



Doing Business in Swaziland:

2017 Country Commercial Guide for U.S. Companies

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Doing Business in Swaziland

Market Overview

Swaziland is a small country (slightly smaller than New Jersey), with a population of 1.3 million. It is bordered by South Africa and Mozambique.

Swaziland has a relatively diverse economy which is dominated by Agriculture and manufacturing Sectors. Due to its small population size Swaziland 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. (Central Bank Annual Report 2013/2014, Central Bank of Swaziland)

Swaziland is currently a member state of the Common Market for Eastern and Southern Africa (COMESA) (250 Million People), the Southern Africa Development Community (SADC) (250 Million People), and the Southern African Customs Union (SACU) (60 million people).

Swaziland is a member of the Common Monetary Area (CMA). Its currency, the Lilangeni (plural: Emalangeni), is linked to the South African Rand at par.

Approximately 90 percent of the country's imports come from or through South Africa and nearly 65 percent of Swaziland's exports are bound for its dominant neighbor. (Ibid)

Macroeconomic performance has continued to stagnate, with real GDP growth averaging 1.7 percent in 2015. (Central Bank of Swaziland Annual report 2015).

U.S. exports to Swaziland account for less than 1 percent of Swazi imports. U.S. imports from Swaziland account for 1.5 percent of Swazi exports. (Central Bank of Swaziland)

The United States runs a trade surplus with Swaziland of more than US\$7 million. (USITC, 2015)

Swaziland was declared a non-beneficiary of the African Growth and Opportunity Act (AGOA) on June 26, 2014, with loss of benefits effective January 1, 2015, due to an accumulation of concerns around legislation and government practices that effectively restricted the freedoms of peaceful assembly, association, and expression. The Government of the Kingdom of Swaziland (GKOS) moved relatively quickly to enact needed changes in labor legislation and establish a code of practice on industrial action, but progress on changes to the Suppression of Terrorism Act (STA) and the Public Order Bill (POB) was halting. During the period from October 1, 2016, through the present, the GKOS has made significant progress toward these remaining benchmarks, including the introduction to Parliament of an improved draft amendment to the STA and a substantial revision of the POB. However, the current versions of the draft amendments have not yet been fully passed into law.

Top five reasons why US companies should invest in Swaziland include:

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

Market Challenges

Swaziland is facing a serious socio-economic situation characterized by sluggish economic performance, poverty, high HIV/AIDS prevalence rate, and growing unemployment.

Although the legislative processes and registration requirements are well documented, investors continue to find opaque delays when setting up their enterprises. The Swaziland Investment Promotion Authority (SIPA) was created to facilitate the setting up of foreign direct investment (FDI) in Swaziland and has a comprehensive list of services to assist investors.

Market Opportunities

GKOS priorities include agribusiness, manufacturing, mining, tourism, infrastructure and energy.

To make investment more attractive, the GKOS is in the process of upgrading their incentives, which include increasing a tax-free period from 10 to 20 years, and moving from brownfield infrastructure to greenfield infrastructure.

In the last few years there has been liberalization and deregulation of monopolies in the financial services, insurance, and mobile communication sectors.

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

Since 2012, 11,500 hectares of Swazi Nation Land has been developed under irrigation through the Swaziland Water and Agricultural Development Enterprise (SWADE) for the purpose of transforming subsistence farming into commercial farming, with an emphasis on diversifying 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.

Political Environment

Political Environment

For background information on the political environment in Swaziland, please click the link below to view the U.S. Department of State Background Notes.

<https://www.state.gov/r/pa/ei/bgn/2841.htm>

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. The Foreign Commercial Service office at the U.S. Consulate General in Johannesburg can help U.S. businesses interested in accessing Swazi markets find agents and partners in South Africa. In addition, the following organizations are available to help foreign businesses find distributors and partners in Swaziland:

- The Swaziland Investment Promotion Authority (SIPA)
- Swaziland Industrial Development Company (SIDC) can help in finding partners.
- The newly revived National Industrial Development Corporation of Swaziland (NIDCS) now serves as a special purpose vehicle (SPV) for investing on behalf of the GKOS. The revival also expanded the organization's mandate by making the Corporation a custodian of GKOS investments including shares in various entities.

Swaziland Investment Promotion Agency

1ST FLOOR NORTH WING, MBABANE OFFICE PARK, BUILDING 1, MHLAMBANYATSI ROAD

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

FAX: +268 2404 3374

Swaziland

www.sipa.org.sz

Swaziland Industrial Development Company

5th floor, Dhlam'ubeka House

P.O. Box 866 Mbabane,

Swaziland Cnr Mdada & Lalufadlana Street

Mbabane H100, Swaziland

Tel.: +268 2404-3391/5

Fax: +268 2404-5619

E-mail: info@sidc.co.sz

www.sidc.co.sz

National Industrial Development Corporation of Swaziland

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
www.nidcs.org.sz

Establishing an Office

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

1. **Business Registration:** SIPA facilitates the registration of the company through legal practitioners (Companies Act of 1912). Costs range between \$100 - \$200.
2. **Immigration:** SIPA 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:** SIPA 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 SIPA.
5. **Environmental Compliance:** All non-service related businesses are required by law to apply for approval from the Swaziland Environmental Authority, a process that SIPA fully facilitates. All waste-creating industries are required by law to undertake an environmental impact assessment.
6. **Factory Inspectorate and National Provident Fund:** Law requires these registrations. The registration process is facilitated by SIPA.

Foreign investors have encountered some difficulties working with SIPA and with GKOS regulations outside of SIPA's scope. A May 2005 study by USAID's Regional Center for Southern Africa, the "Swaziland Investor Roadmap" describes in detail the problems encountered by investors in Swaziland. The study (available at: http://mbabane.usembassy.gov/local_links.html) outlines many step-by-step procedures related to employing, reporting, locating, and operating in Swaziland.

Two common problems described in the "Swaziland Investor Roadmap" 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 SIPA and the GKOS in general to clarify the issues raised in the “Swaziland 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 Swaziland. Franchises in Swaziland are mostly South African, or come to Swaziland 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 Swaziland's political independence, and illegally set up franchises in Swaziland without having proper licensing for the country. Swazi business people are thus often suspicious of new franchises in the country. Master franchise deals exclusively for Swaziland or for the region are not subject to restrictions beyond the requirements of any other business arrangement.

There are several small urban centers that could support a variety of franchise types. Swazi 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.

There are Swazis interested in becoming regional franchisers and who can command the resources necessary to do so. The disadvantage of Swaziland-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 Swaziland. The GKOS's annual Swaziland International Trade Fair, held the last week of August or the first week of September, welcomes international companies for marketing purposes.

Joint Ventures/Licensing

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

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

- Government of Kingdom of Swaziland (GKOS) - 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 Swaziland - 1.6 percent
- Nedbank (Swaziland) Limited - 1.6 percent

Tibiyo Taka Ngwane, a private trust fund managed by the King on behalf of the nation. 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, also can play a facilitator role to investors wanting to set up in the country but wishing to "go it alone."

National Industrial Development Corporation of Swaziland (NIDCS)

In 2012 the GKOS approved the revival of the NIDCS to support industrial development in order to stimulate economic growth and employment creation. The revival also expanded the mandate by making the Corporation a custodian of GKOS investments including shares in various entities. As a result, the NIDCS now serves as a special purpose vehicle (SPV) for investing on behalf of GKOS to ensure maximisation of investment returns in the various investing avenues.

NIDCS activities complement the GKOS' effort to attract investment by offering equity participation and anchoring investor confidence on Swaziland. Currently, they support undertakings in sectors such as Food and Beverages; Agri-business; Health and Pharmaceuticals; Infrastructure and Engineering; Paper, Plastic and Leather; Textiles and Apparels; Communications; Mining and Minerals; Finance and Financial Services; and Recreation and Entertainment.

Inteureon

Interneuron Swaziland (Pty) Limited is a registered Asset Manager. Their stated objective is to help retirement funds invest their funds exclusively within Swaziland. They coinvest with various companies not listed on the Swaziland stock exchange.

Selling to the Government

In 2013 the GKOS established the Swaziland Public Procurement Regulatory Agency (SPPRA), which 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 in 2016 issued a circular (Circular One of 2016) describing the methods that are appropriate to conduct public procurement. 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 GKOS, one should not expect a steady flow of sales, but there are occasional opportunities for one-off sales of considerable size. Generally the GKOS publishes tenders in the local media and, depending on the commodity required, occasionally in the South African media. The U.S. Embassy in Mbabane has a fair overview of what opportunities exist. The commercial office in the U.S. Embassy welcomes the chance to direct interested American parties to the relevant authorities and actively seeks to secure fair consideration of American offers of goods and services.

There are three basic sources of GKOS tenders. First, Government Stores, which is the GKOS's procurement department located in the Ministry of Finance, purchases general supplies (furniture, stationary, etc.). Second, the Central Transport Organization (CTO) 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 GKOS revenue office and then collect tender documents from Government Stores after showing a 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 GKOS 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 GKOS are financed through borrowing from the Multilateral Development Banks. Please refer to the "*Project Financing*" Section in "*Trade and Project Financing*" for more information.

Distribution & Sales Channels

With its quality road network and communication infrastructure Swaziland has been ranked number one in cross border trade efficiency in Sub Saharan Africa. Source: World Bank Ease of Doing business 2016

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

Selling Factors & Techniques

Service plans and warranties are an important selling point in Swaziland, especially for equipment and automobiles. In order to compete with South African products, U.S. businesses should make provisions for after-sale maintenance.

English is one of Swaziland's two official languages and, as long as labeling is done professionally and instructions for use are explicit, Swazi buyers will not have a problem understanding product applications or operations.

