Increase the budget of the health sector and reduce the cost of access to health care by the poor.</p> <p>-Improve early childhood development initiatives on mental and physical health.</p> <p>-Provide infrastructure, equipment, facilities and more personnel to meet the demand for health services and improve the quality of health care.</p> <p>-Provide adequate security and incentives to retain health personnel in the service and in rural areas.</p>	<p>MHSW</p> <p>Private Sector, MEE, MHSW</p> <p>MHUD, MOAC, MRNE, MHSW</p> <p>MHSW, MOAC, Communities</p> <p>MHSW, MOF</p> <p>MOF, MHSW, MEPD</p> <p>MHSW</p> <p>MOF, MHSW, MPWT, MOPSI, MEPD, Communities</p> <p>MOPSI, MHSW, MOF, MHSW</p>

6.3 HIV/AIDS

6.3.1 The Spread of HIV/AIDS

Since the discovery of Swaziland's first AIDS case in 1986 there has been a steady increase in the number of cases both at national and regional level. Today Swaziland has the highest HIV prevalence rate in the world. The prevalence rate among pregnant women which is taken to be a good proxy for the national prevalence rate, escalated from 3.9% in 1992 to an alarming 38.6% in 2002.



The HIV/AIDS pandemic has inevitably rolled back many of the social development achievements attained by Swaziland in the past. The pandemic has had disastrous effects economically and socially and poses a major threat to the socio-economic development of the country. The effects of HIV/AIDS are felt in both the private and public sectors, and are distorting opportunities for higher growth, agriculture, education, health and services. The suffering brought about by HIV/AIDS affects the entire

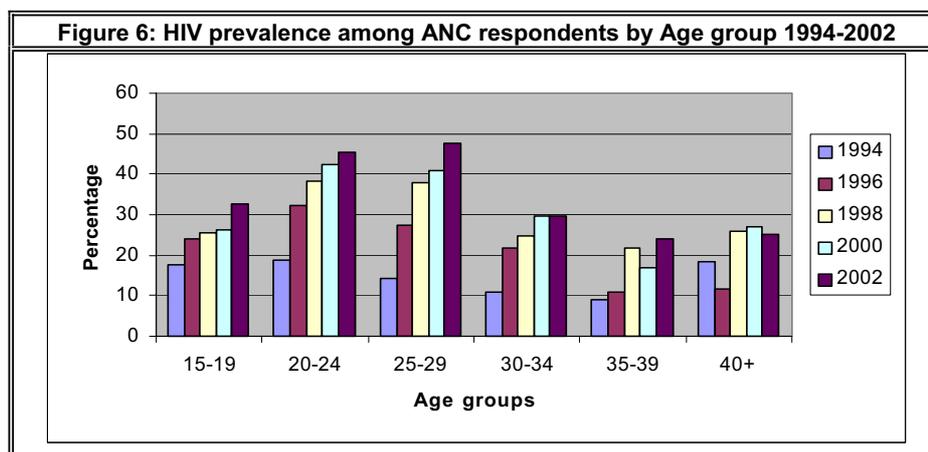
nation, but its most susceptible victims are children, women, and the elderly and remain highly vulnerable to food insecurity, dropping out of school, isolation, destitution, ill health, neglect and sometimes abuse. On the supply side,

government services are heavily compromised, with the budget falling short of meeting the demands for providing adequate health care, drugs as well as enough personnel.

Table 4: HIV Prevalence by Administrative Region 1992-2002

Administrative Region	1992	1994	1996	1998	2000	2002

It is unfortunate that the prevalence of HIV/AIDS is equally spread through out the country and follows a similar upward trend. There is only a marginal difference in the prevalence of the pandemic in rural areas (35.9%) and urban areas (40.6%). This could be due to the easy access



and high population mobility between regions, across the country and the close interlinkages between rural and urban areas. It could also be due to social and cultural factors that contribute to the spread making the population vulnerable to infection especially women and girls. The prevalence rates for the four regions of Swaziland show no significant differences, although Shiselweni recorded the highest escalation and is also the poorest region with the highest level of absentee heads that work outside the country. Manzini has the highest level of infection at 41.2% and is the richest and most urbanised region in the country.

In addition, there is no significant difference with regards to the marital status of people. Both the married and unmarried are equally affected, which signifies behavioural problems. The most worrying aspect is that HIV infection is highest among teenagers estimated at about 35% while among the pregnant youth attending clinics it was found to be an even higher 47.7%. The age groups of 15 – 29, which are the most productive, are also the most affected. This brings to question the future of Swaziland since the youth is expected to contribute towards the country's development and to take care of the very young and elderly.

6.3.2 Socio-Economic Impact

HIV/AIDS was declared a disaster in 1999 by the government and resources have increasingly been injected into the organisations responsible for its elimination. However, it is already having a big impact and is anticipated to have even a greater impact on the future of the country on service delivery, economic growth, productivity and the social fabric. There is evidence that the country is far from containing the spread of the pandemic and it continues unabated. Coupled with the

present state of fiscal uncertainty and limited interventions, HIV/AIDS threatens to undo the past gains on socio-economic development particularly in the areas of health, education and social welfare. For instance, life expectancy has been reduced from 58 years in 1997 to about 40 years in 2003, and illnesses and deaths will be on the increase. Present statistics indicate that the 26-40 age group has a conspicuously high level of deaths followed by that of 16-25. This will have serious implications for the future of the country.

The impact of HIV/AIDS is felt in all sectors. The health sector is near collapse and cannot cope with demands on care and treatment. There are not enough hospital beds and drugs for those needing treatment. Consequently, the ministry has been trying to intensify the programme on "home based care" so that families can take care of their own using their limited skills and resources. As a result of the congestion in the main hospitals and health facilities, sick patients are turned back home for care. There is also increased infant mortality and morbidity. The poor have limited access to health care facilities because they cannot afford to pay for quality care, that the general free health services are inadequately resourced as a result of the national budgetary constraints and that they tend to live too far away from health services. This poor access to health care means that the people are generally in poor health enhancing the risk of HIV infection and progression of AIDS. Also, they have poor access to information (including information on HIV/AIDS issues) that is critical for them to make informed decisions and choices about their sex and sexuality. Although the average expenditure on an AIDS patient's life is not available for Swaziland, it is estimated at US\$1,000 for similar countries - an average annual income. Families make great sacrifices to provide treatment, relief and comfort for sick relatives.

The agricultural sector is losing the battle against food security and self-sufficiency, whilst the private sector is losing skilled and experienced labour force, severely impacting on productivity. The education sector is losing teachers increasing the pupil/ teacher ratio, thus compromising the quality of education. Some students are also forced out of school because of worsening economic conditions at home contributing to an increased drop-out rate. At family level, the breadwinner is lost and in some cases both parents die leaving orphans to fend for themselves.

About 52% of the population are children below the age of 18 years, highly sexually active and most likely to have multiple sexual partners. Unfortunately, the HIV infection is higher among females 52.8% compared to 45.6% for men. Behavioural change is the key factor against the spread and without it; the potential for a fast spread is quite high. According to the national Behavioural Study, whilst some school children are sexually active, the vast majority of sexually active children (more than 70%) are those out of school. Furthermore, most of these are in exploitative relationships where the partners are much older.

The HIV prevalence is linked to poor nutrition, STIs, TB and other opportunistic diseases. In 2002, 53% of HIV positive people tested positive for syphilis. There are also high levels of STI among female factory workers, sex workers, seasonal workers, transport workers and security personnel. In spite of the high level of knowledge about condom use, less than 20% use them and women reported even less usage. About 48% of the population lives below the lower poverty line and cannot afford enough food to eat. 20% lives on food aid. It must be noted that poor nutrition renders the body less resistant to infections.

The migration of family breadwinners in search for income to sustain their households results in the breakdown of family relations, increasing the likelihood of multiple sexual partners and casual partners consequently increasing the risk of HIV infection. In Swaziland, men leave homes in search of employment opportunities, moving to towns and out of the borders to RSA leaving behind their partners. However, according to the 1997 census, women have emerged as migrants as they are predominantly involved in the hawking business.

Cultural practises and the social status of women have not made the HIV/AIDS situation any better. Polygamy, a practice that allows men to have multiple partners encourages lack of trust and unfaithfulness. Also, women are at a disadvantage in such relationships as they are expected to accept men's behaviour and cannot force their partners to use condoms if they do not wish to do so. Their vulnerability is increased by their economic, social and cultural status: they are dependent on men economically, lack access to opportunities and resources and suffer high poverty levels compared to men. Culturally, women are expected to be submissive. Traditions like arranged marriages (kwendzisa) and inheriting brother's widow (kungenwa) are widely practised and contribute towards the spread.

The worst outcome of the pandemic is felt at household level with children having to take care of their siblings or being cared for by an ailing elderly. Children and the elderly are the most vulnerable groups. It is estimated that about 15% of children below 15 years are orphaned and the number will rise to 24% in the medium term. The estimated number of orphans in 2005 is 85,000 orphans expected to rise to 120,000 by 2010. These orphans very often have nothing to eat, do not go to school, are unhealthy, malnourished and in some cases homeless because unscrupulous relatives seize their rightful property. Even though Government, faith based organisations and NGOs are making interventions for support and care, the burden is still quite heavy.

At the national level, national productivity and the growth prospects are uncertain due to increased morbidity amongst the very active and productive population. Furthermore, the ability to provide social services diminishes because of increased demand for such services resulting from

HIV/AIDS. At community and individual level, HIV/AIDS deflects household incomes to caring for the sick and reduces time spent on productivity thereby aggravating poverty. Indeed, unless HIV/AIDS is addressed comprehensively, including all the three components of a national response, namely prevention, care and mitigation, all attempts at poverty reduction will not succeed. HIV/AIDS erodes gains made on reducing poverty at a faster rate than any attempt to improve the poverty situation. Therefore, efforts to reduce poverty must go hand in hand with efforts to contain the HIV/AIDS epidemic.

6.3.3 HIV/AIDS and Poverty

There are clear links between HIV/AIDS and poverty. Poverty is one of the major underlying factors driving the epidemic. People living in a state of serious and worsening poverty are more vulnerable to HIV infection due to a number of factors. Women are most likely to engage in casual sex as a survival strategy. Young girls have joined the sex trade to make-ends-meet. Orphans and vulnerable children are abused and sexually exploited by those taking care of them. There is an urgent need to turn the tide against HIV/AIDS, requiring extraordinary response in the areas of curbing new infections, care and mitigation. Of priority is the change of behaviour in order to reduce new infections and the provision of drugs for opportunistic infections as well as ARVs for those already infected.

The task of managing the pandemic is a difficult one. There is lack of development of appropriate health promotion centres, home-based programmes and hospices within affected communities. Service related programmes are concentrated in urban communities and donor assistance in this area is limited. A common but diminishing practice in AIDS-affected households is to send some of the orphaned and very young children to extended family members to be cared for. This may be an attribute of the high dependency ratio among the poor whose families are inherently dominated by children and the elderly. The ability of extended families to absorb such stress has been reduced by urbanisation and labour migration. As the number of orphans increases, the traditional coping mechanisms are weakened. Orphan headed families are becoming prevalent in Swaziland, particularly among poor families.

Although the Government has embarked on a comprehensive programme of voluntary testing and counselling as well as the free supply of ARVs, given the current economic situation of the country, the sustainability of this programme is in doubt. Without Government support, it is highly unlikely that most poor Swazis will be able to afford and sustain the supply of any future effective AIDS drug. The only sustainable and effective strategy to combat HIV/AIDS is to focus on prevention through behavioural change. However, there is increasing evidence that the response against HIV/AIDS will be more effective where prevention efforts are combined with care and

impact mitigation services. To address the HIV/AIDS problem, Government has designed a health sector response plan and the HIV/AIDS strategy plan, which aim at contributing to the reduction of the incidence of HIV and mitigation of the impact of AIDS on individuals, families and communities through the provision of health and social welfare services for the prevention of HIV transmission and care of infected and affected individuals. The plans take into account the principles of integration, decentralisation, community participation, partnership and regional collaboration. These effects of HIV/AIDS on the productive population require an improvement in human resource planning and training in all sectors of the economy. In addition, it calls for well-designed workplace programmes for mainstreaming HIV/AIDS as a factor of human resources management in all sectors.

6.3.4 Policy Objective for HIV/AIDS Reduction

The Government's objective with respect to HIV/AIDS in the context of the Poverty Reduction Strategy is to reduce and ultimately eliminate the spread of HIV, offer care and support and enable HIV/AIDS infected and affected families to live a positive life.

6.3.5 Goal

The goal is to ultimately stop any new infections and reduce vulnerability of affected individuals and families.

6.3.6 Strategies for addressing HIV and AIDS

In order to reduce the impact of HIV/AIDS on the vulnerable groups, the following strategies and policies will be implemented:

- i. Strengthening the campaign for behavioural change to reduce the spread of HIV infection: abstinence, faithfulness or condom use should be emphasised;
- ii. Intensify the treatment of opportunistic infections like STIs, which, if not treated, increase the risk of HIV infection;
- iii. Include HIV/AIDS and general sex education within school curricular so that children are exposed to this knowledge at an early age;
- iv. Expand the home-based care programme for people with HIV/AIDS to reduce health care costs, especially for poor households;
- v. Improve pro-poor coping methods for HIV/AIDS infected and affected personnel/households;
- vi. Strengthen relatively new interventions such as ARVs in the public sector and (Post Exposure Prophylaxis) PEP services for both survivors of sexual violence and health

- workers, infection prevention and control measures in health facilities;
- vii. Strengthen and scale up programmes currently being piloted such as Prevention of Mother To Child Transmission (PMTCT), Voluntary Counselling and Testing (VCT), Home Based Care (HBC), Blood Safety, Management of Sexually Transmitted Infections (STIs), Nutrition and HIV/AIDS and youth friendly services within health facilities;
 - viii. Facilitate the integration of HIV/AIDS services in Reproductive Health, TB, Blood Safety, STIs and PMTCT programmes; and
 - ix. Establish HIV/AIDS Workplace programmes in all places of employment.

Matrix of Strategic Objectives, Targets and Priority Actions for HIV/AIDS

Poverty Area	Poverty Problem	Objective	Target	Strategies and Activities	Responsible Agency
HIV and AIDS	High prevalence of HIV infections Increased mortality due to AIDS	- To reduce the rate of new HIV infections	- New HIV infections completely eliminated by 2007	-Strengthen the campaign on behavioural change by encouraging abstinence, faithfulness and condom use -Intensify the treatment of STIs and other opportunistic infections. -Introduce HIV/AIDS and reproductive health issues in the school curriculum. -Facilitate the integration of HIV/AIDS services in reproductive health, TB, Blood safety, STI and PMCT programmes. -Establish HIV/AIDS workplace programmes in all places of employment.	-MoHSW, NERCHA, NGOs, Communities, Churches -MoHSW -MoHSW, MoE -MoHSW, NERCHA MoHSW, NERCHA, All ministries
	Increase number of orphans and vulnerable people as a result of high mortality	To mitigate the effects of HIV and AIDS on the quality of life of the people of Swaziland	Coping mechanisms adopted and the quality of people living with or affected by HIV and AIDS improved.	-Expand the home-based care programme for people living with HIV and AIDS -Encourage and improve pro-poor coping methods for those infected and affected by HIV and AIDS. -Strengthen and expand interventions such as ARV and PEP services for rape victims, health workers and those already infected with HIV -Strengthen and expand PMTCT, VCT, HBC, Blood safety, management of STIs, Nutrition and youth education programmes. -Design and implement programmes to take care of the needs of those affected by the high mortality rate due to AIDS.	MoHSW, Faith Based Organizations, NGOs, Communities.
		To provide proper care to the most vulnerable groups of the society	Proper care for vulnerable children and the elderly provided by 2006		-MoHSW

6.4 Ensuring Food Security and Proper Nutrition

Food security is the access by all people at all times to sufficient amount of quality food for an active and healthy life, and that is considered as a basic human right. But food security is still a policy to be pursued by government because close to 70% of the total population is food insecure. According to the 2002 Agricultural Census, 56% of the households never have enough to eat and about 15% never produce maize. The report further states that the state of food insecurity at household level has worsened in comparison to what it was in 1992. The number of homesteads with enough food was 9% in 1992 but has dropped to 4% in 2002, whilst those that do not have enough to eat have grown from 39% in 1992 to 56% in 2002. This could be a result of the prolonged drought, better returns from wage employment than agriculture and HIV/AIDS.

Crop Year	Enough to sell	Always Enough	Mostly Enough	Sometimes Enough	Never Enough	Not Producing
1992/93		8	11	30	39	12
1993/94		7	11	27	44	10
1994/95		11	11	26	40	12
1996/97		9	14	23	41	11
2000/01		6	9	35	41	8
2001/02	4	4	11	25	44	13
2002/03	4	6	6	15	56	13

The status of maize production is reflective of the food situation in rural Swaziland. After peaking in 1995/96, maize production at homestead level declined steadily and as such maize self-sufficiency has dropped. The numbers of families living on food aid confirms the increase in vulnerability and seriousness of food insecurity in the country. Swaziland is a net food importer of food, even of maize, the staple food and has failed to achieve the policy of self-sufficiency. Nearly 40% of food consumed is imported and crop harvests are down by 37% lower than the five-year average. The majority of subsistence farmers on SNL and ITF don't produce enough maize for their families. Increased food production, affordable prices and possession of sufficient income to buy food are keys to securing food security.

Securing adequate food from own production or the ability to afford to purchase adequate supplies of food is the primary condition that determines whether one is poor or not. Ensuring food security from either sources (own food or earned cash) is a key pillar for poverty reduction. In Swaziland, a mixture of both sources to access adequate food is necessary because not all farmers produce enough food such as maize (Table 5) and not all households with employed heads live above the poverty line. Households that never produce enough maize are ever

increasing while poverty prevails among all categories of employees. The situation is critical on SNL where dependence of agriculture on rain renders most farmers vulnerable to crop failure due to occasional drought.

The families that are food insecure do not have enough food to eat because they cannot grow enough nor have money to buy sufficient food to meet basic needs experience hunger. When food is scarce, diets are altered and quantities are small. Food insecurity and hunger are widespread among households living below the poverty line. 69% of these households experience food insecurity nationwide and the highest number of affected households come from Lubombo (62%) where the number of employed persons is also low. The other regions have an average of 55%. The poor also do not own livestock like cattle which can assist them get protein but most likely own a few chickens. Their source of income is casual employment from neighbours where salaries are low and seasonal or payment is in kind; and/or little commercial activities like beer brewing and handicraft.

Many children born from these families suffer from serious malnutrition and stuntedness, and they are most likely to be deficient in major nutrients i.e. minerals and vitamins e.g. iron, calcium. Limited household income and food insecurity are associated with low intake nutritious foods. These reductions in nutrients intakes increase the risk of various chronic diseases in their lives. 40% of under-5s are stunted (a measure of chronic malnutrition), 2.2% wasted, 11% undernourished, 46% vitamin A deficient and 40% iron deficient. Among pregnant mothers, 80% are iron deficient and adolescents are 21% iron deficient. Families cope by reducing the number of meals and/or by skipping meals. Poor and very poor households already have difficulties accessing the maize and other food items as they can hardly afford the high prices. The result shows an increasing trend when compared to the year 2000. These developments are attributed to the worsening income distribution levels and incidence of poverty, HIV/AIDS and drought.

Food insecurity, education, poor nutrition, access to health care and population are closely related. A mix of these factors is reflective of the livelihoods of the poor section of the Swazi society. According to the SHIES 2001, the most vulnerable group is those households in subsistence agriculture and the poverty incidence is about 77%. These are households with the largest number of dependants and most of these dependants are children and the elderly. The FHH are the worse off. The immediate cause of poor nutrition and food insecurity is the manifestation of diseases like scabies, acute malnutrition, low birth weight and maternal deaths. These problems are then exacerbated by poor feeding and care habits, inadequate education, lack of knowledge and HIV/AIDS.

Maize production is important for the majority of households, although its production requires inputs and rains. The poor cannot afford those inputs and likewise if planted, harvest very little or nothing at all. The status of maize production reflects food situation in rural Swaziland. After peaking in 1995/96, maize production on homesteads has since declined steadily (Table 6). In tandem with the decline in maize production, maize sufficiency in homesteads has also been dropping (Table 5).

The dry Middleveld and Lowveld suffer more frequently from drought and failed crop. The prolonged drought has left many households vulnerable and with huge debts especially those growing cotton. During 2003, close to 2% of cattle population in Lubombo and Shiselweni died of starvation and estimates indicated 10-15% of normal production in the Lowveld. At national level, there is a gap between

Table 6: Maize Production on Homesteads 1992/93-2002/03

Crop Year	Maize Production (Mt)	Maize Production (Kg/Capita)
1992/93	84,519	99.4
1993/94	76,195	86.7
1994/95	76,052	83.7
1995/96	135,627	144.6
1996/97	108,207	110.3
1997/98	125,205	124.2
1998/99	107,340	103.6
1999/00	112,779	105.9
2000/01	82,536	75.4
2001/02	67,640	60.1
2002/03	69,273	59.8

maize production and requirements estimated to be between 110,000 – 140,000 metric tonnes. Maize prices in 2002-2004 were 45% above the five-year average (1998-2002), eroding the poor households' purchasing power and reducing access to food. The poor spend most of their income on food and education. The number of people that go hungry during drought is large and increasing. In 2002, some 207,000 were reported going hungry while 265,400 were reported in 2003. In 1995, 48% of Swazis were living below the food poverty line, i.e. they did not have adequate income to purchase enough food packages to supply a minimum intake of calories. Recent statistics indicate that 29% of households are without adults or headed by an elderly and headed by children.

The basic causes of food insecurity in Swaziland are:

- i. Climatic conditions and prolonged drought in the country and region;
- ii. Growing of maize as the main crop and no diversification;
- iii. Conflict in policy whereby farmers encouraged to grow crops on unsuitable soils;
- iv. Inadequate access to water resources and rights for crop irrigation
- v. Inadequate earth dams for crop production and livestock feeding;
- vi. Overgrazing and exceeding the carrying capacity of communal grazing land;
- vii. The impact of HIV/AIDS on the agricultural sector and production;
- viii. Lack of productive assets for women and restrictive laws which hinder women using land to

- full potential;
- ix. Lack of environmental management; and
- x. Low income due to joblessness.

These factors need to be addressed to provide the poor with food security.

6.4.1 PRSAP Goal for Ensuring Food Security and Proper Nutrition

The government's aim is to achieve food security and proper nutrition for all Swazis by the year 2022. Swazis must at all time physically and economically access sufficient, safe and nutritious food at affordable prices, to meet their daily dietary needs and food preferences for an active and healthy life by 2022. This goal implies that under ordinary circumstances no one in Swaziland should be starving. Malnutrition shall be eliminated.

6.4.2 Strategies for Food Security

Government is in the process of preparing the comprehensive agricultural sector policy and the food security policy. These documents are complementary, and they will be followed by an action plan. They will focus on the measures to improve access to, and availability and utilization of nutritious food on a sustainable and consistent manner.

Strategies to increase food security and improve nutrition will revolve around:

- i. Modernise agriculture from dependence on rain-fed farming to increase and assure production;
- ii. Adopt other methods of irrigation rather than relying on rain fed agriculture;
- iii. Increase off-farm employment opportunities;
- iv. Improve efficiency and equity in land tenure to maximise land use;
- v. Provide enough draught power to ensure prompt planting;
- vi. Eliminate the restrictions on women accessing credit and inhibiting their ability to take farming decisions;
- vii. Improve and encourage early childhood development initiatives on the physical, mental and improve access to health care;
- viii. Improving early warning systems and disaster preparedness to prepare the population for crop failure, including the implementation of the Disaster Management Policy and Plan;
- ix. Improving access to water resources for gardening through water harvesting and water rights;
- x. Promotion of water harvesting for livestock;
- xi. Increasing the ability of the poor to generate income (Chapter 4);
- xii. Modernising farming methods to increase yield, and preservation of pasture;

- xiii. Promotion of growing nutritious food crops such as fruits and vegetables by individuals and communities;
- xiv. Increasing public education and awareness about nutrition requirements;
- xv. Promote awareness of planned parenthood to reduce family size; and
- xvi. Re-enforce commercial foods with vitamins and mineral salts.

