

# U.S. Country Commercial Guides



## Eswatini (formerly Swaziland) 2019

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## **Doing Business in Eswatini**

### **Market Overview**

Eswatini is a small country (slightly smaller than New Jersey) with a population of 1.1 million. It is bordered by South Africa and Mozambique.

Eswatini has a relatively diverse economy dominated by the agriculture and manufacturing sectors. Due to its small population, Eswatini has positioned itself as an export oriented economy, tapping into several free trade blocks and customs unions. Export-oriented industries drive the economy and provide 80 percent of GDP.

Eswatini is currently a member state of the Common Market for Eastern and Southern Africa (COMESA - 390 million people), the Southern Africa Development Community (SADC - 290 million people), and the Southern African Customs Union (SACU - 60 million people). Eswatini is a member of the Common Monetary Area (CMA) of countries whose currencies are pegged to the South African Rand.

Approximately 90 percent of the country's imports come from or through South Africa and nearly 65 percent of Eswatini's exports are bound for its dominant neighbor. U.S. exports to Eswatini account for less than 1 percent of Swati imports. U.S. imports from Eswatini account for 1.5 percent of Swati exports. (Central Bank of Eswatini) The United States runs a trade surplus with Eswatini of more than US\$7 million. (USITC, 2015)

Primary infrastructure (roads, electricity, water, and telecommunications) is relatively well developed and modern. Macroeconomic performance has continued to stagnate, with real GDP growth averaging 0.5 percent in 2018. (Central Bank of Eswatini Annual report 2018).

Recent positive developments include the country's January 2018 reinstatement under the African Growth and Opportunity Act (AGOA) and the enactment of the Special Economic Zones (SEZ) Act.

Top five reasons US companies should invest in Eswatini include:

1. Extended market access into the region
2. Quality support infrastructure and utilities
3. Stable and good industrial relations regime
4. Safe and peaceful environment
5. Strong investor protection framework

### **Market Challenges**

Eswatini is a small market that is heavily dependent on international trade. It suffers from its financial dependency on Southern African Customs Union (SACU) receipts, recently out-of-control government spending, a bloated civil service wage bill, the world's highest HIV/AIDS prevalence rate, economic inequality (Gini coefficient 0.51), and high unemployment.

The World Bank 2019 Doing Business Report indicates that Eswatini is performing poorly in the indicators of: starting a business, enforcing contracts, and getting electricity. The World Economic Forum identifies inefficient government bureaucracy, corruption, and access to finance as the 3 most problematic areas of doing business in Eswatini.

As in much of southern Africa, the demand for electricity outstrips domestic supply. To date, Eswatini has escaped large-scale power outages or load shedding, but it remains heavily reliant on buying electricity from South Africa.

### **Market Opportunities**

The Government of the Kingdom of Eswatini (GKoE) strategic road map 2019-2022 prioritizes opportunities in the following key growth sectors; Mining and Energy, Manufacturing and Agro Processing, Tourism, Agriculture, Education, and Information, Communications and Technology. US companies successful in this market are

characterized by regional focus as well as international sourcing. To make investment more attractive, the GKoE is in the process of upgrading their investment incentives, including increasing the tax-free incentive from 10 to 20 years, and moving from brown field infrastructure to green field infrastructure.

Over the last few years, the government has taken steps to break up monopolies and deregulate the financial services, insurance, and mobile communication sectors.

There is also substantial opportunity in developing water infrastructure as the GKoE is exploring three sites for dam construction.

Development of agriculture under irrigation is steady in its expansion for the purpose of transforming subsistence farming into commercial farming, with an emphasis on diversifying away from sugar cane. The change in production will demand new capital investment and a shift in farm inputs. Although the specific crops to be planted on the land have not been announced, a shift to more citrus and vegetable crops is probable. Suppliers of seeds, pesticides, transportation, and storage for these products could find opportunities for new sales.

Eswatini's energy policy and grid integration prioritize reducing electricity imports from South Africa by 50%, creating opportunity for renewable base load energy investors. This will allow entry for new players in the sugarcane, wood chips, hydro and solar generation space.

### **Market Entry Strategy**

Eswatini ranks among the leaders in sub Saharan Africa on trading across borders, hence its focus on an export driven economy. Eswatini is a sensible entry point for duty free export to African regional trade bodies (e.g., SACU, SADC, COMESA), while experiencing the security, stability, and infrastructure the country has to offer.

It is helpful (though not required) to have a local presence or a local partner. It is worthwhile to establish business relationships before tender opportunities are announced. U.S. firms should seek local partners with a good reputation in their line of business or a complementary business that understands the local procedures and processes needed to set up, operate, and liquidate a business in Eswatini, as well as in the region.

### **Political Environment**

For background information on the political and economic environment of Eswatini, please visit the [Department of State's website](#).

## **Selling US Products & Services**

### **Using an Agent to Sell US Products and Services**

Marketing U.S. goods and services has traditionally been accomplished through bases or agents in South Africa, although the use of an agent or distributor is not legally required. The Foreign Commercial Service office at the U.S. Consulate General in Johannesburg can help U.S. businesses interested in accessing Swati markets find agents and partners in South Africa. In addition, the following organizations are available to help foreign businesses find distributors and partners in Eswatini:

- The Eswatini Investment Promotion Authority (EIPA)
- Eswatini Industrial Development Company (EIDC) can help finding partners.
- The newly revived NIDCS now serves as a special purpose vehicle (SPV) for investing on behalf of the GKoE. The revival also expanded the mandate by making the Corporation a custodian of GKoE investments including shares in various entities.
- Swaziland Kirsch Industries (SWAKI) offers local expertise to foreign businesses on a diversity of projects and can help larger enterprises not yet represented in Eswatini establish retail outlets.

#### Eswatini Investment Promotion Agency

1st Floor North Wing, Mbabane Office Park, Building 1, Mhlambanyatsi Road

P. O. Box 4194, Mbabane H100, Eswatini

Tel: +268 2404 0470/2/3/4

Fax: +268 2404 3374

Eswatini

[www.EIPA.org.sz](http://www.EIPA.org.sz)

#### Eswatini Industrial Development Company

5th floor, Dhlam'ubeka House

P.O. Box 866 Mbabane,

Eswatini Cnr Mdada & Lalufadlana Street.

Mbabane H100, Eswatini

Tel.: +268 2404-3391/5

Fax: +268 2404-5619

E-mail: [info@EIDC.co.sz](mailto:info@EIDC.co.sz)

[www.EIDC.co.sz](http://www.EIDC.co.sz)

#### National Industrial Development Corporation of Eswatini

3rd Floor

North- west Wing

Sibekelo Building

Office Park

Mhlambanyatsi Road

Phone: +268 2404 3846 / 24042241

Fax: +268 2404 6096

Email: [info@nidcs.org.sz](mailto:info@nidcs.org.sz)

[www.nidcs.org.sz](http://www.nidcs.org.sz)

#### SWAKI

P.O. Box 1839

Manzini H100, Eswatini

Tel.: (268) 505-2693  
Fax: (268) 505-2001  
Email: [info@swaki.co.sz](mailto:info@swaki.co.sz)

## **Establishing an Office**

The Eswatini Investment Promotion Authority (EIPA) is a GKoE agency created to promote, attract and assist the establishment of both local and foreign enterprises. EIPA is the logical first point of contact for a new business in Eswatini. The following are EIPA's guidelines for establishing operations in Eswatini:

1. **Business Registration:** EIPA facilitates the registration of the company through legal practitioners (Companies Act of 1912). Costs range from \$100 – \$200.
2. **Immigration:** EIPA handles the applications for entry permits on behalf of the investor. Medical certificate, certificates of association, share certificates, bank statements, police clearances and two passport size photos are required. Permit fees range from \$25 for up to 12 months to \$250 for five years.
3. **Trading Licenses:** EIPA will also handle this application (Trading Licenses Order No. 20 of 1975). The cost of the license is \$45.
4. **Utilities Services:** Applications are handled by EIPA.
5. **Environmental Compliance:** All non-service related businesses are required by law to apply for approval from the Eswatini Environmental Authority, a process that EIPA fully facilitates. All waste-creating industries are required by law to undertake an environmental impact assessment.
6. **Factory Inspectorate and National Provident:** Law requires these registrations. The registration process is facilitated by EIPA.