Trade Promotion & Advertising

Swaziland International Trade Fair (SITF)

The SITF is hosted by the Ministry of Commerce, Industry and Trade in August/September of each year to promote business in the country. As the premium business promotion platform for Swaziland, it is opened by the King and attended by various dignitaries, officials, companies, and the general public. This is the leading business exhibition where all important corporations participate to introduce and promote new products and services, and other opportunities. With over 50,000 visitors annually, it remains the leading business/consumer fair in Swaziland.

Social media platforms

Two newspapers in Swaziland offer advertising possibilities for U.S. businesses: the privately-owned *Times of Swaziland* and Tibiyo Taka Ngwane's *Swazi Observer*. A monthly magazine, *The Nation*, at one time banned by the GKOS, has been back in circulation for some time. Swaziland has two business journals, *The Swaziland Business Yearbook*, and *Commerce Industry and Trade* now in its fourteenth year.

Newspapers:

The Swazi Observer

Observer House, West Street Mbabane

Tel +268.2404.5190, 2404.5194

Fax +268.2404.5503

E-mail: observmb@realnet.co.sz

Website address: www.observer.org.sz

The Times of Swaziland

P.O. Box 156, Mbabane

Tel +268.2404.1550/1/2/3/4

Fax +268.2404.2438

E-mail: times@realnet.co.sz

Website address: www.times.co.sz

Other Publications:

The Nation

P.O. Box 3433, Mbabane

Tel. +268.2404.6611

E-mail: thenation@realnet.co.sz

Swaziland Business Yearbook

Published by Christina Forsyth Thompson

P.O. Box 592, Mbabane

Tel (268) 2404.3400,2404.1839

Fax (268) 2404.3400

E-mail: cft@realnet.co.sz

The GKOS owns radio and television stations which sell advertising (no website is available for these ventures).

Swaziland has one privately owned radio station, focusing on Christian broadcasting material.

Swaziland has one privately owned television station: Channel S, AKA “Channel Swazi.” However, it is possible to advertise with South African television stations broadcasting into Swaziland.

Pricing

Pricing of commodities in Swaziland is usually inclusive of all taxes. Swaziland charges 14 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 Swaziland. Swazis are hesitant to buy products that cannot be serviced in Swaziland, and U.S. exporters should make provisions for in-country service to promote sales. For example, although GKOS 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 Swazis 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 management of their intellectual property. For background on these principles please link to our article on [Protecting Intellectual Property](#) and also [Corruption](#).

Due Diligence

Proper due diligence should form the starting base for any business negotiation with Swazi 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 (FCS) Section at the U.S. Consulate General in Johannesburg can provide valuable background information on Swazi firms through their International Company Profile (ICP) service. Further information can be obtained by visiting www.buyusa.gov/southafrica or contacting the FCS Export Assistance Center at (+27) 11-778-4808.

Local Professional Services

Professional Associations:

Swaziland Dental Association
P.O. Box 1291
Matsapha
WAZILAND

Swaziland Association of Architects, Engineers and Surveyors
PO Box A387, Swazi Plaza
Mbabane
Phone +268 .2404. 2309
Fax +268. 2404. 2309

Swaziland Institute of Accountants
PO Box 2653
Mbabane, H100
Swaziland
Tel: +268.2404. 5566
Fax: +268.2404. 6827
sia@realnet.co.sz
<http://www.sia.org.sz>

Law Society of Swaziland
High Court Building, Mbabane
Phone: +268.2404.9945

Management Consulting:

J B H Management

Post Office Box 801
Matsapha, Swaziland
Phone number: +268.2416.2079, +268.2416.2820
Fax: +268.2416.2820

L C C Capital Consulting (PTY) Ltd

Ground Floor Dlanubeka House
Mbabane, Swaziland
Phone number: +268.2404.6348, 2404.9689
Fax: +268.2404.9689

Kq Consulting (PTY) Ltd

Address: Plot 137 Mallya House Esser Street, Manzini, Swaziland
Phone number: +268.2505.4974
Fax: +268.2505.4540

Meridian Consult (PTY) Ltd

Address: Smith Bldg, Matsapha, Swaziland
Post Office Box 6096, Manzini, Swaziland
Phone number: +268.2518.4993
www.meridianconsult.org

Regional Excellence & Development Initiative

Hhas'elihambayo House Eveni Mbabane
Phone Number : +268.2404.9396
Email: info@redi.realnet.co.sz

KPMG Management Services

Email: kpmg@kpmg.co.sz
Umkhiwa House
Karl Grant Str Mbabane
Phone number +268.2405.7000
Email: kpmg@kpmg.co.sz

PricewaterhouseCoopers

RHUS Office Park
Karl Grant Str
Mbabane
Phone Number +268.2404.2861

Principle Business Associations

FSE & CC

Federation of Swaziland 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-swaziland.co.sz

Web: www.business-swaziland.co.sz

FESBC

Federation Of The Swazi Business Community

Address: Y2K Bldg, Manzini, Swaziland

Phone number:+268 .2505.9199

Leading Sectors for US Exports & Investments

Energy

Overview

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

In 2016, 1084 Gigawatts were consumed, with almost 100% of it was imported from neighboring South Africa. This is primarily due to a severe drought of 2015/16 which left the hydro generating capacity of the Swaziland Electricity Company (SEC) at zero.

In the domestic demand sector, the SEC currently reports a domestic customer base of 149,000. The overall electricity access rate in Swaziland is estimated at 66%, with the biggest gap in rural areas. The transformation of the energy environment has been progressing hastily as the GKOS has a new energy policy and Independent Power Producer (IPP) policy that has been approved by GKOS as well as several pieces of legislation and regulations under review. The GKOS is also in collaboration with other partners finalizing the energy master plan which focuses on alternative energy sources including solar, biomass, biogas, and wind generation.

Swaziland has embarked on self-sufficiency in power generation as South Africa, the major supplier of electricity to Swaziland, 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 Swaziland.

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 to 80 percent of Swaziland's power. In light of current serious capacity challenges at Eskom, SEC is worried that the agreement may not be renewed. Swaziland's average demand for electricity is between 191 and 223 megawatts. In order to meet this need, SEC plans to build a 300 megawatt thermal power station at Lubhuku Area and has been granted a prospecting license by the country's Mines and Minerals Board (MMB).

Swaziland is at the same time inviting companies to develop renewable energy. The country is looking to generate power from solar, wind and biomass. On March 30, 2015 an invitation requesting firms to submit expressions of interest for a pre-feasibility study for a hydropower cascade at Ngwempisi was issued by the Ministry of Natural Resources and Energy. The project will be funded by the African Development Bank.

The Swaziland Energy Regulatory Authority (SERA) which regulates the sector is already inviting companies to apply for licenses. The government worked with the Southern African Trade Hub to craft an 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

Swaziland's access to electricity continues to expand and currently access is estimated at 66%. During the drought of 2015/16 the country had to import 100% of its electricity needs, hence the motivation of GKOS to expand domestic capacity to generate electricity.

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

Due to its exploratory nature, the GKOS is open to renewable energy establishments using solar, wind, hydro etc. but is willing to explore on grid and off grid solutions for a portion of the required 225MW.

Green Technologies

Overview

The threat of an energy shortage has made Swaziland focus on domestic power generation from renewable sources. Some IPPs that want to generate power from solar, wind and biomass have already sent in their applications. SERA is processing the licenses of three companies. The sugar companies will also generate power for their own use and sell excess to the power utility. If the current licenses are granted, SERA envisages an investment of E5.8 billion (USD 580 million) and a creation of 415 jobs. The current applications for generation are dominated by wind and photovoltaic generation, with hydro playing a smaller role. In the context of the Swaziland market, the renewables sector is definitely showing potential for growth and opportunity in the short to medium term.

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.

Agricultural Sector

Overview

Swaziland's agricultural sector is the second largest contributor to the economy after the manufacturing sector. The commercial agriculture sector is dominated by sugar, canned fruit and beef production for export. Many Swazis practice subsistence farming, mainly maize cultivation. The country is historically a net importer of maize, and the quantity demanded depends significantly on the amount of rainfall. Besides subsistence production, the country meets much of its demand for agricultural products through imports from South Africa.

US\$ Million	2014	2015	2016	2017
Total Local Production	2446.0	1820		
Total Exports	1074.0	901.8		
Total Imports	2000.3	1575.2		
Imports from the US	8.87	4.60		
Total Market Size	3372	2494		
Exchange Rates				

(total market size = (total local production + imports) - exports)

Leading Sub-Sectors

- Sugar manufacturing machinery
- 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

Opportunities

Agro processing: Swaziland is expanding its production of crops such as cotton, cassava, strawberry, melons, and sunflowers among others for industrial processing. Major markets exist for these products to be exported raw or processed.

Sugar Production

Overview

Unit: USD thousands

	2014	2015	2016 (estimated)	2017
Total Market Size				
Total Local Production				
Total Exports	324,779	352,176	399,549	
Total Imports	23,408	25,667	26,921	
Imports from the US				
Exchange Rate : 1USD	10.83	11.85	13.00	

Data Source : Swaziland Revenue Authority Statistics Unit Data Sources: *Swaziland Revenue Authority Statistics Unit*

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. The area under sugar cane production is projected to increase by 607 hectares with an anticipated increase in yields; sugar production was projected to increase by 4 percent in 2014/2015. Although the sugar market will be subdued due to over-supply of sugar from major sugar producers (Brazil and India), the exchange rate movements will be an important factor in 2014/2015. A sustained depreciation in 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 packaging. U.S. companies can also supply machinery and technology for ethanol production.