Matrix of Strategic Objectives, Targets and Priority Actions for Food Security and Nutrition

Poverty Area	Poverty Problem	Objective	Target for poverty reduction	Strategies and Activities	Responsible Agency
Food Security	Food insecurity	-To ensure that everyone has access to sufficient (good quality and right quantities) food.	Every person and household having access to sufficient food by 2008	<ul style="list-style-type: none"> -Modernise farming methods in order to increase yields -Increase agricultural production by adopting different methods of irrigation and reducing dependence on rain-fed agriculture -Encourage and educate on water harvesting methods for purposes of irrigation, livestock and drinking -Increase off farm employment and income generating activities -Eliminate all restrictions to accessing credit particularly by women -Improve land tenure, efficiency of land use and provide enough draught power in order to ensure prompt planting -Improve early warning systems -Implement the Disaster Management Policy and Plan and build capacity for disaster preparedness 	<p>MOAC, DPM, Communities</p> <p>-MEE, NGOs, MOAC, Microprojects</p> <p>-MEE, DPM, MOAC</p> <p>-MOAC, MNRE</p> <p>MOAC, Meteorology Department</p> <p>-DPM</p>
Nutrition	Lack of proper nutrition	To ensure proper nutrition.	All Swazis assured proper nutrition	<ul style="list-style-type: none"> -Promote backyard gardens and the growing of nutritious food crops such as vegetables and fruits in all communities -Increase public awareness on nutrition and disaster preparedness - Fortify commercial foods such as salt and mealie meal with vitamins and minerals 	MOAC, MoHSW, Nutrition Council

6.4.3 Safe Water and Sanitation

The provision of safe water supply is critical for improving the quality of life for the majority of the Swazi people. Safe drinking water helps to reduce the incidence of water borne diseases in households and communities and it reduces public and private expenditure on health care, which has escalated in recent years. It increases the productivity of the population of all ages and reduces time spent travelling to collect water, a task that is mainly performed by women and children of school going age. The incidence of poverty is strongly related to access to safe water and sanitation as poor people cannot afford clean water unless provided freely by the state.

6.4.4 Safe Water Supply

According to the 1997 Census, about 43% of households in Swaziland obtained their water from unsafe sources: rivers and canals (27.2%), unprotected springs (4.9%), and unprotected wells (10.4%). There has been significant improvement in the last ten years in the provision of safe water supply, although the progress is chiefly in urban areas. In rural areas, 50% of households don't have access to safe water sources: boreholes, protected springs, protected wells, tap and tank. They rely on earth dams and streams which dry out in winter, forcing households in these areas to share water sources with animals. Most of these households are in the driest ecological regions of the country i.e. Lubombo and the Lowveld.

A number of institutions are involved in the provision of safe domestic water supply in Swaziland. The main ones are Swaziland Water Services Corporation for urban areas and the Rural Water Supply Branch of the Ministry of Natural Resources and Energy for rural areas. Others are Environmental Health Department of the Ministry of Health and Social Welfare, the Council of Swaziland Churches and Emanti Esive.

The SWSC provides safe water to designated urban and peri-urban areas (see Figure 7). This water is accessed by 60% of the population while the remaining 40% are forced to use rivers and streams. These are mainly the population in the least developed areas of the urban boundary where the majority of the urban poor live. SWSC erects standpipes for clean water, which must be paid for, and in most instances the people end up vandalising the SWSC network. The price of clean water has risen considerably, resulting in the urban poor not affording to purchase it and this has led to the outbreak of environmental diseases. In addition, the water sources they use are quite unsafe because of very poor sanitation and waste disposal systems. More often than not, sewage pipes burst open and the waste flows into rivers, which ends up affecting people living downstream. Waste is not disposed properly, breeding flies and when it rains, all the dirt washed down stream.

Figure 7: Distribution of Water in Swaziland

Government is pursuing the policy of providing free safe water to rural communities through RWSB and is the largest supplier of safe domestic water in rural areas. It had by December 2003, installed a total of 308 water reticulation systems (macro systems) and a further 446 hand pumps (micro projects) which serve a total of 371,100 people. A lot of progress has been made by RWSB: its water supply systems increased from 339 in 1995 to 754 in 2003, representing an increase of 59 new water sources per year. However, not all these people are fully serviced, as there are problems of management, maintenance (regular break down of pumps), affordability and water quality.



Consequently, more than 50% of the rural population rely on unsafe water drawn from rivers, streams, springs, and dams. Many of these sources routinely dry out during prolonged dry seasons and bring hardships to communities. The coverage of safe water supply in rural areas is estimated at just over 50%; however, its distribution is biased against Lubombo and Lowveld, which are the driest ecological zones.

Besides the limited coverage of all areas, the second problem faced in ensuring the supply of safe water in rural areas is the failure by communities to maintain water schemes once completed. Approximately 20% of the water reticulation and 22% of hand pumps were not functional by in December 2003, due to lack of maintenance by the communities and RWSB. Another problem is the slow implementation due to severe shortage of resources for RWSB to provide accommodation and transport for its staff engaged in installing new water systems and maintaining existing ones.

Communities in the rural areas contribute in kind towards water schemes by digging trenches and assisting in the installation of the water systems. To run the system, user communities are required to open and operate bank accounts to pay for operational and maintenance costs of their water systems once completed. In spite of this subsidy, some communities have not been able to maintain these systems due to their poverty status and lack of proper co-ordination.

The quality of water is also a matter of concern, bringing in the relationship between the provision of safe water and proper sanitation. Unfortunately, water providers pay little or no attention to sanitation and waste disposal. Water supplied by the RWSB and SWSC is fundamentally safe but it is often contaminated by microbiological, chemical, and radiological pollutants that render chlorination methods in current use ineffective. Waste disposal methods are usually not safe, thus contaminating water sources. Quality monitoring, a function of the MoHSW, is hardly performed due to limited capacity. The poor population living in peri-urban areas fail to comply with urban settlement regulations making it difficult for the authorities to enforce rules that safeguard against water contamination. As such safe water standards do exist but are not adhered to.

6.4.5 Proper Sanitation and Waste Disposal

Sanitation standards, like those of water supply, deteriorate as one moves from urban areas down to peri-urban and finally to the rural areas where the situation is pathetic. At a national level, 42.6% of households use the bush to relieve themselves, 35.3% use pit latrines, while 21.4% use flush toilets (1986). In rural areas, 61% of households use the bush and 33% use pit latrines and only 4.7% use flush toilet. In urban areas, 57% of households use flush-toilets while 40% use pit latrines and 2.9% still use the bush. The use of pit latrines and the bush is very common in peri-urban areas. Even though pit latrines are predominantly used in the country, they present a health hazard because they are not properly constructed nor regularly maintained.

In planned urban areas, sanitation is satisfactory with domestic water used for flush toilets. City and Town Council authorities regularly collect refuse in these areas. The responsibility for waste management and disposal for newly incorporated areas lies with these local authorities. However, for peri-urban areas, there is no institution that is responsible for waste management. The process of extending urban boundaries is not always in step with infrastructure development such as provision of water, roads and electricity. As a result, a lot of poorly planned human settlement areas have emerged in recent years, making it more expensive to connect houses to the national sewage network. Further, peri-urban dwellers are poor and do not afford in-house piped water and proper waste disposal. Accordingly, some of the poor in peri-urban areas depend on pit latrines for human waste disposal with some using bush, tins and plastic bags to dispose of human waste, which increases the risk of diseases.

Domestic waste is not collected and disposed properly in accordance with environmental laws. Refuse is indiscriminately scattered and in congested areas where the poor live, it is not collected and is left to rot after which rains wash it into the water table and rivers.

Sanitary conditions are worst in rural and peri-urban areas where the use of pit latrines is the only viable option. This is compounded by the fact that many households do not even have them. A lot of those in existence are not ventilated which results in the breeding of flies and the associated health hazards.

The challenge facing the rural poor in the area of sanitation is to ensure that each homestead has a ventilated pit latrine. The construction of individual pit latrines remains the responsibility of individual homesteads and individual users. The cost of a standard pit latrine is affordable to nearly everyone if users appreciate its importance. The government will therefore intensify its efforts to educate the public on the use of safe hygienic methods of waste disposal and, through Chiefs, impose penalties on homesteads that do not possess the minimum required sanitation facilities. In addition to bringing back into operation all existing water supply schemes, some 32,000 people should be provided with safe water each year and all households presently using the bush and similar unhygienic means of excreta disposal at least construct a ventilated pit latrine.

As a general rule, new water schemes in rural areas shall be provided at the least cost, consistent with sustainable sector systems design, construction standards, and water quality guidelines. For those very poor households, especially for vulnerable groups (children and the elderly) they should not be denied access to safe water for drinking and cooking. All future policies and legislation relating to the provision of safe water shall give due regard and priority to promoting the welfare of the poor. In peri-urban areas, town-planning authorities will ensure that growth of new settlements match the capacity of the public sector to provide the requisite infrastructure.

6.4.6 Goal in Safe Water and Sanitation

Swaziland's goal is for everyone to access safe water, proper sanitation and proper waste disposal by the year 2015.

6.4.7 Strategies for Water and Sanitation

The following strategies will achieve the above goal:

- i. Development of peri-urban areas will be regulated by law to ensure that social service infrastructure, including water and sewerage, are provided in a properly planned manner;
- ii. Ensure that all people have access to safe water for cooking and drinking and vulnerable groups or individuals to be protected;
- iii. Operationalising the water quality guidelines issued by RWSB;

- iv. Passing laws and bylaws that will require every homestead to possess affordable hygienic means of excreta disposal;
- v. Making communities contribute, in cash or kind (such as direct labour, transportation of materials), towards the construction of new water supply systems;
- vi. Giving consideration to posting RWSB staff to their home areas in order to reduce personal costs involved in construction and maintenance of rural water schemes. Alternatively, source cheaper and movable means of accommodation for RWSB personnel;
- vii. Developing and requiring appropriate filtration systems, such as slow sand filter, to remove contamination that follows heavy rains;
- viii. Building water supply maintenance capacity within communities; and
- ix. Building the capacity of RWSB to construct water supply systems and rationalise or co-ordinate activities by other institutions in the sector in accordance with the goal of this Plan.

Matrix of Strategic Objectives, Targets and Priority Actions in Safe Water and Sanitation

Poverty Area	Key poverty problems	Strategic objectives	Target for poverty reduction	Programmes, Projects and Actions	Agency Responsible
Safe Water Supply	Incomplete coverage in rural areas	To supply safe water to all areas	100% of all households supplied with safe water by 2022	-Provision of safe rural water. -Construct new water schemes and repair existing ones -Provision of water tankers where water supply schemes are not yet available	RWSB, SWSC MoHSW, DPM, MHUD
	Lack of capacity by communities to maintain water schemes	To have all safe water sources in good working condition and easily accessible		-Sensitisation and training of rural communities in water supply maintenance -encourage community participation in the construction and maintenance of water schemes	-RWSB, SWSC, DPM, Microprojects, Communities -Chiefs RWSB, SWSC
	Inadequate capacity by service providers			Build capacity and provide resources – (capital and labour) to water and sanitation service providers.	-MOF, RWSB, SWSC
	Low quality water and post-installation contamination	To provide safe and uncontaminated water		-Monitor water quality and protect water sources from contamination -Establishing and equipping Regional Water Quality Control Offices	-RWSB, MOAC, SEA, WSC -RWSB
	Water too costly for the poor	To minimise the cost of supplying water in rural and peri-urban areas		-Posting RWSB in home areas to reduce costs	-RWSB
Poor sanitation facilities	Unplanned expansion of peri-urban areas	To ensure proper planning of human settlements and sanitation in rural and peri-urban areas.	Properly planned settlements and sanitary facilities in all communities by 2007	-Develop a policy and assign monitoring authority for human settlements and living standards in rural and peri-urban areas.	-MHUD, MoHSW, Chiefs and communities.
	Poor sanitation and lack of ventilated pit latrines	-To ensure proper sanitation and hygiene conditions in households	-Every household to possess at least a ventilated pit latrine	-Passing a law to require every homestead to have an excreta disposal facility e.g. pit latrines.	-Attorney General, MHUD, MHSW, Chiefs

CHAPTER 7: IMPROVING THE QUALITY OF LIFE

7.1 Social Protection of Vulnerable Groups

Every human being has a right to survival and fulfilment of their needs, which include food, shelter, water, and energy. However, the income-poor are also human-poor and therefore are deprived of their human right to basic needs and a respectable life. Although Swaziland has made strides in terms of quality of life, but the 69% of the population living below the poverty line indicates certain acute vulnerabilities of sections of the population.

Extreme poverty affects the most disadvantaged and vulnerable groups. Such vulnerability emanates from cultural practices, legal framework, religion, economic and social policies, disease, HIV/AIDS, poverty and natural disasters. It is important to recognize that the causes and the impact of poverty had differed for different categories of people and that the variables that have determined their susceptibility to poverty include gender, unemployment, age, physical fitness, and legal status. Symptoms of vulnerability are ill health, malnutrition, illiteracy, and lack of basic needs such as food, shelter, water, household energy and lack of protection from violence and abuse.

Vulnerability can affect individuals, households and groups, those affected by disasters such as drought and storm damage, households headed by the elderly, poor women and men, orphaned children, disabled persons, vulnerable and orphaned children, widows, the unemployed, and children and adults in conflict with the law. Not everyone falling in this category is vulnerable to poverty or deprivation but most have a high probability of being poor and/or socially deprived. The criteria used will be evaluation of the assets and their ability to meet basic needs.

7.1.1 The Plight of Vulnerable Groups

The most vulnerable groups among the poor are children and the elderly. Swaziland has 54% of her population comprising of children below 19 years of age and 69% of those children are vulnerable in a number of ways. Due to the prevalence of HIV/AIDS, poverty and rising unemployment, their vulnerability is increasing as well as the number. Children head about 10% of households and they are then responsible for raising their own siblings. They are vulnerable to chronic hunger, parentless ness, neglect, abandonment, sickness, illiteracy, ill health, HIV/AIDS infection, child labour, physical and sexual abuse and prostitution. They also suffer from psychosocial stress with the death of parents and the abuse thereafter when relatives confiscate their property from them. Their plight is visible and growing, however the country has not

mounted enough response to match the severity of the crisis inspite interventions made by government, individuals, NGO's, CBO's, and FBO's. Government has produced the project on SPVCO with components on food security, education, health care and support psychosocial and rehabilitation of street children. The implementation of the project must be expedited with financial and human resources commitment.

Most poor people lack food, shelter, clothing and access to basic health and education services. The vulnerable, however, are further subjected to extreme difficulties related to their special circumstances. For instance, orphans are subjected to deprivation of their inheritance, parenting and guidance and thereafter subjected to physical and social abuse. Other vulnerable children are abandoned, neglected by their parents, left with elderly relatives, are not well fed, do not go to school, are not cared for because their parents cannot afford, very poor or unemployed. Street kids are exposed to crime, child labour, drugs, and sexual abuse. The elderly are subjected to neglect, isolation, hunger, mental and physical abuse, lack of resources to seek health care and sustenance. Most of the vulnerable population lack information on human rights and self-development, and, and often lack self-esteem.

There are those who are physically handicapped and mentally disturbed face problems of stigmatisation and marginalisation, and are not adequately catered for in terms of the infrastructure and services. There is an attempt to make public services and offices in both private and the public sectors more accessible to the disabled but a lot remains to be done. There are only three schools in the country for special education: for the deaf, mentally retarded, blind and handicapped. Even then, some of the schools provide only for primary education thus limiting the progression of handicapped children. Information on the livelihoods or special needs of vulnerable people, especially children, elderly, the disabled is very scarce and not coordinated by any specific office. MOHSW is supposed to be spearheading such activities, but very little has been achieved so far. As a result the interests of the disabled are left out of development planning processes.

The government has made interventions to improve the quality of life of vulnerable people but these interventions have not been planned properly. There were price subsidies on basic foods and services but have been removed with the advent of rising revenue, as well as the implementation of minimum wages for certain seasonal and unskilled jobs. She has also provided free inputs for maize and cotton farmers as well as food aid distribution done through DTF in collaboration with WFP and NGO's. Lastly, has made direct transfers and bursaries available through the social welfare department, MoE, and a number of other departments. But on the own, the vulnerable rely on the traditional structures, which in the past provided safety nets like indlunkhulu, the church and extended families. Unfortunately, these structures are stretched

and have weakened, especially with the rise of unemployment and HIV/AIDS. Government efforts hardly reach the intended beneficiaries because of limited amounts, capacity, coverage and incoherent administration.

The Social Welfare Department has a mandate to assist the elderly, abused children, and orphans. The Department, however, has very limited resources and can only cater for a small %age of the vulnerable populace. It has provided limited bursaries to orphans and welfare grants of E120 to some elderly citizens on a quarterly basis. It has also assisted in the placement of orphans to orphanages and arranged adoption of children. However because of limited personnel and other resources, the department is not able to reach all those who are in need. Moreover, the system used for payment is not cost effective.

The elderly that the PRSAP considers vulnerable are both men and women above sixty years of age who live in isolation and are abandoned by their children and relatives and have absolutely no one to take care of their needs. They lack basic needs and are marginalized. They tend to live in dilapidated houses and are exposed to abuse. During the drought season of 1993-96, NGOs and donors working together with government introduced the concept of food for work. This was a very useful concept; however, it is used as a relief and temporary measure. The culture of food distribution, although necessary during emergency situations, is not sustainable and tends to create a dependency syndrome. A more sustainable way of preparing for and mitigating the effects of disasters as well as empowering the poor is necessary. In fact with more sustainable programmes, the needs of vulnerable groups can be better planned and catered for.

7.1.2 Recent Interventions

There are a number of institutions actively involved in providing welfare assistance to disadvantaged groups. These include: the SWD, MoE, DPM's Office, UNICEF, NGO's, Tibiyo TakaNgwane and other charitable private and public corporations. Ministry of Education has over the past years provided bursaries for orphaned children and the DPMS office provides funds to various community groups to start income generating projects in order to provide for food and school fees for their households. So far 455 community groups have been funded since 1997 and supposedly more than 50% of the grant goes to women's groups. Also, in collaboration with UNICEF, the DPM's office has introduced the concept of NCPs, which cater for the nutritional needs of orphaned and vulnerable children. Save the Children Fund has assisted some children to access education, legal protection and school feeding. The SOS village, Tibiyo Taka Ngwane, Fundzis'umntfwana, and a few private companies have provided bursaries for vulnerable children. Some street children have been assisted by non-governmental organisations such as the Light House while SACRO has been responsible for the rehabilitation and education of ex-prisoners children.

Associations for the people with disability have been established in the four regions of the country to look into the needs of the physically challenged and mentally impaired persons. The Government has already established two vocational schools for the disabled in Mbabane and Nhlangano, and is expanding the health institutions for mentally impaired. Government has started renovating her offices to include pathways for people with disabilities. However, more effort has to be put into empowering the disabled and ensuring that they participate in mainstreaming development and in improving their livelihoods.

The Community Empowerment, Regional Development, and Community Poverty Funds allocated to the DPM's Office can make a big impact in the lives of vulnerable groups in rural areas if properly managed and channelled towards the most vulnerable groups. The delivery of services needs to be improved by collaborating with CBOs and NGOs and then monitor and audited with the participation of the beneficiaries. The Correctional Services is providing courses on skills development for children in conflict with the law, and in some cases the department is providing education lessons for these children. Such initiative needs to be strengthened in order to provide these children with a variety of life skills. They will be rehabilitated and there is assurance that they lead productive lives after prison, stay in harmony with their communities and survive the pressures that come with stigmatisation and marginalisation.

CBOs and FBOs are increasingly making interventions to assist the poor as they are closely related to those communities. The communities have developed close relationships with the poor especially the sick, children headed households and the elderly. They provide food, help plough their fields, pay fees and give care. The poor also help other households who in turn pay them in kind by giving them bags of maize. Certain chiefdoms are resuscitating the Indlunkhulu concept whereby certain fields were ploughed and planted by the community to provide food for the vulnerable in that community. NERCHA, MOAC and MPP are involved in helping communities revive that intervention.

All the above interventions are good and well intended but are uncoordinated, sporadic, insufficient in terms of resources available, and not very systematic in their selection criteria. The delivery has been far too inadequate to address the demand for the services offered. Even with these numerous efforts, a number of orphaned and very vulnerable people are still without any assistance. These need to be identified and targeted in the planning and implementation of ongoing and new initiatives.

A better designed with good targeting, coordination, management and distribution mechanisms is the key challenge. A more coordinated delivery mechanism is necessary since the efficient use of resources is diminished by the high possibility of different organisations to providing the same

support to the same individuals repeatedly. This multiplicative provision of resources leads further to problems of unavailability of accurate data for impact assessment.

There are some more effective programmes with positive welfare impact such as food-for-work and public works programmes for road construction and rehabilitation. It provides an opportunity to earn income for the poorest of the poor and the poor in those communities. The programmes also diminish the syndrome of depending on handouts and discouraging the notion of self-reliance among those receiving assistance. The PRSAP advocates for the enhancement of lives of the poor by encouraging them to stand on their own. Handouts are considered to be a temporary intervention.

Nonetheless, there are cases of malnutrition among children that are evident among those communities where drought and chronic hunger is prevalent. The IMCI and the Food Aid Programmes must consider food supplementation like milk and nutrition/food packs. Although drought has been considered as a disaster and a lot of effort has been put in providing food for those affected households and individuals, it has emerged that it is not the only disaster to bring vulnerability. The Lowveld and the Lubombo have failed to provide food to many households while Shiselweni is more prone to hailstorms that damage crops. The PRSAP recognises the impact on such families and the need to put in place disaster management measures, which will include elements of preparedness, emergency response, prevention, mitigation and rehabilitation.

7.1.3 The Goal for the Social Protection of Vulnerable Groups

The basic goal of this thematic area is to ensure that the quality of life of the vulnerable groups in the society is improved and maintained at an acceptable level whereby their lives will be productive and government will intervene through the provision of safety nets or social protection measures. The PRSAP goal is to break the poverty cycle among all the vulnerable groups so that they lead an improved and dignified standard of life. The PRSAP also aims to protect the rights and social well-being of the most disadvantaged in the Swazi society. There will be direct transfers for those situations, which demand them and provision of basic services for enhanced productive life.

7.1.4 Strategies for the Social Protection of Vulnerable Groups

- i. Designing a baseline survey and databases for all the vulnerable groups and ensure that all development programmes at the national, regional and country levels incorporate the interests of the vulnerable;
- ii. Improve urgently the co-ordination of the different interventions for focussed targeting, full

- impact and efficient delivery of social welfare benefits;
- iii. Improving community and household capacity to respond to the needs of vulnerable groups;
- iv. Developing gender responsive systems of advocacy on the issues affecting the vulnerable poor;
- v. Mobilising vulnerable groups to take charge of their own development;
- vi. Designing sustainable programmes to cater for the needs of the poor and the most vulnerable covering all aspects of their social needs e.g. education, health, psychosocial development, legal protection, empowerment etc.

Establish a disaster management system to enable relevant institutions to respond promptly and anticipate disasters before they happen. In addition to the general strategies for the different groups are:

A) Orphans and other Vulnerable Children (SPVCO)

- i. Establish an independent coordinating institution for managing the different interventions by government, NGOs, CBOs and other institutions.
- ii. Implement without further delays the project on social protection of vulnerable children including orphans;
- iii. Develop an identification mechanism for selecting vulnerable and poor households and children;
- iv. Establish a database for the vulnerable and orphaned children;
- v. Ensure universal access to primary education, health and psychological needs for all the vulnerable children;
- vi. Develop sustainable programmes for enabling the vulnerable children to be fed or to feed and clothe themselves;
- vii. Increase the number of schools and teachers to accommodate the out-of-school children;
- viii. Provide refresher courses to communities and trainers on psychological issues and life skills;
- ix. Standardise school fees to accommodate the poor; and
- x. Encourage families for the vulnerable children to start income generating projects.

B) The Disabled

- i. Build capacity geared towards empowering the disabled people;
- ii. Increase the number of schools and teachers for special education;
- iii. Introduce special education at secondary schools;
- iv. Increase the number of vocational schools for the disabled to all regions; and

- v. Ensure that all public buildings are easily accessible to the disabled.

C) The Elderly

- i. Develop a social security policy for the elderly, severely disabled and mentally incapacitated;
- ii. Device a well co-ordinated system for service delivery including distributing food to the elderly;
- iii. Establish an up to date database for the elderly;
- iv. Encourage income generating projects within communities to cater for the needs of the elderly;
- v. Set up a coupon system for health care services for the elderly; and,
- vi. Set up community based care organisations to look out for the needs of the elderly and mobilise support for their assistance.

D) Widowed Persons

- i. Establish a legal instrument that will speed up the disbursement process of pension fund, insurance, and other family assets after the death of a husband or wife;
- ii. Make the wearing of mourning gowns voluntary and include in the constitution provisions prohibiting the enforcement of cultural practices that may impact negatively on women's economic productivity, including the compulsory wearing of mourning gowns;
- iii. Update and enforce inheritance laws and enact gender responsive succession laws with provisions giving full capacity to widows and widowers to access and control their deceased spouses estates.