Foreign investors have encountered some difficulties working with EIPA and with GKoE regulations outside of EIPA's scope. A study by USAID's Regional Office for Southern Africa (available at: [http://mbabane.usembassy.gov/local\\_links.html](http://mbabane.usembassy.gov/local_links.html)) outlines many step-by-step procedures related to employing, reporting, locating, and operating in Eswatini.

Two common problems noted are:

1. **Trading License/Entry Permit:** The current procedures require a Trading License to obtain an Entry Permit, while simultaneously requiring an Entry Permit to obtain a Trading License. In practice, an investor must negotiate with both the Department of Immigration and the Ministry of Commerce, Industry and Trade to reach an agreement as to which permission will be granted first.
2. **Entry Permit Review:** Some investors complain that the review of applications for employee Entry Permits can vary; thus, employers cannot predict if and when an employee will be able to work legally in the country.

The U.S. Embassy in Mbabane is working with EIPA and the GKoE in general to clarify the issues raised in the "Eswatini Investor Roadmap." As circumstances change, this document will be updated accordingly.

## **Franchising**

Franchising opportunities for U.S. business, such as restaurants and retail shops, are plentiful in Eswatini. Franchises in Eswatini are mostly South African, or come to Eswatini by way of a South African entity that has purchased master franchise rights to the region, e.g. Kentucky Fried Chicken, John Deere, Bandag Tyres, FedEx, and DHL.

In the past, South African buyers have allegedly taken advantage of foreigners' ignorance of Eswatini's political independence, and illegally set up franchises in Eswatini without having proper licensing for the country. Swati business people are thus often suspicious of new franchises in the country. Master franchise deals exclusively for Eswatini or for the region are not subject to restrictions beyond the requirements of any other business arrangement.



There are several urban centers that could support a variety of franchise types. Swati business people are very interested in cutting their own deals with U.S. and other foreign firms for franchising rights instead of going through South Africa.

Uneasiness with South African dominance in regional franchising extends across southern Africa and can be an important impetus to U.S. firms, not only to sell Swati franchising rights directly to Eswatini-based buyers, but to consider a Swati franchiser for the broader region.

There are Emaswati interested in becoming regional franchisers and who can command the resources necessary to do so. The disadvantage of Eswatini-based franchising is the lack of a strong manufacturing base. In certain ventures, South Africa's ability to more readily provide needed supplies gives it an advantage.

### **Direct Marketing**

There are no restrictions against U.S. companies marketing their goods in Eswatini. The GKoE's annual Eswatini International Trade Fair, held the last week of August or the first week of September, welcomes international companies for marketing purposes.

The most accessible medium in Eswatini is radio with two stations, the larger being government owned and the other a faith based, privately owned station. The newspapers with the largest print circulation are the Times of Swaziland and the Swazi Observer Local magazines and publications are increasing in number though their circulation is largely within the urban centers. Increasing cellular penetration offers great potential for direct marketing opportunities.

### **Joint Ventures/Licensing**

A number of organizations in Eswatini can help foreign firms pursue joint ventures. The four largest are the Eswatini Industrial Development Company (EIDC), National Industrial Development Corporation of Eswatini (NIDCS), Interneuron, and Tibiyo Taka Ngwane.

**EIDC** is a private development finance company formed as a joint venture between the GKoE and several international and local financial institutions. The main objective of EIDC is to assist incoming companies by financing joint ventures, equity participation, asset leasing, and providing factory shells. Partners include:

- Government of Kingdom of Eswatini – 34.9 percent
- German Investment and Development Company (DEG) - 22.1 percent
- International Finance Corporation (IFC) - 13.7 percent
- Commonwealth Development Corporation (CDC) - 10.9 percent
- Netherlands Development Finance Company (FMO) - 10.2 percent
- French Development Finance Institution (PROPARCO) - 5.0 percent
- Standard Bank of Eswatini - 1.6 percent
- Nedbank (Eswatini) Limited - 1.6 percent

**Tibiyo Taka Ngwane**, a private trust fund managed by the King for the nation, is a common player in Swati joint venture enterprises. Tibiyo invites foreign partners to either form joint venture projects or to run Tibiyo's wholly owned projects under direct management contract. Tibiyo usually expects the joint venture partner to provide leadership in technical project implementation as well as professional management. When participating in a joint venture, Tibiyo is flexible on the level of its equity stake, generally ranging between 20-50 percent. It can provide limited loan financing to the joint venture at a favorable rate. Tibiyo, when requested, can also play a facilitator role to investors wanting to set up in the country but wishing to "go it alone."

**NIDCS** serves as a special purpose vehicle (SPV) for investing on behalf of the GKoE to ensure maximization of investment returns in the various investing avenues.

NIDCS activities complement the GKoE's effort to attract investment by offering equity participation and anchoring investor confidence in Eswatini. Currently, they support undertakings in sectors such as Food and Beverages,

Agribusiness, Health and Pharmaceuticals, Infrastructure and Engineering, Paper, Plastic, Energy, Recycling and Waste Management, Leather, Textiles and Apparels, Communications, Mining and Minerals, Financial Services, , and Entertainment.

NIDCS is a strategic partner in joint ventures through equity and debt capital. It is also mandated to introduce and establish new age industries and technological advancement in all the sectors of the economy.

### **Interneuron**

Interneuron Eswatini (Pty) Limited is a registered asset manager whose objective is to help retirement funds invest exclusively within Eswatini. They co-invest with various companies not listed on the Eswatini stock exchange.

### **Selling to the Government**

The Eswatini Public Procurement Regulatory Agency (EPPRA), is an independent regulatory body with responsibility for policy, regulation, oversight, professional development, and information management and dissemination in the field of public procurement.

The agency's Circular One of 2016 explains public procurement procedures. Stakeholders are advised to familiarize themselves with the contents of the circular as it contains instructions of how effective public procurement is to be conducted.

In marketing products and services to the GKoE, one should not expect a steady flow of sales, but there are occasional opportunities for one-off sales of considerable size. Generally the GKoE publishes tenders in the local media and, depending on the commodity required, occasionally in the South African media. There are three basic sources of GKoE tenders. First, Government Stores, which is the GKoE's procurement department located in the Ministry of Finance, purchases general supplies (furniture, stationary, etc.). Second, the Central Transport Administration (CTA) at the Ministry of Public Works and Transport purchases heavy equipment (tractors, bulldozers, generators, etc.). Third, individual ministries directly purchase items unique to their work (meteorological equipment, x-ray machines, etc.).

Potential bidders pay for the right to bid at the GKoE revenue office and then collect tender documents from Government Stores after showing receipt from the government revenue office. Bids are returned to the Central Tender Board. Bidders are invited for the opening of the bids. In some instances, a ministry can apply for a tender waiver if there are too few companies supplying a particular commodity.

The GKoE requires three quotes to procure an item. It will issue an order to the company selected, and then the company applies for an import permit from the Ministry of Finance.

Many public works projects of the GKoE are financed through borrowing from the multilateral development banks. Please refer to "*Project Financing*" Section in "*Trade and Project Financing*" for more information.

