

Yingcamu

Poverty Reduction Strategy and Action Programme

Volume 1



The Poverty Reduction Task Force
MINISTRY OF ECONOMIC PLANNING
AND DEVELOPMENT

SWAZILAND

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ACRONYMS

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

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

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FOREWORD

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

The concept of formulating a Poverty Reduction Strategy for the country started at the end of 2000 when a Poverty Reduction Strategy Task Force (PRTF) was appointed and through a very intense consultative process collected the views of the Swazi Nation of poverty reduction. The PRSAP has incorporated these views and aspirations and in a consolidated manner presents strategies and specific actions for poverty reduction for next 10 years.

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

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

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

key stakeholders. I would also like to extend my great appreciation to the financial and technical support received from a number of private institutions and donors, in particular the Republic of China and the World Bank.

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

A.M.C. DLAMINI

MINISTER FOR ECONOMIC PLANNING AND DEVELOPMENT

EXECUTIVE SUMMARY

The Poverty Reduction Strategy and Action Programme presents a framework for achieving the objective of reducing and ultimately eradicating poverty in Swaziland and it is presented in two interrelated volumes. Volume I analyses the causes and scope of poverty in the country in all the key sectors and identifies goals and strategies to be pursued so as to reduce to 30% in 2015. Volume II presents the Action Programme for poverty reduction, which will guide agencies in developing pro-poor projects. The goal of the PRSAP is to reduce poverty by more than 50% in 2015 and absolutely eradicate it by 2022.

In March 2002, Cabinet approved the Prioritized Action Programme for Poverty Reduction (PAPPR), which was an interim strategy paper. The interim strategy (PAPPR) emphasised measures that reduce vulnerability and inequality in the very short term. The PRSAP broadens the strategic vision by also recognising the importance of short to medium term measures to fight poverty through policies that sustain rapid and broad-based economic growth.. These three documents are inter-linked and they explain the strategic vision for reducing poverty, the main objectives, and the key actions to be pursued, all of which will guide the preparation of government's medium-term and annual budgets, programmes, and policies.

The PRSAP is based on the following six (6) pillars that will back the policy framework for addressing the problems of poverty in the country:

- a. Macro-economic stability and accelerated economic growth based on broad participation;
- b. Empowering the poor to generate income and reduce inequalities;
- c. Fair Distribution of the Benefits of Growth through Fiscal Policy;
- d. Human Capital Development
- e. Improving the Quality of Life of the Poor; and
- f. Improving governance and strengthening institutions.

The Strategy further seeks to draw attention to the importance of the following issues in facilitating economic growth and addressing poverty:

- Macro-economic stability especially in the areas of economic growth and fiscal discipline;
- Reducing risks and vulnerability through the provision of social protection programmes for vulnerable groups including children and the elderly;

Fostering of a more equitable and efficient service delivery with regards to access to basic services – primary health care (HIV/AIDS, preventative and curative) and basic education

- Accelerating equitable agricultural production, including consideration for land security, food security and the management of the environment;
- Creating employment and business opportunities through the provision of a conducive environment, facilities and options for self-employment in other fields that are non-agricultural.

The production of the PRSAP has benefited from a process of consultations with various groups and segments of society including chiefs and local communities at Tinkhundla level, private sector, donor community, development partners and NGOs. This document has also benefited in form and content from contributions and from the broad participation of civil society. It is an instrument defining policies and actions that will be periodically reviewed and perfected, through a continuous process of consultations. Deeper discussions on the document as a whole, and on various parts, will continue, since planning is an iterative process involving continuous improvement.

OVERALL OBJECTIVE

The central objective of the Government is to substantially reduce the levels of poverty through the adoption of policies that mainstream poverty reduction in all development programmes and encourage the implementation of measures that improve the capacities of, and opportunities available to all Swazi's, especially the poor. The specific objective is to reduce the incidence of absolute poverty from 69% in 2001 to about 30% by 2015 and eradicate it completely by 2022.

PERSPECTIVE

Besides suffering from acute material poverty, the poor in Swaziland also suffer from a high degree of vulnerability to HIV/AIDS, natural disasters and economic shocks. The CPI profile for low income groups indicate that the poor spend most of their income on food and the prices are rising very fast. They also do not have reliable sources of income. They are usually employed as labourers and seasonal employees with very low wages. To deal with this poverty situation, its determinants, characteristics and associated constraints, the government decided to develop this comprehensive and integrated Poverty Reduction Strategy and Action Programme.

The fight against poverty started even before independence. At independence, government established priority themes such as self-reliance and self-sufficiency in food production. High priority was given to expenditure on agriculture, health and education, to improve human development. Significant investments were also made in developing basic infrastructure and economic policy was based on free enterprise system and private sector driven economic growth.

Whilst, there was notable success on growth, the benefits did not trickle down equitably to the whole population thus widening inequalities. Sixty nine percent (69%) of the population lives below the

upper poverty line. In addition, there remain grave social and economic problems. Analysis of data from the 1995 and 2001 Household Surveys provide a detailed profile of poverty. The pattern of wealth distribution indicates that only a small share of the population benefits from the national income. The richest 20% of the population hold 54.6% of wealth whilst the poorest 20% hold only 4.3%. There are also notable urban-rural and regional imbalances. Seventy six (76%) of the rural population is poor whilst 50% of the population in urban areas is poor. Shiselweni and Lubombo are the poorest regions in the country.