Matrix of strategic objectives, targets and priority actions for Vulnerable groups

Poverty area	Poverty Problem	Strategic Objectives	Strategies and Actions	Target	Institution Responsible for Action
Information on Vulnerable groups	Lack of information and data on the vulnerable	To design a database and collect data on vulnerable children (including street children and orphans), the elderly, widows, disabled etc	-Identify and select vulnerable groups - Collect data and compile a comprehensive data base on the needs, location and situations of vulnerable groups	A comprehensive database and clear selection criteria for vulnerable people available by 2006	PCU in MoHSW, social welfare, NGOs, MEPD, NERCHA, DPM and communities
Access to basic needs	Lack of access to basic education, health, nutrition and care	To increase access to basic education, health and psychosocial help -To ensure proper nutrition, integration and care for the vulnerable -To eliminate street children	-provide school bursaries for selected vulnerable children -Design and provide a health waiver system for all vulnerable people -Support early childhood development -Provide vocational skills and education to children and other vulnerable people who no longer qualify for mainstream education -reintegrate street children into families and communities and provide counselling services for all vulnerable groups and their families	Immediate provision of education, health, nutrition and care for vulnerable groups	MOE, MHSW, DPM, NGOs, PCU, MOAC, MEPD, and NERCHA
	-Inadequate targeting and delivery of social benefits to the poor	-To improve efficiency and effectiveness in delivery of social benefits to the elderly	-Develop and strengthen school feeding schemes -Design a coupon system of delivering food to the elderly. -Research and implement more efficient ways of paying pension benefits to the elderly	Efficient delivery of social benefits to the elderly	MHSW, Communities, Chiefs, NGOs
	- Cultural and legal discrimination against widows	-To legislate and enforce against discrimination and disempowerment of widows	-Set up a policy on the care of the adult poor and the use of their land to generate income. -Set up responsive policy on the flexibility and choice with regard to mourning for dead husbands. -Ensure access to assets and benefits.	Widows having equitable and non-discriminatory access to productive resources	Parliament, AG, Chiefs, Communities. MOJ and Master of the high court

Caring capacity of communities	<p>Inability of communities to identify, care and provide for the vulnerable</p> <p>- Lack of income by vulnerable groups and communities</p>	<p>-To build the capacity of communities to identify and provide for the needs of the vulnerable in their communities</p> <p>- To empower communities to generate income</p>	<p>-Educate families and communities about nutrition and encourage backyard gardens</p> <p>-Encourage communities to come with coping strategies for addressing the needs of the most vulnerable in their communities</p> <p>-Educate the families on setting up and management of income generating projects.</p> <p>-Improve the access to micro finance schemes and monitor the income generating projects.</p>	<p>All communities able to identify and care for vulnerable people by 2006</p> <p>All communities involved in income generating activities that benefit the vulnerable by 2007</p>	<p>NGOs, communities, MOHSW, DPM, MOE</p> <p>MOF, MEE, Communities, NGOs, Micro projects, Micro finance institutions</p>
The disabled	Inadequate measures to provide for basic needs of the disabled	-To empower the disabled and provide for their special and basic needs	<p>-Secure scholarships and proper training for teachers of special schools for the disabled.</p> <p>-Establish more schools, workshops and equipment for the disabled people in all four regions of the country.</p> <p>-Rehabilitate all public offices and private companies for ease access by the disabled.</p>	All disabled people empowered, provided with basic needs and proper access to facilities by 2007	MPWT, Private companies, NGO, MOE, MHSW

7.2 Improving Housing

According to the 1997 Swaziland Population and Housing Census there were a total of 395,385 housing units throughout the country; of which 317,480 or 80% were in rural areas, where most of the poor live. 163,905 were grass-thatched (including traditional huts), and 213,314 constructed with mud and poles, grass, and traditional huts. The majority of low quality houses are found in rural areas.

The quality of housing is closely related to the poverty status of the occupants. SHIES 2001 revealed that poverty prevalence among households living in grass-thatched houses was 79% compared to 18% for those living in houses with tiled roofs. It also showed that it is 73% for people living in mud and poles (walls) compared to 44% for those living in houses constructed with bricks (walls). The poor therefore mainly live in grass-thatched houses made of mud and pole walls. With the emergence of HIV/AIDS there is however a growing trend of poor households (mostly child headed) who live in good quality houses. The improvement of housing conditions in Swaziland therefore should strongly focus attention on rural areas.

7.2.1 Causes of Poor Housing

The causes of poor housing in rural and urban areas of Swaziland are many and varied. Inadequate incomes determine the quality of the housing units that can be constructed. Even where people could afford better houses, the absence of housing standards in rural areas or lack of their enforcement in peri-urban areas result in the construction of sub-standard houses. There is also a need to address the issue of acceptable housing standards in rural areas since the existing building standards used in urban areas are not compatible with the very low incomes of the poor.

The rapid rate of urban migration in search of employment has led to the mushrooming of sub-standard houses on SNL in a very haphazard and unplanned manner. The mushrooming of shabby structures on the outskirts of the country's major towns has skipped the control of local authorities and no one seems to have control or authority over the development of these areas. Moreover, due to the financial gains now attached to land in the outskirts of urban areas, farmland is being sold for the construction of houses and the remaining hectareage, if any, cannot be used for any meaningful and gainful farming activity. This situation has led to increased congestion, poor sanitation and a lot of hunger and malnutrition due to limited potential for income generation on the remaining portions of land. Another factor that has contributed to the congestion and unplanned housing development has also been inadequate synchrony in the location of industries, development of human settlements, and provision of social services. New

factories have been constructed without due consideration to the social services, infrastructure and welfare of workers.

Lack of title to land on SNL has not undermined the sense of ownership of and permanence on the land, which are necessary for anyone to construct a decent and permanent house. People who have money are constructing durable houses on SNL. Furthermore unequal access and rights on SNL has not necessarily dis-empowered women and unmarried men from constructing and owning houses. But most FHH are poor and with little land and as such, this is limiting the opportunities for women to cater for the housing needs of their families. Moreover, ineligibility of SNL as collateral for obtaining housing loans has denied access of funds to construct good quality houses.

The responsibility for providing adequate and decent houses is that of individual households. The role of government will be to provide an enabling environment through the provision of infrastructure where possible, policy formulation and enforcement, facilitation, and regulation of human settlements. Issues on increasing household income and improving land tenure systems are covered in Chapter 4 of this document.

7.2.2 Goal of improving housing conditions

The goal of the government is to ensure that every household has a decent, secure and affordable house, with proper sanitation facilities.

7.2.3 Strategies for Improving Housing Conditions

To enable households to construct and maintain the desired housing units, government shall:

- i. Review housing standards to promote construction of affordable and decent houses which will conform to norms of hygiene, safety, and environment;
- ii. Encourage the construction of low-cost quality housing that are affordable to the poor;
- iii. Design schemes that will assist the elderly and orphaned children to construct and live in good quality housing
- iv. Regulate and formulate laws that control the growth of sub-standard houses and unplanned human settlements in peri-urban areas;
- v. Improve rural conditions to reverse the rapid rate of migration and congestion in the cities;
- vi. Strengthen co-ordination among authorities responsible for regulating human resettlement and standards; and
- vii. Implement the land policy and enact laws that facilitate the access of women and unmarried men to land.

Matrix of strategic objectives, targets and priority actions on housing

Poverty Area	Key poverty problems	Strategic objectives	Target for poverty reduction	Programmes, Projects and Actions	Agency Responsible
Housing	Unsafe and poor quality of housing	<p>-To promote construction of affordable, decent, and secure housing</p> <p>-Regulate the growth of human settlements and provision of services in rural and peri-urban areas</p> <p>-Ensure access to land for housing purposes</p>	<p>Everyone particularly the vulnerable owning or living in decent and secure houses</p> <p>Living conditions and services well planned and in line with hygiene standards.</p> <p>Access to land for all who need to construct houses assured</p>	<p>-Review and enforce housing and construction standards in rural and peri -urban areas</p> <p>-Promote the design and construction of affordable and low-cost houses</p> <p>-Make or review existing bylaws to control the development of human settlements and set minimum housing standards in these areas.</p> <p>-strengthen co-ordination between Chiefs, City and Town Councils and MHUD and social service providers (water and electricity) in the regulation of human settlement.</p> <p>-Implement the Land policy and ensure access to land by women, young men and other vulnerable groups.</p>	<p>-MHUD</p> <p>-MHUD</p> <p>-Chiefs, City and Town Councils, MHUD</p> <p>-MNRE, MHUD, WSC, SEB, SPTC</p> <p>-MNRE, MOAC, MHUD, Chiefs</p>

7.3 Ensuring Sustainable Energy

Energy is an essential need in the lives of people. A strong correlation exists between sources of domestic energy and poverty. The SHIES 2001 shows that poverty prevalence is 71% among households using wood, paraffin and similar traditional sources of energy compared to only 26% among those using electricity and other sources of energy. However, the scarcity and cost of energy inhibits the development and sustainable livelihoods of the poor.

7.3.1 Sources of Domestic Energy

Poor households in Swaziland use various forms of energy but the majority of rural households use firewood whilst urban poor use paraffin (kerosene). LP Gas and, to a limited extent, electricity is also used by rural households. Even with the rural electrification programme, the poor in most cases do not afford electricity because even though it is a clean and convenient source of energy, it is nonetheless prohibitively expensive. In extreme cases especially in areas where firewood is scarce, rural households use dry cow dung and dry maize stalks. Firewood is no longer as readily available as it was in the past. Women and girls walk long distances to collect it, which increase with the depletion of woodlots due to overgrazing, annual bushfires and uncontrolled exploitation of forests. There are certain risks involved in using paraffin, coal, and wood. These forms of energy emit fumes which pose respiratory risks and are fire hazardous, particularly to young children and the elderly. The use of renewable energy (solar PV Systems) although more sustainable, is minimal, expensive and is susceptible to theft. It is therefore not yet widely used in the country.

As a result, prospects for fuel wood as a main source of domestic energy are steadily diminishing. Although indigenous forests cover an area of 652,000 hectares, this is dwindling due to deforestation caused by farming, development projects, and human settlements. Furthermore, forests are protected from community use as part of the Nature Reserves management initiatives. As natural forests get sparser the rural areas particularly in the Lowveld experience acute shortages of firewood. At the same time there is limited land for planting growing trees, which results in the shortage of firewood.

According to the National Energy Policy, in 1999 less than 5% of households in rural areas had access to electricity. It is estimated that 55% use firewood, 30% use paraffin, and 10 % use LP Gas. Of the 95% without electricity, 80% use wax candles for domestic lighting. At the national level, there was a significant shift towards the use of electricity between 1987 and 1997. Households using electricity increased from 9.6% in 1986 to 36% in 1997. Domestic consumers of electricity rose from 17,053 in 1991/92 to 31,282 in 2000/01. Users of wood fuel decreased

from 71% in 1986 to 60% in 1997. This change was associated with the past rapid economic growth. However, due to the fact that benefits of growth were not equitably distributed, the poor have remained unable to afford electricity and have relied on other sources for household energy.

Although renewable energy is desirable because of its efficiency, environmental benefits and health benefits, it is out of reach for the poor. Government has to promote the use of this type of energy because it has potential to boost SME development and supportive of the achievement of the other pillars. However, in order for rural electrification programme to make a positive impact on the lives of the poor, it has to be accessed in an affordable manner and the poor further be assisted to light their houses and generate income that will sustain their access to electricity.

7.3.2 Related Policy

The Ministry of Natural resources has drawn the National Energy Policy aimed at improving the accessibility of energy to all households at affordable prices. It places great importance on energy access, affordability and efficiency, whilst ensuring that due attention is given to environmental concerns. It seeks to ensure that all Swazis, especially those in rural areas, have a sustainable supply of energy through efforts such as reforestation, solar cookers and off-grid electricity. Some projects in this area have already started in certain parts of the country.

To complement the Energy Policy, the Ministry of Agriculture has also produced the National Forest Policy, which covers the management of natural forests and woodlots. It provides for the growing of eucalyptus trees that grow well in the Highveld and Middleveld of the country as well as growing of other drought resistant trees in the Lowveld. The policy not only deals with taking energy related infrastructure to even the most remote corners of Swaziland, but it also looks at other means of assistance such as through smart subsidies and targeting tax cuts to pro-poor energy appliances such as improved efficiency wood fuel stoves and higher quality paraffin stoves.

7.3.3 The Goal

Accordingly, the PRSAP goal is to ensure that all citizens of the country, more particularly the poor to have access to affordable, safe, sustainable, secure and environmentally friendly sources of energy for especially cooking and warmth, and latter for empowering them to start SMEs.

7.3.4 Strategies for Sustainable Energy Supply to the Poor

The strategies to achieve this goal will start with assuring the sustainable supply of indigenous sources of energy such as wood fuel to the poor while rapidly moving towards modern and

efficient sources such as electricity and other new renewable sources.

The following strategies shall be followed:

- i. Establishing community woodlots and individual tree growing through forestation and reforestation of available land
- ii. Ensuring access to woodlots in reserved areas for adjacent communities through controlled means for cooking and warmth;
- iii. Establishing local based forest management committees for the monitoring of natural resources
- iv. Diversifying the use of energy sources in a cost effective manner, moving away from traditional towards more sustainable energy sources.
- v. Implementing a proper resettlement policy to facilitate more efficient service delivery
- vi. Ensuring the supply of energy services in peri-urban areas
- vii. Provision of electricity at affordable prices to improve the rural household energy situation and to attract entrepreneurial activity to rural areas
- viii. Assisting poor households to access and sustain electricity and other forms of renewable energy

Matrix of Strategic Objectives, Targets and Priority Actions for Domestic Energy

Poverty Area	Key poverty problems	Strategic objectives	Target for poverty reduction	Programmes, Projects and Actions	Agency Responsible
	Insufficient and diminishing wood fuel	<ul style="list-style-type: none"> -To reduce depletion of woodlots -To preserve and sustain the environment 	Woodlots grown in every community by 2007	<ul style="list-style-type: none"> -Forestation and Reforestation -Establishment of community woodlots -Propagation and distribution of tree seedling to communities for forestation and reforestation -Undertake feasibility studies on the appropriate tree species for household energy in different areas of the country -Design mechanisms of enforcing the available Flora Protection Act 	<ul style="list-style-type: none"> -MOAC and Communities -MOAC & NGOs -MOAC MOAC & MNRE MOAC
	Reliance on unsafe energy sources	To diversify to safer forms of energy, primarily electricity	-More diverse forms of energy available to rural communities by 2007	<ul style="list-style-type: none"> -Expand and facilitate access to rural electrification programme -Research in new forms of energy -Follow up on the Rural Electrification Master Plan to be drawn by the Ministry of Natural Resources and Energy -Develop programmes promoting the utilisation of renewable energy resources 	<ul style="list-style-type: none"> -MNRE & MOAC -MNRE, MOAC SEB -MEPD, MOF & Communities -MNRE
	Unaffordability of modern sources of energy	To reduce the cost of new and renewable sources of energy: solar, electricity, biogases and bagasse.		<ul style="list-style-type: none"> -Study ways and means of reducing the cost of electricity in rural areas - Assist poor household to access and efficiently utilise electricity and other renewable forms of energy 	<ul style="list-style-type: none"> SEB MNRE

7.3.5 Legal Protection of the Poor

The underlying principle of modern government is that the law is an instrument for protecting the rights of all. Security of justice is fundamental to the issues of poverty reduction because the poor are less secure and privileged in most societies. While the basic rights are enshrined in the draft Constitution and it assured citizens of no-discrimination, enforcement of such rights is not easily achievable. Protection from violence, property grabbing, abuse of any form is an essential part of welfare and prosperity. Otherwise, the poor would never be able to accumulate assets and property and even break the cycle of poverty. Their property will most likely be taken away and they will be afraid to participate in the development of themselves and their communities if not guaranteed of same respect as the non-poor.

The realisation of these basic rights is also key to the advancement of a society in which men and women are equally able to achieve their full potential and take advantage of present and future opportunities. The universal aim and basis for the existence of socio-economic rights in the Bill of Rights is to protect a person's right to human dignity and justice as a fundamental value and right. The PRSAP aims to protect the rights of the poor and ensure that they are empowered to know them and to use them for their benefit and development.

The poor are often unaware of their basic human rights and fall victim of oppression by powerful and more informed groups. Even where the poor become aware of their rights, legal representation is too costly for them and their cases are rarely heard. Laws are also enacted by the elite and do not give due emphasis to the protection of the voiceless.

7.3.6 Obligation of Government

Government, whether in litigation, public advocacy or academic discourse, has a critical role in promoting and protecting the rights of everyone, including the poor and marginalised groups. Under the Covenant on Economics, Social and Cultural Rights State, parties are obliged to adopt appropriate legislative and other measures and utilise their maximum available resources to progressively achieve the realisation of the rights contained in the Covenant. The state has the duty to refrain from interfering directly or indirectly with the enjoyment of the rights in question, such as, deprivation of land where the land was the individual's physical means of securing the right to food. The state also has to prevent third parties from interfering in any way with the enjoyment of one's rights. Furthermore, the state will adopt necessary measures directed towards the full realisation of these rights.

7.3.7 Shortcomings in current laws

The legal system of Swaziland is currently fraught with many problems and shortcomings. There is lack of access to legal representation for the poor. Most of the laws in force are outdated and not relevant to the current situation prevailing in the country and some laws in use date back as far as 1902. The reigning legal framework - the 'Swazi Law and Custom', and 'Roman Dutch Common and Statutory Law' creates uncertainty with regards to the socio-economic rights of the people and the two regimes of law are constantly in conflict. Another great inhibiting factor is the non-codification of Swazi Law and Custom, which often causes legal confusion and misinterpretation. There are also laws that are discriminatory and inequitable, the main ones being the Marriage Act, the Maintenance Act, the Wills Act, the Age of Majority Act, the Administration of Estates Act and the Deeds Registry Act. These shortcomings in these laws have a negative impact on the country and in particular on the poor whose full participation in economic and social activities is kept below their potential due to the implications of these laws on their livelihoods.

Women and children are the most vulnerable group when it concerns legal protection. They are increasingly being abused and prevented from inheriting property from husbands and parents. There are widespread instances of property grabbing by relatives and physical and sexual abuse of children by extended family members, community members and care-takers. With abuse cases, there is reliance on old laws that do not take into account new forms of abuse and leave perpetrators free and children forever scared and never recovered. For instance, the Protection of Girls and Women Act is not comprehensive enough to protect girls and women let alone the boy-child, who may be subjected to similar forms of abuse of girl children.

7.3.8 Goal for Legal Protection

The goal of the PRSAP is to guarantee the legal protection of the poor in Swaziland. This goal entails ensuring that the law in force protects everyone and that in particular, the poor and vulnerable, have access to legal protection. The PRSAP calls for both the application of civil laws and Swazi Law and custom is harmonised to ensure that the legal framework in the country is conducive for the protection and promotion of the poor and vulnerable people's rights.

7.3.9 Strategic objective

The Government is committed to building a secure judiciary system founded upon the Constitution in which the rule of law, good governance and a Bill of Rights encompassing the socio-economic rights of the people will be respected. The government shall therefore reform the

existing judiciary system in order to ensure the preservation of the Constitution as the supreme law of the land. Ensure access by the poor to basic legal services; the protection of human rights and the rule of law; independence of the judiciary; that all people have the right to socio-economic rights; harmonisation of the modern and traditional legal system; accountability, transparency and dynamism in the application of the laws; and that information on legislation and human rights is readily available to the poor.

7.3.10 Strategies for legal protection

The law reform shall be augmented by the following strategies to ensure the legal protection for everyone, including the poor:

- i. Provision of free legal service to the poor;
- ii. Implement and enhance the capacity of human rights protection commissions as enshrined in the Constitution;
- iii. Build capacity of government legal institutions to enact, enforce and uphold the country's law;
- iv. Ensure the ratification and domestication of international human rights instruments that advocate for socio-economic rights of the people such as International Convention on Social and Cultural Rights;
- v. Finalise the codification process of Swazi law and Custom and harmonise it with current legal developments
- vi. update all laws to be in conformity with prevailing demands;
- vii. Harmonise Roman Dutch Common law with the Constitution, Swazi law and Custom and the laws of Swaziland;
- viii. Provide accessible information on human rights and legal protection services to the poor;
- ix. Conduct research and regularly review all laws to accommodate new legal developments in the environment of the country; and
- x. Ensure the respect of the rule of law and strengthen the capacity of all law enforcement agencies.

Matrix of Strategic Objectives, Targets and Priority Actions on Legal Protection

Poverty Area	Key poverty problems	Strategic objectives	Target for poverty reduction	Programmes, Projects and Actions	Agency Responsible
Human rights	-The poor lack knowledge of their rights	To educate the general public especially the poor about their basic rights	The poor informed of their human and legal rights	-Sensitise and educate the people on their constitutional and fundamental human rights enshrined in the constitution	Attorney General's Office
Legal Advice	-The poor lack legal representation	-To improve access to legal services -To protect human rights for all	Recruit and train more officers of the law	-Provision of free legal representation to the poor -Operationalise human rights protection commissions -Build capacity in all legal institutions -Provide legal education to communities -Establish a Human Rights and Constitutional Court	Attorney General's Office Ministry of Justice and Constitutional Affairs Ministry of Justice and Constitutional Affairs Attorney General's Office
The quality of law	-Most of the laws in force are outdated -Swazi Law and Custom and Roman Dutch Common and statutory law creates uncertainty and conflict -non-codification of Swazi Law and Custom often causing legal confusion -Discriminatory and inequitable laws	-To repeal all outdated laws -To harmonise all sources of law in the land -To complete codification of all customary laws and harmonise and synchronise them with others		-Repeal all obsolescent laws -Ratify and domesticate all international human rights instruments -Finalise the codification of Swazi Law and Custom -Create a database on all laws and review discriminatory laws	Ministry of Justice and Constitutional Affairs Attorney General's Office Attorney General's Office Ministry of Justice and Constitutional Affairs

CHAPTER 8: GOOD GOVERNANCE

8.1 The System of Governance

Swaziland adopted a system of governance that is characterised by an interaction between the traditional law and customs and western models of governance. Modelled on the Westminster system, the modern system is characterised by the existence of a bi-cameral Parliament consisting of the House of Assembly and Senate as well as a judiciary and an executive. These modern political and administrative structures have their electoral, appointive and operational legitimacy rooted in, and complemented by the traditional institutions of local governance-Tinkhundla. Swaziland is a developing country and is in the process of strengthening its organs of the state in search for a more effective and efficient system of modern governance.

The success of any government in addressing poverty issues is embedded largely on the governance practices in that country. If efforts to address these poverty issues are to succeed, the system of governance should be sound and founded on principles that effectively and efficiently respond to the needs of citizens. The basic principles of governance include participation, consensus building, accountability, transparency, responsiveness, effectiveness and efficiency, equitability, inclusiveness and adherence to the rule of law. This effectively means a system that ensures that service delivery is efficient, non-discriminatory and corruption is minimised, the views of minority groups are taken into account and that the voice of the most vulnerable in society participates in decision-making and rights protected. The process should also be responsive to the present and future needs of society, particularly the poor.

8.2 Definition of Good Governance

Good governance can be defined as the efficient, effective and accountable exercise of political, administrative and managerial authority at all levels of the human society to achieve the society's objectives; improve the welfare of the whole population to ensure sustainable economic and human development as well as personal freedom. In essence, this is a process through which economic, political and social decisions are made and implemented, in an effort to address priorities of the concerned country.

8.3 Promoting Good Governance

The preamble of the draft constitution of Swaziland recognises that it has become necessary to review the various constitutional documents, decrees, laws, customs and practices so as to promote good governance, the rule of law, respect for our institutions and the progressive development of the Swazi nation. Moreover, the draft constitution obligates the State to take all

action necessary to ensure that the national economy is managed in such a manner as to maximise the rate of economic development and to secure the maximum welfare, freedom and happiness of every person in Swaziland and to provide adequate means of livelihood and suitable employment and public assistance to the needy.

The Government of Swaziland is committed to creating an enabling environment for economic and social development and a framework for efficient delivery of services in an accountable, transparent and participatory manner. In this respect the draft constitution takes this into account and identifies the need to blend good institutions of traditional law and custom with those of open and democratic society in order to promote transparency, political, social, economic and cultural development of the nation. The accomplishment of this task rests in part on the improvement of government's organisational structures and functions as well as its ability to co-ordinate efforts towards a common goal, in this case, economic development, poverty reduction and improvement of the quality of life of all Swazis.

The PRSAP comes at a time when the country is in the process of formulating its Constitution. It is expected that the process of formulating the Constitution will lead to a supreme law of the land that reflects the framework for the attainment of the country's social and economic objectives in the challenging years ahead.

8.4 The Principle of Good Governance

Good governance is founded on the following set of principles:

8.4.1 Participation

The effective participation by both men and women is the cornerstone of good governance. Participation in any process can either be direct or through legitimate intermediate institutions or representatives. Effectively, such participation needs to be informed and organised. This means freedom of association and expression as well as an organised civil society. This guarantees an opportunity for the poor to voice their opinions on how their interests can be best addressed. It further ensures ownership of the programmes and projects from the planning up to the implementation stages. Further, it guarantees allocative efficiency in that; resources are allocated to priorities that directly meet the needs of the citizens that have participated in setting them.

8.4.2 Rule of Law

The rule of law is characterised by the elements of:

- i. Fair legal frameworks that are enforced impartially;
- ii. Impartial enforcement of laws, embedded on an independent judiciary;
- iii. Full protection of human rights, particularly those of minorities; and

- iv. An impartial and incorruptible police force. This is an important element in the fight against poverty, in that it ensures the protection and security of the populace as well as their properties.

8.4.3 Transparency

Transparency means that the economic, political and social decisions taken are enforced in such a manner that follows rules and regulations. It also means that information is freely available and directly accessible to those who will be affected by the enforcement of such decisions. It further means that sufficient information is provided and that it is provided in a manner that is easily understandable and through media that is easily accessible.