### **Distribution & Sales Channels**

With its quality road network and communication infrastructure, the World Bank's Ease of Doing Business Report (2018) ranks Eswatini number one in cross border trade efficiency in Sub Saharan Africa (regarding the ease of getting goods out of the country to their intended destination).

Eswatini uses two ports for imported goods: Durban, South Africa, and Maputo, Mozambique. Eswatini has a dry port at Matsapha, near Manzini, that clears consignments coming into Eswatini via the railway line.

### **Express Delivery**

Discuss the prevalence and reliability of express delivery firms within the country, time from large U.S. cities, and relevant customs procedures, including de minimis amounts.

Express delivery services include DHL, FedEx, Postnet, and Swazipost. They are able to deliver worldwide with a turnaround of 3 days to 1 week to major U.S. cities.

### **Selling Factors & Techniques**

English is one of Eswatini's two official languages and, as long as labeling is done professionally and instructions for use are explicit, Swati buyers will not have a problem with the commodity. Service plans and warranties are an important selling point in Eswatini, especially for equipment and automobiles. In order to compete with South Africa products, U.S. businesses should make provisions for after-sale parts and maintenance.

### **eCommerce**

Increased cellular coverage and penetration, and use of mobile money apps have created prospects for e-commerce. The large size of the informal sector and un-banked population has opened the way for a new payment mechanism that enables local purchase of utilities, groceries, and services through mobile apps. Local payment systems include MTN Mobile Money, Eswatini Mobile Email, First National Bank's e-wallet.

### **Trade Promotion & Advertising**

The Eswatini International Trade Fair (EITF) is hosted by the Ministry of Commerce, Industry, and Trade in August/September of each year to promote business in the country. This is the leading business exhibition, with over 50,000 visitors, where all important corporations participate to introduce and promote new products and services, along with other opportunities.

#### **Advertising**

Two newspapers in Eswatini offer advertising possibilities for U.S. businesses: the privately-owned *Times of Eswatini* and Tibiyo Taka Ngwane's *Swazi Observer*, as does the monthly magazine, *The Nation*. Eswatini has one business journal, *The Eswatini Business Yearbook*.

#### **Newspapers:**

##### *The Swazi Observer*

Observer House, West Street Mbabane

Tel +268 404-5190, 404-5194

Fax +268 404-5503

E-mail: [observmb@realnet.co.sz](mailto:observmb@realnet.co.sz)

Website address: [www.observer.org.sz](http://www.observer.org.sz)

##### *The Times of Swaziland*

P.O. Box 156, Mbabane

Tel +268 404-1550/1/2/3/4

Fax (268) 404-2438

E-mail: [times@realnet.co.sz](mailto:times@realnet.co.sz)

Website address: [www.times.co.sz](http://www.times.co.sz)

#### **Other Publications:**

##### *The Nation*

P.O. Box 3433, Mbabane

Tel. (268) 404-6611

E-mail: [thenation@realnet.co.sz](mailto:thenation@realnet.co.sz)

##### *Eswatini Business Yearbook*

Published by Christina Forsyth Thompson  
P.O. Box 592, Mbabane  
Tel (268) 404-3400, 404-1839  
Fax (268) 404-3400  
E-mail: [cft@realnet.co.sz](mailto:cft@realnet.co.sz)  
Website address: <http://www.swazibusiness.com/indexsbyb.html>

The GKoE owns radio and television stations which sell advertising ([www.swazitv.co.sz](http://www.swazitv.co.sz)). Eswatini has one privately owned radio station, focusing on Christian broadcasting, and one privately owned television station: Channel S, AKA “Channel Swazi.” However, it is possible to advertise with South African television stations broadcasting into Eswatini.

### **Pricing**

Pricing of commodities in Eswatini is usually inclusive of all taxes. Eswatini charges 15 percent value added tax on all goods sold within the country.

### **Sales Service/Customer Support**

After-sale maintenance is top priority for any sale to succeed in Eswatini. Eswatini are hesitant to buy products that cannot be serviced in Eswatini, and U.S. exporters should make provisions for in-country service to promote sales. For example, although GKoE agencies may be willing to wait up to two weeks for automobile service in South Africa, private individuals will not tolerate the inconvenience. Like western consumers, many Eswatini will demand same-day or overnight service on their vehicles.

### **Protecting Intellectual Property**

In any foreign market, companies should consider several general principles for effective protection of their intellectual property. For background, link to our article on [Protecting Intellectual Property](#) and [Stopfakes.gov](http://Stopfakes.gov) for more resources.

### **Due Diligence**

Proper due diligence should form the base for any business negotiation with Swati concerns. U.S. companies should act prudently in completing due diligence reports prior to any proposed business deals.

The U.S. Department of Commerce’s Foreign Commercial Services (FSC) Section at the U.S. Consulate General in Johannesburg can provide valuable background information on Swati firms through their International Company Profile (ICP) service. Further information can be obtained by visiting [www.buyusa.gov/southafrica](http://www.buyusa.gov/southafrica) or contacting the FCS Export Assistance Center at (+27) 11-778-4808.

### **Local Professional Services**

Eswatini Association of Architects, Engineers and Surveyors  
PO Box A387, Swazi Plaza  
Mbabane  
Phone +268 404 2309  
Fax +268 404 2309

Law Society of Eswatini  
High Court Building, Mbabane  
Phone: +268 2404-9945

### **Accountants and Auditors**

Kobla Quashie and Associates  
Email: [info@koblaquashie.co.sz](mailto:info@koblaquashie.co.sz)

Eswatini Institute of Accountants  
PO Box 2653  
Mbabane, H100  
Eswatini  
Tel: +268 2404 5566  
Fax: +268 2404 6827  
[sia@realnet.co.sz](mailto:sia@realnet.co.sz)  
<http://www.sia.org.sz>

### **Management Consulting**

J B H Management  
Post Office Box 801  
Matsapha, Eswatini  
Phone number: +268.2416.2079, +268.2416.2820  
Fax: +268.2416.2820

L C C Capital Consulting (PTY) Ltd  
Ground Floor Dlanubeka House  
Mbabane, Eswatini  
Phone number: +268 2404 6348, 2404 9689  
Fax: +268 2404 9689

Kq Consulting (PTY) Ltd  
Address: Plot 137 Mallya House Esser Street, Manzini, Eswatini  
Phone number: +268 2505 4974  
Fax: +268 2505 4540

Meridian Consult (PTY) Ltd  
Address: Smith Bldg, Matsapha, Eswatini  
Post Office Box 6096, Manzini, Eswatini  
Phone number: +268 2518 4993  
[www.meridianconsult.org](http://www.meridianconsult.org)

Regional Excellence & Development Initiative  
Hhas'elihambayo House Eveni Mbabane  
Phone Number: +268.2404.9396  
Email: [info@redi.realnet.co.sz](mailto:info@redi.realnet.co.sz)  
[www.redi.co.sz](http://www.redi.co.sz)

KPMG Management Services  
Email: [kpmg@kpmg.co.sz](mailto:kpmg@kpmg.co.sz)  
Umkhiwa House  
Karl Grant Str Mbabane  
Phone number +268 24057000  
Email: [kpmg@kpmg.co.sz](mailto:kpmg@kpmg.co.sz)

Price Waterhouse Coopers  
RHUS Office Park  
Karl Grant Str  
Mbabane  
Phone Number +268 2404 2861

### **Principal Business Associations**

Business Eswatini (formerly Federation of Employers and Chamber of Commerce)  
Malagwane Hill | P. O. Box 72, Mbabane H100  
Tel: +268 2404 0768/2404 4408  
Fax: +268 2404 4333  
Email: [fsecc@business-Eswatini.co.sz](mailto:fsecc@business-Eswatini.co.sz)  
Web: [www.business-Eswatini.co.sz](http://www.business-Eswatini.co.sz)

Business Eswatini (BE) is a voluntary non-profit representing employers and businesses in all sectors of the Eswatini economy to promote trade and harmonious industrial relations. BE is the umbrella body for all business in Eswatini and provides services to its members through advisory, advocacy and representation services. BE accepts all legally registered entities as members, including US company members.