POLICIES FOR POVERTY REDUCTION

The PRSAP includes policies and action programmes that ensure that growth is participatory and inclusive. This will take place through greater and equitable access to productive assets in order to increase the efficiency of individuals, groups, families and other institutions, especially in rural areas. Human capital Development is a prerequisite for achieving expected efficiencies, distribution of growth and the optimal use of resources. Furthermore, a pro-poor growth strategy requires a policy climate, which stimulates the private sector in order to accelerate job creation, business development as well as income-generating opportunities through self-employment. It is evident from the data analysis on poverty that when components of the programme are implemented, community, Tinkhundla and regional differences will have to be considered and special attention given to regions with the greatest concentration of poor people.

The basic assumption underlying the PRSAP is that the Government will maintain macro-economic stability and good governance; focus on programmes that reduce vulnerability (especially to HIV/AIDS); human capital development; broad-based participation for empowerment and employment creation; and the implementation of re-distribution policies. Basically, the strategic vision for poverty reduction is the creation of an enabling environment for private investment and economic growth, which will create opportunities for greater participation by the poor and accommodate re-distribution policies that will ultimately empower the poor and enable them to generate their own income.

More than 70% of the population lives in rural areas, and derives their livelihood from agriculture, but only about 30% of households have enough to eat. Most people depend on off-farm income for survival. In this regard, rural development is a major priority in this PRSAP and it is capable of stimulating agricultural and other non-agricultural activities which will provide opportunities for generating incomes and broad-based growth. Increased production and the successful implementation of a rural development programme depend on infrastructure provision; extension services, technology, markets, social services, financial services. The strategy for rural and agricultural development will also focus on food security, which is fundamental to reducing poverty and other risks faced by the poor.

The PRSAP is based on the following priority areas: (i) macro-economic stability with particular emphasis on fiscal prudence and promoting an equitable pattern of growth; (ii) increasing rural productivity through investing in infrastructural development; (iii) human capital focusing on curbing the spread of HIV/AIDS, improving access to basic education and primary health care; (iv) ensuring food security, proper nutrition and agricultural production; (v) good governance and strengthening governance institutions; (vi) creating employment opportunities and developing existing businesses; and (vii) reducing vulnerability. These areas for action are considered 'basic' and absolutely essential for reducing poverty and stimulating growth. These priorities are derived from the analysis of the poverty determinants in the country, as well as studies and consultations within the public service, civil society, the private sector and others on the issue of poverty reduction.

Broad-based accelerated growth is an essential and powerful tool for poverty reduction in the medium to long-term. This must be accompanied by the design and implementation of re-distributive measures without which, the objective of expanding opportunities and increasing the capacities of the poor will continue to be evasive. In order to effectively address poverty, it is therefore crucial that the PRSAP should contain policies aimed at creating a favourable climate for stimulating investment and productivity as well as achieving an average annual GDP growth rate of more than 5%.

Sound macro-economic and financial management is a fundamental requirement for creating an environment for stimulating accelerated growth and poverty reduction. Of paramount importance is the achievement of fiscal stability, improvement of reserve levels, management of domestic and foreign debt, and controlling the rapid growth of expenditures. Another key element is that of creating employment and expanding opportunities for business development. The PRSAP gives priority to the development of policies that will increase the competitiveness of the economy; promote international trade; broaden the revenue base without causing inequalities and inefficiencies; and expand financial services to benefit SMEs particularly in rural areas.

Good Governance is another essential condition for the creation of an enabling environment for private sector expansion and overall economic growth, as well the successful implementation of the poverty reduction strategy. The quality of government institutions is very important for the efficient and effective provision of public services to the poor. Actions proposed in this regard include prudent fiscal management; strengthening of the judicial system and law enforcement institutions in order to boost investor confidence, improve personal security and protect the rights and freedoms of the public; strengthen traditional institutions so that the resolution of disputes is ensured and the public can participate in the decision-making process; institute measures to fight corruption at all levels; and implement a decentralisation programme that will bring government closer to the people and reform/build capacity of public institutions so they can better respond to the needs of the poor, in particular.

The PRSAP also embodies education, a basic human right which is enshrined in the country's constitution. The fundamental role of education for poverty reduction is recognised universally. Access to education contributes directly to human development by improving capacities and opportunities, empowering people thus promoting greater social integration and gender equality. It is also widely acknowledged that information is power and an indispensable means of improving the living conditions and standards of all people. Education is also essential for rapid growth. It expands the quantity and quality of human capital available for productive activities, and the ability of the nation to absorb new technologies. The main objectives of this PRSAP in the area of education include achieving universal primary education, improving informal education and vocational training; improving the quality and eliminating the bias against primary in favour of tertiary levels; and eliminating the gap between urban and rural schools. In this context, a larger share of resources will be allocated to basic education.

The programme also considers the impact of HIV/AIDS on the social sectors, particularly education and health. The programme includes a commitment to combat HIV/AIDS and sexual abuse and also considers the issue of school management. Given the serious scarcity of technical and management capacity, which is an impediment to efficient running of schools, the programme takes into account the necessity of building capacity as well as expanding and improving the system of school governance.

Curbing the spread of HIV/AIDS and mitigating against the impact in all the affected sectors is one of the key areas of intervention in this programme. The impact on the economy is already huge and if no immediate action is taken to address the scourge, more losses will be suffered. The PRSAP therefore gives particular emphasis to improving the health sector because of the very heavy burden it carries as a result of the virus. At the same time, the sector plays a fundamental role in contributing to accelerated economic growth. It improves the quality of human capital and by directly improving the well-being of the poor.

Emphasis is also placed on the importance of safe water provision and proper waste disposal, improved nutrition, better health care and facilities. The main objectives of the PRSAP in the health sector are to expand and improve the coverage of primary and quality health care through special programmes geared towards targeted vulnerable groups such as women and children; a campaign to reverse the current growth of the HIV/AIDS epidemic; and greater efforts in the fight against endemic diseases such as malaria, malnutrition, and tuberculosis. The strategy also includes initiatives in related areas linked to health, such as the provision of physical infrastructure and food security.