8.4.4 Responsiveness

Good governance requires that institutions and processes endeavour to serve the interests of all stakeholders within a reasonable time-frame. It further calls for a process that guarantees that programmes and projects undertaken have relevance to the needs and priorities of the populace and that institutions quickly respond to positive change in the laws and environment within which they work.

8.4.5 Consensus Orientation

Since there are several actors and as many view points in a given society, good governance requires mediation of different interests in order to reach broad consensus on what is the best interest of the whole community and how this can be served. It also requires a broad and long-term perspective on what is needed for sustainable human development and how to achieve the goals of such development. This can only result from healthy debates on those views leading to an understanding of the historical, cultural and social contexts of a given society or community and hence consensus.

8.4.6 Equity and Inclusiveness

A society's well-being depends on the assurance that all its members have a stake in its development and benefits and do not feel excluded from the mainstream development. This requires all groups, but particularly the most vulnerable to have an opportunity to participate in improving and/or maintaining their well-being.

8.4.7 Effectiveness and Efficiency

Good governance means that processes and institutions produce results that meet the needs of society while ensuring that those resources are put into the best use. The concept of efficiency in the context of good governance also covers the sustainable use of natural resources and the protection of the environment. In essence this means efficiently utilising the limited resources in a sustainable manner.

8.4.8 Accountability

Accountability is a key requirement of good governance. Not only governmental institutions but also the private sector and civil society organisations must be accountable to the public and to their constituencies. In general an organisation or an institution is accountable to those who will be affected by its decisions or actions. The principle of accountability cannot however be effectively enforced without transparency and the rule of law.

Swaziland has all the necessary institutions and regulatory framework for ensuring satisfactory attainment of the principles of Good Governance. Examples of these institutions are *Tinkhundla*, an elected Parliament, Public Accounts Committee, the People's Parliament (Libandla), Auditor General's Office, the Central Tender Board and an independent press. However, there is need to enhance the capacity of these institutions in order to ensure that they work more efficiently, effectively and interactively to eventually attain good governance. Also, there is need for political commitment to effect change and make critical decisions for ensuring good governance.

8.5 Ensuring Good Governance

8.5.1 Improving the Fiscal Position

With the increasing difficult fiscal environment, greater prudence and transparency in the use of public resources will be required. It is critical that accountability mechanisms are followed in all public institutions. For specific projects, especially capital investments, cost/benefit assessments will be critical to ensure that public resources are utilised efficiently. For social services, such as education, expenditure tracking studies will be critical in improving transparency and efficiency. Information on released government funds to various institutions will be made accessible through public documents and more transparency will be ensured through the regular publication of the allocation of resources made to regional and lower levels of administration. The MTEF as the government's budgetary framework will be continued and improved with pro-poor priority setting and budgeting.

8.5.2 Judicial System And Law Enforcement

Although in relative terms, personal security in Swaziland is considered good, there are signs of increased cases of crime particularly assault, robbery and stock theft. Serious cases have, for example, risen from 15,653 in 2000 to 18,356 in 2002. There is therefore need to strengthen the ability of the country's internal institutions for keeping law and order to detect and prevent crime early enough. Furthermore, in order to boost business and tourist confidence in the country there is need to strengthen the judiciary system and ensure co-operation and harmony between all arms of Government and traditional structures. In upholding the rule of the law and ensuring the protection of all-Swazi citizens, particularly the poor.

8.5.3 Anti- Corruption Measures

Misuse of public resources denies the poor access to services that are supposed to be delivered by the government. Corruption often involves victims paying bribes to receive what is otherwise a free or highly subsidised public service, for instance in the selection of beneficiaries of government bursaries. Similarly, when government officials inflate prices of government purchases, the poor forfeit the benefits of such expenditure. Corruption therefore misallocates resources and levies a private tax on the society.

Corruption and misappropriation of public funds has been widely reported in public institutions. In effect, this results in further impoverishment and perpetuates or increases income inequality. Government is aware of this practice and has in this respect established the Anti Corruption Commission and other institutions to handle this problem. During the period of the PRSAP, the capacity of these institutions will be strengthened in order to ensure that they function more efficiently.

8.5.4 Traditional And Modern Systems Of Governance

For an intensified enhancement of good governance, there is need to harmonise these two systems, the traditional and the modern. This should also address problems of interference by any of the two into issues that could best be addressed by either the traditional or the modern. Moreover, neither of these systems must be seen to be repressive or destructive to the lives of the citizens of Swaziland.

8.5.5 Local Government Institutions

Over the years, Local Government in Swaziland has referred to the municipalities (urban areas). In principle, local government institutions in the country are divided into two categories -

Tinkhundla/constituencies and the municipalities (urban areas). The 55 *Tinkhundla* are constituted by about 340 chiefdoms in the country, which are administered by chiefs on behalf of the King (the Ingwenyama). The *Tinkhundla* centres are meant to promote popular participation and draw from the needs of the people to assist government in service delivery and development planning. Therefore, they provide a forum for the making and implementation of political, economic and social decisions at the local level. These include, but are not limited to the electoral process, development activity, and delivery of government services at grass root level. Town and city councils on the other hand are meant to look into the social and economic development of the urban areas under their jurisdictions.

One major challenge is that there is no harmony between the two types of local government, which eventually affects the implementation of development, programmes within the areas covered by both an *Inkhundla* and town or city council and in the process, the poor are grossly affected.

However, section 219 (1) of the draft constitution provides for the 'Establishment of a single countrywide system of local government based on the *Tinkhundla* system of government hierarchically organised according to the volume or complexity of service rendered and integrated so as to avoid the urban/rural dichotomy'. From this provision, the two institutions of local government will be harmonised and have one common legal base for their establishment and definition.

8.5.6 Service Delivery/Decentralisation

In section 59 (2), the draft constitution provides that; " in the conduct of public affairs, the state shall be guided by the principle of decentralisation and the devolution of governmental functions and powers to the people at appropriate levels where the people can best manage and direct their own affairs." Section 81 (3) of the draft constitution further says; "The *Tinkhundla* units or areas inspired by the policy of decentralisation of state power are the engines of development and the central pillars underpinning the political organisation and economic infrastructure of the country through which social services to the different parts of the Swazi community are facilitated and delivered."

In accordance with the ongoing reforms, government has finalised a process of drafting a Local Government Reform and Decentralisation Policy, 2005. This Policy is founded on the following set of principles namely: subsidiary, empowerment, responsibility, self-reliance, partnership, connectivity, accountability, transparency, equity, inclusiveness, responsiveness, efficiency, effectiveness, participation, consensus building, democratic, representation and respect for the

rule of law. These principles will enhance the economic, social and political lives of the citizens.

This policy also addresses the identification of priorities, planning, budgeting and implementation at Tinkhundla level. Decentralised governance, improves service delivery because the beneficiaries are empowered to identify their priorities, rank these priorities, allocate resources according to those priorities, and spend most of the resources in their areas. For decentralisation to accomplish these fine objectives, the functions of priority setting, planning, budgeting and implementation will be devolved to the four regions and eventually to all the Tinkhundla Centres.

8.5.7 Capacity Building in Local Administration

Tinkhundla are facing a number of constraints that must be addressed before services can be fully decentralised and the decentralisation policy efficiently executed. First and foremost, there is little experience and capacity to manage development programmes within the Tinkhundla centres. There is need for manpower and skills development at Inkhundla level to manage especially the planning, budgeting, and financing of development programmes at that level.

Second, there is evidence of interference by chiefs in development initiatives, to the detriment of the poor. This would be corrected by constitutional demarcation of roles since the chiefs must also participate in governance. Third, in all the chiefdoms, men tend to dominate the traditional power structures. As such, the participation of women in the inner council and development committees is very minimal, if any, thus curtailing their role in key decision-making processes. In order for the Tinkhundla system to be effective, these issues need to be resolved.

Under a centralised system of governance, the poor hardly participate in the identification of priorities, planning and budgeting, and because of their exclusion; they often do not have a role in the implementation of these imposed projects (top-down). The presumption is that these projects belong to and are a responsibility of the government. They can also have unrealistic expectations because they are not involved in resource allocation among competing demands. The decentralisation policy is designed to address this problem and assure that the poor benefit from development initiatives.

The participation of the poor in development planning and implementation is essential if the interventions are to make an impact on poverty. The Participatory Poverty Assessment conducted in 1997 and the Tinkhundla Consultations undertaken by the Poverty Reduction Task Force in 2001 confirmed that communities appreciate and are ready to shoulder responsibilities under decentralised governance. As decentralisation is strengthened, all regions should be required to produce three-year regional development plans based on consultations and prioritisation among

chiefdoms and communities in each Inkhundla.

8.6 Challenges for Poverty Alleviation

8.6.1 Chieftaincy Disputes on succession and Boundaries

Developmental projects amongst the rural poor are often delayed if not completely abandoned because of disputes amongst chiefs regarding succession and boundaries. This is a governance matter that occurs due to lack of proper mapping and delineation of chieftaincy boundaries and unclear succession procedures. These shall be resolved by enshrining the borders and succession laws and procedures in the codified Swazi Law and Custom as well as in the Constitution and any other related law.

8.6.2 Women's Minority Status

The minority status (discussed in Chapter 6) that bars the participation of women in deliberations at community level is another issue of governance. The minority status of women (who form more than 52% of the population) both under the customary and modern laws limits the potential of more than half the population to participate fully in development and poverty alleviation. The minority status of women denies community's effective strategies and valuable contributions in resolving problems that affect them at this level. The subjugation of women disempowers them, thus reducing the welfare of their households and that of their communities. The draft constitution addresses the issue of women's minority status and its associated obstacles.

8.6.3 Authority to Conduct Business in Rural Areas

Licensing procedures are lengthy and prohibitive and are a barrier to Swazis operating businesses both in rural and urban areas. The involvement of Swaziland Commercial *Amadoda* (SCA) in the approval of trading licenses delays the processing of these licences and frustrates progress. The prerequisite of being a member of SCA before a businessperson can be allowed to establish a business in rural areas is too costly, very lengthy and discouraging. In cities and towns, informal trading by small traders is discouraged and highly regulated in favour of big business, the majority of which are foreign owned. This limits the number of people who can earn a living from trading and perpetuates poverty. In order to facilitate business development particularly in the rural areas, there is urgent need to review the licensing laws procedures

8.7 Goal for Improved Governance

The goal of the PRSAP for good governance is to attain an efficient and effective system of public sector management that facilitates effective and efficient service delivery and speedy attainment of the goals for poverty reduction.

8.7.1 Strategies for Improved Governance

In order to ensure sustainable human development and achieve the above-mentioned goal, specific actions towards achieving good governance need to be taken:

- i. Improve capacity in the civil service, equip and strengthen law and order institutions in order to improve law enforcement and uphold justice;
- ii. Allocate adequate resources for poverty reduction and track expenditures to ensure proper targeting and rightful beneficiaries
- iii. Equip and increase the capacity of Police to prevent crime;
- iv. Improve the capacity of institutions responsible for transparency and accountability in the public sector;
- v. Decentralisation of government services to regional and subsequently all Tinkhundla Centres for them to be accessed by everyone at lower cost;
- vi. Proper mapping and delineation of chieftaincy boundaries. The outcomes of delineation of boundary setting should be publicised through popular civic education exercises and/or gazette them for legitimacy;
- vii. Proper legal action should be taken against those who embezzle public funds;
- viii. Legislation should be enacted that removes women's minority status in Swazi society, thus allowing them to participate in all manner of governance;
- ix. Government shall provide facilities and opportunities necessary to enhance the welfare of women in order to enable them to realise their full potential and advancement;
- x. Simplify licensing laws and remove unnecessary procedures, like the requirement for membership in Swazi Commercial Amadoda.
- xi. Formulate policies that facilitate community participation;
- xii. Include and encourage community participation in every development endeavour;
- xiii. Improve and decentralise administrative powers and authority between local government and central government;
- xiv. Strengthen mechanisms for the decentralisation of power and decision making to ensure effective delegation and execution of national functions and duties;
- xv. Ascertain from the communities themselves how local authorities (particularly Tinkhundla, Chiefs and local councils) can be reformed to make them more accountable and responsive to the local needs;
- xvi. Create detailed integrated and systematic mechanisms for providing infrastructure to facilitate development at Tinkhundla centres; and
- xvii. Create structures and mechanisms for coordinating, monitoring, and evaluating development programmes at Tinkhundla centres.

Matrix of Strategic Objectives, Targets and Priority Actions for Good Governance

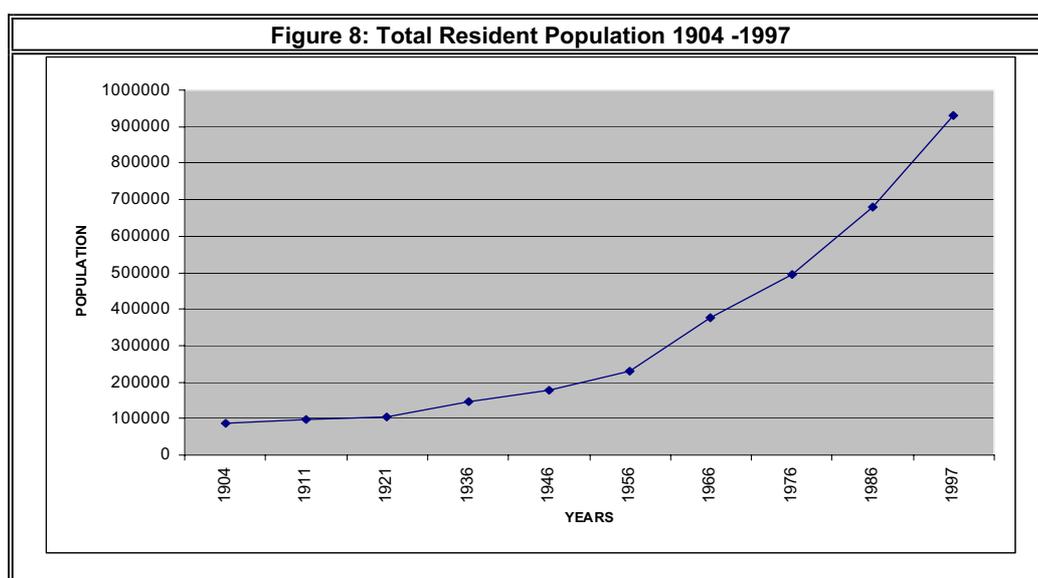
Poverty Area	Key poverty problems	Strategic objectives	Target for poverty reduction	Programmes, Projects and Actions	Agency Responsible
Delivery of public services to the poor	Over centralisation of public services	To bring services closer to the people and encourage pro-poor budgeting	Services decentralised to Tinkhundla level and Resource allocation and targeting based on the needs of the people by 2007	-Finalise the Decentralization Policy -Decentralise planning, budgeting and service delivery to Tinkhundla -Build capacity of Tinkhundla to provide basic services	DPM, all Govt Ministries
Capacity of Public sector institutions	Lack of capacity in public sector institutions	To empower and capacitate government institutions to function efficiently	Public service institutions having capacity to deliver services efficiently by 2007	-Train and redeploy public officers to Tinkhundla -Staffing, equipping and Training for Regional Offices and Tinkhundla Centres	MOPSI, All Govt Ministries & DPM
Project implementation	Delays in project implementation because of chieftaincy disputes	To eliminate chieftaincy disputes and expedite project implementation	Project implementation not hampered by chieftaincy disputes and clear boundaries set by 2007	-Map and delineate Chieftaincy boundaries -Encourage proper planning and coordination of projects in communities - Encourage community participation in project implementation	DPM
Corruption	Corruption in the public sector leading to deprivation and high cost of public services	To neutralise corruption in public sector	Corruption eliminated by 2007	-Take legal action and prosecute corrupt officials -Implement preventive methods of reducing corruption -Increase severity of punishment for corruption	MOJ, Auditor General, Police, Govt ministries, Public Accounts Committee
Public security	Rising crime rate	To reduce crime rate	Enforce the law fully immediately	-Train and equip Royal Swazi Police to enable it detect and prevent crime	RSP
Women's minority status	Lack of women participation in Inkhundla governance activities	To give women equal opportunities in promoting development at Inkhundla level	Repeal all discriminatory laws by 2006	-Repeal and review all discriminatory laws -Empower women on community participation and income generating activities	Attorney General's Office, MHA
Business development in Tinkhundla	Lengthy granting of business licences	To speed up the process of granting licences in rural areas	All Tinkhundla	-Transfer the authority for issuing licences to Tinkhundla centres - Simplify licensing procedures and review the role of Swazi Commercial Amadoda in business establishment	DPM and SEDCO, MEE

CHAPTER 9: CROSS CUTTING ISSUES

9.1 Population Issues

9.1.1 Population Dynamics

Understanding Swaziland's population characteristics and dynamics is important for development. It enriches the planning, policy making processes as well as crafting of interventions. Seventy % (70%) of the slightly over one million people of Swaziland reside in rural areas. Fifty four % (54%) of the population are children below 19 years and 3.1% consists of adults above the age of 64. The population growth rate was calculated at 2.9% in 1997 but it is estimated to have dropped to 2.1% as a consequence of the increase in mortality, decline in fertility and the HIV/AIDS pandemic. The most disturbing aspect of the Swazi population is the trend projected by social and demographic indicators, which are indicative of the quality of life of the average citizen. Sixty nine % (69%) of the population lives in poverty with about 48% living in absolute poverty; the distribution of income is highly skewed; more than 200,000 depend on food aid; an estimated 38.6% of the adult population is infected with HIV/AIDS; more than 30% of under-fives are stunted; more than 50% of the population are food insecure, unemployment is increasing; a lot of child-headed households have emerged; and teenage pregnancies have increased. These point to a fast deteriorating welfare status of the Swazi population and these developments happen to a country classified as lower middle income with a yearly GDP per capita of more than US\$ 1,000 for the past decade.



One of the dynamics of the population structure is the relationship between the population and with economic development and related factors, which influence mortality and fertility. It is expected that when a country develops, mortality and fertility will decline because the change in society's attitudes and behaviour in conformity with a modern standards. Some of these changes have taken place in Swaziland as the population growth has declined from 3.2% in 1986 to 2.9% in 1997. The TFR declined sharply from 6.4 in 1986 to 5.6 in 1991 to 4.5 in 1997 with the decline more pronounced in urban areas. Contraception use increased from 17% in 1988 to 34% in 1998 (although this is still low by international standards). The fertility decline is attributed to improved reproductive health interventions, child immunisation, education, primary health care, and until recently to HIV/AIDS as people delay and/or disregard having children.

Population density has increased from an average of 4.9 persons per square kilometre in 1904 to an average density to 54 persons per square kilometre in 1997, probably the densest it should reach under current social and economic circumstances. The increase in population was most rapid from the 1960s to the 1980s after which it slowed down to 2.9% per annum in 1997. Of great concern is the rapid growth of the disadvantaged population, which is estimated at about 756,000 people according to the SHIES 2001. On average the total population could double in the next 24 years if the current growth rates are maintained (the impact of HIV/AIDS not considered).

9.1.2 Population Structure and Characteristics

The Swazi population is predominantly young. People under the age of 19 account for 54% of the population. The population of children under 15 has grown from 33.6 % of the population in 1986 to 44.4% in 1997, and those above 64 years have decreased from 3.4% to 3.1% of the total population. The median age is 15.5 years. Consequently, the dependency ratio is 91.3 depicting a scenario whereby more than half of the population depend on someone else. Considering the very harsh economic conditions and high mortality rates resulting from the HIV/AIDS pandemic, the situation can only get worse. The latest survey results indicate a drop in fertility especially in urban areas contributing towards a drop in the number of new born babies and children under 4 years.

The implications of the population structure raise concerns of a likely population explosion by the end of the next decade. This will impose heavy social and economic demands particularly on education, health services, water and employment. The already economically active population (ready to be employed) increased from 48.8% in 1986 to 52.1% in 1997. An analysis of the population trends and the socio-economic developments clearly indicate a deterioration in the welfare status of the people of Swaziland.

Although the average fertility rate declined from 7.0 live births per woman in 1966 to 4.5 live births per woman in 1997, it is much higher among the poor. The high level among the poor is attributed to low-level use of contraceptives and teenage pregnancies. There is a growing trend of pregnancies amongst young girls 12-19 years and they contribute to 13% of total live births. The low levels of education, lack of access to information, culture and the dominance of males are major determining factors of family size. In addition, the family size is influenced by the socio-economic level of development of that particular region. Although awareness is improving family planning among the majority of the Swazi population, especially the poor of rural areas is still limited, The TFR is 5.1 for rural areas compared to 3.1 in urban areas.

Fertility rates and family size vary from region to region. Hhohho and Manzini have significantly lower fertility levels compared to Shiselweni and Lubombo. The average household size is highest in Lubombo at 6.5 and Shiselweni at 7.4, which unfortunately also happens to be the poorest region. Paradoxically, the poor tend to have the largest family sizes, which they are not in position to sustain. According to the 1997 census there was significant growth in the number of Female Headed Households (FHH) as more children are born out-of-wedlock. FHH account for 43% of all households, which underlies the need to empower women in all aspects of their lives, especially in determining their family size, owning and controlling factors of production.

The last three censuses indicated a rapid increase in longevity in Swaziland, with the life expectancy rising from 50 years in 1976 to 60 years in 1986 and 63 years in 1997. But latest estimates suggest a drastic drop to 39 years when HIV/AIDS is factored in. The crude death rate declined from 18.5 per 1,000 in 1976 to 7.6 per 1,000 in 1997. Under-five child mortality rate also declined from 221 per 1,000 live births in 1976 to 139 per 1000 live births in 1986 and a further 88 per 1000 per live births in 1997. The impressive gains of the past seem to have been reversed by the impact of HIV/AIDS. Levels of mortality and morbidity are believed to have increased in the past few years and HIV/AIDS has particularly brought about a generation of orphans relying on aging and very poor g Rand parents, all of whom are at the risk of deepening poverty.

The distribution of the rural population among the four regions of the country is uneven, with Manzini accounting for the highest %age (31%) and Lubombo the least (19%). Hhohho and Shiselweni each account for 25% of the rural Swazi population. The migration of people between regions is relatively low; however it is very high between rural and urban areas as people search for job opportunities and a means of earning a living.

There has been a considerable increase in the rate of urbanisation in the last thirty years, from 14.2% to 23%. More than half of the urban population is concentrated in the two cities of Mbabane and Manzini leading particularly to urban unemployment, emergence of unplanned for

human settlements which have no provision for public infrastructure and services, are infested with crime and street children.

9.1.3 Economic Impact of Population Dynamics

In order to reduce poverty, it is crucial that there is a positive relationship between economic growth, re-distributive policies and equitable service delivery. There is evidence to suggest that poverty perpetuates poor health, gender inequality and population growth. There is further evidence to the effect that countries with lower fertility and population growth have higher productivity, savings and investment which results in high economic growth. Swaziland has to give priority to addressing these population issues and their interdependence with poverty.

For a number of years, population growth rates have not been in tandem with the rate of economic growth. This has translated into poor services, declining incomes and falling living standards of the population. Even though fertility is declining nationally, for the rural people it remains high, thus worsening their poverty situation. Big families impose a heavy burden on poor households limiting opportunities for education and economical independence. Lack of education implies increased poverty and a cycle of poverty for future generations of the household. Swaziland has an average literacy rate of 81% but in rural areas about 22% have never been to school compared to only 9.8% in urban areas. The Swazi nation now faces the serious challenge of rapid population growth against the backdrop of slow economic growth, shrinking SNL available to each household on SNL, reduced food production, rising costs of government social services, mismatching employment opportunities, rising number of vulnerable groups especially orphans and a growing number of out-of-school children.

The increasing population density is evidence that land resources are becoming scarce. This hinders the distribution of land for profitable investment and the growing of sufficient food. Considering that only 11% of Swaziland is arable land, the increase in population has increasingly translated into diminishing average size of household plots to less than 1.8ha on Swazi Nation Land. As the plots increasingly get smaller and inadequate to provide for all food and non-food needs, the poverty situation of the households relying on traditional land use technology and rain-fed agriculture worsens.

9.1.4 The Policy Environment

The government of Swaziland has already formulated a national population policy. The vision is to have a nation which is healthy, prosperous and economically empowered in such a way that population dynamics are consistent with sustainable development. The policy provides a

framework for managing the trend and reshaping the characteristics of the population. Under the Poverty Reduction Strategy and Action Plan, the government will adopt these policies in order to address the special needs of the poor segment of the population. The actions identified in the PRSAP are particularly aimed at reversing imbalances between the dynamics of the population expansion on one hand and the requirements for the desired improvement in the quality of life of the poor on the other. These remedial actions oscillate around right-sizing.

9.1.5 Strategic Objective

The strategic objective of the Poverty Reduction Strategy and Action Plan is therefore to match population growth with factors that determine socially acceptable standards of the quality of life of the population. The underlying principle is that economic development and other related factors should influence the quality of life and provide equitable access to services and resultantly all citizens should have an improved life. Inevitably, population growth will slow down and stabilize at the level commensurate with sustainable development. On its part, the government shall pursue the following mutually supportive strategic objectives with a sharp focus on the poor segments of the Swazi population:

- i. To reduce fertility rates particularly among the poor segments of the population
- ii. To reduce infant and child mortality
- iii. To curb illegal immigration
- iv. To promote full access to basic health and social welfare services by the poor segments of the population
- v. To promote equitable access to natural resources by the poor segments of the population so as to meet their basic needs on a sustainable basis.