Federation of the Swazi Business Community (FESBC)  
Address: Y2K Bldg, Manzini, Eswatini  
Phone number: +268 2505 9199

### **Limitations on Selling US Products and Services**

There are no general limits on foreign ownership and control of companies, which can be 100 percent foreign owned and controlled. The only exceptions on foreign ownership and control are in the mining sector and in relation to land ownership. The Mines and Minerals Act of 2011 requires that the King (in trust for the Swati Nation) be granted a 25-percent equity stake in all mining ventures, with another 25 percent equity stake granted to the GKoE. There are also sector-specific trade exclusions that prohibit foreign control, which include business dealings in firearms, radioactive material, explosives, hazardous waste, and security printing.

## **Leading Sectors for US Exports & Investments**

### **Energy**

The major demand sectors for electricity in Eswatini are agriculture, industry, commercial and domestic sectors, reaching a maximum demand of 225 MW in 2016.

In 2016, 1,084 GWh were sold, almost 100% of which was imported from neighboring South Africa. This is primarily due to a severe drought in 2015/16 which reduced the hydro generating capacity of the Eswatini Electricity Company (SEC) to zero.

In the domestic demand sector, the SEC currently reports a domestic customer base of 149,000. The overall electricity access rate in Eswatini is estimated at 75%. The transformation of the energy environment has been progressing rapidly as the GKoE has a new energy and Independent Power Producer (IPP) policy that has been approved by the GKoE as well as several pieces of legislation and regulations under review. The GKoE, in collaboration with other partners, recently finalizing an energy master plan that focuses on alternative energy sources including solar, biomass, biogas, and wind generation.

Eswatini has embarked on self-sufficiency in power generation as South Africa, the major supplier of electricity to Eswatini, continues to suffer power shortages. The demand for power in South Africa is growing and Eskom (South African Energy Utility) may be less willing to sell to Eswatini.

SEC's 25-year contract with Eskom for the supply of electricity is due for renewal in 2025. Outside of the drought influenced figures from 2016, South Africa generally provides up 80 percent of Eswatini's power. In the light of the serious capacity challenges Eskom is going through, SEC is worried that the agreement may not be renewed. Eswatini's average demand for electricity is between 191 and 223 megawatts. In order to meet this need, SEC plans to build a 300 megawatts thermal power station at Lubhuku Area and has now been granted a prospecting license by the country's Mines and Minerals Board (MMB).

At the same time, Eswatini is inviting companies to develop renewable energy. The country is looking to generate power from solar, wind and biomass. To that end, in May 2019, Eswatini launched a new effort to procure 40 megawatts of new solar generation and 40 megawatts of new biomass generation.

The Eswatini Energy Regulatory Authority (ESERA) which regulates the sector is already inviting companies to apply for licenses and is engaged with the Southern African Trade Hub on crafting the independent power-producers policy.

### **Leading Sub-Sectors**

- Environment impact assessment contracts
- Mining equipment
- Financing energy infrastructure projects
- Forming Independent Power Producers on renewable energy
- Joint ventures in the 300MW thermal power station
- Solar panels and generators
- Transmission and distribution equipment
- Pollution control equipment
- Hydro power generation equipment

### **Opportunities**

Eswatini's access to electricity continues to expand and is currently estimated at 75%. During the drought of 2015/16 the country had to import 100% of its electricity, hence the motivation of the GKoE to expand domestic capacity to generate electricity.

Renewable energy production is now a priority for the GKoE. U.S. renewable energy subject matter experts can approach the SEC indicating their wish to operate as independent power producers (IPPs) in Eswatini.

### **Leading Sub-Sectors**

- Electrical power systems
- Green building technology
- New plant equipment and related systems
- Wind power systems
- Fuel storage and handling equipment
- Boilers, pumps, fans and generators
- Solar panels
- Exhaust/emissions controls
- Automated system controls

### **Opportunities**

The development of renewable energy would increase energy security for the country, offer environmental benefits, and create green jobs. In addition, renewable energy would generally be more reliable than the current energy supply, which is plagued by disruptions, brownouts, and blackouts.

### **Web Resources**

Government Kingdom of Eswatini - [www.gov.sz](http://www.gov.sz)

Southern Africa Customs Union (SACU) - [www.SACU.int](http://www.SACU.int)

Common Market for Eastern and Southern Africa – [www.comesa.int](http://www.comesa.int)

Central Bank of Eswatini – [www.centralbank.org.sz](http://www.centralbank.org.sz)



## **Agriculture**

Eswatini's agricultural sector is the second largest contributor to the economy after the manufacturing sector. Commercial agriculture is dominated by sugar, canned fruit and beef production for export. Many Eswatini practice subsistence farming, primarily maize cultivation. The country is historically a net importer of maize, animal feed, vegetable, and other products and the volume of imports depends significantly on the amount of rainfall (which impacts local production). In 2016, the value of agriculture imports was in excess of USD 58 million. The top five import products are wheat, yellow maize, rice, whole maize, and fruits and vegetables.

Besides subsistence production, the country meets much of its demand for agricultural products through imports from South Africa.

Maize: Eswatini is a net importer of maize and yet it is a staple food for the country. The area planted during 2016/17 year was approx. 46 000 HA, with an estimated output of 101,000 metric tons. The GKOE increased the fleet of subsidized tractors to farmers to minimize delay in cultivation.

Parliament passed the Biosafety Act in 2012 which regulates the handling and use of genetically modified organisms (GMO). This will allow the importation of GMO maize.

Wheat: Wheat is the only cereal with a significant import share from a country other than South Africa. Culturally, wheat is not a staple food in Eswatini. However, because of GKOE price controls on bread and poor maize yields, people are consuming increasing amounts of imported wheat

### **Leading Sub-Sectors**

- Sugar manufacturing machinery
- Citrus
- Grains (maize, wheat, etc)
- Tractors, ploughs, harrows, planters
- Harvesting machinery
- Machinery for milling cereals
- Milking machines and dairy machinery
- Haymaking machinery
- Poultry incubators and poultry preparations machinery
- Irrigation equipment
- Value-added fruit processing
- Packaging
- Start up for food-processing establishments
- Supply of ingredients for value-added products
- Supply of equipment and upgrade of technology
- Supply of packaging

### **Opportunities**

Agro-processing Eswatini is expanding its production of industrial crops such as cotton, cassava, strawberry, melons, and sunflowers to supply industry in its processing. Huge markets exist for these products to be exported raw or processed.

### **Web Resources**

Swazican Fruit Cannery (Pty) Ltd <http://www.rhodesfoodgroup.com>

Eswatini Kitchen <http://www.eswatinikitchen.com/>

National Maize Corporation (Pty) Ltd <http://www.nmc.co.sz>

## **Sugar**

Sugar production is expected to increase as a result of expansion of cane growing area under the Lower Usuthu Smallholder Irrigation Project. This will bring in new farmers. Nationally, the area under sugar cane production is projected to increase by 8,000 hectares to 70,000 HA, with an anticipated increase in yields; sugar production (raw and refined) is projected to increase by 7 percent in 2019. New markets in West Africa and Asia will continue to push the increase in productivity. A sustained depreciation of the lilangeni against major trading currencies will somewhat cushion returns from non-SACU sales.