Web Resources

- Royal Swaziland Sugar Corporation: <http://www.rssc.co.sz/>
- Swaziland Sugar Association: <http://www.ssa.co.sz/>

- Swaziland Water Agriculture Enterprise (SWADE) www.swade.co.sz

Processed foods

Overview

Unit: USD thousands

	2014	2015	2016
Total Market Size	n/a	n/a	n/a
Total Local Production	n/a	n/a	n/a
Total Exports	6,580	7,853	7,987
Total Imports	7,498	6,827	6,680
Imports from the U.S.	213.02	n/a	n/a
Exchange Rate: 1 USD	10.83	11.85	13.00

Data Sources: *Swaziland Revenue Authority Statistics Unit*

Swaziland is actively pursuing investors in value-added industries which use inputs such as sugar, citrus fruits and vegetables. Swaziland is strengthening its focus on agri-business and encouraging farmers to sell in both the domestic and international markets, processed and canned foods

Leading Sub-Sectors

- Start up for food processing establishments
- Supply for ingredients for value-added products
- Supply of equipment and upgrade of technology
- Supply of packaging

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.

Web Resources

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

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

Cotton Production

Overview

Prospects for cotton production for 2013/2014 were mixed although they had shown improvement in 2012/2013. The good rainfall received in 2012/2013 contributed to the increased production. The number of cotton farmers also increased from 2222 in 2012 to 2951 in 2013. Swaziland is beginning to embrace the genetically modified organisms (GMO) cotton seed. The Swaziland Cotton Board has filed an application with the Swaziland Environment Authority to bring the GMO cotton seed into the country. The seed will be brought in strictly for confined trial purposes as the law allowing GMOs has not yet been passed.

The cotton ginnery is currently operated by a GKOS agency (Swaziland Cotton Board) which is looking for a strategic partner. The ginnery is currently operating at about 10% of capacity.

Unit: USD thousands

	2014	2015	2016	2017
Total Market Size				
Total Local Production				
Total Exports	42	94	18	
Total Imports	4,281	6,631	9,987	
Imports from the US				
Exchange Rate : 1USD	10.83	11.85	13.00	

Data Source : Swaziland Revenue Authority Statistics Unit

Leading Sub-Sectors

- GMO seed
- Cotton ginning equipment
- Finance and Technical partnership

Opportunities

U.S. companies can supply GMO seed and ginning equipment. Independent financial investors can form a partnership with the GKOS agency.

Web Resources

- Swaziland Cotton Board : <https://www.cottonboard.co.sz/>

- Swaziland Environment Authority: <http://www.sea.org.sz/>

Grain

Overview

Maize: Swaziland is a net importer of maize, which is a staple food for the country. In 2015/2016, maize production was severely affected by drought. With rural communities highly dependant on rainfed agriculture national maize production dropped by 67% from 101 000 MT in 2014/2015 to 33 000 MT. Consequently the price of maize rose from E3533/MT to 5865/MT. GKOS increased a fleet of subsidized tractors to farmers to minimize delay in cultivation.

Parliament passed the Biosafety Act in 2012 which will regulate 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 Swaziland. However, because of GKOS price controls on bread and poor maize yields, people are consuming increasing amounts of imported wheat. Ngwane Mills is the importer, miller and distributor of wheat and wheat products in Swaziland. Ngwane Mills now also mills and distributes maize products.

Unit: USD thousands

	2014	2015	2016 (estimated)	2017
Total Market Size				
Total Local Production				
Total Exports	277	196	34	
Total Imports	8,211	5,766	4,035	
Imports from the US				
Exchange Rate : 1USD	10.83	11.85	13.00	

Data Source : Swaziland Revenue Authority Statistics Unit

Unit: USD thousands

Data Sources: *Swaziland Revenue Authority Statistics Unit*

Leading Sub-Sectors

- Maize
- Seeds

- Wheat and wheat products
- Farming implements

Opportunities

The country is a net importer of maize, maize seed and wheat. U.S. companies can supply Swaziland with wheat and wheat products.

Web Resources

National Maize Corporation (Pty) Ltd
 11th Street Matsapha Industrial Sites
 P.O. Box 1775
 Matsapha M202 Swaziland
 Tel: +268.2518.7432
 Fax: +268 2518 4461
 E-mail: info@nmc.co.sz
 Website: <http://www.nmc.co.sz>

Ngwane Mills
 King Mswati III Avenue West, Matsapha Industrial Site
 Tel: +268 25185310/7432
 Fax: +268 25185112/4461

Citrus Production

Overview

The citrus industry performed better in 2013 compared to 2012 despite the continued reduction in the area under citrus production due to high competition with profitable cash crops like sugarcane. Citrus production increased by 8.9 percent to 57,536 tons in 2013 compared to 56,819 tons the previous year. Export volumes rose by 4.2 percent from 28,647 tons in 2012 to 29,863 tons in 2013.

U Unit: USD thousands

	2014	2015	2016	2017
Total Market Size				
Total Local Production				
Total Exports	5,563	4,758	3,399	
Total Imports	26,071	29,199	30,300	

Imports from the US				
Exchange Rate : 1USD	10.83	11.85	13.00	

Data Source : Swaziland Revenue Authority Statistics Unit

Leading Sub-Sectors

- Value addition to fruit processing
- Packaging

Opportunities

U.S. companies can supply equipment for fruit processing, juice extraction and packaging for the different products.

Web Resources

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

Transportation Infrastructure

Overview

Swaziland Railway and Transnet have agreed to develop a 146 kilometer railway line between Lothair in Mpumalanga, South Africa through Sidvokodvo in Swaziland as well as upgrading adjacent networks in both countries. This line will then connect with the present line in Swaziland which goes to Richards Bay in South Africa. The E16 billion to E17 billion (USD 1.6 billion to USD 1.7 billion) railway 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, is ongoing and includes addressing land acquisition and relocation of affected stakeholders; environmental impact assessments; and the design of the line and construction cost estimates.

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

Unit: USD thousands

	2014	2015	2016 (estimated)	2017
Total Market Size				
Total Local Production				
Total Exports				
Total Imports	364,397.00			
Imports from the US	93,575.90			
Exchange Rate : 1USD	10.83	11.85	13.00	

Data Source : Swaziland Revenue Authority Statistics Unit

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. Swaziland Railway will build 96km inside Swaziland.

Web Resources

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

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

Mining and Minerals

Overview

The mineral industry of Swaziland 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 Swazi 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 Swaziland (Proprietary) Ltd recovered iron ore from the Ngwenya Mine tailings dumps, which were located north of Ngwenya. The Ngwenya open pit mine most recently had 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. But in February 2015 Salgaocar stopped operations due to a dispute between shareholders.

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 GKOS canceling Roux Consolidated's mining license in November 2012. The 20-year mining license had been issued in 2008. In 2013, the GKOS received five bids from other companies interested in reopening the Dvokolwako Mine. The mine remains non-operational .

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.

Leading Sub-Sectors

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

- GIS mapping

Unit: USD thousands

	2014	2015	2016 (estimated)	2017
Total Market Size				
Total Local Production				
Total Exports	6,364	5,925	5,682	
Total Imports	10,056	11,103	11,775	
Imports from the US				
Exchange Rate : 1USD	10.83	11.85	13.00	

- Data Source : Swaziland Revenue Authority Statistics Unit

Medical Equipment

Overview

Unit: USD thousands

	2014	2015	2016	2017
Total Market Size				
Total Local Production				
Total Exports	361	578	1601	
Total Imports	13,383	13,800	22,538	
Imports from the US				
Exchange Rate : 1USD	10.83	11.85	13.00	

Data Source : Swaziland Revenue Authority Statistics Unit

Swaziland'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, Swaziland is engaged in the upgrade of hospitals and clinics.

Swaziland continues to have the highest HIV/AIDS prevalence rate in the world, but new infection rates are decreasing. The GKOS has now integrated the Antiretroviral (ARV) therapy with treatments for tuberculosis and drug-resistant tuberculosis and has decentralized the medical services to communities. In addition to the TB Hospital in Manzini, the National referral hospital in Siteki Town is now operational and the Rehabilitation of Mbabane Government Hospital Outpatient department has resumed and due for completion mid-2018 .

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 exist for U.S. exporters of medical equipment especially new and innovative equipment, as the GKOS of Swaziland is seriously upgrading and developing hospital infrastructure.

Web Resources

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

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

Telecommunications

Overview

Swaziland 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, Swaziland Posts and Telecommunications Corporation (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 Swaziland in early 2016 was also awarded spectrum in the 1800MHz band to provide LTE services. In 2017 Swazi Mobile was awarded a second mobile license and anticipates going live in July 2017.

Mobile market penetration in Swaziland 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
- Optic Fiber cables
- Main distribution frames
- Spare parts for the equipment e.g. interface protocols
- Wireless broadband services

Unit: USD thousands

	2014	2015	2016	2017 (estimated)
Total Market Size				
Total Local Production				
Total Exports	959	530	1,080	
Total Imports	56,802	67,588	73,858	
Imports from the US				
Exchange Rate : 1USD	10.83	11.85	13.00	

- Data Source : Swaziland Revenue Authority Statistics Unit

Environmental Control Technology

Overview

Swaziland is faced with electricity production challenges. South Africa, Swaziland's main supplier of power, is suffering from power shortages and Swaziland realizes that when the current contract expires in 2025, South Africa might not renew the contract. Swaziland receives 80% of its power from South Africa. The country is now exploring opportunities for generating its own power. The Swaziland Electricity Company, which applied for a coal prospecting license four years ago, has finally been granted the license. SEC plans to build a 300MW thermal power station and hopes to start generating power by 2019.

The Swaziland Environment Authority (SEA) 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.

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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
- Joint Ventures in the 300MW thermal power station
- Construction of the 400KV integration line for rural substations

Opportunities

SEC is prospecting on the eastern side of Swaziland, 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 monitoring technology to measure emission levels.