9.1.6 The Goal for Population

To ensure that population growth is commensurate with economic growth and that the people of Swaziland should attain a good quality of life

9.1.7 Strategies for Population Right-Sizing

To achieve the above goal, the participation of every man and woman will be decisive. The population needs to be empowered with the knowledge and a practical environment within which they can exercise the freedom to raise families they can afford, be conscious of national and household resources required to maintain a desired level of living standards. Such standards should be in tandem with the capacity of the economy to afford and sustain expectations of a modern society.

During the PRSAP, government will pursue the following targets, some of which are identical to those identified in the Population Policy:

- i. Reduce population growth from the current level of 2.9% per annum to 2% per annum
- ii. Increase the average life expectancy from 60 years in 1997 to 65 years
- iii. Reduce fertility rate from 4.5 live births per woman in 1997 to 3.0
- iv. Reduce infant mortality from 78 per thousand live births in 1997 to 60
- v. Reduce under-five mortality from 88 per thousand live births in 1997 to 80
- vi. Reduce maternal mortality from 229 per one hundred thousand live births to 120
- vii. Increase the contraceptive prevalence from 34% in 1998 to 65%

Under the PRSAP the government will continue existing strategies and initiate new ones focused on the poor in the following broad areas:

- i. Intensify the fight against HIV/AIDS;
- ii. Promote reproductive health services and family planning programmes to reduce fertility;
- iii. Establish community based delivery of contraceptives;
- iv. Encourage programmes for male participation in family planning activities;
- v. Promote sterilisation as method to control family size;
- vi. Strengthening programmes reducing teenage pregnancy;
- vii. Empower women to take decisions concerning their reproductive health;
- viii. Improve basic health to reduce morbidity and mortality;
- ix. Strengthen border immigration controls. Improve access to natural resources particularly land;
- x. Ensure more frequent availability of data on population and poverty; and
- xi. Scale up the Integrated Management of Child Illnesses Programme

Matrix of Strategic Objectives, Targets and Priority Actions for Population Right Sizing

Poverty Area	Poverty Problem	Policy Objective	Target	Strategies and Activities	Agency
Population growth	-Incompatibility of population growth with available resources	-To reduce fertility rates	-Reduce population growth rate to 2% by 2022 -Reduce fertility to 3 live births by 2022 -Increase contraceptive prevalence to 65% by 2006	-Creation of awareness among the poor men and women, about the benefits of small families through Educational campaigns in rural areas -Increased availability of affordable family planning services and supply of sufficient contraceptives in rural areas -Enhancing the role of women in family size decisions -Review and strengthen legislation about immigration control -Develop targeted IEC material on population control and nutrition	-MOHSW, NGOs -MOHSW -MOHSW -Ministry of Home Affairs
	-Poor quality of the population	-To curb unsustainable immigration -To ensure that the population of Swaziland is well nourished and provided for socially and economically. -To reduce infant and child mortality -To promote access by the poor segments of the population to basic health services	-Reduce infant mortality to 60 per thousand live births by 2008 Reduce under-five mortality to 80 per thousand live births by 2008	-Conduct detailed demographic surveys and monitor population growth and demographic trends regularly. -Review school curriculum and introduce family education in schools -Increase the level of social spending and improve access to basic health care and improve nutrition	-MOHSW -CSO -MOE -MEPD/MOF MHSW

9.2. Environment

9.2.1. Environment and Poverty

The environment serves two main functions; waste assimilation and the provision of natural resources. Due to the importance of these functions in all sectors of the economy, environment is a cross cutting issue. By virtue of where they live and work, the poor depend on the environment. Fertile land and favourable climatic conditions are, for instance, a prerequisite for food security. When soil fertility declines or climatic conditions are unfavourable the poor become poorer. Other natural resources important for the sustainable livelihood of the poor are clean water; wood for cooking, heating and construction of dwellings; herbal plants; vegetation for grazing animals; rain and sunshine for agriculture and others. When water and wood for fuel are nearby, less time is spent collecting these, thus allowing time for women and children to engage in other activities such as going to school, doing homework or attending to other responsibilities.

In order to ensure sustainable livelihoods and in the process reduce poverty, it is very critical that all the environmental concerns faced by the country are addressed in a sustainable manner. The poor depend on the environment and natural resources for their survival, therefore any meaningful poverty reduction strategy will have to address issues related to the environment. Three of the most critical environmental problems in Swaziland are soil erosion, deforestation and forest degradation (including both actual loss of trees and the changing composition and structure); and water and air pollution. One of the major causes of these problems is the lack of enforcement of environmental laws, the increasing resident population, which has been accompanied by the unsustainable exploitation of natural resources, overgrazing on communal lands increasing urbanisation and diminishing farm size. In turn, this has mounted pressure on Swaziland's natural resources. Land, water, woods and natural forests have become very scarce, leading to land fragmentation, overcrowded human settlements, soil erosion and water contamination.

The Government has taken a leading role in addressing and mainstreaming environmental concerns. In the National Development Strategy (NDS), Government called for the full integration of environmental management and development planning; the establishment of a national environmental mechanism for ensuring that environmental priorities of national planning are observed and sought after; enforcement of all environmental laws; and prevention of soil erosion.

Government has accordingly put in place institutions charged with policy formulation, enforcement of environmental laws, bylaws, and norms, and providing advice and/or assistance during crises. Prominent among these institutions are the Ministry of Tourism, Environment and

Communications – under which the SEA falls; the MNRE; the Department of Environmental Health in MoHSW; MOAC; the Office of the DPM; and the National Disaster Task Force.

Working together, these agencies have formulated sectoral policies and plan to manage different aspects of the environment falling under their mandate. Some of these initiatives include:

- i. The National Environment Strategy 2000;
- ii. The National Environment Policy;
- iii. National Environmental Health Policy;
- iv. The National Energy Policy;
- v. Swaziland Environment Action Plan (1997);
- vi. Swaziland Environment Action Plan Implementation Support Programme;
- vii. National Land Policy;
- viii. National Biodiversity Strategy;
- ix. National Biodiversity Strategy and Action Plan;
- x. Forest Policy and Legislation, and
- xi. Solid Waste Management Strategy.

Government is implementing a policy whereby all new projects, both public and private, are subjected to scrutiny in terms of their possible impact on the environment. In addition, there is close monitoring of ongoing operations to ensure that they also comply with the set environmental standard.

9.2.2 Persisting Environmental Challenges

In spite of the above initiatives, Swaziland faces daunting environmental challenges, which have direct and indirect effect on the levels of poverty. The PRSAP puts priority on environmental health (covering water, air pollution, and solid waste management); rapid land degradation; deforestation; and invasive alien plant species. These issues should receive attention as a matter of priority and are discussed below.

9.2.2.1 Environmental Health

The National Environmental Health Policy prepared by MoHSW, identifies about 37 environmental health issues, which include water pollution, excreta disposal, urban sewerage treatment, hazardous and toxic liquid and solid waste management, vector and vermin control, air pollution, emergency preparedness and response, as well as environmental health legislation.

Water and air pollution and poor sanitation have been identified as the most serious among these problems and one that affects the poor proportionately more than other groups. Water

contamination occurs when floods and ordinary rainwater sweep away shallow pit latrines and drain human excreta into rivers and canals. Water may also be contaminated through humans sharing of water sources with animals. The use of shallow pit latrines, buckets and the bush as toilet facilities is therefore a big health hazard that must be addressed with urgency. Another critical problem that has emerged due to the overcrowded human settlements in the outskirts of urban areas is that of poor sanitation, unplanned housing and infrastructure, and no farmland for the people who live in these areas. This exacerbates the poverty problem and contributes to the problems of disease and malnutrition.

The most recent phenomenon has been a marked increase in the environmental contamination caused by industrial waste.

9.2.2.2 Pressure on Land Resources

The pressure on the land has more than doubled with the increase in the human and cattle population density. The increase underscores the increasing pressure on land, whose sustainable conservation is therefore very critical, more especially for the poor who depend entirely on land for their livelihood.

Traditional land use, especially communal land ownership and grazing, are no longer sustainable. Overgrazing has increased on communal land; encroaching on arable land and causing soil erosion. The increasing pressure on the land is at times manifesting through conflict between those who represent conservation and communities neighbouring conservation areas such as parks. Lives, often of poor people have been lost at the hands of game rangers who refuse them access to natural resources within and outside the boundaries of game reserves. These game rangers allegedly have a right to torture and “shoot to kill” people in the name of protecting wild life. The situation has reached such an extent that the poor are even refused access to their own fields and are virtually at the mercy of game rangers to meet their basic needs of firewood, herbs, fish and relish. Apparently the law protects wildlife at the expense of human lives, especially the lives of the poor.

9.2.2.3 Deforestation

Deforestation has occurred mainly through the felling of trees for firewood, building material, fencing, medicinal use, handicraft and forest clearing for ploughing fields, homestead building, road construction, etc. It appears that the cutting of trees for a change in land use has contributed

the most to the deforestation problem. Natural woodland has diminished resulting in the high cost of fuel wood and an increase in time travelled to collect free communal fuel wood. The depletion of vegetation cover has generally increased soil erosion, permitted loss of soil moisture, and reduced the productivity of the land. The poor themselves contribute to the problem as the tough economic situation has pushed them into an unsustainable harvesting of firewood, which at times involves the felling of green trees. The PRSAP will therefore focus on more sustainable ways of ensuring the availability of fuel wood.

9.2.2.4 Alien Plant Species Invasion

Alien plants that have a negative impact on local fauna and flora are invading the country. The biggest challenge in alien plants is the chromolaena odorata plant (known locally as sandanezwe or wandile), which has reached alarming proportions. Since invading Swaziland, the plant has destroyed grazing areas, dried up watersheds and destroyed other vegetation and crops especially in the eastern part of the country. Two government ranches have since closed down as a result of the plant. This threatens the livelihoods of the poor in particular who depend of the natural resources around them to sustain their livelihoods. A lasting solution for eradicating wandile is necessary for sustainable poverty reduction.

9.2.3 Goal for Environmental Conservation

The Government's goal on environment is to restore and conserve Swaziland's environmental resources for the present and future generations; and is support of the other sectoral developments.

9.2.4 Strategic objective for environmental protection

The government is guided by the principle of sustainable development whereby Swaziland's natural resources are used to satisfy current developmental needs without depriving future generations the ability to satisfy their own. The PRSAP recognises that a number of initiatives aimed at protecting the environment are ongoing as part of the international and local agenda. A particular focus of the PRSAP will be on ensuring that the special position and needs of the poor are adequately addressed in the broader environment agenda. This calls for urgent strategies and actions to improve on the environmental problems that are of particular concern to the poor. This includes access to water and sanitation, reducing the pollution of water sources through effluent disposal mainly from industry, avoiding sharing water points with animals, reducing land degradation, reducing forest depletion and degradation, and controlling evasive alien plants

species.

In pursuit of the above goal, the government will be guided by the following objectives, which are also embodied in existing programmes and policy documents:

- i. To use the country's natural resource endowments including land, water, forest in a sustainable manner for the benefit of the present and future generations with emphasis on the poor;
- ii. To reduce water and air pollution and contamination resulting from the disposal of unhygienic domestic and industrial waste, and other activities;
- iii. To improve the poor's access to safe sources of drinking water;
- iv. To conserve and promote the country's rich bio-diversity for the benefit of all people of Swaziland through e.g., eco-tourism;
- v. To build capacity to manage environment, collect information, design projects, enforce preventive measures in all government ministries and other stakeholder institutions

9.2.5 Strategies for improving environmental health

The following strategies will be implemented to improve environmental health:-

- i. Supporting the passing of the Public Health Bill into an Act;
- ii. Adherence to the "polluter pays" principle. This will involve, at all stages, shifting the cost of pollution to the polluter through fiscal and other regulatory measures;
- iii. Building the capacity in government to monitor environmental health damage;
- iv. Promotion of information, education and communication for all stakeholders;
- v. Balancing population growth with environmental resource conservation. This will involve implementing elements of the Population Policy that will moderate population growth, with emphasis on rural areas; and
- vi. Formulate laws and acceptable standards for human settlements in peri-urban areas.

9.2.6 Strategies for waste management

Waste management will be improved through the following strategies:

- i. Research ways of minimising the generation of waste and recycling it for reuse;
- ii. Building the capacity to monitor environmental damage;
- iii. Promotion of Information, education and communication for all stakeholders in waste management; and
- iv. Promotion of public awareness about waste management.

9.2.7 Strategies for reversing land degradation

The reversal of land degradation will be achieved using the following strategies:-

- i. Building the capacity to monitor environmental damage particularly soil erosion;

- ii. Promotion of information, education and communication for all stakeholders particularly those relying on communal grazing;
- iii. Promotion of public awareness about land degradation;
- iv. Regulation of unsustainable communal use of natural resources, in accordance with recommendations of the draft Land Policy and modern animal husbandry and agricultural practices
- v. Balancing population growth with environmental resource conservation. This will involve implementing elements of the Population Policy that will moderate population growth, with emphasis on rural areas.
- vi. Promotion of intensive animal husbandry practices and promotion of the growing of feed and fodder.

9.2.8 Strategies for conserving forests and wood land

The following strategies will be used to conserve forest cover and woodland:-

- i. Bringing the responsibility for environment management to the local level through supporting the formation of Natural Resources Committees (NRCs) as envisaged in the Forestry Policy;
- ii. Strengthening, implementing and enforcing all existing laws and bylaws relating to all aspects of environmental conservation with particular regard to the country's natural forests and woodland;
- iii. Promotion and popularisation of the use of energy saving and fuel-efficient methods of cooking, heating and lighting. This would be achieved through appropriate partnerships with industry that produce some of these technologies;
- iv. Promotion, development and use of affordable sustainable new forms of energy (such as solar, wind, micro-hydro systems etc);
- v. Promotion of public awareness on forest and woodland protection;
- vi. Supporting initiatives that aim to reverse deforestation such as afforestation;
- vii. Balancing population growth with environmental resource conservation. This will involve implementing elements of the Population Policy that will moderate population growth, with emphasis on rural areas.

9.2.9 Strategies to combat invasive alien plant species

Invasive plants will be curbed through the following strategies:

- i. Supporting ongoing efforts aimed at the eradication of the plant through feasible cost-effective methods;
- ii. Promotion of public awareness about invasive alien plants.

Matrix of Strategic Objectives, Targets and Priority Actions for Environment Conservation

Poverty Area	Key poverty problems	Strategic objectives	Target for poverty reduction	Programmes, Projects and Actions	Agency Responsible
Environmental health	<p>-Water contamination from human waste</p> <p>-Water contamination from animal use</p> <p>-Water contamination from industrial waste</p> <p>-Air pollution</p> <p>-Inefficient solid waste management</p>	To protect water, rivers, and air from contamination	A safe and pollution free environment maintained by 2008	<p>-Require each household to at least possess an ventilated pit latrine</p> <p>-Properly plan human settlements in cities, peri-urban and rural areas in order to avoid sanitation and environmental health problems.</p> <p>-Provide safe domestic water supply</p> <p>-Legislate and enforce industrial pollution and enforce laws</p> <p>-Control importation of toxic material</p> <p>-Establish and enforce gas emission standards</p> <p>-Undertake research in to waste management methods and increase public awareness on solid waste management.</p> <p>-Enforce existing solid waste management regulations</p> <p>Ratify Stockholm Convention on phasing out Incinerators</p> <p>Develop industrial and domestic waste standards</p>	<p>DPM, MHSW, communities</p> <p>-MHUD, Chiefs, City Councils, MHSW</p> <p>-RWSB, WSC</p> <p>MEE, SEA & Attorney General</p> <p>SEA</p> <p>MHUD, MNRE, SEA, City and Town Councils</p> <p>SEA</p> <p>Ministry of Natural Resources and Energy, SEA</p> <p>SEA, MHSW and MEE</p>
Land management	Land degradation	To use land resources sustainably and limit overgrazing, deforestation and soil erosion	Land properly used and conserved	<p>-Conduct education campaigns on range management</p> <p>-Implement sustainable ways of livestock farming</p> <p>-Encourage the planting of trees and avoid deforestation</p> <p>-Research in to energy saving methods for domestic energy use.</p>	MOAC, MNRE, SEA

				-Enact and enforce law against bush burning	
Conservation	Depletion of natural resources and degradation of the environment	To conserve and promote the country's biodiversity and ensure environmental conservation	The country's bio-diversity and natural resources properly managed and conserved for future generations	-Enact and enforce all laws that legislate against environmental degradation. -Promote efficient management and use of natural resources. -Encourage non-depleting economic activity such as eco-tourism and community tourism to benefit poor households and communities living in endowed areas. -Ensure that a balance is maintained between population growth and environmental resource conservation.	
Alien plants	Invasion of alien and destructive flora	To eliminate invasive alien plants	All harmful alien plants eliminated by 2006	-Research and implement ways of eradicating invasive alien plants	MOAC, MNRE, SEA, communities
Co-ordination	Lack of co-ordination among agencies in charge of environment management	To improve the efficiency of all agencies involved in managing environment preservation	All agencies engaged in environmental conservation	Establish a multi-sectoral standing committee to co-ordinate environmental issues	Ministry of Natural Resources and Energy, SEA, Agriculture and Forestry, Health and Social Welfare DPM's Office, National Disaster Task Force
Monitoring	Lack of monitoring environmental change	To monitor environmental change		Establish laboratories to monitor environment change	Ministry of Natural Resources and Energy, SEA, Agriculture and Forestry, Health and Social Welfare
Awareness	Lack of public awareness	To increase people's awareness of environment		Conduct awareness programmes	Ministry of Natural Resources and Energy, SEA, Agriculture and Forestry, Health and Social Welfare

9.3. Gender Equality

Poverty reduction is about improving the lives of all people and especially the disadvantaged. Evidence has shown that not all people are equal and it is not automatic that benefits from the state and economic growth or any other dispensation equitably reach the whole population unless distributive mechanisms are considered and certain groups are deliberately empowered. Women and children in Swaziland are the most disadvantaged and form the majority of the poor and deprived. Therefore, for the country to successfully achieve the objective of reducing poverty, it is important that no one is left out. It will be absurd to consider that a section of Swazi society can surely be flourishing and happy, when a far greater part of the members are poor and miserable. About 69% of the Swazi population consisting of poor men, women, boys and girls are deprived of the recognition of their capabilities, interests, aspirations, rights, responsibilities and roles. This is against the key objectives reflected in the pillars of the PRSAP, NDS and MDG's.

Poverty has a gender dimension as men and women, boys and girls experience it differently. There are huge disparities between men and women and these become clear when viewed from the relationships that exist, institutions and ideologies that govern rights, entitlements and capabilities of these people. There are barriers embedded in the legal framework, culture, religion, attitudes that prevent women and girls from achieving their true potential. Understanding the gender dynamics of poverty reveal the power relations within society and the factors that shape the distribution of income, assets and work. Such practices are affected by social norms configure the differential access to opportunities and resources that men and women have inside and outside the household.

Women in Swaziland suffer the worst of deprivation and poor livelihoods, rudimentary or lack of labour saving technology, human deprivation in terms of vulnerability to ill health, limited or no education at all, political disempowerment, lack of rights, voicelessness, socio-cultural disadvantages, low social status, abuse, and the lack of protection from risks domestic violence and vulnerability.

9.3.1 Inequalities in Poverty

Statistics reveal a worsening trend between 1995 and 2001 showing marked disparities in the distribution of assets and income. Inequalities are just as high in urban areas as they are in rural areas. The incidence of poverty among FHH, is estimated to be double that of MHH. It is argued that FHH have less than average land holdings, are less educated, do not produce enough to eat and are thus more prone to poverty than MHH. There is also a growing incidence of CHH averaging about 10% of the total households. This is largely a consequence of the HIV/AIDS

pandemic. The fundamental differences in the ownership of assets as well as the huge discrepancies in the decision making-process intensify the cyclical nature of poverty.

52% of the population consists of children and the proportion of females to males is 53% to 47%. About 70% of the population lives in rural areas where it is estimated that 84% is poor. Although it is not a deliberate government policy to discriminate against certain groups, there is enough evidence to show that the scales are not balanced between the sexes. Swazi females/women face numerous discriminatory challenges. A brief glance at the socio economic, political, cultural and legal environment reveal the dynamics that have an influence on the current gender relations, roles, responsibilities and rights in the private and public sphere. These, thereafter, have a negative impact on the lives of women as compared to men.

Considering that women in Swaziland constitute 53% of the total population, it is unfortunate that practices inhibit them from participating in the development process, denying Swaziland the potential output of more than 50% of its human resource. Women have the potential to substantially contribute to national income if they have equal opportunities. They could also generate proportionate income and contribute to the welfare of their own households, thus reducing poverty.

Even though on the surface the situation looks normal, Swazi women tend not to have equal opportunities to their male counterparts. Women are less likely to find jobs, are rarely in senior management and leadership positions. Only 31% of the population is employed and this represents 39.6% males and 23.5% females. They have the “no-property-ownership” rights so cannot use assets to raise financial capital. They do not have property rights to their deceased husbands’ property and assets, and have no right to acquire land. They are the weak parties in domestic violence and are very often the victims. For poor families preference is given to boy’s education when the hard choice has to be made. Women have very little access to information and cannot make informed decisions concerning their lives. They have little say on the use of family income even when they toil for it through agriculture and other farm activities.

9.3.2 Income Generation

Not all women are active economically. According to the 1997 population census report, 31.8% of women are economically active and the rest are not with at least 28% engaged in housekeeping activities, taking care of the home and family. The importance of women’s participation in the economic process comes to be appreciated when they have to head households. In spite of the disadvantages that women face, women headed households are expected to fend for their households. Almost 43.2% of households are headed by women and of these only 41.7% are

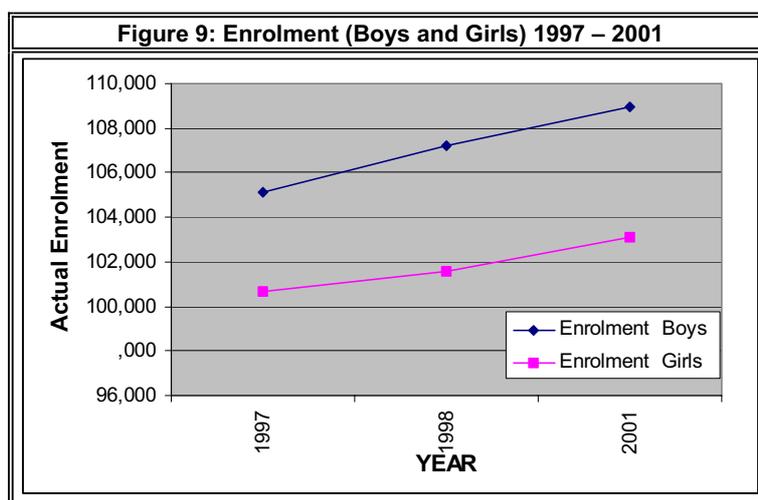
economically active compared to 75.9% in the case of MHH. Of the 58.3% economically inactive heads, 73.2% are widowed and 67% have children. A majority of these households are located in the rural areas. Considering their limited access to assets, employment and lack of influence in society, the households they head tend to be the poorest. This calls for a serious consideration of supporting the development of the informal sector in terms of policy and resources.

9.3.3 Gender and Education

Primary school enrolment is almost equal for boys and girls, but there has been a shift in favour of boys' education. The high expectations parents have for the boy child, puts emphasis on boy's education despite the child's capabilities. The tendency is to spend more money on the boy child because of the belief that when the boy child is successful he will feed the family while the girl will get married and go and live with her husband and in-laws. This belief has led to most girls lacking the skills and abilities to cope with life yet when they grow up they bear the burden of taking care of families the most. At secondary school level, the ratio of girls to boys is equal. One possible reason for this difference could be that the poor are the ones faced with the choice of withdrawing or not sending girls to school, and are more likely to be sending their children to primary rather than secondary school because of the associated high cost. A comparison of enrolment at primary school indicates that some children drop out and never continue to secondary schools. In most cases these are children living in poverty and there are many other children unable to go to school due to poverty. About 23% of school going children (both page boys and girls) never get to school (SPVCO

Implementation Manual, 2002). These children that will grow to be illiterate adults, unable to find jobs, and will find it harder to appreciate the opportunity cost of not sending their own children to

school. Statistics show that more boys than girls are enrolled in primary school.



The gender implication here is that girls that do not go to school or complete their education will either be illiterate or semi-literate parents. 14.7% of women had had no education at all compared to 13.9% for males. Illiterate mothers are particularly less able to find competitive jobs, look after their own health, choose what to eat, look after their children, cope with childhood growth, and informal education at home. Unfortunately, the children grow under poverty circumstances and the ability to break the cycle is very difficult. The poverty goes through many generations.

9.3.4 Health, HIV/AIDS and Gender

Life expectancy in Swaziland is 58 years (has been reduced to about 39 years when taking into account the impact of HIV/AIDS), while infant mortality rates show a decline from 99 per 1000 in 1986 to 78 per 1000 in 1997 and only to increase to 87 per 1000 live births in 2000.