Reducing vulnerability is another area of priority that is considered in this PRSAP. Special attention is paid to the vulnerable groups in the country which includes the elderly, people with disabilities, orphans, widows, etc.

The PRSAP focuses on addressing the basic needs of these groups and ensuring that they are availed an opportunity to participate in and benefit from the growth of the economy. The PRSAP also covers crosscutting and pertinent issues for the achievement of the goal for poverty reduction. These crosscutting issues are complementary, facilitative and supportive of the basic interventions outlined in the Action Programme. These include: population, environment, infrastructure, gender equality and decentralisation.

In order to improve access, facilitate communication and mobility for both urban, rural and commercial institutions and the people, the Government will be expected to take a leading role in ensuring that all stakeholders participate in the development of infrastructure which includes the road network, Information Communications Technology (ICT) and markets. The PRSAP will give priority to the rehabilitation and construction of basic infrastructure to those areas of the country with the largest populations and highest levels of poverty.

IMPLEMENTATION & MONITORING

Whilst the PRSAP will be implemented by all stakeholders, Government's major role in the implementation of the PRSAP is that of coordinator and facilitator – providing a favourable policy environment and basic infrastructure to act as a stimulus for the market economy and expanding opportunities for the poor. The implementation of the action programme will be enhanced by the prioritisation of activities in order to meet objectives in a systematic manner and within available resources. This will work within the parameters of the MTEF and principles of sound macro-economic management. Some of the actions should be implemented immediately to create an enabling environment and they do not require additional resources but a mere change of attitude and operational plan.

It is envisaged that there will be close monitoring and evaluation of progress and impact by all stakeholders, which will then be followed by regular reviews of the PRSAP to determine the achievements and shortcomings. With respect to data collection and in order to facilitate effective monitoring, the Government will strengthen the capacity of institutions that collect data and ensure coordination and timely collection and analysis of data.

CHAPTER 1: INTRODUCTION

The PRSAP is Swaziland's overarching Framework for addressing poverty and the challenges related to it. Its overall goal is to reduce poverty by more than 50% by 2015 and ultimately eradicate it by 2022. Although this seems like a very ambitious goal, with a lot of determination, financial and political commitment it is achievable. The PRSAP cautions that tackling poverty in Swaziland will not be a simple task but will require fundamental institutional and structural reforms and a change in the development approach.

Reducing poverty is the central challenge confronting Swaziland today and in the medium-term. Government recognizes the great inequalities that are prevalent in the country in terms of resource ownership and allocation and through this PRSAP is embarking on a national drive to revive the economy and also reduce inequalities and poverty. This is however not a new initiative, but one that started about ten years ago with the development of the National Development Strategy (1997 – 2022) which encompasses the national vision, of which poverty reduction is the central focus.

The government decided on the formulation of a Poverty Reduction Strategy and Action Programme (PRSAP), as a critical component of operationalising of the National Development Strategy (NDS) and achieving the Vision. The development of the PRSAP began with an intensive consultative process in 2001 and led to the production of an intermediate strategic document called the Prioritised Action Programme on Poverty Reduction in 2002. This document concentrated on a limited number of poverty issues and its formulation did not allow the consultation of all stakeholders. The PRSAP is an outcome of much wider and intensive consultations with a cross section of stakeholders. It is a much more comprehensive document and covers all the main sectors related to poverty.

The process of preparing the PRSAP was very participatory emphasising inputs from the poor themselves. A wide range of other key stakeholders was also consulted in order to enrich the strategies with the necessary expert input. From the onset, stakeholders from government, parastatal organisations, NGOs, the donor community and the private sector were sensitised through a series of workshops about the need for a poverty reduction strategy. The process of consultation was extended to communities throughout the Kingdom involving all the different structures at Tinkhundla level. Drafting workshops were conducted in which all government Ministries and departments working with poverty related issues, the corporate sector, development partners/donors, non-governmental organisations and the private sector participated. All views collected were carefully analysed and every effort has been made to ensure that these are reflected in this document.

Poverty in Swaziland is a result of inequalities and wrong distribution policies. Although Swaziland's GDP per capita of US\$1, 387 (1999) places her among middle-income developing countries as defined by the World Bank, the poverty situation in the country is not reflective of this development status. About 69% of the population lives below the poverty line, and the worst situation being that 48% of the population cannot meet their food requirements i.e. they are considered to be living under extreme poverty. 76% of the population in rural areas is poor whilst 50% of the urban population is poor. Although agriculture is the dominating activity in the country, more than 40% of households never have enough to eat and the number has increased with the prolonged drought. Insufficient incomes, lack of the means of subsistence and the poor conditions of their daily living combine to obstruct the underprivileged section of the population from attaining their human and economic potential.

The 2001 Swaziland Household Income and Expenditure Survey (SHIES) indicates deepening poverty levels with inequalities remaining at similar levels as in 1995. The Gini coefficient is calculated at 51%. The pattern of wealth concentration indicates that only a small share of the population benefits from the national income. 56.4% of the wealth is held by the richest 20% whilst the poorest 20% hold only 4.3% (SHIES, 2001). In addition, despite that labour is the major asset owned by the poor, the national unemployment rate is estimated at 29%. The youth (15-24) is the most affected group at 40% and women in particular at more than 70% unemployment rate. The problem of unemployment is much worse in rural areas than in urban areas with 40% of the extremely poor unemployed (World Bank estimates, 2000). In the past, employment opportunities have provided the major source of income for many families. However, with the unfavourable economic conditions, employment opportunities have declined considerably, hence the increase in poverty levels.