Customs, Regulations & Standards

Trade Barriers

Swaziland has recently been ranked 31st among 189 countries globally and the best country in Sub Saharan Africa in terms of trading across borders.

Swaziland has no direct sea access. The ports of Durban, South Africa and Maputo, Mozambique, can be accessed by rail and road. A dry port in Matsapha Industrial Town facilitates the road-to-rail connection.

The country's international airport, King Mswati III, has multiple flights daily to O.R. Tambo International Airport in Johannesburg. The airport is located at Sikhuphe area 30 miles east of Manzini City.

Swaziland's main roads are in good condition.

Import Tariff

Swaziland is a member of the oldest customs union in the world; established in 1910, the Southern African Customs Union (SACU) consisting of Swaziland, 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 as from third countries.

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

Swaziland 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 <http://www.sra.org.sz/customs/free-trade-and-preferential-agreements.php>

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 Swaziland 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 a Swaziland import permit.

Labeling/Marking Requirements

Only country of origin labeling is required.

U.S. Export Controls

Swaziland's "listed" items are those that appear on the U.S. Department of Commerce Control List. These require a license to be exported to Swaziland 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 <https://www.bis.doc.gov/index.php/regulations/export-administration-regulations-ear>

The Country Chart, which includes Swaziland, 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 Swaziland. Transit rebates are paid upon entry into Swaziland, and the owner of the goods applies for refund of the rebate when the goods leave Swaziland.

Prohibited & Restricted Imports

Importing illicit drugs and arms of war is prohibited.

Customs Regulations

Commissioner of Customs and Excise

Swaziland Revenue Authority

HEAD QUARTERS

Building 02, Mbabane Office Park

MBABANE

Tel: +268 2406 4000

Fax: +268 2406 4001

Email: info@sra.org.sz

Website: www.sra.org.za

Standards for Trade

Overview

Swaziland Standards Authority (SWASA) was formed by the GKOS 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 Swazi

economy and safeguard the nation's health, safety and environment. It is governed by a ten-member Council whose function is to provide strategic and policy direction to the benefit of the Swazi people through an improved standard of living.

Standards

SWASA has been working on the development and adoption of close to 30 standards, seven 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 neighbouring national standards bodies.

It has been established through research that national standards sourced from the South African Bureau of Standards (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. Local small and medium enterprises have very little knowledge on the use of standards and their perceived benefits.

SWASA

11th Street, 2nd FLOOR, SMITHCO INDUSTRIAL BUSINESS CENTRE
PLOT # 471, KING MSWATI III AVENUE,
WEST MATSAPHA INDUSTRIAL SITE, MATSAPHA
Tel: (+268) 2518 4633

Fax: (+268) 2518 4526

E-mail: info@swasa.co.sz

Website: www.swasa.co.sz

Testing, inspection and certification

The Directorate of Industrial and vocational training (DIVT) is the only institution certified by GKOS to undertake trade testing in Swaziland. They cover the following trades:

- Motor Mechanic
- Heavy Plant Mechanic
- Carpenter/joiner
- Instrument Mechanic
- Auto Electrician
- Panel Beater
- Agricultural Mechanic
- Plumber
- Pan Boiler
- Turner/Machinist
- Boiler Attendant
- Welder/fabricator
- Block layer/plasterer

- Auto Electrician
- Electrician
- Maintenance fitter

Trade Agreements

Various regional and international trade agreements facilitate access to export markets in Africa and overseas. Through such arrangements as the Cotonou Agreement, Swazi 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 African Development Community's (SADC) Economic Partnership Agreement with the EU will increase Swazi trade in this arena.

Swaziland 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 Swazi 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 Swaziland 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, Swaziland, South Africa, Tanzania, Zambia and Zimbabwe.

Swaziland 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 shares of the customs pool generated by commodities imported from outside SACU. Customs revenue continues to be a major component of Swazi government receipts, accounting for an estimated 55 percent of total revenue. A renegotiated SACU Agreement came into effect in July 2004. It revised the revenue sharing formula, possibly decreasing the percentage of Swaziland's revenue derived from customs revenue.

Swaziland is a signatory of the General Agreement on Tariffs and Trade. The GATT Agreement affects Swazi 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

Executive Summary

Swaziland is a landlocked kingdom located in Southern Africa. The country's investment climate has become less welcoming of U.S. investment due to increased GKOS bureaucracy, corruption, and the higher costs associated with doing business in Swaziland. The GKOS's official policy is to encourage foreign investment as a means to drive economic growth, but the pace of investment policy reform is slow. In 2012, Swaziland re-launched its 2005 Investor Roadmap aimed at improving the country's competitiveness. The roadmap details procedural, administrative, and regulatory barriers that hinder investment and recommends various regulatory reforms. However, many of the identified reforms remain unaddressed. While the Swaziland Investment Promotion Authority (SIPA) is in theory an advocate for foreign investors and can facilitate regulatory approval for prospective investors, in reality, SIPA lacks the political clout necessary to prevent unsolicited proposals or royal family interference in private business affairs. Recent positive developments include allowing for company name registration online and amending the immigration laws to make it easier for foreign workers to remain in the country.

The GKOS has prioritized the energy sector, and in particular renewable energy. As such, in 2015 the GKOS developed a National Grid Code and a Renewable Energy and Independent Power Producer (RE&IPP) Policy to create a transparent regulatory regime in the industry and attract investment. Swaziland imports 80 percent of its power from South Africa and Mozambique and this number had risen to 100 percent in times of drought. With both South Africa and Mozambique experiencing electricity shortages, Swaziland hopes to create its own energy using renewable sources. Information, Communications and Technology (ICT) is also an emerging sector where the GKOS hopes to attract further investment. Swaziland has embarked on a number of initiatives to spur the growth of this key sector such as e-governance and the construction of the Royal Science and Technology Park. The digital migration program of the Southern African Development Community (SADC) presents ICT opportunities in the country.

Incentives to invest in Swaziland include repatriation of profits, fully-serviced industrial sites, provision of purpose-built factory shells at competitive rates, and exemption from duty on raw materials for manufacture of goods to be exported outside the Southern African Customs Union (SACU). The GKOS also offers financial incentives for all investors which include tax allowances and deductions for new enterprises, including a 10-year exemption from withholding tax on dividends and a low corporate tax rate of 10 percent for approved investment projects. New investors also enjoy duty-free import of machinery and equipment.

Despite these incentives, public sector and royal family involvement in the economy may discourage potential investors. In addition, the country's land tenure system, where the majority of usable land remains the property of the King "in trust for the Swazi nation," discourages long-term investment in commercial real estate and agriculture.

Swaziland's poor human rights and labor rights record has jeopardized its access to export markets and to donor support. In 2015, Swaziland lost its duty free access to the U.S. market under the African Growth and Opportunity Act (AGOA) due to continued violations of internationally recognized workers' rights. Swaziland also remains ineligible for Millennium Challenge Corporation (MCC) support due to its poor rankings on political and civil liberties by international non-governmental organizations.

Table 1

Measure	Year	Index/Rank	Website Address
TI Corruption Perceptions Index	2014	69 of 175	http://www.transparency.org/research/cpi/overview
World Bank's Doing Business Report	2017	111 of 190	doingbusiness.org/rankings
Global Innovation Index	2015	123 of 141	https://www.globalinnovationindex.org/analysis-indicator
U.S. FDI in partner country (\$M USD, stock positions)	2015	<i>not available</i>	http://www.bea.gov/international/factsheet/
World Bank GNI per capita	2015	USD \$3,280	http://data.worldbank.org/indicator/NY.GNP.PCAP.CD

Openness To, and Restrictions Upon, Foreign Investment

Policies Toward Foreign Direct Investment

The Government of the Kingdom of Swaziland (GKOS) regards foreign direct investment (FDI) as a means to drive the country's economic growth, obtain access to foreign markets for its exports, and improve international competitiveness. While the GKOS has strongly encouraged foreign investment over the past 15 years, it has been less effective in translating this

enthusiasm to tangible improvements in economic growth. The GKOS has not had a coordinated or proactive approach in shaping the country's investment policies. Rather, GKOS has largely followed the trends, interests, and opportunities that the country's location and resources offer. Swaziland does not have a single policy on investment, rather, the GKOS's investment facilitation efforts are spread across various ministries and are part of policies on Small and Medium Enterprises (SME), agriculture, energy, transportation, mining, education, and telecommunications, and among others. Calls for more concerted action on these policies have intensified in recent years as the economy has suffered from a general recession and the country has faced a drought.

In theory, the GKOS has not implemented laws that discriminate against foreign investors. However, in practice, most successful foreign investments require local partners to navigate the complex bureaucracy of the country. In addition, the majority of the land is held by the king "in trust for the Swazi Nation" and cannot be purchased by foreign investors. Foreigners that require significant Swazi National land for their enterprise must therefore engage with the king, through the Land Management Board, in order to secure a long-term lease, typically for 99 years.

The Swaziland Investment Promotion Authority (SIPA) is charged with designing and implementing strategies for attracting desired foreign investors. While SIPA is currently functional and helpful, it is not yet a one-stop-shop for foreign investors. SIPA services include:

- Identify and disseminate trade and investment opportunities
- Attract and promote local and foreign direct investments
- Provide investor facilitation and aftercare services
- Promote internal and external trade
- Undertake research and policy analysis
- Facilitate company registration and business licenses/permits
- Facilitate work permits and visas for investors
- Provide a one stop shop information and support facility for businesses
- Export product development
- Facilitation of participation in external trade fairs
- Buyer-Seller Missions

The GKOS continues its attempts to improve the ease of doing business in the country through the Investor Roadmap Unit (IRU). Since 2015, the IRU has been engaging with businesses and GKOS twice per month to review and report on the progress and implementation of the investor roadmap reforms.