Statistics show the fertility is high among the poor with the total fertility rate of 4.5 but averaging 5.1 in rural areas compared to 3.2 in urban areas. The 20 – 24 age group is the most productive and is now showing a growing trend of teenage pregnancies. Teenagers contribute about 13 % of births, which is quite significant. The sad thing to note is that the use of contraception is low especially in rural areas whereby women are expected to get their partners consent. Although fertility is influenced by a number of factors, education is the most important. The average number of children for uneducated mothers is 5.2 compared to 1.6 for those with high school education.

Poor health affects the poor most, as they are less able to cope with the effects of morbidity and mortality as individuals or families. The poor are less able to afford health care, access to safe water or command good knowledge of preventive measures. In particular, women shoulder the responsibility for family health care. Since women are not adequately empowered socially or economically they are not in full control of the social dimensions that determine their health and cannot make decisions concerning their health and that of their families. Such decisions include the number of children to have, the age at which to bear children, family income and expenditure and the ability to support children. Recently, there has been an increase in the number of children dumped by mothers who are desperately poor and cannot afford to look after these babies. While the government tries to take legal action against such women, the male counterparts are never prosecuted or reprimanded in any way for failing to take responsibility for their children.

Swaziland is one of the top countries in the world affected by the HIV/AIDS pandemic. The prevalence rate is estimated to be 40%. Women have a higher prevalence rate with 52% as compared to 45% of men and the most affected age group is the 20-39 years. Most of these women are infected by their partners, as men believe it is their right to have multiple partners and

the women cannot refuse any advances from their husbands and even find it very difficult to insist on the use of condoms. The number of teenagers getting pregnant has increased markedly revealing problems of protection, decay of morals and risks of deeper poverty for young mothers and their babies. As a result the number of orphaned children is increasing significantly.

Access to safe water and proper sanitation is another problem facing poor households. In rural areas only 50% of the population has access to safe water. Women walk long distances in search of water and in some areas they share the water with livestock. The Ministry of Health has reported a re-emergence of hunger related, water borne and environmental diseases resulting from the drought experienced in the country over the past few years.

9.3.5 Gender and Land/Property

Both customary and common law govern the acquisition of land and/or property. In Law, women assume the status of a minor in a marriage. Whilst they can buy property on their own whilst single, married out-of –community or by customary law, those married in community of property cannot. The situation becomes even more critical during the disposal of property or when the husband dies. The issue of distributing the estate becomes complicated as the widow in most cases faces expulsion from the house by in-laws and/or the process of winding down the estate takes too long leaving the widow and children destitute, especially where the husband is the breadwinner.

For private land, the property remains in the name of the husband even after death. The process of transferring the ownership of the property into the widow's name is cumbersome and expensive. Due to the expenses involved, the property can be lost to lawyers, creditors during liquidation or even other family members. According to Swazi customary laws, a woman cannot acquire a piece of land from a chief through her own right and girl children are not supposed to inherit property including land from their parents. Rather, the property is given to a male relative if there is no boy in the family, which often leaves them at the mercy of a male relative. A woman cannot acquire land from a chief without the assistance of a male even if it is a baby boy. When the child grows, he can claim that land because it is under his surname. The Deeds Deregistry Act says the woman married in community of property cannot register a title on her own but has to be assisted by the male. This provision vests absolute power to make decision concerning the property without necessarily consulting the woman leaving her very vulnerable where her interests are concerned. This is also a major problem where families headed by single mothers are concerned.

Land is the main resource for growing food, but evidence shows between that about 40% of households never produce enough in any year. Recent assessments indicate that maize production went down by 40% between 1990 and 2000 further worsening the food situation of poor families. They depend on remittances to buy food packages. FHH are the most affected because they have no head to earn to supplement their food requirements. About a quarter of the population depend on food aid for their meals.

Food security is a major concern especially among the poor. Projections indicate that more than 50% of the rural population will be facing food shortages.

Other than legal restrictions concerning land, women have been socialised to feel and view themselves as inferior and this is the reason why they shy away from leadership and decision making roles. It is always seen as unSwazi for a woman to take a prominent leading role in society as a result such opportunities are often delegated to men especially by the women themselves.

9.3.6 Gender and Culture

Culture is what has shaped the Swazi peoples' way of life. Culturally, the people of Swaziland have been socialized to define and assign gender roles that define a girl or a boy. For instance, girls are socialized to be in the kitchen while boys are groomed to assume roles outside the house. Mothers as well as other older women impart 'women' skills to girls whilst fathers impart 'men' skills and the associated attitudes to boys. Because of this kind of socialization boys become disadvantaged in the long term because they cannot look after themselves. They end up having live-in lovers even before they are ready so that they get some kitchen services done. Being channelled in a particular direction also puts girls at a disadvantage and limits their career and job choices.

Women are also expected to be under the guardianship of their husbands and in-laws. This has hindered the development of women because there are instances where they cannot access credit and/or start businesses because their husbands are holding their consent. There are cultural practices like mourning that degrade the status of the women in society and polygamy (sitsemu) which spreads thinly the resources that men have. This also promotes the spread of HIV/AIDS as the virtue of faithfulness among couples remains elusive. The wearing of mourning gowns (kuzila) for two years by widows and the fact that they have to observe certain rules which discriminate against them, constrains their productivity and freedom to participate in decision making processes which impact on their lives. Furthermore, because of the very weak maintenance laws, men tend to shirk their parental responsibilities and very often leave women

with the sole responsibility to take care of their children. This has contributed immensely to the practice of baby dumping, street children and orphans' who are putting a lot of pressure on limited social resources yet their parents are still alive.

9.4. Strategic objective

The objective of the PRSAP is to ensure that poverty levels are reduced through direct and effective strategies that will facilitate and ensure equal opportunity to people of all gender.

9.5. The Goal for Gender Equality

The goal of the PRSAP is to ensure gender equality and afford people of all gender, particularly women and other disadvantaged groups equal access to social services and increased opportunity to utilize factors of production for the improvement of their livelihoods.

9.5.1. Strategies for achieving gender equality

The Government working very closely with the private sector donors and civil society will implement the following strategies in order to ensure gender equality:

- i. Create and compile a comprehensive database on FHH and CHH and other disadvantaged groups, assessing their needs, location and living conditions;
- ii. Empower women and CHH on income generating activities and inform them of their rights to own and acquire property and assets;
- iii. Review, improve and educate both men and women on marriage and inheritance laws and eliminate the practice of property grabbing by opportunists including relatives from widows and orphans;
- iv. Review cultural practices such as polygamy, kungena, kuzila, kwendzisa, kuteka etc. and discourage all those practices that infringe on the rights of women;
- v. Design and develop innovative, simpler and affordable ways for carrying out household chores in order to ease the workload on women and children and improve their efficiency in income generating activities;
- vi. Review and repeal all laws that categorize women as minors and deprive them the right to acquire and/or own assets;
- vii. Improve and enforce laws against domestic violence and provide counselling services for abused women and children;
- viii. Improve access to information that will improve the nutrition of families and enlighten women and men on their rights and efficient utilization of factors of production and social services in order to improve the livelihoods of their families;

- ix. Support and develop the informal sector where most poor women are involved and ensure equal opportunity to employment and income generation activities;
- x. Ensure that there is no discrimination in the education opportunities given to boy and girl children;
- xi. Increase education opportunities for girls and offer adult and informal education to women and girls who no longer qualify to be in mainstream schools;
- xii. Encourage and improve access to contraception particularly amongst teenagers and rural women and intensify programmes that teach good morals to the youth and encourage abstinence amongst the youth and unmarried couples and teach good moral to the youth;
- xiii. Strengthen the maintenance laws and prosecute against men who abandon their children;
- xiv. Improve the supply of safe and clean water to rural households and increase the number of water supply schemes in order to reduce distances travelled when collecting water;
- xv. Encourage women to participate in leadership positions, community activities and to support each other in taking up leadership roles in their communities and at national level;
- xvi. Improve access of married women to credit without necessarily seeking the consent of their husbands;
- xvii. Empower women to engage in income generating activities;
- xviii. Making the wearing of morning gown voluntary and make HIV testing a prerequisite for practices such as kungena, kwendzisa, kuhlanta etc;
- xix. Strongly discourage and advocate against the practice of polygamy.

Matrix of Strategic Objectives, Targets and Priority Actions for Gender Equality

Poverty Area	Poverty Problem	Objective	Target for poverty reduction	Strategies and Activities	Responsible Agency
Gender inequality and discrimination against women	-Lack of information on the needs of female and child headed households and other disadvantaged groups	-To collect information, assess and address the needs of Female and child headed households in a comprehensive manner.	-Information on FHH, CHH and other disadvantaged groups available by 2007.	-Collect data on FHH, CHH and other disadvantaged groups -Design and compile a database on all disadvantaged people.	MHA, MHSW, CSO
	-Lack of information and training	-To educate and empower women and CHH with the means and skills for income generation and self employment	Information on income generation activities widely disseminated to FHH, CHH and other disadvantaged groups	-Disseminate information to poor households, particularly FHH on income generation, management, asset acquisition and protection -Encourage women to save and form associations and cooperatives in order to generate income	MEE, NGOs, communities, MOAC, Deeds Office
	Lack of income and means of improving the livelihoods of families	To encourage the participation of women and other disadvantaged groups to generate income and improve the livelihoods of their families.	-Women and CHH gainfully involved in income generating activities by 2008	-Provide training to women associations and cooperatives on business management skills and saving -Provide credit and encourage micro finance institutions to support women entrepreneurs. -Educate and enlighten women on how to improve the nutrition and general standard of living for their families -Design and develop affordable and innovative ways of carrying out household chores.	MEE, NGOs, communities, MOAC, MOF, Deeds Office
	-Very poor women and youth participation in community activities and leadership	-To increase the participation of women and the youth in community activities and in leadership.	-More women and youth leaders at community and national level by 2007	-Educate women and the youth on leadership skills and the value of participating in community activities -Encourage women to support other women in elections and in taking up leadership positions.	
	Discriminatory legislation on marriage and inheritance	To review and amend all discriminatory	All discriminatory laws repealed	-Make an inventory of all laws that discriminate against	MOJ, MHA, SWAGGA, NGOs, police

		laws in order to protect the rights of women	or amended by 2007	or infringe upon the rights of women and orphaned children -Review, repeal or amend all discriminatory laws -Disseminate information on the marriage and inheritance rights of women and children. -Discourage and prosecute against the practice of property grabbing by opportunists.	and other law enforcement agencies, chiefs, communities.
	Increasing cases of domestic violence and associated deaths	To effectively legislate and enforce laws against domestic violence	-Total elimination of cases of domestic violence by 2006	-Strengthen all criminal laws associated with domestic violence -Prosecute and enforce the law against domestic violence -Encourage more people to come forward and report cases of domestic violence.	MOJ, SWAGGA, NGOs, police and other law enforcement agencies, chiefs, communities.
	Low level of education amongst girls	To ensure equal education opportunity for both girls and boys	-Boys and girls afforded equal opportunity to education at all levels	-Introduce universal primary education -Help and reduce the burden and responsibility of children heading households in order to allow them to attend school -Intensify sex education at primary and high school level in order to discourage teenage pregnancies -Assist poor households and vulnerable children with their education.	MOE, MOHSW, NGOs, teachers, communities, MOF

9.6. INFRASTRUCTURAL DEVELOPMENT FOR INCREASING RETURNS

A well-developed infrastructure is a very important factor in stimulating economic development and further enhancing increased levels of productivity, income and consumption that eventually results in an improvement in the standard of living for the poor. In essence, the entire development process is dependent on the provision of sufficient transport, communications, information and marketing facilities at every level of the economy. By implication therefore, key to the fight against poverty is the development of infrastructure.

Not only is there a need for a well-developed infrastructure, but also the issues of accessibility, affordability, availability and safety are to be considered in ensuring that the poor benefit from all efforts of poverty reduction. Furthermore, as more and more developing countries commit themselves to transforming their social and economic climates, the need to develop reliable infrastructure facilities is inevitable. This will ensure that the people at every level including the poor are better connected to the rest of the world (developed and developing) in order to interact and improve their living standards. It will also facilitate the performance of the private sector and encourage forward and backward linkages with activities conducted by the poor.

A large proportion of the people of Swaziland reside in the rural areas where most of the poor are found. Approximately, 43% of the rural population is poor compared to 30% of the urban population and the depth and severity of poverty is also worse in the rural areas. Overall, 84% of poor Swazis are found in the rural areas compared to 79% in the urban areas. The other aspect is the high incidence of poverty in peri-urban areas where the urban poor are mainly found. They lack infrastructure and find services extremely unaffordable and thereby inaccessible. Infrastructure could be in the form of passenger transport, goods transport, roads, airports, railways, telephone, radio, ICT, postal services, markets, television and buildings.

Worse still is the fact that the rural areas have the least developed infrastructure compared to urban areas. In the rural areas for instance, it is unlikely to get a telephone within a radius of five kilometres whereas in the urban areas they are found within distances of less than two hundred metres. Lack of infrastructure development affects the poor as producers, consumers and workers as it denies them the opportunity to contribute to the social and economic development of their country and deprives them of a share of some of the benefits of growth.

9.6.1 IMPROVING RURAL INFRASTRUCTURE

The entire development process is dependent upon the provision of adequate physical infrastructure, transport and communication infrastructure, the need to develop rural infrastructure

cannot be overemphasised. However, to effectively and efficiently address the problems of the poor associated with infrastructure, caution must be taken that it is available, accessible, affordable and safe.

9.6.1.1 ROADS

The government of Swaziland has committed itself to the development of a comprehensive road infrastructure network since the development of roads reduces isolation through the transportation of people, goods and services. By African standards, Swaziland has a well-developed transport infrastructure with a total proclaimed road network of 3,000km inclusive of both district and main roads. Of this, about 33% is paved and in terms of quality, the Ministry of Public Works and Transport (MOPWT) rates its proclaimed roads as follows: 5% very good; 39% good; 6% fair; 22% poor and 28% very poor.

The major problem with these roads is that the 44%, which are classified as “very good and good”, are all in urban areas and the remaining 56% of roads, which are rated as poor and very poor, are in the rural areas where a majority of the poor population lives. Co-ordination in the construction of feeder roads has been very poor, with very little or no liaison amongst the different players involved. Key players include MOPWT, MOAC, some NGOs and the communities themselves. As a consequence the design standards for most of the unproclaimed feeder roads are very poor and they were constructed without a clear maintenance plan. There are cases whereby what was meant to be a feeder road has become a serious environmental hazard due to soil erosion caused by uncontrolled storm water drainage. In general, the poor live away from main roads and are rely on feeder roads, hence the importance of improving feeder roads. Studies undertaken by MOPWT indicate that serious rehabilitation of feeder roads has to be undertaken in order to bring them to maintainable standards. The construction and rehabilitation of feeder roads are a priority in the PRSAP. In order to improve the participation of the poor in the construction and maintenance of feeder roads, labour intensive construction methods need to be encouraged.

9.6.1.2 PASSENGER TRANSPORT

The provision of passenger transport is critical in the fight against poverty. Passenger transport facilitates access to markets of household items and agricultural produce/products, job opportunities and social services. Reliable and affordable transport in rural areas is necessary for improving the livelihoods of the poor. It further reduces the time spent on travelling thus increasing time available for doing other household chores. Given the poor spread of the social

amenities like schools and health facilities, the provision of efficient passenger transport ensures that the rural population is serviced better. There is therefore a linkage between access to transport services and poverty. Based on data on number of permits issued, it is estimated that there are 3546 passenger vehicles, comprising 1,181 conventional buses, 340, mini buses and 2025 kombis.

Vehicle Type	Hhohho	Manzini	Lubombo	Shiselweni
Scheduled Buses	354	395	270	162
Minibuses	108	128	59	45
Kombi	838	562	385	240
Total	1300	1085	714	447
% of permits	36.6	30.6	20.1	12.6
% of total Population	27.4	30.2	20.9	21.4

As indicated in Table 7, Shiselweni, which is the poorest region is also the most poorly served in terms of transport and Hhohho, the richest region is also the best served. It is therefore of utmost importance that all bottlenecks in the provision of transport be addressed

as a matter of urgency.

It has been indicated that the number of vehicles serving the public is estimated based on the permits issued. However, there are serious problems with the permit system as well, especially with regards to monitoring. Rent seeking behaviour is believed to be widespread with people using their influence to get permits that they then lease out to the genuine vehicle owners. The impact of this is that it increases the costs of operating a transport business, which is eventually passed on to users. In some cases, people who may actually not have vehicles hold on to the permits and continue objecting to the applications of others.

9.6.1.3 TRANSPORT FOR GOODS AND SERVICES.

Rural infrastructure can be seen as the complex of physical structures or networks within which social and economic activities are carried out. These structures are not ends in themselves, but are means to achieving the broader goals of poverty reduction and economic growth. Rural infrastructure contributes to these goals by providing essential services such as transportation for goods and services, the transmission and communication of knowledge and information. It is the provision of rural infrastructure that will result to a meaningful and effective rural transformation. This includes local governance, health and educational services, agriculture and other economic activities.

Since there is that strong link between economic development and infrastructure, the need for reliable transport for goods and services is indisputable. The production of goods by industries in the urban areas depends on the supply of raw material from the rural areas, and the supply of finished goods and services to rural areas depends on the availability and reliability of transport. The most effective way of maintaining and improving this linkage is to ensure the availability, accessibility, affordability and safety of transport facilities for goods and services. This guarantees producers of the availability of markets even if they produce away from where the markets are.

9.6.2 Market Infrastructure

Urban and rural market infrastructure is linked to road infrastructure and transport and is crucial in serving the poor who want to sell their wares. Access to markets remains a serious constraint to farmers and urban/peri-urban vendors who sell their products and produce to make a living. Under the Agricultural Policy, government would like to commercialise agricultural production on Swazi Nation Land and should support this transformation by establishing markets and also deregulating the present marketing system in order to ensure efficient operation of markets. Agricultural inputs should be easily accessible to farmers and they must be advised accordingly on their use. This can be facilitated by more accessible research facilities, information centres and an efficient transport system

9.6.3 Road Safety

The number of road accidents experienced nationwide has more than doubled over the last ten years, from 2,910 in 1993 to 6,238 in 2003 of which 220 (or 3.5%) were fatal. Accidents contribute to poverty in several ways including lost future earnings due to disability, present and future medical bills, damage/loss to property (in terms of the value of the damaged vehicle itself), loss of life and of the non-offending motorist. Without insurance cover, compensation can lead to financial ruin for the motorist. All these add to the number of orphans (in the case of fatalities) and vulnerable children in general. In order to reduce accidents, there is need to promote road safety as well as to be vigorous in the enforcement of road safety legislation, where there has been a breach.

In an effort to provide relief to accident victims, the Government introduced the Motor Vehicle Accident Fund (MVA) in 1988. The fund provides compensation to road users who find themselves involved in an accident without their being negligent. Although this fund has saved many lives and livelihoods, there are some problems. Some of these are listed below:

- i. Statutory limits on group claims that were set in 1988 and have never been revised (e.g. there is a maximum of E250,000 for passengers in a bus combined and a per passenger

limit of E25,000)

- ii. Family squabbles and relatives who may take advantage of accident victims who have been incapacitated;
- iii. The length of time it takes to process claims; and
- iv. Procedures for filing a claim that facilitate the swindling of victims by some legal practitioners;
- v. In order to address the road component of rural infrastructure, it is therefore very important to look at rural roads in a holistic manner i.e. in terms of the quality of the physical infrastructure, the regulatory framework and how well the route is served by transport operators. Therefore the following goals and strategies would be pursued in the rural infrastructure sector.

9.6.4 Strategic Objectives

- i. Improve the quality, length and maintenance of the rural road network whilst ensuring that maximum benefits derived from such activities accrue to local people.
- ii. Improve the quality (frequency, reliability and comfort) of the service provided by public transport operators on rural roads.
- iii. Reduce the number and rate of accidents whilst ensuring that fair and adequate mechanisms for compensating victims are in place.

9.6.5 Goal for Rural Transport

The goal of the government is to create a cost-effective, safe and reliable rural road transport service that contributes positively to the livelihoods of rural people for access to services.

9.6.6 Strategies for Improving Rural Road Transport

The strategies to achieve these objectives will be as followed:

- i. Improve the financing for rural roads through establishing a dedicated Feeder Roads budget within the Ministry of Public Works and Transport;
- ii. Ensure that labour intensive techniques are used during rural road construction and maintenance, with maximum participation of local communities;
- iii. Empower small contractors and communities to take part in rural road construction through employment, training and other forms of capacity building;
- iv. Review the regulatory framework for the road transport system with a view to making it more transparent as well as give more weight to the welfare of commuters;
- v. Set realistic standards of service delivery for transport operators and enforce these vigorously;
- vi. Introduce targeted dispensations for vulnerable groups such as the elderly, children, the

- disabled, so that they too can be afforded the opportunity to access transport services;
- vii. Review the placing of the Road Safety Council within MOPWT and its funding with a view to enabling it to function more autonomously in its discharge of duty.
 - viii. Vigorously enforce legislation dealing with road safety, especially on the roadworthiness of vehicles and the conduct of drivers of vehicles that serve the public;
 - ix. Review the effectiveness of the MVA with a view to making it more friendly to victims whilst also guarding against fraudulent practices;
 - x. Sensitise the public on the MVA and selectively provide legal aid to victims who may not afford it.

9.6.7 Information and Communications

The Communications sector encompasses vital infrastructure necessary for reducing poverty and contributing to economic growth. Effective communication systems enhance poverty reduction since the poor are able to have access to informative, educational and developmental programmes through the television and the radio. The expansion of posts and telecommunication services to rural areas generally improves the development of rural-based businesses and tourism areas and facilitates access to outside markets. Inadequate access to information contributes towards persistent poverty because it causes lack of knowledge of what action to take, delays in acting and backwardness in terms of development. For information to be applicable, it has to be relevant, timely and in the possession of the people who should use it. In Swaziland's rural areas where poverty is widespread, the communications services are not well established thus the poor remain deprived of information that could be beneficial to them. Most households own radios, however according to SHIES 2001, only 11% of households in Swaziland possess a telephone. In Swaziland, the communications sector is composed of postal, telecommunications, television and radio services.

Experience from the developed world indicates advancement in information flow, communications and technology in the quest for creating an enabling environment for eliminating the social divide between the "haves" and "have-nots". Information Communication and Technology (ICT) is a tool for economic growth, increased productivity and can be a tool for poverty reduction when used to meet the needs of the poor. Some of the tools might not be appropriate for direct intervention, but those that target community initiatives can have a significant impact. Technologies like the radio, telephone and television have proved to be the best and the most inexpensive means of disseminating information directly to the poor compared to the most advanced technologies which are appropriate for private sector and governments. The PRSAP will give emphasis on information and communications and secondarily on technology. It however acknowledges the importance of technology in the economic and social sectors in particular education, health and

agriculture, which can directly benefit the poor. In addition, it advocates for reducing the gap between the rich and poor by looking at best practises in the application of ICT across the board.

9.6.7.1 Telecommunications

Between the year 2000 and 2001 there was a decline in the number of postal services, telephone services and telex connections. This may have been due to the introduction of new forms of communication such as cellular phones, and internet and e-mail services.

Telecommunications services are provided by Swaziland Posts and Telecommunications Corporation (SPTC) and the Mobile Telephone Network (MTN) company who are both monopolies, and government is the regulatory body. SPTC designs, implements and maintains services such as telephone, pay-phones, internet, video conferencing/groupings, spaza phones, private wires (e.g. for data transmission), satellite receptors, wireless local loops (lunyazi), pre-paid systems (umkhululi) and solar powered communication systems. The company is also responsible for providing point-to-point radios and the sale of handsets.

The company mainly deals with the provision of fixed telecommunication services but the costs are prohibitive to those who cannot afford the service. Payphones are installed free of charge on request by communities. The service provision is guided by the corporate plan emphasising on provision of effective demand-driven services.

Year	Estimated Residential Population	Telephone Connections	Estimated Population per telephone connection
1986	681,059	9,440	72
1990	768,880	13,524	57
1991	795,534	14,355	55
1992	822,784	15,418	53
1993	850,628	16,028	53
1994	879,081	18,605	47
1995	908,119	20,611	44
1996	937,747	22,771	41
1997	980,772	24,322	50
1998	1,008,233	28,999	35
1999	1,036,411	30,569	34
2000	1,065,431	31,872	33

More products have been introduced in the market and these have been widely accepted by consumers, as their usability is quite high e.g. lunyazi, payphones, prepaid systems (dual). Maintenance services have also greatly improved over the years. SPTC faces the challenge of having to fast-track penetration of the rural areas since it is currently very low. Apart from plans to increase telephone services to rural areas, the company also intends to install data services in community centres, churches and schools.

On the other hand, MTN provides and maintains mobile communication system and public pay phones. Service provision by MTN is also guided by a corporate plan. With MTN, service provision is more readily accessible and cash-driven but the cost is many times that of SPTC landlines. The company has made significant progress towards improving the network coverage in the country. However, the key challenge remains that of improving the network coverage in rural areas and providing an affordable service.