Furthermore, Swaziland is facing a serious HIV/AIDS pandemic, the highest in the world with a prevalence rate that is estimated at 42.6%, based on the 2005 ante natal survey. The highest infection rates are found among the 15-29 years of age group, who form the skilled and productive segments of society. Although the whole society is vulnerable to HIV, the poor, especially children and the elderly are least able to cope with its burden and associated costs. The present levels of poverty are having a negative effect on growth and the development prospects of the country. Many households are unable to attain the minimum living standard. They face social exclusion and deprivation, hunger, lack of income, access to primary health care and basic education and they face the risk of degenerating families. This situation poses a threat to the social and political stability and future generations of the country.

Unfortunately, the development of the PRSAP comes at a time when the country is faced with a variety of other national challenges, which put a strain on the country's very limited resources. In recognition of this, the approach taken is that of ensuring sustainable economic growth which is

accompanied by redistributive and participative mechanisms. The future benefits to be derived from economic growth should be shared and the poor empowered to participate in the growth. The belief is that neither transfers nor increased growth alone are sufficient to reduce poverty which implies that the following conditions must exist:

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

The PRSAP proposes the consolidation of these initiatives so that they are funded from a designated Poverty Fund. A credible Strategy document is one that comes with actionable programmes and in this regard, the PRSAP is divided in two volumes. Volume I: The Strategy document: analyses the poverty situation in Swaziland – causes, status, opportunities, limitations and present measures being taken. It briefly outlines the key poverty issues and how they can be addressed as part of a sectoral, cross-sectoral and national strategy. Volume II: The Action Programme: describes in brief actions that should be taken to implement the strategies listed in volume I. It will thus act as a key resource for implementing agencies. The new budgeting approach will also be based on the relevance and link of sectoral development programmes and funding requirements to the poverty reduction programme of action.

CHAPTER 2: STATUS OF POVERTY IN SWAZILAND

The overall policies and strategies in this PRSAP were derived from a careful study of: who the poor in Swaziland are, their social and economic characteristics, spatial distribution, how they are coping, why they are trapped in poverty, what opportunities they have and the constraints they face in their struggle to recover from the poverty trap. The state and dynamics of poverty in Swaziland are derived from two household income and expenditure surveys conducted in 1995 and 2001, a Poverty Participatory Assessment carried out in 1997, consultations with communities at all Tinkhundla undertaken in 2002 and consultations with implementing agencies, sector experts and development partners between 2001 and 2006.

2.1 Meaning of Poverty

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

2.2 Prevalence of Poverty

The distinction of the poor from non-poor is based on two poverty lines established from the Swaziland Household Income and Expenditure Survey (SHIES) of 1995. The lower poverty line measures the income sufficient to buy food yielding 2100 calories per capita per day. The upper poverty line measures the income required to buy food requirements plus an allowance for essential non-food expenditures such as basic clothing, heating and lighting. The lower poverty line was established at €47.70 per capita per month in 1995. The prevalence of poverty using the lower poverty line was 48%. The upper poverty line, on the other hand, was established at €71.07 per capita per month giving the poverty prevalence of 66%.

Although a different methodology was used, the SHIES conducted in 2001 revealed that the prevalence of poverty has increased to 69% using the upper poverty line. This was not entirely surprising considering that GDP has been declining since the mid-1990s. Given the above figures, it is highly unlikely that the earlier target to halve poverty by 2015 will be achieved. In this respect the

PRSAP advocates for sound economic management leading to a broad based accelerated growth during the remaining period of the NDS. In addition, government has to commit itself to the re-distribution of income and improved service delivery for vulnerable groups.

2.3 Sources of Income for the Poor

Paid and self-employment, rather than farm income, is the main source of income for the rural poor. According to SHIES of 1995, the rural poor generate 75% of their income from wages and self-employment, 12% from farm activities, 2% from remittances and 9% from other sources of income.

These findings show that the

labour market has been the main

source of income for the poor

even though prospects for

employment in the country and

in neighbouring countries,

especially in South Africa are

dwindling. In 1990, there were

16,500 Swazi migrant workers

employed in the South African

mines compared to about 13,000 in 1997. Also, the slowdown in foreign direct investment

domestically, has led to stagnation in employment in the manufacturing sector. Nonetheless, even

among the employed, a substantial number are seasonally employed and living below the poverty line.

Table 1 shows 62% of seasonal workers and 60% of self-employed people are still living below the poverty line.

Table 1: Poverty Status among Employed Heads of Households		
Employment Status Share of Households Poverty Prevalence (%)		
Paid seasonal	5	62
Subsistence	8	77
Self-employed	23	60
Paid non-seasonal	62	38
Total	98	237

2.4 Spatial Distribution of Poverty

There are differences in the poverty prevalence among the four regions of the country, between rural

and urban areas, and between the different ecological zones of the country. Regionally, the prevalence

of poverty in 2001 was greatest in Shiselweni with 76% followed by Lubombo with 73%, very closely

followed by Manzini with 70% and Hhohho 61%. Ecologically, the Lubombo plateau had the highest

poverty level of 81% compared to Middle and Lowveld each with 71% and the Highveld with 64%.

SHIES 1995 found that poverty prevalence was 71% among the population in rural areas and 45%

among the population in urban areas. According to SHIES 2001 the situation has worsened; poverty

prevalence in rural areas was 76% in 2001 compared to 50% in urban areas. Social dimensions of

poverty also vary from region to region and between rural and urban areas. Lubombo had the lowest

literacy rate of 73.1% in 1997, compared to Manzini, which had 87.2%, Hhohho 82.2%, and

Shiselweni 79.8%. Adult literacy was 90% in urban areas compared to 78.3% in rural areas.