## **Leading Sub-Sectors**

- Value addition to fruit processing
- Sugar confectionary
- Ethanol production equipment
- Drip irrigation systems

## **Opportunities**

U.S. companies can supply equipment and technology for the food processing factories. They can also supply packaging. One company imports jars from China to bottle their food. U.S. companies can also supply machinery and technology for ethanol production. An emerging industry is supplies for the generation of baseload electricity from Biomass.

## **Web Resources**

- Royal Eswatini Sugar Corporation: <http://www.rssc.co.sz/>
- Eswatini Sugar Association: <http://www.ssa.co.sz/>
- Eswatini Water Agriculture Enterprise (SWADE): [www.swade.co.sz](http://www.swade.co.sz)
- USA distillers: <https://www.usadistillers.com/>

## **Transportation**

Eswatini Railway and Transnet have agreed to develop a 146 kilometer railway line between Lothair in Mpumalanga, South Africa through Sidvokodvo in Eswatini as well as upgrading adjacent networks in both countries. This line will then connect with the present line in Eswatini which goes to Richards Bay in South Africa. The E16 billion to E17 billion (USD 1.6 billion to USD 1.7 billion) railway line would attempt to relieve pressure on the coal corridor to Richards Bay in South Africa. The rail link is to transport freight from road to rail between the two countries. A feasibility study, which started in March 2014 and includes addressing land acquisition and relocation of affected stakeholders; environmental impact assessments; and the design of the line and construction cost estimates; is ongoing.

Eswatini Railway in October 2014 celebrated its 50th birthday and unveiled its own locomotives and wagons. The Eswatini Railway locomotives were jointly supplied by an Illinois-based National Railway Equipment Company (NREC) and a South African locomotive builder and railway equipment supplier RRL Grindrod. Eswatini in all its fifty years existence has been hiring its rolling stock from its neighbors, firstly from Mozambican national rail operator and then from South Africa.

### **Leading Sub-Sectors**

- Railroad signaling equipment
- Locomotives and wagons
- Railroad maintenance equipment
- Railway track construction materials
- Switch machines (rail equipment)
- Business model analysis
- Automatic fare collection systems
- Rolling stock depot design
- Strategic route design and network planning

### **Opportunities**

The construction of the new rail link will bring opportunities for U.S. companies in the supply of new railroad construction materials, locomotives, wagons, etc. The construction of the rail link will further open up opportunities for strategic route designers and network planners.

Financiers will also get opportunities to finance this E16 billion to E17 billion (USD 1.6 billion to USD 1.7 billion) railway line. Eswatini Railway will build 96km inside Eswatini.

### **Web Resources**

Eswatini Railway: <http://www.swazirail.co.sz>

Ministry of Public Works and Transport: <http://www.gov.sz/>

## **Mining and Minerals**

The mineral industry of Eswatini is not a significant contributor to the country's gross domestic product (GDP). The country's nominal GDP was estimated to be about \$3.8 billion in 2013. Exports of iron ore, which were valued at about \$115 million, and exports of anthracite coal, which were valued at about \$26 million, accounted for about 7.5% of total Swati exports, which were valued at about \$1.9 billion in 2013. (IMF 2014, p. 32).

The Mining Department of the Ministry of Natural Resources and Energy is responsible for the administration of the mineral sector. The mineral sector is regulated by the provisions of the Diamond Act No. 3 of 2011, the Explosive Act No. 4 of 1961, the Mines and Minerals Act No. 4 of 2011, and the Mines and Quarries (Safety) Regulations.

### **Production**

The main minerals produced in 2013 included aggregate (crushed stone), coal, and iron ore.

**Iron Ore.** The venture of Salgaocar Eswatini (Proprietary) Ltd recovered iron ore from the Ngwenya Mine tailings dumps, which were located north of Ngwenya. The Ngwenya open pit mine most recently operated from 1964 until 1977. The iron ore, which contained about 44% to 50% iron, was trucked to Mpaka, transferred to rail cars, and subsequently deposited at the docks at Maputo, Mozambique, for shipment to China. In 2013, Salgaocar was building a beneficiation plant to upgrade the Ngwenya iron ore to between 58% and 61% iron content

**Anthracite coal** from the Maloma Mine was shipped to South Africa by Maloma Colliery Ltd.

**Crush Stone** is quarried and crushed at various sites for use in domestic construction projects.

**Diamond.** Continued delays by Roux Consolidated Investment (Proprietary) Ltd. on the expected redevelopment of the Dvokolwako diamond mine, which was located about 50 kilometers northeast of Mbabane, resulted in the GKoE canceling Roux Consolidated's mining license in November 2012. The 20-year mining license had been issued in 2008. In 2013, the GKoE received five bids from other companies interested in reopening the Dvokolwako Mine. The mine remains non-operational.

### **Leading Sub-Sectors**

- Materials extraction and handling technology
- Mining processing
- Drilling rigs
- Communications systems
- GIS mapping

## **Medical Equipment**

Eswatini's healthcare sector is serviced by the public health care system, which is not well equipped. Cases often have to be referred to South Africa because of lack of equipment and expertise. Because of the high cost of sending patients to South Africa, Eswatini is engaged in the upgrade of hospitals and clinics.

Eswatini has the highest HIV/AIDS prevalence rate in the world. The GKoE has integrated Antiretroviral (ARV) treatment with that for TB and DR-TB and has decentralized the medical services to communities. Current statistics by the Ministry of Health show that 20% of in-patients' deaths are attributable to tuberculosis. The national TB hospital is now operational. But there are still infrastructure and financial resource challenges.

### **Leading Sub-Sectors**

- Medical equipment e.g. ICU unit and dialysis unit
- Diagnostic imaging equipment
- Patient care monitors
- Chemotherapy equipment
- Optical instruments
- Laboratory equipment
- Automated Clinical Chemistry Analyzers

### **Opportunities**

Opportunities do exist for U.S. exporters of medical equipment especially new and innovative equipment, as the government of Eswatini is seriously upgrading and developing hospital infrastructure.

### **Web Resources**

Eswatini Ministry of Health: <http://www.gov.sz>

National Emergency Response Council on HIV and AIDS (NERCHA): <http://www.nercha.org.sz/>

## Telecommunications

Eswatini was one of the last countries in the world to abolish an almost complete monopoly in all sectors of its telecommunications market. Until 2011 the state-owned posts and telecommunications operator SPTC also acted as the industry regulator and had a stake in the country's sole mobile network South African MTN. A new independent regulatory authority was established in late 2013 and has since embarked on radical changes to the telecom sector. MTN Eswatini in early 2016 was also awarded spectrum in the 1800MHz band to provide LTE services. In 2017 Eswatini Mobile received a second mobile license and launched operations in July 2018. The arrival of Eswatini Mobile already has had the effect of dramatically lowering prices and improving mobile and data offerings in the country.

Mobile market penetration in Eswatini is well above the average for the region, though subscriber growth has slowed in recent years. Real competition should provide a welcome boost to take the market to the next level.

The internet sector has been open to competition with four licensed Internet Service Providers (ISPs), but prices have remained high and market penetration relatively low. Although DSL services were introduced in 2008, complemented by 3G mobile broadband services in 2011, development of the sector has been hampered by the limited fixed-line infrastructure and a lack of competition in the access and backbone network.