SIPA has an "aftercare" division which is a direct avenue for investors to communicate concerns they may have with the environment in which they operate. It is noteworthy that

investors that choose to stay beyond the 5 years during which the GKOS offers investment incentives, often plan to stay long-term and have not reported sufficient cause to relocate elsewhere.

Limits on Foreign Control and Right to Private Ownership and Establishment

Both foreign and domestic private entities have a right to establish businesses and acquire and dispose of interest in business enterprises. Currently, the majority of Swaziland's largest businesses are foreign owned, such as Royal Swaziland Sugar Corporation, Coca-Cola Swaziland (Conco Ltd.), Illovo Sugar Ltd., Mondelēz International, and Tex-Ray Swaziland; of these firms, some are fully foreign owned or have minority participation by Swazi institutions.

There are no general limits on foreign ownership and control. Companies can be 100 percent foreign owned and controlled. The only industries that have limits on foreign ownership and control are mining and real estate. The Mines and Minerals Act of 2011 stipulates that the king will acquire 25 percent of shareholding without any monetary consideration and another 25 percent shareholding in any mining enterprise will be allocated to the GKOS. There are also sector-specific exclusions that prohibit foreign control which include business dealings in firearms, radioactive material, explosives, hazardous waste, and security printing.

Foreign investment is only screened when a financial institution employed by the investor must conduct typical background and credit checks. If the investor has their own sources of funding, there is typically no additional screening required by the GKOS.

Other Investment Policy Reviews

In 2015, a Trade Policy Review of the Southern African Customs Union (Namibia, Botswana, Swaziland, South Africa, and Lesotho) was conducted by the World Trade Organization (WTO), with more information available on the WTO [website](#). Additional documents related to the review can be found [here](#).

Business Facilitation

Swaziland does not have a single overarching business facilitation policy. Policies that address business facilitation can be found across the spectrum of relevant ministries. The IRU is the public entity that is responsible for investor facilitation through the review and monitoring of business facilitation mechanisms. SIPA facilitates foreign and domestic investment opportunities. Swaziland does not have an online business registration process. A company must reserve a unique name for itself through the Registrar of Companies at the Ministry of Commerce. The company must pay a reservation of name fee to the Swaziland Revenue Authority (SRA) and obtain a tax clearance from the SRA. The process of registering a company takes approximately 10 days. According to the World Bank's 2017 Ease of Doing Business Report, Swaziland ranked 111 of 190 countries globally, with the report citing that it takes 12 separate procedures to start a business.

Outward Investment

GKOS does not specifically promote or incentivize outward investment, as this is a relatively new phenomenon for Swaziland. There have been a few cases, such as in the retail sector, and the largest outward investment is currently being pursued by the Royal Swaziland Sugar Corporation (RSSC) to acquire land from South Africa to cultivate sugarcane.

There are no restrictions on domestic investors from investing abroad. The only two exceptions may be the Public Service Pension Fund and the Swaziland National Provident Fund which are state-owned enterprises (SOEs) and are required by law to invest a minimum of 30 percent of their balance sheets in the domestic economy.

Bilateral Investment Agreements and Taxation Treaties

Swaziland has bilateral investment treaties in force with the United Kingdom and Germany. Swaziland has signed bilateral investment agreements with Egypt, Taiwan, Kuwait, and Mauritius, but these have not entered into force. Swaziland does not have a bilateral investment treaty with the U.S.

The European Union (EU) concluded negotiations on an Economic Partnership Agreement (EPA) on July 15, 2014, with the Southern African Development Community (SADC) group comprised of Botswana, Lesotho, Mozambique, Namibia, South Africa, and Swaziland. The EPA entered into force in October 2016.

As Swaziland is also part of COMESA, SADC, and SACU, it is a party to other agreements in force such as the SACU-US TIDCA, SADC Investment Protocol, the European Free Trade Association (EFTA)-SACU FTA, the COMESA-US TIFA, and the Cotonou Agreement with the EU.

Swaziland does not have a bilateral taxation treaty with the U.S.

Legal Regime

Transparency of the Regulatory System

In general, the laws of the country are transparent, including those to foster competition. However, the legal and regulatory environment is underdeveloped, and at times opaque and unpredictable. For instance, Swaziland does not have an approved trade policy, investment policy, or industrial policy.

There are no regulatory processes managed by nongovernmental organizations or private sector associations. Foreign investors coming into the country can join the Federation of Swaziland Employers and Chamber of Commerce (FSE&CC) on an equal basis with nationals of the country. This association is the link between the private sector and the GKOS. There are no informal regulatory processes that apply to foreign investors. Local businesses who wish to establish trading infrastructure on Swazi Nation Land (SNL) must be members of the Swaziland Commercial Amadoda (who have had exclusive rights on trade and transport on SNL since 1947). Investors wishing to establish trade on SNL are normally facilitated by GKOS through SIPA or the line ministry.

The rule-making and regulatory authority lies with the central GKOS and may be allocated by the relevant line ministry to a department, parastatal, or board. The primary custodian of policy and regulation is the minister responsible for the relevant law. All laws, regulations, and policies are applied at a national level.

Proposed laws and regulations are published in the GKOS Gazette and have a public comment period of thirty days prior to a bill's presentation to parliament. Ministries sometimes consult with selected members of the public and private sectors through stakeholder meetings. Most draft regulations are not available online, but can be acquired in hard copy through the GKOS printing office.

International Regulatory Considerations

Swaziland is part of four distinct economic blocks: the Common Monetary Area (CMA), the Southern African Customs Union (SACU), the Southern African Development Community (SADC), and the Common Market for Eastern and Southern Africa (COMESA). The standards of membership in these blocks are primarily based on British law and have been domesticated accordingly into each context.

Swaziland is also a member of the WTO and notifies all draft technical regulations to the WTO Committee on Technical Barriers to Trade.

Legal System and Judicial Independence

Swaziland has a dual legal system consisting of a set of courts that follow Roman-Dutch law and a set of national courts that follow Swazi law and custom. The former consists of a Court of Appeals (Supreme Court) and a High Court, in addition to magistrate's courts in each of the four districts. The traditional courts deal with minor offenses and violations of traditional Swazi law and custom. Sentences in traditional courts are subject to appeal and review at the Court of Appeals and High Court. The Western-style court system enforces contracts and property rights.

The country has various written commercial and contractual laws. Commercial and contractual disputes are handled in the magistrate court or High Court depending on the magnitude of the case. There are no specialized commercial courts, however, the GKOS is in the process of incorporating a Small Claims Court as an additional resource in the judicial system. There is an Industrial Court that hears industrial relations matters.

The courts are generally independent of executive control or influence. However the judiciary has been subject to some criticism in recent years. The current judicial process is procedurally competent, fair, and reliable, although the capacity of the judiciary to handle cases in a timely manner is extremely limited and case backlogs are prevalent.

Enforcement of laws and regulations is appealable up to the Supreme Court.

Laws and Regulations on Foreign Direct Investment

The Swaziland Investment Promotion Act of 1998 established SIPA and provides for the freedom of investment, protection of investment, and non-discrimination on the part of the GKOS with respect to investors. The Competition Act of 2007 stipulates anti-competitive trade practices, requirements for mergers and acquisitions, and protection of consumer welfare. The Economic Recovery Strategy identifies the need to promote further reforms in order to facilitate investment.

The Swaziland Investment Promotion Authority (SIPA) helps navigate the laws, rules, procedures, and registration requirements for foreign investors and is meant to be a “one-stop-shop” for investors, although in practice that it not a reality. SIPA’s website is: www.sipa.org.sz.

Competition and Anti-Trust Laws

The Competition Act came into force in 2007 and the Competition Commission Regulations came into effect in 2011. The Swaziland Competition Commission (SCC) is a statutory body charged with the administration and enforcement of the Swaziland Competition Act of 2007. However, it is still at the formative stage and currently only regulates mergers and acquisitions. It does not yet have the capacity to prosecute anti-trust and anti-competitive behavior.

Expropriation and Compensation

The law prohibits expropriation and nationalization. There have been no known cases of foreign-owned businesses being expropriated and generally, when disputes have arisen, there has been due process to the level of international tribunals. However, the land tenure system in Swaziland can pose challenges to foreign investors. There are two major categories of land tenure: Swazi Nation land and title deed land, with each subject to different rules and procedures.

In 2010, there was a dispute on a 99-year lease on title deed land with a joint South African/Swazi company developing a tourist business in the southern part of Swaziland bordering South Africa. The disputed facility was a lodge and was supposed to be a trans-frontier park between Swaziland and South Africa housing wildlife. The King tried to cancel the 99-year lease agreement with the foreign investor and the owners of the facility appealed to the High Court, but a settlement was never reached.

In 2014, a dispute emerged involving a foreign investor in the iron ore mining business. The investor was accused of misrepresenting his operational costs and complained he was driven out of the country by the king’s advisors. He accused the GKOS and king of destroying the business to avoid repaying a loan the company had provided to the king. The mining business closed after three years in operation and the company complained that they lost tens of millions of USD in investment and lost earnings. The closure of the company also left many

Swazi contractors with unpaid compensation amounting to over E40 million (approximately USD \$3 million).

Dispute Settlement

ICSID Convention and New York Convention

Swaziland is a member state of the Convention on the Settlement of Investment Disputes between States and Nationals of Other States (ICSID Convention). Swaziland is not a signatory to the New York Convention of 1958 on the Recognition and Enforcement of Foreign Arbitral Awards.

There is no specific legislation providing for enforcement of awards under international conventions, but the Swazi legal system has effectively enforced court decisions and international arbitration awards in the past.