In designing interventions the reduction of poverty and the implementation of the PRSAP, preference will be given to the poorest and most vulnerable groups, regions, and rural areas where the majority of the poor live. The standard of living and social circumstances of the poor can be transformed through preferential economic empowerment and improved access to social services especially health and education. In this regard, the Shiselweni and Lubombo regions are priority candidates for preferential treatment.

2.5 Poverty and Inequality

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

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

2.6 Social Characteristics of Poverty

Poverty is strongly related to social characteristics of the population such as education and health standards, access to safe water and sanitation, and family size. The analysis below explains these relationships and provides the background to the sectoral policies in this Framework document.

2.6.1 Employment and Poverty

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

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

2.6.2 Gender and Poverty

Poverty and gender are strongly correlated; 63% of female-headed households are poor and lack productive assets compared to 52% of their male counterparts. For this reason, gender issues have been mainstreamed and are a major part of this PRSAP. The PRSAP puts emphasis on affording equal opportunity to all citizens regardless of sex or race to access social and economic services in order to enhance their development.

2.6.3 Education and Poverty

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

2.6.4 Number of Children and Poverty

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

51% for families with one child. Looking after many children burdens parents with school fees, health care and feeding, and the poor end up providing less of these basic necessities. This explains the PRSAP strategy for support of family planning and management of the fertility rate.

2.6.5 Vulnerability and Poverty

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

2.6.6 Water supply, Sanitation and Poverty

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

2.6.7 Age Group and Poverty

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

2.6.8 Marital Status and Poverty

Most widows, regardless of their age, are poorer than their married counterparts. This is especially true where the husbands were the breadwinners. SHIES 1995 found that poverty prevalence was 73% among widows compared to 66.9% among married women and 51.3% among unmarried women. Marriage status and the form of marriage can have a varied effect on the poverty status and independence of women to make decision affecting their lives and those of their families.

2.6.9 Life Prospects

Swaziland's past achievements in life prospects are diverse. Life expectancy rose from 46 years in 1976 to 56 years in 1986 and 60 years in 1997. However, recent statistics predict a sharp decline in life expectancy due to the HIV/AIDS scourge. The Literacy rate rose from 70.1% in 1986 to 81.3% in 1997. Crude death rate per 1,000 dropped from 18.5 in 1976 to 13 in 1986 and to 7.6 in 1997. Under-Five Mortality dropped from 221 per 1,000 live births in 1976 to 139 in 1986 and 88 in 1997. On the contrary, HIV/AIDS prevalence rose from 3.9% in 1992 to 42.6% in 2005, the highest in the world. Together with the decline in economic growth, the impact of HIV/AIDS on the small economy of Swaziland is set to reverse all the above achievements.

2.7 Causes of Poverty in Swaziland

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

2.8 Poverty Reduction Goal

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

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

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

CHAPTER 3: POLICY FRAMEWORK FOR POVERTY REDUCTION

3.1 Overarching Policy Objective

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

The PRSAP has been designed under severe conditions of deepening poverty, declining economic growth and HIV/AIDS. In the past, Swaziland had remarkable levels of economic growth which were driven by agriculture and manufacturing. However, these high growth levels were not reflective of the living standards of the people. The distribution of income was and still is highly skewed and the number of people who have sunk deeper and deeper into poverty has increased over the years. This indicates that, economic growth has not been pro-poor and there is great need to have the poor participating in the dynamics of growth. This should be accompanied by deliberate policies and resource allocation that will empower the poor and provide social protection to help the poorest and the most vulnerable of the poor to come out of poverty.

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

Achieving the above targets demands a change in approach as well as additional and more aggressive measures to broaden economic participation. Resultantly, a new pattern of pro-poor development is urgently needed in order to enable the poor to participate and share fully in growth and development. Allowing the poor to participate in the areas of the economy where they could have comparative advantage, will lead to equitable distribution of the gains from growth.

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

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

3.2 Pillars for the Poverty Reduction Strategy

The PRSAP is developed around six pillars, which form the thematic areas for poverty reduction in Swaziland. These outline the strategic components for classifying certain policies, projects and activities into a coherent framework for reducing poverty. These pillars are expected to provide the necessary stimulus for the economy to grow. Economic growth is a condition for poverty reduction, without which there cannot be any sustainable re-distributive measure. Growth prospects are however dependent on the creation of an enabling environment as well as timely and proper interventions in certain sectors. This must be accompanied by equal participation so that there is macro-economic stability, human capital development, reduced vulnerability, equal treatment and good governance. All institutions will need to be strengthened to improve service delivery and the protection of human rights. The following six pillars form the basis on which the PRSAP has been developed:

3.2.1 Pillar 1: Macro-economic Stability & Accelerated Economic Growth

Based on Broad Participation

Macro-economic stability is the cornerstone of any successful effort to eradicate poverty and increase economic growth. It provides a framework for growth, income redistribution and transformation. Government considers macro-economic stability essential for poverty reduction and that poverty reduction cannot take place without a growing economy, vibrant private sector and a sustainable budget. It is important to think about the availability of resources to meet the demands of the PRSAP as well as the growth prospects from which the resources should be generated and sustained. Sound macro-economic policies will reduce the country's exposure to shocks and contain interventions in the form of safety nets to protect the poor. Instability hurts the poor most as it creates inflationary pressure by eroding the strength of their incomes. In order to achieve the goal of poverty reduction, the economy has to grow at more than 5% per annum and the policy direction should be towards income re-distribution. Economic growth will require a framework whereby the private sector can grow i.e. creating an enabling environment for the private sector to perform to its full potential and draw linkages with other related sectors such as small and medium enterprises, agriculture, environment and social issues. Without macro-economic stability, domestic and foreign investors will stay away and resources will be diverted towards unproductive sectors or consumption expenditure.

