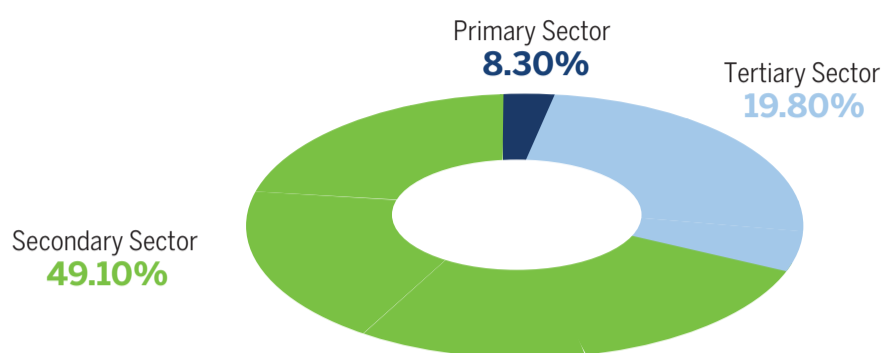


SWAZILAND FACT SHEET 2016



ECONOMICS

SECTOR CONTRIBUTIONS TO GDP



2014 2015^(f) 2016^(f) 2017^(f) 2018^(f)

Inflation %	5.69	4.97	6.54	6.03	5.38
GDP %	2.45	1.66	0.75	0.97	1.23

(f) FORECASTED

Currency: Emalangeni

[E 1= R1* & E 14.67 = \$1* (12 April 2016*)]

Top import products

- Mineral fuels, oils, distillation products (16.2%)
- Vehicles other than railway and tramway (9.2%)
- Machinery, nuclear reactors, boilers (5.9%)

Top import origins

- South Africa (87.2%)
- China (4.2%)
- India (1.5%)

EXPORT

Top export products

- Essential oils, perfumes, cosmetics, toiletries (30.6%)
- Sugars and sugar confectionery (19.8%)
- Articles of apparel, accessories (not knitted or crocheted) (5.2%)

Top export locations

- South Africa (63.1%)
- Nigeria (5.0%)
- Mozambique (4.0%)

IMPORT

SOCIAL

- Population:
 - 1 435 613 people in 2015
- Swaziland is classified as a low to middle income developing country with a GDP per capita of US\$9800
- Swaziland is dogged by extremely high poverty and inequality levels.
- **Languages:** SiSwati and English
- Swaziland's healthcare system consists of formal and informal health sectors.

TECHNOLOGY

- Investments are being made in infrastructure to migrate the country's economy from an agrarian to a high-tech or knowledge-based one. This includes the establishment of the Royal Science and Technology Park (RSTP).
- The RSTP will attract foreign investment and help position the country as a premier location for research and development.

POLITICAL/LEGAL

- Swaziland's legal system is a parallel system of Roman-Dutch and customary law.
- Swaziland has a monarchy and succession is governed by custom. The head of state is currently King Mswati III.
- The Swazi regime has been resisting popular demands for democratic reform and a lifting of the ban on political parties.

ENVIRONMENT

- Current environmental issues relate to the limited supplies of potable water; wildlife populations being depleted because of excessive hunting; overgrazing; soil degradation; and soil erosion.
- Natural hazards include droughts and floods.

MAJOR CITIES

Mbabane
Population:
76 218

- Capital city of Swaziland.
- Depends on tourism and sugar exports.



Manzini
Population:
110 537

- "The hub of Swaziland".
- Commercial and industrial city.

Big Bend
Population:
10 342

- Centre for sugar production.

CHALLENGES TO DOING BUSINESS

- Swaziland has an underdeveloped, unreliable, and unpredictable legal and regulatory environment. It does not have an approved trade, investment, or industrial policy.
- The government's official policy is to encourage foreign investment so as to drive economic growth. However, the pace of reforming the country's investment policies is slow, and it has not kept up with other countries in the region.
- Foreign investors could be confused by the country's dual system of governance. Approval is often required by traditional authorities as well as the various government ministries.
- Public sector and royal family involvement in the economy discourages private investment and encourages monopolistic behaviour. This is driving up prices and reducing the competitiveness of the country.

OPPORTUNITIES FOR DOING BUSINESS

- The government has been taking steps to liberalise the information, communications and technology (ICT) sector. Initiatives to spur the growth of this key sector include e-governance and the construction of the Royal Science and Technology Park.
- Various incentives to invest in Swaziland are in place, by law. These include:
 - A human resource training rebate;
 - A reduced tax rate of 10% for the first ten years of operation for businesses that qualify under the Development Approval Order;
 - The exemption from import duties of capital goods such as machinery and equipment, imported into Swaziland for productive investment;
 - The repatriation of profits and dividends, including salaries for expatriate staff and capital repayments; and
 - An exemption from import duties on imported raw materials for the manufacture of goods to be exported outside the Southern African Customs Union (SACU).