Investor-State Dispute Settlement

Swaziland is a member state of the International Centre for the Settlement of Investment Disputes (ICSID Convention) and the Multilateral Investment Guarantee Agency (MIGA). As a member of SACU, Swaziland signed a Trade, Investment and Development Cooperative Agreement in 2008 with the U.S. There have been no claims under this agreement.

There have been at least two major investment disputes involving foreign investors in the past ten years, as described in the Expropriation and Compensation section above, but none involving U.S. citizens.

The Swaziland GKOS accepts binding international arbitration of investment disputes between foreign investors and the state. Any agreement with international investors/parties includes a clause stating where arbitration will take place and which laws will apply. Local courts recognize and enforce foreign arbitral awards issued against the GKOS, but do not have jurisdiction against the King, as he is constitutionally protected. This has become an issue in the few disputes that have arose involving companies that are partly owned by the King and the GKOS that have invested in natural resources.

International Commercial Arbitration and Foreign Courts

The only alternative dispute resolution (ADR) mechanism available to settle disputes between two private parties is in the labor sector. The Conciliation, Mediation and Arbitration Commission (CMAC), which is governed by the Industrial Relations Act of 2000, resolves employer-employee disputes. This is the only domestic arbitration body; Swaziland does not have a domestic arbitration body to deal with investment or commercial disputes.

Local courts recognize and enforce foreign arbitral awards and judgments of foreign courts.

State-owned enterprises (SOEs) are not often involved in investment disputes. In the last 10 years, there has been only one case involving an SOE (telecommunications) and it was a restraint on trade dispute in which the SOE lost the case. There have not been any

complaints about the court processes as their records are available for public scrutiny as well as further appeal.

Bankruptcy Regulations

The Insolvency Act of 1955 is the law that governs bankruptcy in Swaziland. The insolvent debtor or his agent petitions the court for the acceptance of the surrender of the debtor's estate for the benefit of his creditors. Creditors need to petition with the court and provide documents supporting their claim.

Bankruptcy is only criminalized if the debtor, trustee, or sole owner does not comply with the requirements of the creditor. For example, if he/she fails to submit documents, declare assets, or if he/she obstructs or hinders a liquidator appointed under the Act in the performance of his functions, then he/she could be found guilty of an offense.

In the World Bank's 2017 Doing Business Report, Swaziland's ranking in the category of Ease of Resolving Insolvency dropped to 95 from 91 the previous year, out of 190 economies.

Industrial Policies

Investment Incentives

At the discretion of the Minister of Finance, the GKOS applies a reduced tax rate of 10 percent for the first ten-year period of operation, which is available for businesses that qualify under the Development Approval Order. Capital goods imported into the country for productive investments are exempt from import duties. Raw materials imported into the country to manufacture products to be exported outside the SACU area are also exempt from import duties. The law allows for repatriation of profits and dividends including salaries for expatriate staff and capital repayments. The Central Bank of Swaziland guarantees loans raised by investors for the export markets. There is also provision of loss cover which a company can carry over in case it incurs a loss in the year of assessment. Swaziland also has a human resources training rebate in which 150 percent of the cost can be written against tax for training.

Foreign Trade Zones/Free Ports/Trade Facilitation

The GKOS through the IRU is drafting legislation on the development of special economic zones in the country. As of May 2017, the bill has yet to be presented to Parliament.

Performance and Data Localization Requirements

The Ministry of Labor and Social Security (Training and Localization Unit) requires the hiring of qualified Swazi workers where possible, even at executive positions. The mandate of the Unit is to ensure the maximum utilization of local manpower resources and to formulate training plans in conjunction with industries so as to maximize employment. It also facilitates and provides information on the process of obtaining work permits. Foreign investors are required to apply for residence and work permits. Although they are generally awarded, business people complain that the process is cumbersome. SIPA is now supervising the

application of these permits for incoming foreign businesses as part of the implementation of the Investor Roadmap.

There are no GKOS-imposed conditions on permission to invest. The GKOS does not follow a “forced localization” policy. However, in the manufacturing sector, if a company plans to label a product for export as made in Swaziland, the GKOS requires that the local content of such export be at least 25 percent.

There are no requirements for foreign IT providers to turn over source code or provide access to surveillance (backdoors into hardware and software) or turn over keys for encryption. The technology industry in Swaziland is still in its infancy.

Protection of Property Rights

Real Property

For titled property, the GKOS recognizes and enforces secured interest in property and there is a reliable system of recording security interests. However, the land tenure system in Swaziland can pose challenges to foreign investors, and Swazis, alike. There are two major categories of land tenure: Swazi Nation land (SNL) and title deed land, each subject to different rules and procedures. Most land in the country is SNL and is governed by the country’s traditional structures. SNL is “held in trust for the Swazi people” by the king who appoints chiefs to oversee its use. The chiefs keep records of who “owns” or resides on what land in their chiefdom. The Constitution protects the right to own property, but most rural land is SNL and is not covered by this constitutional protection. Most urban property is title deed land. The law allows for eminent domain but requires compensation.

The World Bank’s 2017 Doing Business Report ranking for ease of registering property refers only to property in urban areas where there are title deeds for land; Swaziland ranks 117 out of 190 economies in this category. SNL is not titled and lending institutions are often reluctant to use it as collateral. Foreign businesses tend to have more difficulty accessing SNL than local businesses due to the very different processes required to be able to use it and lack of knowledge of the traditional structures that govern its use.

Intellectual Property Rights

Protection for patents, trademarks, and copyrights is currently inadequate under Swazi law. Patents are currently protected under a 1936 act that automatically extends patent protection, upon proper application, to products that have been patented in either South Africa or Great Britain. Trademark protection is addressed in the Trademarks Act of 1981. Copyright protections are addressed under four statutes, dated 1912, 1918, 1933, and 1936.

There are bills that are pending to amend the Copyright Act of 1912 and the Trademarks Act of 1981. The Copyright and Neighboring Rights Bill of 2014 will change Swaziland's intellectual property law. The new law would protect literary, musical, artistic, audio-visual, sound recordings, broadcasts, and published editions. It would also criminalize illicit

recording and false representation of someone else's work. The Act also gives the duration of copyright among other things. The Swaziland Intellectual Property Tribunal Bill of 2015 will establish an Intellectual Property Tribunal, which will be responsible for hearing all matters and disputes involving intellectual property in Swaziland.

The Trademarks (Amendment) Bill of 2015 will amend the Trademarks Act of 1981 and bring it into compliance with provisions of the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS), the Madrid Agreement concerning International Registration of Marks, and the Banjul Protocol on Trademarks. None of these proposed amendments have yet been passed into law.

Swaziland does not track and report on seizures of counterfeit goods. Swaziland is not listed in the U.S. Trade Representative's Special 301 report, nor is it listed in the notorious market report.

For additional information about national laws and points of contact at local IP offices, please see WIPO's country profiles at <http://www.wipo.int/directory/en/>.

Financial Sector

Capital Markets and Portfolio Investment

Swaziland's capital markets are closely tied to those of South Africa and operate under conditions generally similar to the conditions in that market. In 2010, the GKOS passed the Securities Act to strengthen the regulation of portfolio investments. The Act was primarily intended to facilitate and develop an orderly, fair, and efficient capital market in the country.

Swaziland has a small stock exchange with only six companies currently trading. In 2010, the Financial Services Regulatory Authority (FSRA) was established. This institution governs non-bank financial institutions including capital markets, insurance firms, retirement funds, building societies, micro-finance institutions, and savings and credit cooperatives. The royal wealth fund and national pension fund invest in the private equity market, but otherwise there are few professional investors.

Existing policies neither inhibit nor facilitate the free flow of financial resources. The demand is simply not present. The Central Bank respects International Monetary Fund (IMF) Article VIII.

Credit is allocated on market terms. The Central Bank of Swaziland guarantees loans for the export market and for small businesses.

Money and Banking System

Only 43 percent of the Swazi adult population is banked. The Swazi banking sector is healthy; non-performing assets were estimated at 6.6 percent in 2015. The total assets of Swazi banks are approximately E15.4 billion (approximately USD \$1.2 billion). Swaziland's banks are

primarily subsidiaries of South African banks. Standard Bank is the largest bank by capital assets and employs about 400 workers. Swaziland has a central bank system.

Swaziland's financial sector is liberalized and allows foreign banks or branches to operate under the supervision of the Central Bank's laws and regulations. For more information, see the Central Bank's [website](#). There have been no bank closures or banks in jeopardy in the last three years. Hostile takeovers are uncommon.

Foreign Exchange and Remittances

Foreign Exchange

There are no limitations on the inflow or outflow of funds for remittances. Dividends derived from current trading profits are freely transferable on submission of appropriate documentation to the Central Bank, subject to provision for the non-resident shareholder tax of 15 percent. Local credit facilities may not be utilized for paying dividends. Swaziland is part of the Common Monetary Area (CMA) which also includes South Africa, Namibia, and Lesotho. All capital transfers into Swaziland from outside the CMA require prior approval of the Central Bank of Swaziland to avoid problems in the subsequent repatriation of interest, dividends, profits, and other income accrued. Otherwise, there are no restrictions placed on the transfers.

Swaziland mainly deals with three international currencies: the U.S. Dollar, the Euro, and the British Pound. The Swazi Lilangeni, denoted as E, is pegged to the South African Rand which is accepted as legal tender throughout Swaziland. To obtain foreign currency other than Rand one must apply through an authorized dealer and a resident who acquires foreign currency must sell it to an authorized dealer for the local currency within ninety days. No person is permitted to hold or deal in foreign currency other than an authorized dealer, namely, First National Bank of Swaziland (FNB), Nedbank, Standard Bank, or Swazi Bank.

As the Lilangeni is pegged to the South African Rand, its value is therefore determined by the Rand and the monetary policy of the CMA, which is most heavily influenced by the South African Reserve Bank.