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

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

Rapid economic growth is a prerequisite for an effective poverty reduction strategy; however, a new equitable, dynamic and participatory pattern of growth is required for a serious poverty reduction agenda. Acceleration of economic growth will depend on the recovery of the private sector, which in turn relies on the vibrancy of the agricultural and manufacturing sectors and a sound macro-economic policy environment. The private sector will need to be further supported by a complement of public sector policy measures that will improve equity directly and assist in accelerating the transition towards a new growth pattern. The government devotes herself to these reforms which include a commitment to exercise fiscal Prudence, prioritise expenditures, improve infrastructure, human capital investment, remove obstacles to private investment and implement a conducive taxation system.

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

3.2.2 Pillar 2: Fair Distribution of the Benefits of Growth through Fiscal Policy

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

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

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

3.2.3 Pillar 3: Empowering the Poor to Generate Income and Reduce Inequalities

About 70 % of the population lives in rural areas and derive their livelihood mainly from agricultural activities. Of the rural population, 76% also live below the poverty line (2001-SHIES). Under present rural conditions, yields are low and the concentration is on maize and traditional livestock farming for subsistence purposes. To reach full potential and increase earnings, households should increase agricultural production, switch to high valued crops, and commercialise overall agricultural production on SNL. Presently, SNL crops provide less than 6% of GDP even though SNL land accounts for 56% of total land available. This means that only a small proportion of the population residing on SNL land generates Swaziland's national income. By harnessing the income generation potential of the majority of the poor, the gross national product could increase. Areas for action include small-medium enterprise promotion, technology, research, and security of land tenure, liberalisation of markets and pricing policy, environmental management and gender equality.

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

Government plans to empower the poor to generate substantial income through a judicious mix of policies and programmes. The measures are to enable the poor to increase production and meet their basic needs while progressively graduating to self-sufficiency and commercialisation and ultimately out of poverty. The increase in the productivity of the poor will not only benefit the poor but the economy as a whole through raising their purchasing power and effective demand for goods and services in other sectors.

3.2.4 Pillar 4: Human Capital Development

Poverty has an income and human aspect and these two are related. The ability of the poor to participate actively in the growth dynamics of the country and to reap benefits from existing and future opportunities depends entirely on the quantity and quality of their human capital. A large and empowered family often means increased ability to participate effectively in economic development and growth, whereas a large and poorly qualified family generally results in lack, helplessness and discontent. The quality of human capital is often determined and/or influenced by access to education, health, safe water and proper sanitation, proper housing, enjoyment of basic freedoms, social security and contentment. The poor are mostly uneducated or if they are educated, they would have gone as far as primary school. They are also prone to ill health, infections and diseases, do not have access to clean water, proper sanitation, and food security and are vulnerable to HIV/AIDS due a number of factors. This kind of deprivation reveals a state of human poverty which is directly related to income poverty.

Basic education, basic health, safe water and sanitation, food security, good nutrition and HIV/AIDS are major factors that affect or contribute to human capital development and are critical for enabling a person to address a range of problems that pertain to the physical, emotional, moral and materialistic needs. The PRSAP recognises the importance of human capital development in enabling the poor to come out of poverty and in this regard is targeting interventions that will address the key issues that negatively impact on the quality of the human capital of the country.

3.2.5 Pillar 5: Improving the Quality of Life of the Poor

Poverty is also associated with unacceptable deprivation of well-being that often comprises both physiological and social deprivation. Physiological deprivation is a result of the lack of fulfillment of basic material or biological needs, such as nutrition, health, education, safe water and proper

sanitation, personal hygiene and shelter. Social deprivation widens the concept of deprivation to include risk, vulnerability, and lack of autonomy, powerlessness, and lack of self-respect. It is for this very reason therefore that this PRASP focuses on the social protection of vulnerable groups, improving housing and housing conditions and ensuring sustainable energy for the poor in order to improve their living standards and quality of life. With the escalating human capacity challenges caused by HIV/AIDS and other emerging diseases such as diabetics, cancer, hypertension etc. it has become critical for the PRSAP to address the increased burden and demand for social services as well as the constraints the HIV virus in particular is posing on the quality and delivery of service.

Ensuring food security is also a crucial element of poverty reduction, as a majority of homesteads never produce enough to eat. Due to lack of income they also fail to buy enough food. Food insecurity has been declared a disaster in the country and has been the main focus of the Disaster Task Force. Even then, there are very few ongoing activities regarding disaster preparedness, rehabilitation and awareness. Nonetheless, policy and the legal framework already developed have to be implemented in order to ensure disaster preparedness and management. Statistical data further confirms that poverty prevalence is higher among persons with low or no education, no access to safe water and proper sanitary facilities, and people who live in low standards of houses.

3.2.6 Pillar 6: Improving governance and Strengthening Institutions

Governance is the exercise of economic, political, and administrative authority to manage a country's affairs at all levels. It comprises mechanisms, processes, and institutions, through which citizens and groups articulate their interests, exercise their legal rights, meet their legal obligations, and mediate their differences. Weak and poor governance compromises the delivery of services and benefits to those who need them the most and is open to the influence of powerful interest groups who affect and prejudice policies and programmes. As a result transparency and accountability disappear and the poor become invisible, voiceless, powerless and unprotected. Good governance is crucial for promoting macro-economic stability, growth and the role of the private sector. The private sector must operate in an enabling environment that will facilitate the identification and exploitation of investment opportunities in all sectors without any obstacles.