Penetration of telecoms services:	Penetration
Fixed-line telephony	3.2%
Internet users	27.8%
Mobile SIM (population)	75.2%

### Leading Sub-Sectors

- Mobile phone provider
- Next Generation Network Solutions
- Fiber-optic cables
- Main distribution frames
- Spare parts for the equipment e.g. interface protocols
- Wireless broadband services

## **Environmental Control Technology**

Eswatini is faced with electricity production challenges. South Africa, Eswatini's main supplier of power, is suffering from power shortages and Eswatini realizes that when the current contract expires in 2025, South Africa might not renew the contract. Eswatini receives 80% of its power from South Africa. The country is exploring opportunities to generate its own power, and plans to break ground on multiple alternative energy generation facilities in the next 12 months. The Eswatini Electricity Company (EEC), which applied for a coal prospecting license four years ago, has finally been granted the license.

The Eswatini Environment Authority (EEA) will put pressure on SEC to reduce air pollution, treat industrial water effluent, especially acid mine water, etc. The law allows SEA to halt developments that do not promote protection, conservation and enhancement of the environment and the sustainable management of natural resources in the country. For EEC to get the certificate it will need to introduce air-pollution-control technologies.

### **Leading Sub-Sectors**

- Environment impact assessments contracts
- Water Treatment technologies and services
- Air Pollution control and monitoring
- Hazardous material containment and management
- Solid waste management technology
- Construction of an 400KV integration line for rural substations

### **Opportunities**

EEC is prospecting on the eastern side of Eswatini, an area plagued by water shortages. Water availability and sanitation will be a challenge. U.S. companies would have prospects to supply technology to clean the air and water. They can also supply of monitoring technology to measure emission levels.

## **Customs, Regulations & Standards**

### **Trade Barriers**

Eswatini ranks 32 out of 190 countries globally and is the highest-ranked country in Africa in terms of trading across borders.

Eswatini has no direct sea access, although the ports of Durban, South Africa and Maputo, Mozambique, are accessible by rail and road. A dry port in Matsapha Industrial Town facilitates the road-to-rail connection.

The country recently completed construction of a new and bigger international airport, King Mswati III. There are multiple commercial flights daily to and from O.R. Tambo International Airport in Johannesburg, and the Civil Aviation Authority plans to establish regular commercial service to and from Durban and Cape Town within the next year. The airport is located at Sikhphe area 30 miles east of Manzini City

Eswatini's main roads are in good condition.

### **Import Tariff**

Eswatini is a member of the oldest Customs Union in the World; established in 1910, the Southern African Customs Union (SACU) consists of Eswatini, Botswana, Lesotho, Namibia and South Africa, As a Custom Union, the five countries have a common external tariff, but each country has an internal tax that applies to imports from the other member states as well from third countries.

Customs and Excise in Eswatini is administered by the Eswatini Revenue Authority (SRA) Customs and Excise Department in accordance with the Customs and Excise Act of 1971.

Eswatini is also a member of both SADC and COMESA and goods originating from those countries also enjoy preferential Tariff rates. Full details of preferences and international trade agreements can be found here.

### **Import Requirements & Documentation**

Permits are required for certain imports, including all agricultural products, mineral fuels, used clothes, mineral oils, motor vehicle parts, used cars, medicinal drugs, and electrical appliances. Licensing permits issued by the Ministry of Finance and Ministry of Agriculture are generally easy to obtain. Goods consigned to Eswatini from outside SACU must be cleared through customs at the first port of importation into SACU. A bill of entry must be completed and submitted to customs along with copies of the supplier's invoices and an Eswatini import permit.

### **Labeling/Marking Requirements**

Only country of origin labeling is required.

### **U.S. Export Controls**

Eswatini's "listed" items are those that appear on the U.S. Department of Commerce Control List. These require a license to be exported to Eswatini based on the Export Control Classification Number and the Country Chart. These items are detailed on the U.S. Department of Commerce's Bureau of Industry and Security website at [www.gpo.gov/bis/ear/ear\\_data.html](http://www.gpo.gov/bis/ear/ear_data.html).

The Country Chart, which includes Eswatini, is in Part 738. The Commerce Control List is in Part 774; there are 10 categories that can be pulled up as separate files.

### **Temporary Entry**

There is no restriction on temporary entry of goods in transit to another country, but importers may be charged transit rebates, which include warehousing guarantee bonds. Transit rebates ensure that goods destined for a third country leave Eswatini. Transit rebates are paid upon entry into Eswatini, and the owner of the goods applies for refund of the rebate when the goods leave Eswatini.



## **Prohibited & Restricted Imports**

Importing illicit drugs and arms of war is prohibited.

## **Customs Regulations**

Commissioner of Customs and Excise  
Eswatini Revenue Authority  
HEAD QUARTERS  
Building 02, Mbabane Office Park  
MBABANE  
Tel: +268 2406 4000  
Fax: +268 2406 4001  
Email: [info@sra.org.sz](mailto:info@sra.org.sz)  
Website: [www.sra.org.za](http://www.sra.org.za)

## **Standards for Trade**

### **Overview**

Eswatini Standards Authority (SWASA) was formed by the GKoE through the Quality and Standards Act (10) 2003, and is a parastatal under the auspices of the Ministry of Commerce, Industry and Trade.

This unit would act as a standards institution, including offering customer protection through quality assurance and helping industries on matters related to standardization and quality control.

The mission of the Authority is to promote quality principles and facilitate the use of standards to reduce technical barriers to trade and investment, ensure a sustainable Swati economy, and safeguard the nation's health, safety and environment. It is governed by a ten-member council whose function is provide strategic and policy direction to the benefit of the Swati people through an improved standard of living.

### **Standards**

SWASA ([www.swasa.co.sz](http://www.swasa.co.sz)) has been working on the development and adoption of close to 30 standards, 7 of which are in the process of being gazetted in preparation for their publication and availability for use. Given that the country did not have any national standards, the Authority has been helping local companies source standards, from neighboring National Standards Bodies.

It has been established through research that South African National Standards sourced from SABS are most commonly used by local companies. Another commonly used standard is ISO 9000 and some companies are in the process of implementing HACCP. So far only one company is known to be implementing ISO22000 and is accredited to the standard. On the other hand it has been noted that local SMEs have very little knowledge on the use of standards and their perceived benefits.

### **Contact Information**

Eswatini Standards Authority [www.swasa.co.sz](http://www.swasa.co.sz)

Members of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT Agreement) to notify to the WTO proposed technical regulations and conformity assessment procedures that could affect trade. **Notify U.S.** ([www.nist.gov/notifyus](http://www.nist.gov/notifyus)) is a free, web-based e-mail registration service that captures and makes available for review and comment key information on draft regulations and conformity assessment procedures. Users receive customized e-mail alerts when new notifications are added by selected country or countries and industry sector(s) of interest and can also request full texts of regulations. This service and its associated web site

are managed and operated by the USA WTO TBT Inquiry Point housed within the National Institute of Standards and Technology, part of the U.S. Department of Commerce.

## **Trade Agreements**

Various regional and international trade agreements facilitate access to export markets in Africa and overseas. Through such arrangements as the Cotonou Agreement, Swati products are generally granted preferential access to all of the world's important markets, including the European Union, the United States, Canada, Japan, and Australia. The Southern Africa Development Community's (SADC) ongoing trade negotiations with the EU, when finalized, will increase Swati trade in this arena, as will U.S. free trade negotiations with the Southern African Customs Union (SACU).

Eswatini is currently a member state of the Common Market for Eastern and Southern Africa (COMESA). The Preferential Trade Area agreements for Eastern and Southern Africa grant Swati goods and services preferential access to a market of over 250 million people.

The SADC Trade Protocol came into force in January 2000. This initiative is strongly supported by the World Bank, International Monetary Fund, and the African Development Bank. Under SADC, a company with operations in Eswatini can supply the entire SADC region with minimal export controls. SADC is made up of Angola, Botswana, Democratic Republic of the Congo, Lesotho, Malawi, Mauritius, Mozambique, Namibia, Seychelles, Eswatini, South Africa, Tanzania, Zambia and Zimbabwe.