9.6.7.2 Postal Services

SPTC also provides postal and courier services through the Swazi Post division. This division runs post offices, private bag facilities, payment of utilities and school fees, and savings. Savings services are mainly beneficial to the rural and urban poor. Other courier service providers are DHL, African Express and FEDEX. Both postal and courier services are provided as per demand and through requests by communities or individuals. Although Swazi Post has expanded its mandate and the range of services, it is still challenged by that its very low rural penetration. There are approximately 64 post offices and agencies in the whole country. The Hhohho region has 18 post offices; Manzini 20; Lubombo 11; and Shiselweni 15. Currently, there are no special dispensations for the poor in postal services yet most of them have a problem of travelling long distances to get mail or to post mail.

9.6.7.3 Radio

Radio is a powerful mass communication tool in Swaziland with the highest rate of rural penetration. According to SHIES 2001, 79% of households possess a radio and it remains the main source of communicating with rural population on development issues and other social issues. The main radio service provider is Swaziland Broadcasting and Information Services (SBIS) owned by government and other providers are Voice of the Church (VOC) and Transworld. The Ministry of Public Service and Information regulates the operations of these aforementioned service providers while SPTC grants frequency licenses to approved service providers.

The SBIS mainly disseminates news and information aimed at educating, informing and entertaining the Swazi nation and it runs two channels; one in English and the other in SiSwati. Both channels accommodate views from the public meaning that there is extensive consultation and/or interaction with the public. The channels have performed exceptionally well in broadcasting developmental programmes e.g. poverty reduction, health, agriculture. The VOC and TRANSWORLD radio stations are privately owned and they are mainly involved with disseminating Christian information.

The services offered by the station are accessible to every individual, which is further enhanced by the fact that ownership of radio handsets is tax-free. Some services come at a cost (e.g. announcements, notifications and advertisements) whilst most are done free of charge, for example, lost and found items/persons. The advice broadcasted by the station has been successfully implemented by people and organisations e.g. agricultural advice. Businesses have realised more profits as a result of advertisements run by the station, which is evidenced by the continued use of the service by business establishments

9.6.7.4 Television

According to the SHIES 2001, 32% of households in Swaziland possess a television set. The national network coverage is approximately 55% of the whole country. Possession of a TV set is not a domain of the rich because poverty prevalence among those with TV in Swaziland is 35%. There are only two television stations in the country – the government owned Swazi TV and the privately owned Channel S. Swazi TV is responsible for the dissemination of information, news and entertainment. The station targets the Swazi audience only and it runs a few informative programmes that are produced locally, but not necessarily targeted at the poor. There are also advertisement slots but these are expensive and therefore unaffordable by the poor.

As a special dispensation, Swazi TV has given opportunities to the poor to inform the nation about their plight and to request for any form of aid. To a certain extent, the station has successfully run phone-in programmes (e.g. Asikhulumisane and Face the Nation), which have been of great benefit to all viewers. On the other hand, Channel S has national and international coverage. So far, the domestic network coverage is only in the Mbabane-Manzini corridor. The station runs mostly cultural programmes.

9.6.7.5 The Print Media

The Print Media is composed of different companies, which include the Times of Swaziland, Swazi Observer, The Nation, Swaziland Today, Siyavena, Youth Connection, The Voice, Swazi Trader and What Is Happening in Swaziland. All the print media houses are responsible for disseminating information, news and entertainment, advertising, educating and providing tourist information. However, What is happening in Swaziland targets solely tourists whereas the other papers generally target the public.

The Times of Swaziland introduced the siSwati version at a lower price in order to improve access to news by non-English readers. In this way the Times of Swaziland has managed to penetrate rural areas and together with the Swazi Observer, have been able to make fairly early

deliveries in all parts of the country.

Nonetheless, all the print media have failed to make total coverage. The developmental oriented programmes targeted at the poor are not enough. The fact that there is only one newspaper in vernacular has not made it easier for the poor who are mostly siSwati readers. Therefore as an information dissemination mechanism, the print media has not been very successful in reaching and targeting the poor.

9.6.8 Goal for Information and Communications

The goal of the PRSAP is to ensure improved communication and access to information by 2022 in order to empower the poor, enable them to get accurate, timeous and reliable information, and consequently reduce their poverty.

9.6.9 Strategic Objectives

To achieve this goal, the government and its corporations shall pursue the following objectives:

- i. To have 100% radio network coverage by 2022;
- ii. To expand coverage of telephone services to be within a radius of 5km by 2022 in all rural areas;
- iii. To expand post offices and postal agencies to cover all Tinkhundla centres, schools and/or clinics by 2022;
- iv. To expand TV network and increase accessibility for the rural poor by 2022. This implies commensurate expansion of rural electrification;
- v. To improve print media distribution to all rural communities by 2022. The objective goes with increasing purchasing power of print media in rural areas; and
- vi. To create and co-ordinate poverty-related developmental mass media programmes by 2005

9.6.10 Strategies for Information and communications

The following strategies will be pursued over the PRSAP period:

- i. Establishing partnerships between government and the private sector in relation to poverty reduction programmes for information dissemination
- ii. Improving infrastructure by extending existing communications network
- iii. Increasing the number of repeater stations for radio and TV to cover the whole country
- iv. Establishing alliance with other distributing agencies to ensure 100% distribution throughout the whole country
- v. Establishing multi-purpose community centres providing postal, telephone, Internet and

television services

- vi. Lobbying private sector for special concessions to be made by the service providers with regard to developmental mass media programmes targeted at the poor
- vii. Designing special mass media programmes targeted at poverty reduction
- viii. Lobbying corporate organisations to target poor communities in their corporate plans.

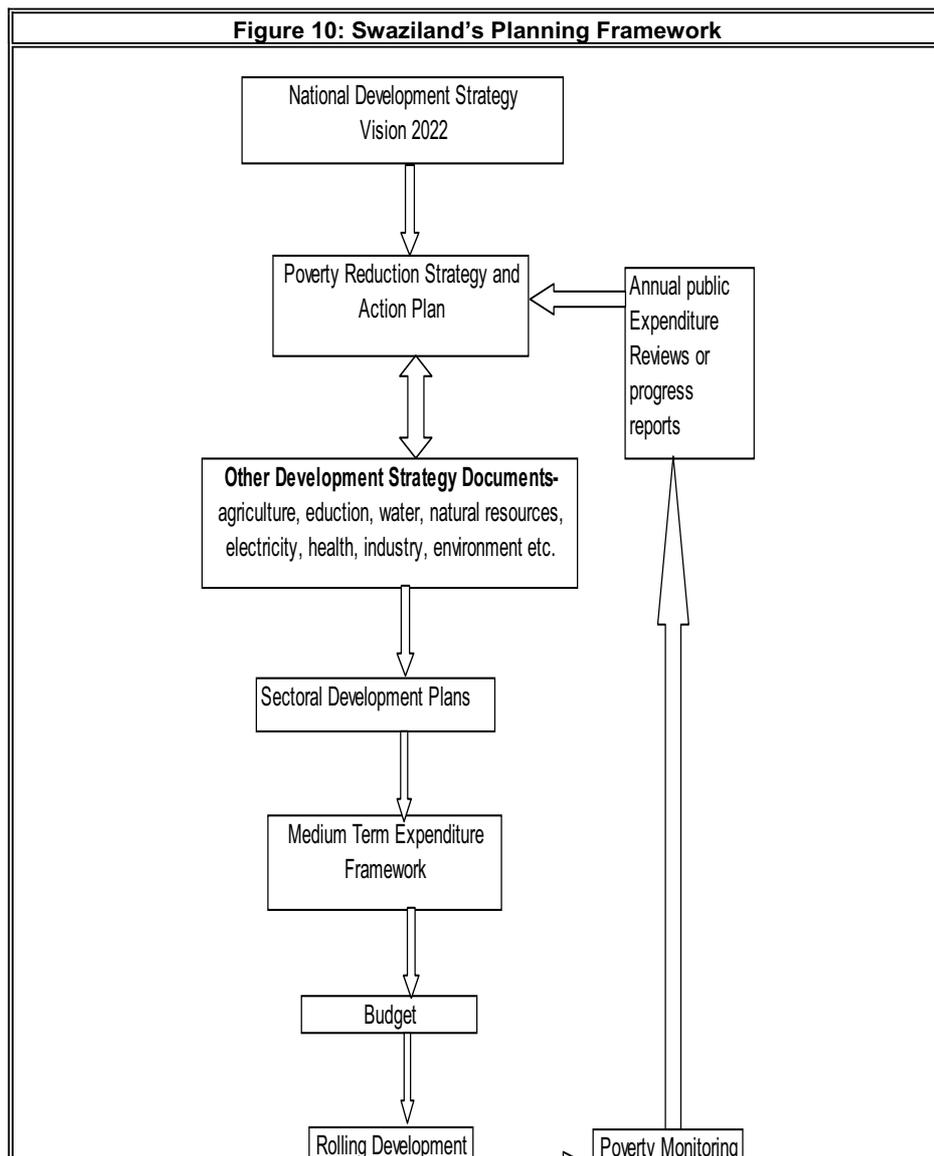
Matrix of Strategic Objectives, Targets and Priority Actions for Rural infrastructure, Roads and Transport, Information and communications

Poverty Area	Key poverty problems	Strategic objectives	Target for poverty reduction	Programmes, Projects and Actions	Agency Responsible
	Poor state of repair	To improve quality, length and maintenance of rural network	Repair all rural roads and cover the entire country	-Establish dedicated budget within MPWT for feeder roads -Use labour intensive techniques, small contractors and local communities to construct roads	MOF &MPWT MPWT
	The poor are badly serviced in terms of public transport	To Improve quality (frequency, reliability, comfort) of service To improve transparency in the granting of public transport permits	Every rural road to have service to the nearest town at least every 3hours Every permit issued based on professional & objective advice	Improve and enforce regulatory framework for road transport including standards IEC; training of operators; introduce discount tickets for vulnerable groups Revise RTB membership to be based on profession & not representation; Quicker processing of permit applications	Road Transport Board
	Poor passenger safety	To reduce number and rate of accidents on rural roads and compensate victims	Safer roads Accident victims fairly compensated	Enforce road safety regulations Revise MVA legislation Provide free/subsidized legal aid to poor MVA claimants Compensate victims fairly and quickly	Motor Vehicle Accident Fund; MOPWT; other stakeholders
	Access to transport for disadvantaged groups	To facilitate access to road transport by disadvantaged groups: elderly, school children, disabled.	Improved access to transport by disadvantaged groups	Introduce targeted dispensation for disadvantaged groups	Road Transport Board Transport owners
Rural infrastructure	Lack of markets Information Inadequate infrastructure (social).	To improve access to markets, information, social institutions i.e. schools and health facilities	Access to markets, information, choices and schools improved	-Construct at least one central market in each Inkhundla to sell wares, produce. -Improve road access to those markets -Provide information centres on business, internet, agricultural development, etc. -Equip and construct more schools and clinics.	MOPWT, MOHSW, MOE, MEE, DPM, Communities.

Telephone	Limited network coverage	To ensure the availability of telephone services within a reasonable distance	Telephone service to be within radius of 5km by 2022	Provide line of credit to SPTC to penetrate rural areas	SPTC
Postal services	Limited rural penetration	To ensure access and postal services by all citizens	Post Offices to cover all Tinkhundla Centres by 2022	Provide line of credit to SPTC to penetrate rural areas Establishing multi-purpose community centres providing postal, telephone, Internet and television services	SPTC
Radio	Limited rural network Limited ownership of radio sets Limited information dissemination	To ensure full access to information	Everyone to possess a radio by 2022 Achieve 100% radio coverage by 2022	Increase TV network/Increase repeater stations Establishing multi-purpose community centres providing postal, telephone, Internet and television services Increase in rural incomes	SBIS
Television	Limited rural network, high cost of appliances, and limited electricity network	To ensure an affordable television service	TV network to be accessible by all rural poor	Increase TV network/Increase repeater stations Establishing multi-purpose community centres providing postal, telephone, Internet and television services	Swazi TV
Print Media	Limited circulation and low purchasing power	To ensure wider circulation of newspapers	Newspapers available and widely circulated in all parts of the country and accessed and affordable rates.	-Increase in rural incomes -Establishing multi-purpose community centres providing postal, telephone and television services	Times, Observer, MOPSI, Nation, other p
Information Communications Technology (ICT)	No access to ICT in rural areas	To ensure access to information and more efficient means of communicating	ICT widely available and communication with local and international eased by 2007	-Establish internet services and provide information technology in rural areas - equip rural schools and train students on ICT -Computerize all Tinkhundla centres and facilitate computerized data and information dissemination.	MOPSI, private sector, Govt computer services

CHAPTER 10: IMPLEMENTATION, MONITORING AND EVALUATION

10.1 Planning Framework



Swaziland is currently changing her planning and budgeting system with the introduction of the medium term expenditure framework for the overall budget and the decentralisation policy, which aims at including people at the grassroots level in planning, budgeting and implementation. The implementation of the PRSAP will involve all stakeholders especially the poor at all levels. This

will in turn facilitate their participation in the benefits of all interventions aimed at improving their lives and resultantly the achievements of all the pillars. Nonetheless, government will take the overall responsibility for coordinating and monitoring the implementation of the PRSAP. She will be held responsible for a number of the activities at national and community levels and she is therefore expected to use existing institutional structures and where not available create new ones. Co-ordination of activities will be done by central agencies in consultation with line ministries, in particular the ministries of Finance, Economic Planning and Development. At community and regional level, co-ordination will be done by the DPM's office together with line ministries and NGOs in line with the decentralisation policy.

The planning and budgeting machinery will revolve around the National Development Strategy (NDS), the Poverty Reduction Strategy and Action Plan, the rolling Development Plan, the Medium Term Expenditure Framework, and the Annual Budget. The NDS provides a set of macro and micro social and economic strategies to be pursued by the entire country over the period 1997 to 2022. The PRSAP, on its part, operationalises the Vision and has mainstreamed poverty reduction in all the strategies (as reflected in Figure 10). The PRSAP together with the Prioritised Action Programme on Poverty Reduction sets goals and time bound targets to be achieved over the period up to 2022. The goals of the PRSAP are inline with the MDGs. MEPD will co-ordinate and monitor the implementation of poverty reduction programmes especially as it regards government expenditure and other related policies. The PRU will drive the implementation in government as well as co-ordinate with other partners like NGOs, CBOs, and FBOs. At the same time, it will ensure that the SDPs and MTEF are reformed to be pro-poor.

The implementation of the PRSAP is bringing reforms to the overall planning and budgeting process. It calls for the mainstreaming of the strategies in all sectoral development plans and becomes the main focus for the development agenda. Those sectoral development plans will then be translated into the MTEF and the budget. Fundamental to the achievement of the objectives of the PRSAP, will be concentration on the implementation of only the PRSAP. It has been formulated based on the consensus of Swaziland's development priorities and the urgent need to achieve the Vision contained in the NDS. The process has also been highly participatory and its implementation should therefore, not lead to parallel systems. Instead, it will lead to the strengthening of capacity and institutions including civil society.

The PRSAP recognises that there are projects already under implementation and every attempt has been made to consider them and not interrupt their implementation. A transition period is envisaged whereby these projects will be adjusted wherever possible to incorporate elements of poverty reduction to ensure that they are in line with the PRSAP. Government is also expected to be transparent in the implementation of all poverty reduction programmes in line with pillar on

good governance.

The Budget is the operational tool for allocating domestic and external resources for the implementation of all Swaziland's plans. The Budget draws its projects principally from proposals submitted by line Ministries according to their Sectoral Development Plans. Sectoral Development Plans are basically sectoral policies and a bank of projects planned for implementation within each sector of a specified time period. In an effort to render the budgeting process more predictable, the MTEF was introduced in 2003. At the centre of the planning system is the relationship between the budget and the PRSAP. The central agencies will ensure that line ministries use the PRSAP when producing their plans and seeking funding. It is assumed that at all levels of decision making there will be political will to implement the PRSAP without compromise.

The PRSAP acknowledges that there are serious limitations on resources and it instead focuses on prioritisation. Poverty reduction has been considered for a long time as the country's main challenge but that has not been followed by a proportionate allocation of resources. For the PRSAP to be realistically implemented, government will take tough decisions on the activities to be implemented, those to be dropped and/or scaled down.

10.2 Co-ordination of Implementation, Monitoring and Evaluation Arrangements

10.2.1 Implementation Roles of Stakeholders

Although the government led the process of preparing the PRSAP, the responsibility of its implementation lies with all stakeholders in poverty reduction. The stakeholders are described as those individuals and institutions that have an interest in the implementation of poverty reduction programmes. These include private sector, parastatals, NGOs, CBOs, FBOs, donors, government ministries, communities and others. At the centre of the implementation of the PRSAP, is the fact that government is not encouraging handouts except under disastrous circumstances. But would like to empower those identified as vulnerable so that they will ultimately stand on their own and become responsible for their lives.

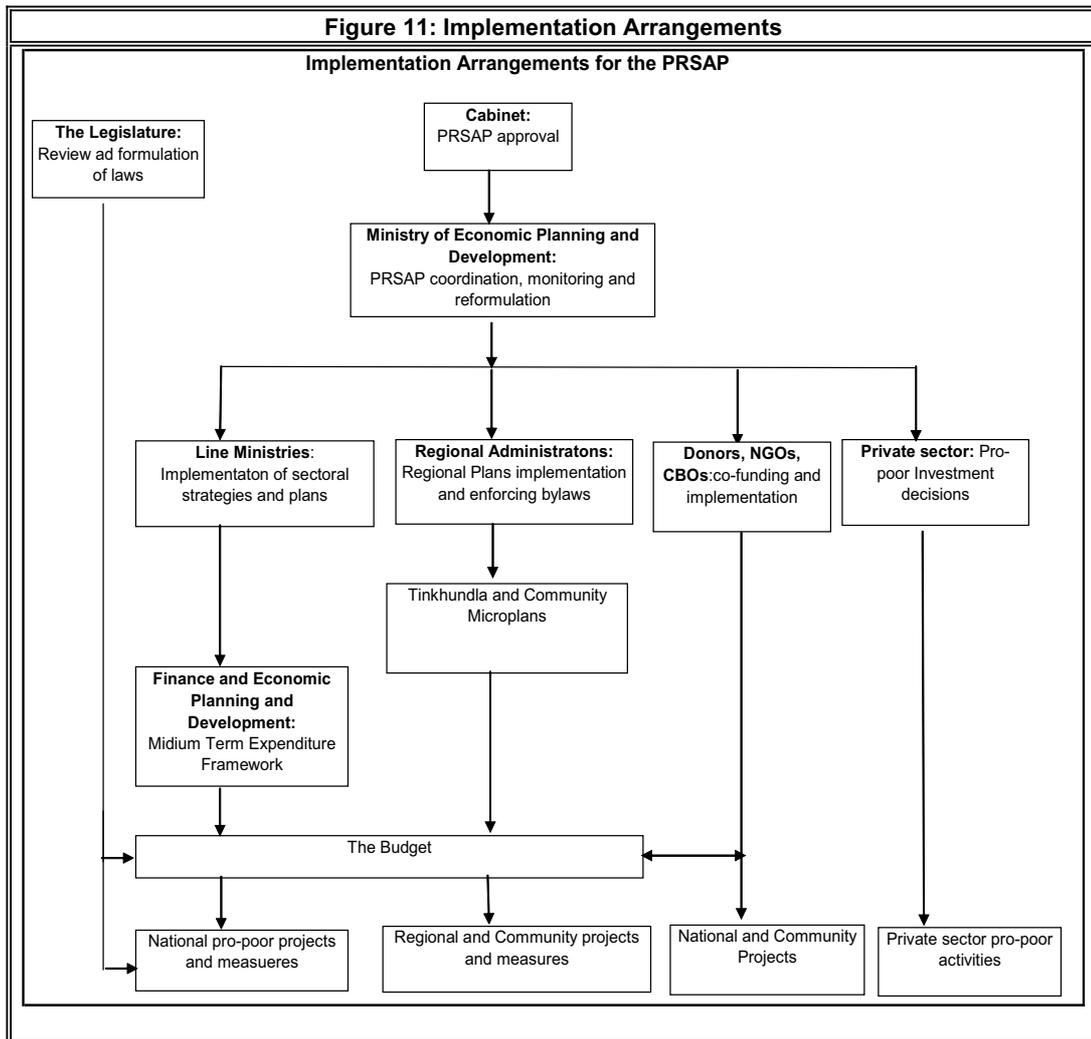


Figure 11 and Figure 12 describe the planning and budgeting framework as well as the stakeholders involved. The ministries of Finance and Economic Planning and Development will have to follow a coherent and integrated planning and budgeting system whereby all other development initiatives, MTEF and budget are seen within the context of the PRSAP. The PRSAP is derived from the Vision and has translated the aspirations of the Swazi nation into a more practical defined and prioritised plan with implementable strategies. These strategies will then be transformed into sectoral development plans, which will be included in the budget. The sectoral development plans will incorporate policy changes and programmes for operationalising and implementing the PRSAP. The budget will reflect government priorities and inputs of other stakeholders whose involvement will bring about transparency and accountability.

Furthermore, the planning framework includes reviews – through the monitoring system and expenditure review. This will reveal any progress made in terms of resource allocation and impact

on poverty. The framework will also provide an opportunity to implement the decentralisation policy and reveal whether changes and adjustments should be made with the implementing structures. The DPM's office has a crucial role to play in co-ordinating line ministries, NGOs, communities and other key players in ensuring full participation of communities.

10.2.1.1 Government

The Government, through Cabinet has the mandate to approve the PRSAP and all its provisions. It is expected that public sector institutions, communities and independent organisations will implement all the provisions of the Plan and that of Parliament will be responsible for enacting or repealing the laws recommended in the Plan. In addition, parliament will scrutinise the budget, its implementation and monitor the use of resources through its several portfolio committees.

10.2.1.2 The Ministry of Economic Planning and Development

The Ministry of Economic Planning and Development will spearhead the implementation of the PRSAP through an interactive consultation process. The Ministry will also mainstream PRSAP projects and actions by ensuring that they are central to the sectoral development plans and thus included in the MTEF and in the rolling Development Plan. The Poverty Reduction Unit will co-ordinate the formulation and reformulation of future PRSAPs, assist in the identification of pro-poor projects and co-ordinate and monitor their implementation through regular consultations with line Ministries and Regional Administration offices. The PRU will establish the national poverty monitoring forum comprising of implementing agencies and other stakeholders that will co-ordinate implementation, monitoring and evaluation efforts and provide poverty analysis. In addition, PRU will act as the Secretariat of the forum, monitor and co-ordinate poverty reduction programmes. Instead of top-down, planning will gradually shift to bottom-up with the implementation of the decentralisation policy at regional and Tinkhundla levels. This will enhance the participation of the poor in decision making and in the planning and implementation of the programmes designed to reduce their poverty.

The Ministry of Economic Planning and Development will also design a sound macroeconomic framework supportive of accelerated shared economic growth. It will seek and secure donor funding and solicit support from NGOs for the implementation and monitoring of pro-poor projects. At budget time, the Ministry will ensure that line Ministries streamline poverty reduction in their development strategy documents, sectoral development plans and submit poverty projects in their annual submissions of proposals for the capital budget. Participatory Poverty Assessments will continue regular monitoring as part of disseminating information and maintaining the PMS. This will be undertaken by the PRU in order to determine the impact and further assist in planning future programmes. The regular reports produced through the PMS will also facilitate better planning and reporting on the MDGs

The Central Statistical Office will be responsible for providing the relevant statistics for planning and monitoring purposes. It will conduct surveys and/or assist in the design of surveys for data collected at the different levels i.e. national, regional, Tinkhundla and community. The CSO will further collate and analyse the data to produce relevant statistics and report on outcomes and impact of programmes. CSO will also act as a databank for all socio-economic indicators.

10.2.1.3 Line Ministries

As established in Figure 10, line ministries will translate the actions into programmes, projects, policy and activities. These will then be further spelt out into development plans for that specific sector and transmitted into the MTEF and the budget on an annual basis. The SDPs should only contain activities that are in conformity with the PRSAP. Line ministries will guarantee that poverty reduction projects are included in their Sectoral Development Plans, Medium Term Expenditure Framework and are presented to Planning and Budget Committee. Furthermore, line Ministries will be responsible for implementing poverty reduction actions and projects identified in line with the actions stipulated in the PRSAP and to design new ones in the course of implementation. They will also ensure that they participate in monitoring the implementation of projects and programmes both at regional and national levels. In cases, where there is need to initiative and/or change policy, the relevant line ministries will take up that responsibility.

10.2.1.4 Deputy Prime Minister's Office

The operationalisation of the decentralisation policy is the primary responsibility of the DPM's office as well as ensuring that co-ordination at the regional, Tinkhundla and community level is done properly. The role the Deputy Prime Minister's Office and Regional Administration offices in PRSAP implementation will be to ensure the poverty reduction projects are identified and subsequently implemented at these levels. Government funds such as Regional Development Fund, Community Fund will, in future, be consolidated into a poverty reduction fund and be used to implement projects that have already been planned for reducing poverty. Regional Administration offices will ensure the enforcement of bylaws recommended in the Plan at community level.