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

3.3 National Policy Priorities

The objective of the PRSAP is to create an enabling environment where there is a potential for sustainable pro-poor growth. The private sector and investment in small and medium enterprises will be the driving force for pro-poor growth. The poor will be encouraged to participate in all the sectors of the economy and to generate their own incomes and be able to feed and look after themselves. Sustainable growth requires a stable macro-economic environment and the mainstreaming of crosscutting issues in all interventions. Government, private sector and other development partners must invest in human capital in order to increase productivity and to effectively address the effects of the HIV/AIDS challenge.

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

3.3.1 Fiscal Prudence

Fiscal Prudence is critical for restoring a sound macro-economic environment and is the anchor for all the other reforms that are proposed in this PRSAP. Swaziland's fiscal position has been deteriorating for the second decade since early in the 1990s. The position has severely affected service delivery, the credibility of government including her ability to make sound policy, attract investment, contain inflationary pressure and address the scourge of HIV/AIDS. In this respect, the Government has to give priority to the building up of reserves, secure a favourable balance of payments position and the parity of the currency to the Rand. There should be efficiency in the collection of revenue, prioritisation and targeting of resources towards pro-growth and pro-poor expenditures. It is therefore critical for Government to exercise a high level of discipline and Prudence in determining the policies and decisions that will positively transform the macroeconomic situation of the country and facilitate all the reforms necessary for poverty reduction.

3.3.2 Promotion of a more equitable pattern of growth

Poverty reduction does not take place in a declining economy. Rapid economic growth is necessary, though not a sufficient condition for poverty reduction. World Bank studies indicate that a 1% increase in national income reduces poverty by 1.2% and that a 1% increase in national income reduces the depth of poverty by 1.7%. Furthermore, recent studies have concluded that under an assumption of

2.75% per annum population growth rate, Swaziland requires a minimum growth rate of 5 % per annum in real GDP in order to stop the numbers of the poor from rising. Thus for poverty to decline in Swaziland, the rate of economic growth should be greater than 5%. However, this growth must be accompanied by measures for income redistribution and increased participation of the poor in the generation of wealth. In this regard, the Government will support reforms that will increase access to productive assets such as land, water, information and financial resources by the poor to enable them to be part of the growth.

3.3.3 Investment in people

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

3.3.4 Ensuring food security

Securing adequate food from own production or the ability to afford to purchase adequate supplies of food is one of the primary conditions that determine the poverty status of an individual. Ensuring that nutritious food is available, affordable and accessible for the poor remains a challenge in this country. Food insecurity has characterised the rural environment with economic collapse and chronic hunger being the main attributes of the living conditions of rural households. The prolonged drought has worsened these conditions as more than 20% of the population now lives on food aid. With the increasing unemployment levels, other independent sources of income have collapsed for these rural and peri-urban households. The vulnerability of most households has increased with the HIV/AIDS pandemic contributing to growing levels of destitution and poverty. Ensuring food security either through own production or increased income earnings is an essential part of this PRSAP.

3.3.5 Increase agricultural production and productivity of SNL farmers

Outgrowing dependence on rain-fed agriculture will mitigate risk to hunger particularly during the drought. This strategic priority area seeks to turn the SNL into a powerful source of growth commensurate with the size of this land relative to the entire area of Swaziland. Increasing the productivity of SNL will not only increase the overall GDP but will also empower small producers and enhance income distribution without further fiscal reform. Government will endeavor to reduce poverty

through the provision of services and infrastructure development in order to increase agricultural production and income generation by the poor, particularly on SNL.

3.3.6 Investment in rural infrastructure to increase rural productivity

This will not only boost the creation of employment opportunities but will reduce the rate of rural-urban migration by increasing opportunities for investment in rural areas. The government will therefore continue to invest in rural roads and bridges, power supply, rural water supply, rural electrification, industrial parks, Information Communications Technology and telecommunication. Notwithstanding government obligations, investment in infrastructure and telecommunication are not areas of exclusive mandate to the public sector. In this regard, private-public partnerships and private sector involvement in infrastructure development will be greatly encouraged. Selective incentives will also be used to boost both domestic and foreign investment and to make Swaziland more competitive. Special attention will be given to small and medium enterprises (SMEs) in order to increase their participation in industrial development and employment creation.

3.3.7 Reducing the poor people's vulnerability

Government will work with other development partners to ensure that vulnerability to economic shocks, crop failure, natural disasters, and displacements (due to government projects) are given urgent attention and their effects are greatly minimised. The complex nature of this vulnerability calls for collective and often simultaneous effort of all stakeholders. NGOs, CBOs, FBOs and communities will be encouraged to intervene in order to alleviate suffering and reduce the vulnerability of households to such external factors.

3.3.8 Decentralisation and strengthening governance institutions

Government will endeavour to improve policy making and targeting of resources in order to increase the efficiency and effectiveness of policies for poverty reduction. The Government will also foster transparency and accountability in the operations and management of Government programmes and take drastic action to discourage practices of corruption or inappropriate public expenditure. With regard to institutional reform, state institutions responsible for accountability, rendering of justice, ensuring the rule of law, human and social equity will be strengthened and their autonomy guaranteed. They will also be closely monitored to ensure proper delivery of services. Tinkhundla centres will be strengthened through gradual decentralisation of power to empower communities to participate in the identification of their priorities, planning, and budgeting for their development. Decision-making and accountability will also be decentralised to the level of Tinkhundla in order to increase the positive impact of public expenditure on the lives of the poor.