Remittance Policies

There have been no recent changes to investment remittance policies. The average delay period in remitting investments is dependent on the mode of remitting funds. SWIFT transfers average a week, while other electronic transfers typically take less than a week. If all required documents are submitted, remittances in Swaziland do not exceed 60 days. The Swaziland GKOS does not issue dollar-denominated bonds. Otherwise, there are no limitations on the inflow and outflow of funds for remittances of profits or revenue.

Sovereign Wealth Funds

In 1968, the late King Sobhuza II created a Royal Charter that governs the Sovereign Wealth Fund (SWF) in Swaziland, *Tibiyo TakaNgwane (Tibiyo)*. This fund is not subject to GKOS or parliamentary oversight and does not provide information on assets or financial performance

to the public. *Tibiyo* publishes an annual report, but it is not required by law to do so. Similarly, the SWF obtains independent audits at its own discretion.

Tibiyo states in its objectives that it supports the GKOS in fostering economic independence and self-sufficiency. The SWF widely invests in the economy and holds shares in most major industries, e.g., sugar, commercial real estate, beverages, dairy, hotels, and transportation. For its social responsibility practices it provides some scholarships to students. *Tibiyo* does not have any legal obligations other than the vague language of investing in assets “in trust for the Swazi nation.” *Tibiyo* is run as a private equity investment fund for the benefit of the King and the royal family. The SWF and the GKOS co-invest to exercise majority control in many instances. *Tibiyo* invests entirely in the local economy and local subsidiaries of foreign companies. *Tibiyo* has shares in a number of private companies. Sometimes foreign companies can form relationships with *Tibiyo*, especially if the foreign company wants to raise capital and can manage the project on its own.

State-Owned Enterprises

State-owned enterprises (SOEs) are active in agriculture, information and communication technology, energy, health, housing, tourism, education, business development, financial services, environment, and media. The GKOS defines SOEs as private enterprises despite the GKOS ownership. They are separated into two categories; category A includes SOEs that are wholly owned by GKOS, while category B includes SOEs in which the GKOS has a minority interest or which monitor other financial institutions or a local GKOS authority. These categories are further broken down into profit-making SOEs with a social responsibility focus, those that are profit-making and developmental, those that are regulatory, and those that are regulatory but developmental. SOEs purchase and supply goods and services to and from the private sector including foreign firms. Those in which GKOS is a minority shareholder are subject to the same tax burden and tax rebate policies as the private sector. The Public Enterprise Act governs SOEs. The Boards of SOEs review the budget before tabling it to the line ministry, which, in turn, tables it to Parliament where it is scrutinized by the Public Accounts Committee. A published list of SOEs in Swaziland can be found under the Ministry of Finance, Public Enterprise Unit, at <http://www.gov.sz>. There are no non-market based advantages that SOEs receive from GKOS.

SOEs in Swaziland generally follow standards set by the OECD Guidelines on Corporate Governance for SOEs. Senior managers of SOEs report to the board and in turn the board reports to a line minister. The minister then works with the Standing Committee on Public Enterprise (SCOPE), which is composed of cabinet ministers. SOEs are governed by the Public Enterprises Act, which requires audits of the SOEs and public annual reports. GKOS is not involved in the day-to-day management of SOEs. Boards of SOEs exercise their independence and responsibility. The Public Enterprise Unit provides regular monitoring of SOEs. The line minister of the SOE appoints the board and in some cases, the allocation is politically motivated. In some cases, the king appoints his own representative as well. Generally, court processes are nondiscriminatory in relation to SOEs.

Privatization Program

In 2003, the International Monetary Fund (IMF) advised the Swaziland GKOS to privatize SOEs, particularly in the telecommunications sector and the electricity sector. In response, the GKOS passed several laws, but privatization efforts remain slow. The Swaziland Communications Commission Act and the Electronic Communications Act came into effect on July 31, 2013. The Swaziland Communications Commission Act establishes a Commission to regulate and supervise the operation of electronic communication networks and the provision of electronic communication services in the country, including the regulation of data protection in electronic communication. The SOE, Swaziland Posts and Telecommunications Corporation (SPTC), besides being the provider of the service, was also the regulator. The Act now transfers the regulatory powers from SPTC to the Commission.

The GKOS is also working to produce its own electricity using renewable energy. Swaziland imports the bulk of its electricity from South Africa and Mozambique, reaching 100 percent importation in times of recent drought, since domestic production is mostly from hydro power. The GKOS has developed a National Grid Code and a Renewable Energy and Independent Power Producer (RE&IPP) Policy with technical assistance from USAID's Southern Africa Trade Hub in order to provide a framework for the sector and incentivize investors.

Responsible Business Conduct

Multinational enterprises active in Swaziland typically have robust standards for responsible business conduct (RBC) and consumers often recognize these efforts. However, smaller domestic companies are less likely to have RBC programs. To the extent possible, the GKOS encourages both foreign and local enterprises to follow accepted RBC principles. The Development Approval Order, which is part of the income tax law, allows a company to apply to the Minister of Finance if it plans to make significant RBC investments in the country, and receive in return a reduced tax rate of up to 10 percent. GKOS enforcement of penalties to irresponsible companies is sporadic but generally does not vary based on whether a company is domestic or foreign. Minimum labor compliance requirements are not waived to attract foreign investment. The GKOS does not have corporate governance, accounting, and executive compensation standards to protect shareholders. There are no independent non-governmental organizations that monitor RBC efforts.

Corruption

The Prevention of Corruption Act and the Swaziland Public Procurement Act are the two laws that combat corruption by all persons, including public officials. The Public Procurement Act prohibits public sector workers and politicians from supplying the GKOS with goods or services, however this prohibition does not extend to family members of officials, or to political parties. The Swaziland Public Procurement Agency (SPPRA) has conducted capacity building exercises nationwide with both public and private companies to increase knowledge and encourage adoption of universally practiced purchasing systems. According to Section 27 of the Public Procurement Regulations, suppliers are prohibited from offering gifts or

hospitality, directly or indirectly, to staff of a procuring entity, members of the tender board, and members of the SPPRA. While avoiding conflict of interest and establishing codes of conduct are policies that are encouraged, they cannot be effectively enforced. Some companies use internal controls and audit compliance programs to try to track and prevent bribery.

Swaziland is a signatory to the African Union Convention on Preventing and Combating Corruption and Related Offenses and the SADC Protocol against Corruption. Swaziland has signed and ratified the UN Anticorruption Convention, but it is not party to the OECD Anti-Bribery Convention. Only the GKOS's Anti-Corruption Commission is legally allowed to investigate corruption. GKOS procurement is the most likely area to find corruption in Swaziland.

Foreign and domestic businesses have indicated that corruption and bribery offers impact profits, contracts, and investment decisions for their companies on a scale similar to what is found in South Africa.

Resources to Report Corruption

Contact at the GKOS agency responsible for combating corruption:

Thanda Mngwengwe
Commissioner, Swaziland Anti-Corruption Commission
3rd Floor, Mbandzeni House, Mbabane
+268-2404-3179/0761
anticorruption@realnet.co.sz

Political and Security Environment

There are few incidents of politically motivated violence in Swaziland. Police have been known to harass, arrest, and imprison critics of the GKOS. In addition, the police routinely prevent or monitor meetings planned by labor unions and other organizations focused on political or socio-economic issues because they fear the groups' political motivations will result in violence and instability. There are no examples, over the past ten years, of this sort of policy activity damaging foreign-run projects or installations.

Overall, Swaziland is generally stable with sporadic nonviolent protest. However, the low economic growth rate and lack of social protection has begun to politicize the otherwise apolitical rural majority. The pace of political transformation is slow, but likely certain, given social and economic demographics.

Labor Policies and Practices

The structure of the labor market and economic fundamentals in Swaziland are in many ways much better developed than most other Sub-Saharan African countries. For example, GDP per capita is higher, the informal sector is smaller, exports are more diversified, the overall

education level is higher, and the labor pool is predominantly domestic. The literacy rate in 2013 was 89 percent. According to the Swaziland Central Statistics Office the Unemployment Rate Relaxed stands at 40.6 percent while the Strict Definition stands at 28.5 percent. However, the youth unemployment rate is the highest at 42.3 percent. While Swaziland is considered a middle-income country, it has many characteristics of a low-income country. For example, the minimum wage is at a similar level, inequalities are high, poverty is widespread, the middle class is small, overall unemployment, including youth unemployment, is high, and female representation is low. Furthermore, it is estimated that 31 percent of 15-24 year olds have not completed primary education in Swaziland.

Swaziland has a shortage of technically skilled labor. The GKOS has identified several sectors as priorities in terms of building skilled labor capacity: agricultural engineering, information and communication technology, medicine, medical imaging, and occupational health. Other priority fields that the GKOS may sponsor include physiotherapy, paramedic studies, forestry, special education, clinical and dental science, and pharmacy.

The law requires that employers give first preference to Swazi nationals unless they cannot find candidates with the necessary qualifications.

The Employment Act states that if an employer contemplates adjusting employment to respond to fluctuating market conditions, the employer will give no less than one month's notice to the Labor Commissioner and the trade union. The employer must provide the number of employees to be affected, their occupations and remuneration, the reasons for the adjustment, the effective date, financial statements and audited accounts of the company, and options that have been considered to avert the situation. Section 34 of the Employment Act says if the services of an employee are terminated other than being fired, a severance allowance amounting to ten working days' wages for each completed year in excess of one year continuously employed by that employer is due. Layoffs are defined as temporary absence from work which is necessitated by the employer facing certain difficulties which are temporary in nature, while firing refers to the sacking of an employee. There are no social safety net programs for workers who are laid off.