10.2.1.5 Ministry of Finance

The planning and budgeting for the PRSAP is key in the implementation of poverty reduction programmes. The role of the MoF in implementing the PRSAP will be fourfold. First, along with the MEPD, it will ensure that priority is given to poverty reduction initiatives in the MTEF are reflected in line Ministries' budget proposals for the Budget. Second, it will ensure that fiscal policy recommendations made in the PRSAP such as taxes and subsidies are implemented. Third, the Ministry will ensure that the desired orientation of public expenditure in favour of poverty reduction is realised. Finally, it will participate in the public expenditure reviews and then

integrate recommendations in the budget. Tracking of expenditure both recurrent and capital is crucial for assessing impact on poverty.

10.2.1.6 Donors

Donors and financing agencies are expected to assist Swaziland with resources to implement the PRSAP and to use the Plan as the key document for channelling official development assistance to Swaziland. They are expected to ensure that their assistance is in line with the activities identified in the PRSAP and co-operate with government in funding priority areas.

10.2.1.7 NGOs, and CBOs

NGOs and CBOs are expected to assist in implementing small-scale interventions closest to communities and households where these organisations tend to have a comparative advantage. Under the bottom-up approach to poverty planning, which will characterise future PRSAP planning, the NGOs and CBOs will play a key role in working with communities to identify appropriate pro-poor projects and assist with implementation. The NGOs and CBOs will ensure that no groups are discriminated against or marginalised. Furthermore, they will assist with tracking expenditures to make sure that they reach targeted population, monitor and evaluate the impact of the poor.

10.2.1.8 The Private Sector

The private sector, foreign and domestic, has been Swaziland's engine of growth and is expected to remain so. Private investment reduces poverty through job creation and creating opportunities for forward and backward linkages with small and medium entrepreneurs. The private sector has also a social responsibility of providing services for curbing the HIV/AIDS pandemic and enhancing skills for their employees. Further, opportunities for private investment will increase when incomes of the majority poor increase and links with SMEs and smallholder farmers established. This will be in line with pillar 1.

10.2.1.9 Poor Households

The PRSAP represents the aspirations of the poor and recognises the need to support certain groups if they have to be empowered and enhance their ability to stand on their own. While there are initiatives to provide subsidized or free services such as the universal and compulsory education, health fee waiver, and drought relief to the poor, the PRSAP is not designed to provide handouts since they are not sustainable. Rather the PRSAP expects to empower the poor to make the best use of resources at their disposal to graduate out poverty. Given the catalytic role of government, the poor will be expected to rise to the challenge and participate in the decisions that affect the lives and in income generating activities as well as co-provide social services in their communities and households.

10.3 Financing of the PRSAP

Not all aspects of the PRSAP will require additional funds for implementation. Some require the enactment of new laws, amending and enforcing existing ones, formulating policies and implementing existing policy measures. What is expected mostly is the re-orientation of the budget and the incorporation of more focus on the reduction of poverty effort. Even where additional funds are needed, it is not always the government or donors that will have to provide all the funds and this is

Financial Year	Poverty Projects Estimates	Total Capital Budget Estimates	% Share of Poverty Projects
2003/04	390,431	1,232,502	31.7
2004/05	361,221	1,415,222	25.5

where the private sector and all the people of Swaziland, including the poor are expected to play a leading role. Many interventions in

the PRSAP are to be implemented with the lead participation of the private sector and public-private partnerships will be encouraged. However, in most cases the government will have to provide the funding for some of the priority through public resources.

Capital budget spending on poverty in recent years has not given emphasis to poverty (Table 9). Between 2003/04 and 2004/05, less than a third of capital budget resources were budgeted for poverty projects but there is evidence that even with these projects the benefits do not reach the poor. The target for PRSAP is to steadily increase the share of poverty reduction projects from 26% in 2004/05 to 69% per annum in line with poverty prevalence rate. This share should eventually decrease as poverty levels lose social and economic significance.

Public expenditure is skewed in favour of recurrent expenditure, accounting for 75% leaving 25% for capital development budget. Recurrent expenditure can equally promote poverty reduction if it supports previous or current poverty programmes. Indeed, most poverty programmes such as primary health care, basic education, and extension services are funded from the recurrent expenditure. Moreover, since recurrent budget resources are disbursed faster, their impact on poverty can be more significant and immediate.

During the PRSAP, clearly identifiable linkages shall guide recurrent budget allocations between the expenditure in question and an existing or recent poverty reduction programmes. Examples of budget "activities" that normally implement poverty reduction programmes include environment, community development, lands, water resources, agriculture promotion and extension services, home economics, cooperatives and marketing, housing and human settlements, handicrafts, primary education, curriculum development, technical and vocational and vocational education,

adult education and non-formal education, special education, social welfare, preventive medicine, public works, law office, judiciary, anti-corruption unit, gender co-ordination, and audit. It must be emphasised that it is not the name of a department that makes its activities pro-poor but the exact objectives of its expenditure.

10.3.1 Resource Forecasts

Swaziland's financial resource situation at the time of formulating this Plan has not been favourable (Table 10). For the fifth year running, the budget has been running a deficit, reaching 6% of GDP in 2003/04. The deficit is projected to continue for the next three years reaching 10% of GDP in 2006/07.

ITEM/FINANCIAL YEAR	2003/04	2004/05	2005/06	2006/07
Revenue	3,653.60	4,636.20	4,317.90	4,134.10
Grants	273	163.8	147.4	132.7
Total Revenue and Grants	3,926.60	4,800.00	4,465.30	4,266.80
Recurrent Expenditure	3,704.50	4,033.00	4,138	4,259.60
Capital Expenditure	1,028.90	1,296.20	1,380.50	1,470.20
Total Expenditure	4,733.40	5,329.20	5,518.50	5,729.80
Deficit/Surplus	-806.80	-529.20	-1,053.20	-1,463.00
GDP	14,692.60	15911.2	17104.3	
Deficit/Surplus as % of GDP	-5.5	-3.3	-6.2	

Revenue is forecast to increase by 2.8% per annum by 2006/7 but under the present expenditure regime, recurrent expenditure is expected to grow by 4.8% per annum, well out of tandem with revenue. Capital expenditure is forecast to increase by 12.6% per annum. Moreover, the wage bill is very high, accounting for over 50% of revenue.

The emerging picture calls for fiscal prudence, targeting of resources, prioritisation of expenditures, restraint on recurrent expenditure, improving revenue collection, more donor recourse mobilisation, rationalising the public service, and improving efficiency and cost-effectiveness of the budget to finance poverty reduction. Allocated resources must be tracked down to ensure that they reach the targeted population.

10.3.2 External Assistance

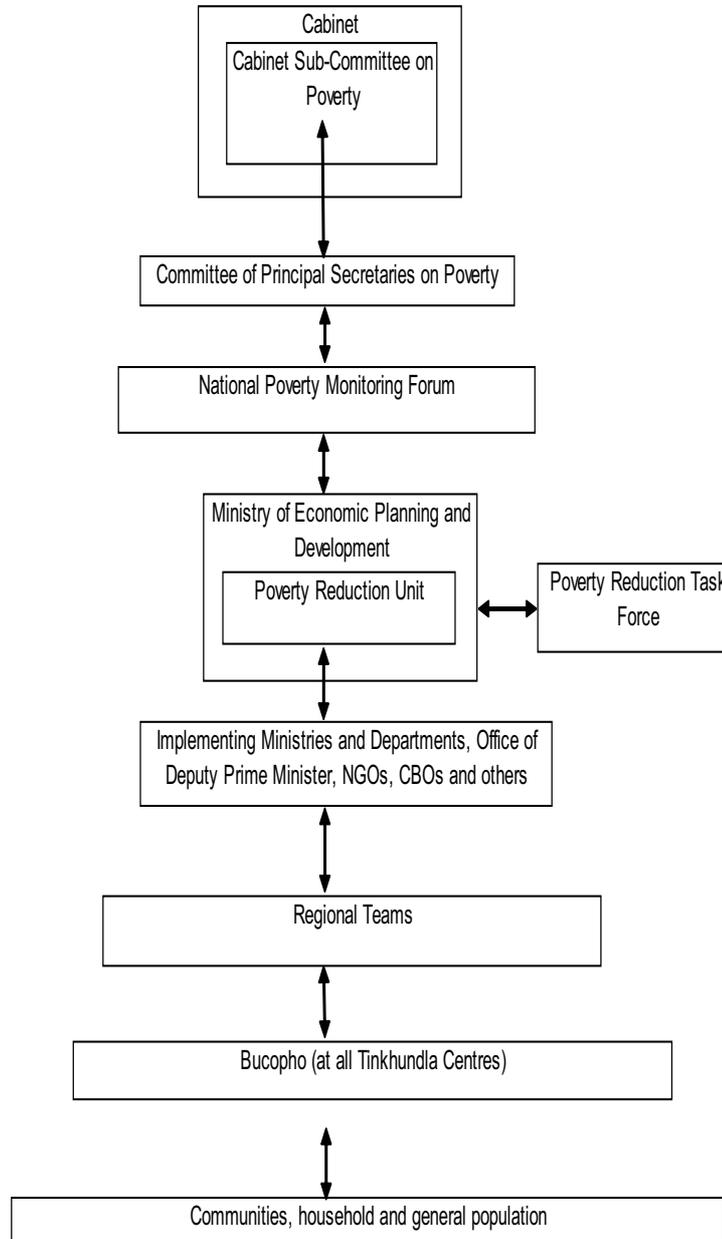
The analysis presented in this PRSAP points to the fact that in spite of the high average income per capita, which places Swaziland among middle income countries, poverty levels and social economic conditions in the country are not different from those in countries with much lower average income per capita. Moreover, the high income per capita is garnered by the rich few, owing to high levels of inequalities. Yet most donors base official development assistance on a country's income category, as a result of which Swaziland gets very little development assistance

and is disqualified from accessing concessional finance from multilateral agencies. Grants not only constitute a tiny fraction of revenue (3.4% in 2004/05), but they are projected to decline (Table 10). Donor aid policies based on average per capita income of countries penalize the poor in Swaziland. The shortage of domestic revenue and lack of substantial external assistance input in the PRSAP is sure to slow down its implementation. There is an urgent need for donors to review official development assistance policies towards Swaziland and make substantial contribution to the financing of the PRSAP. For this purpose, a donors' conference will be organised during the early years of implementing the PRSAP.

10.4 Institutional Set-up for Co-ordination, Monitoring and Evaluation of Poverty Reduction

Continuous monitoring of the implementation of the PRSAP and trends in poverty will be important to inform government policy makers, implementing departments, financing agencies and all other stakeholders about the progress being made in realizing the goals and targets set in the PRSAP. Evaluation will go further to periodically and systematically assess the continued relevance, performance and success of the PRSAP initiatives, objectives, and targets and redirect the efforts and resources accordingly.

Figure 12: Institutional Arrangements for Monitoring the PRSAP



10.4.1 Cabinet Sub-Committee on Poverty

The overall responsibility of monitoring the overall implementation of the PRSAP and monitoring trends in poverty dimensions on behalf of Government rests with the Cabinet (Figure 12). On a more regular basis, the Cabinet Sub-Committee on Poverty constituted in 2001 will exercise this responsibility. Members of this Committee include the Minister of Economic Planning and Development and the Deputy Prime Minister's office, ministers of Finance, Education, Health and Social Welfare, Agriculture and Co-operatives, Natural Resources and Energy and Enterprises and Employment.

10.4.2 Poverty Sub-Committee of Principal Secretaries

The Committee of Principal Secretaries on Poverty will report to the Cabinet sub-committee. It will be made up of the same Ministries as the Sub-Committee of Cabinet. The Principal Secretary of the MEPD will chair this committee while the PRU provides secretariat services. This committee will be responsible for supervising the PRSAP implementation and poverty trends in more detail including the review of causes for any deviations from the targets set out in this document.

10.4.3 National Poverty Monitoring Forum

A National Poverty Monitoring Forum, whose membership will involve stakeholder representatives in the debate on poverty issues and MEPD will establish the implementation of the PRSAP. Membership will be open ended. Typical participants in the Forum will be government ministries and departments, Regional authorities, NGOs, CBOs, donors, private and parastatal sector representatives of the poor and the press.

The Forum will meet at least once a year to monitor and evaluate the progress of the country in implementing the PRSAP, other poverty reduction initiatives, and to recommend in an advisory manner, the way forward for further consideration by all stakeholders. PRU will provide secretariat services and prepare the necessary documentation for the National Poverty Forum.

10.4.4 Poverty Reduction Unit

The PRU within MEPD will conduct the day-to-day monitoring of the implementation of pro-poor projects and poverty trends at the macro level. For this purpose, the PRU has established a computerised Poverty Monitoring System and a database to act as the central repository of statistical data from national statistical system focusing on poverty. To keep the database up-to-date, the Unit will work closely with the following data source offices: CSO, ministries of Health

and Social Welfare, Education, Agriculture and Cooperatives, Enterprise and Employment, Finance (Budget Unit), Rural Water Board, and the Population Unit of MEPD.

10.4.5 Line Ministries, Regional Teams, and Bucophu

Parallel to the macro level monitoring and evaluation conducted by the PRU, all implementing agencies at ministerial level, the four regional teams, all the fifty-five Tindvuna Tetinkhundla at Tinkhundla Centres will monitor the implementation of the anti-poverty projects and programmes under their purview.

10.5 Monitoring and Evaluation Processes

Monitoring the implementation of the PRSAP is key to the overall objective of reducing poverty by more than 50% by 2015 and assessing progress made on all the MDGs. Monitoring and evaluation will be done at all levels. The first level will be monitoring government's inputs based on the activities specified in the Action Plan and later translated into the budget. The expenditures on those activities will be tracked down at all levels including individual line items in the budget to identify beneficiaries as well as assess impact on poverty. All expenditures will be closely monitored.

Civil society will assist communities in monitoring the implementation of their programmes and in tracking the expenditures and assessing impact on poverty. Consequently, community capacity must be strengthened so that this will be done with the full participation of communities. Furthermore, line ministries will enhance their own monitoring and evaluation systems in line with the MTEF and expenditure reviews. Public expenditure reviews will be conducted at line ministry level and together with MEPD and MOF.

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).

10.5.1 Monitoring Indicators

Monitoring will be regularly undertaken on the basis of agreed targets and performance indicators. Some of the targets have been identified in the various sections of this Plan. Appendix 1 shows some of the monitoring indicators already developed during the preparation of the PRSAP and will be revised or refined by stakeholders as the implementation of the PRSAP progresses.

Performance indicators take four forms - inputs, outputs, outcomes, and impact indicators. Input indicators are mainly resources made available for reducing poverty in any form such as a project in the country, region, and communities. These resources can be financial such as budget expenditure on labour, transport, personnel or capital equipment. At this level the monitoring focus will largely be in financial monitoring on an activity basis e.g. resources spent on primary education, basic health services etc as well as the implementation of policy measures like the land policy, population policy, water policy, health policy and others. The focus of monitoring the inputs will be on the efficiency and effectiveness with which the resources are used.

The monitoring of inputs and making regular progress reports will be the primary responsibility of the implementing agency for each activity such as line ministries and project managers. When a project appears not to be producing the expected outputs efficiently, effectively and timely, an independent external evaluation will be made to recommend a solution. Outputs reflect the quality and quantity of services provide by government with the resources budgeted as inputs.

Outcome indicators measure changes in different aspects of poverty dimensions resulting from a combination of outputs from various sources, some of which are beyond the control of the implementing agency. For example, school enrolment ratios may improve as a result of building more schools, reduction in school fees, introduction of free education, construction of roads, increase in household income and willingness of parents to send their children to school. Whereas the Ministry of Education can be responsible for building schools, they are not in charge of constructing roads or increasing household incomes. Implementing agencies as well as the MEPD will therefore be responsible enhancing co-ordination and for the monitoring of outcomes.

Impact indicators measure changes in the final dimensions of poverty such as the incidence of poverty, literacy rates, life expectancy, which result from numerous outcomes of many interventions cutting across sectors usually after a long time. To fulfil these tasks, the Ministry has already established a Poverty Reduction Unit, developed computerised monitoring software, and

built the requisite database, to be maintained regularly. The PRU will work closely with civil society and the media to disseminate information.

The CSO and statistical units in line Ministries will ensure the production of statistics to generate data for calculating these indicators and whenever possible disaggregate the data down to Tinkhundla level. Currently, a demographic and health survey is planned and will provide indicators on poverty relevant for analysis. Other surveys include consumer price index, agriculture, employment etc. The production of reports will have to be regular, timely, and sufficiently disaggregated.

10.5.2 Monitoring Reports

All monitoring institutions below the Cabinet sub-Committee will make clear and comprehensive annual poverty review reports and recommendations to the immediate higher authorities for action. Communities working within their structures and together with tindvuna Tetinkhundla, civil society and regional teams will submit such annual reports through the regional administrators to the DPM and the PRU. The Unit will compile a national poverty review assessment to be discussed at the National Forum and the Committee of Principal Secretaries on Poverty. The reports should be written quarterly and half – yearly and will be finally submitted to the Cabinet Sub-Committee.

The objective of monitoring and evaluation at all levels will be to ensure that the PRSAP is on track and will be flexible to adapt promptly to changing circumstances and priorities. Accordingly, there will be a two-way communication between the different structures. Also, there will be feedback from higher authorities downward on action taken in response to the monitoring and evaluation reports. This means that cabinet will receive feedback from the Committee of Principal Secretaries, who in turn will receive feedback to line ministries and so on.

10.5.3 Evaluation Reports

Evaluation will be intended to review the relevance of the PRSAPs, the performance of stakeholders in implementing it, and success of completed initiatives. Specific issues to be evaluated will be determined by the PRU at any time of the monitoring process and independent consultants engaged for this purpose. Evaluation reports will be made available to all relevant institutions actively participating in the poverty reduction process.

10.5.4 Establishment of Management Information Systems for Poverty Monitoring

All line Ministries, Departments, Regional authorities implementing various aspects of the PRSAP will be expected to establish management information systems and databases to enable them to generate performance reports to assist in monitoring and evaluation. These databases should be standardized so that information exchange can be made easier among them and with the PRU.

10.6 Review of the PRSAP

The monitoring and evaluation system will assist in the review of the PRSAP because even the best formulated and implemented strategies become obsolete with time as external and internal environment change. As the environment changes, so will the prioritisation of activities contained in the PRSAP. These will be fed by the assessment of targets, evaluation of indicators and the public expenditure reviews. Other poverty studies like the Poverty Participatory Assessments and surveys conducted by CSO and other agencies feed into the implementation of the PRSAP.

The review of the PRSAP will take place after every five years and as part of the annual monitoring and evaluation exercise will enhance the change of policy. Other national policy processes will be integrated into the PRSAP. Sectoral development plans will incorporate lessons learnt and accordingly reflect changing in priorities. At the interval of five years, the Cabinet Sub-Committee will determine whether there is need to reformulate the PRSAP. If is so decided, MEPD shall set in motion a participatory process to reformulate the PRSAP. Workshops will remain an integral part of the monitoring, evaluation and review process.

Matrix of Strategic Objectives, Targets and Priority Actions for Implementing Arrangements, Monitoring and Evaluation

Poverty Area	Key poverty problems	Strategic objectives	Target for poverty reduction	Programmes, Projects and Actions	Agency Responsible
Budgeting for poverty	Low share of poverty projects in the Budget	To increase budget resources for poverty	65% of capital budget to finance poverty reduction	Ministry of Economic Planning and Development to shift emphasis towards pro-poor projects	Ministry of Economic Planning and Development
	Recurrent expenditure to be supportive of poverty reduction initiatives			Ministry of Finance to ensure that poverty reduction central to the MTEF and recurrent budget	Ministry of Finance and Public Service
	Inadequate donor finance	To substantially increase donor funding of the PRSAP		Undertake a donor's conference	Ministry of Economic Planning and Development

APPENDIX

Appendix 1: PRSAP Poverty Monitoring Indicators

Economic Management

- i. National Gini Index
- ii. % of national income generated by poorest 10%
- iii. % of national income generated by poorest 20%
- iv. % of national income generated by richest 10%
- v. % of national income generated by richest 20%
- vi. Poverty gap
- vii. Depth of poverty
- viii. Severity of poverty
- ix. Regional gap in poverty prevalence
- x. Regional gap in Gini Index
- xi. Regional gap in primary schools per unit population
- xii. Regional gap in health facilities per unit population
- xiii. Regional gap in access to safe water and sanitation
- xiv. Regional gap in communication
- xv. Rate of growth of GDP
- xvi. Inflation rate
- xvii. Exchange rate stability
- xviii. Income distribution pattern
- xix. % of population below the upper poverty line
- xx. % of public capital expenditure on pro-poor projects
- xxi. Poverty gap ratio
- xxii. Share of poorest quintile in national consumption
- xxiii. Number of poverty projects in annual Budget Estimates

Education and Vocational training

- i. Net enrolment in primary schools
- ii. Primary school drop out rate
- iii. Number of school going age children that never went to school
- iv. Literacy rate of 15-24 year olds
- v. Literacy rate
- vi. Primary school enrolment

- vii. Educational attainment

Employment

- i. Growth in formal employment
- ii. New jobs created annually
- iii. Employment as % of labour force
- iv. Unemployment rate

Energy

- i. % of population using electricity
- ii. % of the population relying on wood fuel

Environment and Tourism

- i. Proportion of the population using wood fuel
- ii. Proportion of the population using solid fuel
- iii. Proportion of the population using electricity
- iv. Occurrences and frequency of bush burning

Food and Agriculture

- i. SNL Crops as % of GDP
- ii. Policy changes on SNL
- iii. Number of persons estimated starving in a year.
- iv. Prevalence of under-weight children.
- v. Proportion of persons living below food poverty level.
- vi. Tonnage of domestic food production per annum
- vii. % of population producing enough maize for consumption.

Gender

- i. Ratio of girls to boys in primary schools
- ii. Ratio of literate females to males
- iii. Ratio of literate females to total population
- iv. Share of women in wage employment
- v. Proportion of seats held by women in Parliament
- vi. Share of women in wage employment in the non-agricultural sector
- vii. Ratification of CEDAW (Convention on Elimination of all forms of Discrimination against Women)

- viii. National Laws against discrimination of women repealed
- ix. Succession laws in force
- x. Laws to protect orphans and widows

Governance

- i. Regularity of democratic elections
- ii. Harmonious operation of Executive, Legislature and Judiciary
- iii. Existence of State organs of accountability and transparency
- iv. Reported cases of corruption
- v. Levels of electioneering (national, urban, local)

Health

- i. Number and type of health facilities per Tinkhundla
- ii. Population per physician
- iii. %age of children immunized against major preventable diseases
- iv. Average walking distance to the nearest health facility
- v. %age of population accessing safe drinking water
- vi. %age of the population accessing proper sanitation
- vii. Incidence of malaria, admissions and deaths
- viii. Prevalence of underweight children
- ix. Infant mortality rate
- x. %age of births attended by trained birth attendant
- xi. Life Expectancy at birth
- xii. Prevalence of HIV/AIDS
- xiii. Cases of admissions to health facilities
- xiv. Population per health unit
- xv. Maternal mortality rate
- xvi. Prevalence of stunted children
- xvii. Morbidity (admissions and outpatient visits to health facilities)
- xviii. Under -five mortality rate
- xix. Infant mortality rate
- xx. Proportion of one-year-old children immunized against measles.
- xxi. Child immunisation rate
- xxii. Maternal mortality ratio
- xxiii. Proportion of births attended to by skilled health personnel
- xxiv. Contraceptive ratio.
- xxv. Total Fertility Rate

HIV/AIDS

- i. HIV prevalence among pregnant women
- ii. Contraceptive prevalence rate
- iii. Number of children orphaned by HIV/AIDS
- iv. Prevalence of deaths associated with HIV/AIDS

Information and Communication

- i. Number of vernacular and other language newspapers sold
- ii. Number of cellular phones in use
- iii. Number of radios in use
- iv. Coverage by government stations
- v. Coverage by private radio stations
- vi. Number of households per telephone
- vii. Number of households per television set.

Land

- i. Proportion of population with secure land tenure
- ii. Population density on various land tenure systems

Multisector

- i. Employment rate
- ii. Population below the poverty line
- iii. Income generating projects activities implemented
- iv. Rural investments made
- v. Income generating policy changes on SNL
- vi. Share of SNL crops in GDP

Rural Infrastructure

- i. Distribution of schools by rural/urban setting
- ii. Distribution of health facilities by rural/urban setting
- iii. Distribution of telephone connection by rural/urban setting
- iv. Distribution of safe water facilities by rural/urban setting
- v. Rural/Urban inequalities
- vi. increase in feeder roads

Social Protection

- i. % of social expenditure in the national budget
- ii. Number of social protection projects in the budget
- iii. Number of orphans in the country without care
- iv. Number of the elderly without care
- v. Number of physically challenged persons

Water and Sanitation

- i. Proportion of the population accessing safe water
- ii. Proportion of the population relying on unprotected water sources (unprotected wells, rivers)
- iii. Proportion of the population with access to safe methods of sanitation (flush toilets, ventilated pit latrines)
- iv. Household using bucket, bush, and unventilated pit for toilet.
- v. Incidence of water borne diseases
- vi. Groups with access to water rights