Eswatini membership in the Southern African Customs Union (SACU) (with Botswana, Lesotho, Namibia, and South Africa), allows for duty-free exchange of goods to a market of 45 million people. Goods from outside the Union require an import permit. Member countries receive due shares of the customs pool generated by commodities imported from outside the SACU. Customs revenue continues to be a major component of Swati government receipts, accounting for an estimated 55 percent of total revenue. The Renegotiated SACU Agreement came into effect in July 2004. The new agreement revises the revenue sharing formula, possibly decreasing the percentage of Eswatini's revenue derived from customs revenue.

Eswatini is a signatory of the General Agreement on Tariffs and Trade. The GATT Agreement affects Swati industry through its membership in SACU. To meet GATT obligations, South Africa, on behalf of SACU, has submitted schedules for the gradual reduction of tariffs for some commodity imports.

## **Investment Climate Statement**

<https://state.gov/reports/2019-investment-climate-statements/eswatini/>

## Trade & Project Financing

Eswatini has several multilateral development institutions that support its project and infrastructure development.

Eswatini is a member of World Bank, European Investment bank, Kuwaiti Fund, Badea, African development bank (AfDB), International Finance Corporation (IFC), and Multilateral Investment Guarantee Agency (MIGA).

### Methods of Payment

Eswatini importers utilize most of the standard payment methods available in international commerce. The most commonly used are:

- Cash in Advance
- Letters of Credit (LC),
- Bank Collections and Bills of Exchange
- Open Account
- Sales on Consignment
- International Money Transfers

American exporters should offer quotations based on the f.o.b. value at the port of export. As a general rule, such quotations should also include a statement of the actual charges for freight and insurance, plus any additional charges, to the port of delivery. Quotations are usually in terms of the currency of the country of origin. The terms of payment for imported goods vary according to the type of buyer and the buyer's access to capital.

Transunion ITC is the largest credit rating agency in the country. In 2018, the central bank introduced Moody's investor national rating services. The central bank of Eswatini regulates the national payment system of Eswatini. ([www.centralbank.org.sz](http://www.centralbank.org.sz))

For more information about the methods of payment or other trade finance options, please read the Trade Finance Guide available at [www.Export.gov/TradeFinanceGuide](http://www.Export.gov/TradeFinanceGuide).

### Banking Systems

The banking system in Eswatini has three tiers of operation. There is the Central Bank, four commercial banks, and one building society.

The Central Bank of Eswatini is the monetary authority responsible for management of the country's foreign exchange reserves, administration of exchange controls, and regulation of financial institutions.

There are four commercial banks operating in Eswatini: First National Bank of Eswatini, NedBank, SwaziBank, and Standard Bank. The GKOE-owned Eswatini Development and Savings Bank was restructured and has grown into a profitable corporation

Three of the four commercial banks (excluding Swazi Bank) are subsidiaries of their South African parent banks.

Each of the operating banks has at least eight branches. Normal banking services are offered at all four banks, and interest rates on borrowing are those in South Africa. The prime rate is 10.25 percent. Through Eswatini's membership in the Common Monetary Area, after-tax profits can be repatriated anywhere the investor chooses. The corporate tax rate is 27.5%. There are no exchange regulations affecting transactions within the CMA.

Export financing is available through the Export-Import Bank but must be applied for by a Swati partner. There are no Export-Import Bank bundling facilities in Eswatini. Project financing is available through such multilateral institutions as the World Bank and African Development Bank. In the past, resources have gone largely to infrastructure development, including roads and irrigation systems.

## **Foreign Exchange Controls**

Exchange controls are currently administered by the Central Bank Exchange Control Department. All international commercial transactions must be through authorized foreign exchange dealers.

## **US Banks & Local Correspondent Banks**

Banks with correspondent U.S. banking arrangements are:

- First National Bank of Eswatini Limited
- Nedbank
- Standard Bank

There are no Export-Import Bank bundling facilities in Eswatini.

## **Project Financing**

### **Sources of Project Financing in Eswatini**

#### **NIDCS**

NIDCS activities complement the GKoE's effort to attract investment by offering equity participation and anchoring investor confidence in Eswatini. Currently, they support undertakings in sectors such as Food and Beverages, Agribusiness, Health and Pharmaceuticals, Infrastructure and Engineering, Paper, Plastic and Leather, Textiles and Apparels, Communications, Mining and Minerals, Financial Services, Finance and Entertainment.

#### **Eswatini Industrial Development Company (EIDC)**

EIDC is prepared to take up shares, thereby providing equity finance where required. EIDC also offers medium- to long-term loans, and leases factory space. EIDC will only participate in projects that are technically feasible, financially viable, and soundly managed. EIDC gives priority to projects which provide permanent employment, generate foreign exchange, and improve Eswatini's human capacity.

Eswatini Investment Development Company

P.O. Box 866

Mbabane

Tel: +268.2404.4010/2

Fax: +268 2404-5619

<http://www.EIDC.co.sz>

#### **Tibiyo Taka Ngwane**

Tibiyo Taka Ngwane conducts free enterprise business on behalf of the Swati Nation with the King serving as Trustee. Tibiyo has a portfolio of nearly 30 interests, in mining, manufacturing, property, finance, agriculture, tourism, transport, and other sectors. Tibiyo frequently works in partnership with major companies and international development agencies.

Tibiyo Taka Ngwane

P.O. Box 181

Kwaluseni

Tel: +268 2518-4390

Fax: +268 2518-4399

<http://www.tibiyo.com>

#### **U.S. Trade and Development Agency (TDA)**

The U.S. Trade and Development Agency promotes economic development in developing countries by funding feasibility studies, consultants, training programs, and other project planning services. In Africa, TDA assists U.S.

firms by identifying major development projects that offer large export potential and by funding U.S. private sector involvement in project planning. This, in turn, helps position U.S. firms for follow-on activities during the implementation phase of the project. TDA recently opened an office in Johannesburg, located at the Ronald H. Brown Commercial Center. For additional information contact:

Jacob Flewelling, Africa Business Development Manager  
U.S. Consulate - Johannesburg  
1 Sandton Drive  
Sandhurst, South Africa  
Phone: +27 (11) 290-3084  
Email: [jflewelling@ustda.gov](mailto:jflewelling@ustda.gov)

Multilateral Development Banks

### **U.S. Commercial Service Liaison Offices at the Multilateral Development Banks (African Development Bank, World Bank)**

The Commercial Service maintains Commercial Liaison Offices in each of the main multilateral development banks, including the African Development Bank and the World Bank. These institutions lend billions of dollars in developing countries on projects aimed at accelerating economic growth and social development by reducing poverty and inequality, improving health and education, and advancing infrastructure development. The Commercial Liaison Offices help American businesses learn how to get involved in bank-funded projects, and advocate on behalf of American bidders. Learn more by contacting the Commercial Liaison Offices to the African Development Bank (<http://www.export.gov/afdb>) and the World Bank (<http://export.gov/worldbank>).