Labor laws are not waived in order to attract or retain investment. Swaziland does not have foreign trade zones, but is in the process of drafting legislation to establish a special economic zone and it is not yet known whether there may be different labor law provisions for that zone.

Labor unions practice collective bargaining, but there are few industry associations and bargaining is conducted largely with individual employers in the private sector. Collective bargaining is common in the financial and textile sectors.

The Conciliation, Mediation and Arbitration Commission (CMAC) serves as Swaziland's labor dispute resolution mechanism. Labor disputes generally start at CMAC with mediation and arbitration. Either party can refuse arbitration and bring the case to the Industrial Court.

Due to severe backlogs at the court, however, the matter may not be heard for several years. According to the Industrial Relations Act, workers can engage in a strike action if there is an unresolved dispute. When disputes arise with civil servant unions, the GKOS often intervenes to reduce the chances of a protest or strike action, which may not be legally called until all avenues of negotiation have been exhausted and a secret ballot of union members has been conducted.

Despite its legal recognition, the right to strike is strictly regulated. The party that intends to go on strike needs to give notice to the employer, the Labor Commissioner, and CMAC. CMAC must arrange and supervise a secret ballot to determine whether the majority of employees are in favor of the strike action. Strikes and lockouts are prohibited in essential services. Employees who are not engaged in essential services have the right to undertake peaceful protest actions to “promote or defend socio-economic interests” of workers, i.e., not for matters of a purely political nature. In the past year there have been two strike actions in which violence broke out between police and protestors. The GKOS has been reluctant to publicly condemn the actions of the police and while investigations into the incidents have been ordered, no public reports have been released.

Swaziland has ratified the eight core International Labor Organization (ILO) conventions; however, compliance gaps with international labor standards continue to remain in both law and practice. The law provides that workers, except for those in essential services, have the right to form and join independent unions, conduct legal strikes, and bargain collectively. However, other laws restrict freedom of assembly, association, and expression in ways that can abrogate these rights. The law provides for the registration of unions and federations, but grants wide discretion to the Labor Commissioner with respect to determining eligibility for registration. Unions must represent at least 50 percent of employees in a workplace to be automatically recognized. The law also gives employers discretion to recognize a union as a collective employee representative if it has less than 50 percent membership, and furthermore, allows employers to set conditions for such recognition. The Department of Labor has inspectors who verify whether companies adhere to labor regulations, health and safety standards, and wage laws. The Minister of Labor sets minimum wages through the Wages Councils.

The ILO has identified areas where Swaziland is not in compliance with international labor standards and included the country in the ILO’s “special paragraph” in 2015 for failing to allow freedom of association of workers. In 2012, Swaziland deregistered federations, which also attracted the attention of the ILO, citing that the Industrial Relations Act did not provide for the registration of federations. After years of international pressure, in 2014, an amendment to the Industrial Relations Act was passed providing for the registration of federations, but it took another six months to actually have them officially registered.

No new labor laws or regulations have been enacted during the course of this past year.

OPIC and Other Investment Insurance Programs

Swaziland has not signed an agreement with the Overseas Private Investment Corporation (OPIC), and there are not currently any other investment insurance programs in the country.

Foreign Direct Investment and Foreign Portfolio Investment Statistics

Table 2: Key Macroeconomic Data, U.S. FDI in Host Country/Economy

Economic Data	Host Country Statistical source*		USG or international statistical source		USG or International Source of Data: BEA; IMF; Eurostat; UNCTAD, Other
	Year	Amount	Year	Amount	
Host Country Gross Domestic Product (GDP) (\$M USD)	2016	\$3,533	2015	\$4,118	www.worldbank.org/en/country
Foreign Direct Investment	Host Country Statistical source*		USG or international statistical source		USG or international Source of data: BEA; IMF; Eurostat; UNCTAD, Other
U.S. FDI in partner country (\$M USD, stock positions)	N/A		N/A		Data unavailable
Host country's FDI in the United States (\$M USD, stock positions)	N/A		2015	-\$0.5	BEA
Total inbound stock of FDI as % host GDP	N/A		N/A		Data unavailable

Table 3: Sources and Destination of FDI

Foreign direct investment position data are not available for Swaziland.

Direct Investment from/in Counterpart Economy Data			
From Top Five Sources/To Top Five Destinations (US Dollars, Millions, 2016)			
Inward Direct Investment		Outward Direct Investment	
Total Inward	100%	Total Outward	100%
N/A		N/A	

Table 4: Sources of Portfolio Investment

Portfolio investment data are not available for Swaziland.

Portfolio Investment Assets					
Top Five Partners (Millions, US Dollars, 2016)					
Total		Equity Securities		Total Debt Securities	
All Countries	100%	All Countries	100%	All Countries	100%
N/A		N/A		N/A	
N/A		N/A		N/A	
N/A		N/A		N/A	

N/A	N/A	N/A
N/A	N/A	N/A

Contact for More Information

Political/Economic Officer

U.S. Embassy Swaziland

+268-2417-9000

Mbabane-Pol-Econ@state.gov

Trade & Project Financing

Methods of Payment

Swaziland 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.

Banking Systems

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

The Central Bank of Swaziland 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 Swaziland: First National Bank of Swaziland, NedBank, SwaziBank, and Standard Bank. The GKOS-owned Swaziland 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 Swaziland'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 Swazi partner. There are no Export-Import Bank bundling facilities in Swaziland. 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 Swaziland Limited
- Nedbank
- Standard Bank

Project Financing

Sources of Project Financing in Swaziland

NIDCS

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

Swaziland Industrial Development Company (SIDC)

SIDC is prepared to take up shares, thereby providing equity finance where required. SIDC also offers medium- to long-term loans and leases factory space. SIDC will only participate in projects that are technically feasible, financially viable, and soundly managed. SIDC gives

priority to projects which provide permanent employment, generate foreign exchange, and improve Swaziland's human capacity.

Swaziland Investment Development Company

P.O. Box 866

Mbabane

Tel: +268.2404.4010/2

Fax: +268.2404.5619

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

Tibiyo Taka Ngwane

Tibiyo Taka Ngwane conducts free enterprise business on behalf of the Swazi Nation with the King serving as Trustee. Tibiyo has a portfolio of nearly 30 interests in sectors including mining, manufacturing, property, finance, agriculture, tourism, and transport.

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.

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

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>

Swaziland Industrial Development Company: <http://www.sidc.co.sz>

<http://ww2.tibiyo.com>

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

- Although Swazi society is apparently open to outsiders, it is only so on a superficial level. Developing strong institutional and personal relations is possible in Swaziland but takes time. Newcomers are advised of what is and what is not considered the "Swazi way."
- Historically, there is little indigenous entrepreneurship. Swazis are accustomed to working for wages, not starting their own businesses. There is only a fledgling Swazi entrepreneurial community.
- Swazis 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 Swazi businessman trained in the United States, customer service is a new idea to many Swazis and something that must be taught.
- Decision-making is not always a quick or easy process. Some Swazis 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.
- Swazis 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 Swazi partners, bargaining is common and expected. It is not an insult to try and talk somebody down.

Foreign business people have noted that native Swazis 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 Swaziland:

<https://travel.state.gov/content/passports/en/country/swaziland.html>

Visa Requirements

To travel into Swaziland a passport is required. U.S. citizens do not need a visa for short visits of up to 60 days for tourism and business. For further information on visa requirements, contact the Embassy of the Kingdom of Swaziland, 1712 New Hampshire Avenue, NW, Washington, DC 20009, phone (202) 234-5002.

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:

<https://travel.state.gov/content/passports/en/country/swaziland.html> United States

Visas.gov: <https://sz.usembassy.gov/visas>

Currency

The Swaziland Lilangeni (Emalangeni Plural) is at par with the South african Rand

Telecommunications/Electric

Telephones in Mbabane and Manzini are connected to the rest of Swaziland and to international operators through the local exchange. Direct dialing is available to many countries, including the U.S. Internet service providers are available and there are many Internet cafes in Mbabane Matsapha and Manzini.

Internet/cellphone-based communication is also popular.

Transportation

There are 4 flights to and from Johannesburg South Africa from King Mswati III International Airport . These are on a 83 seat aircraft managed by Swaziland Airlink.

Good roads link Swaziland to South Africa and Mozambique.

Owning a private car is common in Swaziland, as public transportation is not reliable. Taxis and buses run in the major towns, Paved roads link the main centers, but most 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 January 2017 the price of Gasoline was \$3.40/gallon. Unleaded gasoline is available. Third-party insurance (for injury on a public road) is covered by Motor Vehicle Accident Fund (MVAf) 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 will have little trouble being understood by educated Swazis.

Health

Medical facilities are available throughout Swaziland. 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 Swaziland, including Mbabane. Those people who wish to walk or jog are advised to be vaccinated with HDCV.

Per capita, Swaziland has more HIV-infected persons than any other country in the world. 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)

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

Temporary Entry of Materials or Personal Belongings

Information on preparing to travel to Swaziland can be found [here](#)

Travel Related Web Resources

Travelers to/through South Africa should have at least two unstamped visa pages in their passports upon each entry into the country. Visitors who do not have two blank visa pages risk being denied entry and returned to the United States at their own expense. Also, South Africa has recently passed new legislation requiring additional documentation for children traveling to or transiting the country. If arriving to South Africa from a yellow fever country, you must have proof of a yellow fever vaccination. See [South Africa's Country Specific Information](#) for details.

Contact the Embassy of the Kingdom of Swaziland at 1712 New Hampshire Avenue NW, Washington, DC 20009; phone (202) 234-5002, for the most current visa information

The U.S. Department of State is unaware of any HIV/AIDS entry restrictions for visitors to or foreign residents of Swaziland.

Find information on [dual nationality](#), [prevention of international child abduction](#) and [customs regulations](#) on our websites.