### **Web Resources**

Commercial Liaison Office to the African Development Bank <http://www.export.gov/afdb>  
Commercial Liaison Office to the World Bank <http://export.gov/worldbank>

### **Financing Web Resources**

African Development Bank Group: [www.afdb.org](http://www.afdb.org)  
Export-Import Bank of the United States: <http://www.exim.gov>  
Overseas Private Investment Corporation: <http://www.opic.gov>  
SBA's Office of International Trade: <http://www.sba.gov/oit/>  
Southern Africa Global Competitiveness Hub: <http://www.satradehub.org>  
Eswatini Industrial Development Company: <http://www.EIDC.co.sz>  
Tibiyo Taka Ngwane: <http://ww2.tibiyo.com>  
U.S. Trade and Development Agency: <http://www.tda.gov>  
U.S. Agency for International Development: <http://www.usaid.gov>  
USDA Commodity Credit Corporation: <http://www.fsa.usda.gov/cc/default.htm>

## **Business Travel**

### **Business Customs**

Foreigners still largely dominate the Swati business sector and the Swati business community has experience with foreign business people. Nevertheless, a familiarity with some Swati social and cultural customs would be helpful to any American planning on doing business in the country.

- Although Swati society is apparently open to outsiders, it is only so on a superficial level. Developing strong institutional and personal relations is possible in Eswatini but takes time. Newcomers are advised of what is and what is not considered the "Swati way."
- Historically, there is little indigenous entrepreneurship. Emaswati are accustomed to working for wages, not starting their own businesses. There is a fledgling Swati entrepreneurial community.
- Emaswati tend to be more relaxed and easy-going in business style, both in behavior and ethics. Business is built less around principles and the honor of a person's word than on the basis of what works at the time. This can be disconcerting to some Americans.
- Quality customer service is not widely practiced. According to a Swati businessman trained in the United States, customer service is a new idea to many Emaswati and something that must be taught.
- Decision-making is not always a quick or easy process. Some Emaswati may say "yes" merely out of politeness. Traditionally, decisions are made communally, not individually. Standing against the majority is not easy. Americans should be conscious of this and not expect rapid decisions.
- Emaswati tend not to be confrontational and at times not forthcoming with opinions. Speaking one's mind, even when solicited, is not as respected as it is in the United States. This can clash with the American tendency to be very direct.
- In making business deals with Swati partners, bargaining is common and expected. It is not an insult to try and talk somebody down.

Foreign business people have noted that native Emaswati can have a difficult time assuming managerial roles. One factor that impinges on their decision-making freedom is reluctance to fire workers or employees connected to the royal family.

### **Travel Advisory**

Please view the Consular Information Sheet for Eswatini: <https://travel.state.gov/content/travel/en/international-travel/International-Travel-Country-Information-Pages/Eswatini.html>

### **Visa Requirements**

To travel into Eswatini, a passport is required. U.S. citizens do not need a visa for short visits of up to 30 days for tourism and business. For further information on visa requirements, contact the Embassy of the Kingdom of Eswatini, 1712 New Hampshire Avenue, NW, Washington, DC 20009, phone (202) 234-5002. Email [embassy@swailand-usa.com](mailto:embassy@swailand-usa.com)

U.S. companies that require travel of foreign businesspersons to the United States should be advised that visa applicants must qualify for a visa, and issuance may take one to two days. Visa applicants should go to the following links.

State Department Visa Website: <http://travel.state.gov/visa/index.html>

## **Currency**

The Eswatini Lilangeni (Emalangeni Plural) is pegged to the South African Rand. The Rand is also used interchangeably with the Lilangeni. Forex services are done mainly through commercial banks and some of the larger hotel establishments. Credit cards such as MasterCard, VISA, and American Express are widely accepted throughout the country.

## **Telecommunications/Electronics**

The Eswatini government recently privatized its telecommunications sector, which has catalyzed the launch of new private telecommunications companies such as Eswatini Mobile over the past few years. The increased competition has lowered prices and improved mobile and data offerings in the country. Eswatini offers reliable 2G, 3G and LTE mobile services, now supported by multiple providers (predominantly MTN and Eswatini Mobile). Mobile market penetration in Eswatini is above the average for the region, though subscriber growth has slowed in recent years.

The internet sector currently has four to five licensed Internet Service Providers (ISPs), but prices remain somewhat high for the region, while market penetration is relatively low.

Telephones in Mbabane and Manzini are connected to the rest of Eswatini and to international operators through the local exchange. Direct dialing is available to many countries, including the U.S. Internet services including Wi-Fi are available in most hotels, and there are several restaurants and businesses offering Wi-Fi access in Mbabane, Matsapha, and Manzini.

In Eswatini, the power plugs and sockets are of type M, just like in South Africa. The standard voltage is 230 V, and the standard frequency is 50 Hz.

## **Transportation**

There are currently 4 flights to and from Johannesburg, South Africa from King Mswati III International Airport. These are on an 83-seat aircraft managed by Eswatini Airlink. Good roads link Eswatini to South Africa and Mozambique, and there are multiple shuttles daily between Eswatini and OR Tambo airport in Johannesburg.

Owning a private car is common in Eswatini, as public transportation is not reliable. Taxis and buses run in the major towns. Paved roads link the main towns, but many side roads are unpaved, dusty, and uneven during the dry season and slippery during the rainy season.

Motor vehicle registration is simple, provided the car is in good working condition. All cars require a road worthiness certificate issued by the Ministry of Public Works and Transportation.

In June 2019, the price of gasoline was \$3.35/gallon. Unleaded gasoline is available. Third-party insurance (for injury on a public road) is covered by the Motor Vehicle Accident Fund (MVAFF) through a levy included in the gasoline price.

## **Language**

English and siSwati are the official languages, and English is the official written language. Business people speaking English will have very little trouble being understood by educated Emaswati.

## **Health**

Medical facilities are available throughout Eswatini. Although the Mbabane Clinic in the capital is small, it is well equipped and well-staffed for minor procedures. For advanced care, Americans often choose to go to South Africa where better facilities and more specialists exist. Most prescription drugs are available locally or can be imported from South Africa. A doctor's note describing the medication may be helpful if questioned by authorities.

Hepatitis A and Hepatitis B vaccinations are recommended. Rabies exists in all areas of Eswatini, including Mbabane. Those people who wish to walk or jog are advised to be vaccinated with HDCV.



Eswatini has the world's highest HIV prevalence. All of the usual precautions must be taken to avoid this easily prevented infection. In the unlikely case of sexual assault, it is recommended that the victim take post-exposure prophylactics as soon as feasible, and certainly within 48 hours.

Information on vaccinations and other health precautions, such as safe food and water precautions and insect bite protection, may be obtained from the Centers for Disease Control and Prevention's hotline for international travelers at 1-877-FYI-TRIP (1-877-394-8747); fax 1-888-CDC-FAXX (1-888-232-3299), or via the CDC's internet site at <http://www.cdc.gov/travel>.

### **Local Time, Business Hours and Holidays**

Work Week: Monday-Friday, 8 a.m. - 5 p.m.

Local Holidays:

New Year's Day, Jan. 1  
Good Friday, Apr 14  
Easter Monday, Apr 17  
King's Birthday, Apr. 24  
National Flag Day, Apr. 25  
National Worker's Day, May 1  
Ascension Day, May 25  
Public Holiday, July 22 (birthday of King Sobhuza II)  
Umhlanga (Reed Dance), Aug./Sept. (TBA)  
Somhlolo (Independence Day), Sept. 6  
Christmas Day, Dec. 25  
Boxing Day Dec. 26  
Incwala, Dec./Jan. (TBA)

Swati holidays falling on a Sunday are observed on the following Monday. Holidays falling on a Saturday are observed on that day, unless the GKoE makes an announcement to the contrary.

### **Temporary Entry of Materials or Personal Belongings**

Describe what is required for temporary entry.

Travelers must declare all goods in their possession with the exception of personal clothing, essential toiletries, and used sporting equipment. In order to be free from declaration, these goods must be for travelers' personal use and not be used as gifts or intended for trade.

### **Travel Related Web Resources**

<http://www.thekingdomofeswatini.com/>