CHAPTER 4: MACRO-ECONOMIC ENVIRONMENT

Macro-economic stability is crucial for economic growth and poverty reduction because before wealth can be redistributed, it has to be produced. In accordance with Pillars 1 and 2 and 6 of this PRSAP, the role of the government is to facilitate growth, by creating an enabling environment and providing specific support for the identified sources of pro-poor growth. Inevitably, macro-economic policies influence and contribute to the realisation of a rapid and sustainable growth in a number of ways. By pursuing sound economic policies, those in authority send indicators to the private sector and the external world on the direction of development being taken by the country, thus boosting investor and consumer confidence, which in turn stimulates growth. It is recognised that the private sector, which includes smallholder commercial farmers, small-scale vendors in the micro enterprise sector, small, medium, and large-scale national and international enterprises is the driving force for growth which is an important condition for the achievement of all the Pillars of this PRSAP.

Macroeconomic stability is a balance between fiscal, monetary and exchange rate policies. Economic growth remains one of the most important factors that contribute towards development. The multi-faceted nature of development is often ignored in preference of high economic growth. Development is about improving the quality of people's lives and expanding their ability to shape their own future. However, overall development is achieved when both the quantity and quality of the growth are intertwined and when the process includes an agenda that addresses the human, social, environmental and governance issues. For effective development, macro-economic stability becomes the central issue and the principle of sound macro-economic management is a major challenge for countries aiming to reduce poverty.

Macro-economic policy is important in the fight against poverty in that it influences economic growth which in turn influences poverty reduction. Macro economic stability is essential for high and sustainable rates of growth. Nonetheless, unless accompanied by structural reforms like regulatory reforms, privatisation, civil service reform, trade liberation and improved governance, macro-economic policy on its own will not ensure high rates of growth. Growth should be accompanied by progressive distributional changes in order to have greater impact on poverty. It is important to design and implement macro-economic policies that will improve the distribution of income and assets within a society. In general, this calls for the respect of basic human rights, favourable and sensitive fiscal and monetary policies, higher income per capita, more equitable education and job opportunities, greater gender equality, better health and nutrition, sustainable environment and legal protection.

The basic principles that underpin development in the PRSAP are:

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

A sound macro-economic environment strengthens development and will facilitate the success of the PRSAP. The following aspects are crucial for the achievement of this objective:

- a) Fiscal discipline which involves a conducive tax system, efficiency in revenue collections and pro-growth and pro-poor taxation policies and expenditures and sustainable budget deficits of less than 5% of GDP;
- b) Sound monetary policy environment with low inflation, healthy balance of payments, favourable foreign exchange and interest rate policy and as far as it is a viable option, maintaining parity between the Lilangeni and the South African Rand;
- c) Private sector growth and investment in science and technology that will boost exports and enhance the build up of reserves and the improvement of the trade account position;
- d) Trade reforms that are aimed at insulating the poor from negative shocks and facilitating their ability to realise positive gains/opportunities created by a more open world trading system and;
- e) A tax system that ensures a broad tax base which redistributes wealth and does not excessively tax the poor.

Undeniably, government has limited leverage in influencing some of these indicators. For example, monetary policy is under the prerogative of the Reserve Bank of South Africa and trade policy is determined by outcomes of negotiations undertaken under the SACU group arrangement. Therefore, policies adopted under each arrangement should not differ from those pursued by the Government under this strategy. Invariably, government should monitor, and where possible influence, the developments with regard to policy on these areas. It is imperative for Government to conduct research into the types of industries suitable and markets available for Swaziland and Swazi products in order to influence trade policy and product diversification. It is also important to study and observe the pattern and nature of investment as well as the structural factors that affect investment in Swaziland. To the extent that this influences private sector performance and the ability of the Government to invest in pro-growth, pro-poor programmes and policies, the Government has the primary responsibility to improve the macroeconomic climate. In this regard, the Government will pursue its programmes and policies in a way that sustains macroeconomic stability and credence. The expansive budgetary implication of this PRSAP will need to be managed in a way that ensures increased productivity with no significant increase in the budget deficits.

Table 2: Major Economic Indicators 2000 - 2005

	2000	2001	2002	2003	2004	2005
REAL SECTOR						
NOMINAL GDP (E' Million)	9629.9	10846.0	12560.0	14422.4	15390.3	16615.6
Real GDP (factor cost) E' Million	1481.1	1503.4	1545.6	1590.7	1623.8	1661.5
Real GDP growth rate	2.0%	1.7%	2.8%	2.9%	2.1%	2.3%
Agric (%) of GDP at factor cost	9.9	8.8	8.7	8.7	8.7	8.7
Man (%) of GDP at factor cost	35.8	35.6	35.4	35.0	34.4	34.0
Govt (%) of GDP at factor cost	16.5	16.6	16.3	16.4	16.5	16.4
Paid Employment (' 000)	92093	92607	95358	98139.47	100246.17	102553.76
Private	63598	63816	66267	68199.92	69663.93	71267.54
Public	28495	28791	29091	29939.55	30582.24	31286.22
Paid Employment growth rate	3.5%	0.6%	3.0%	2.9%	2.1%	2.3%
Average Inflation	7.3	7.5	11.7	7.4	3.4	4.8
BALANCE OF PAYMENTS						
Merchandise Exports	6281.0	8975.0	9521.3	10492.7	11229.8	11622.8
Merchandise Imports	-7188.0	-9628.0	-9397.5	-9707.4	-10326.7	-11158.3
Trade balance	-907.0	-653.0	123.8	785.3	903.1	464.5
Net services	-542.0	-434.0	-375.8	-504.6	-1084.8	-1226.9
Net Income	288.0	880.0	50.1	308.3	124.8	124.9
Net transfers	843.0	296.0	576.1	87.1	804.7	816.1
Current account	-318.0	89.0	374.2	676.1	747.8	178.6
Direct investment (net)	665.0	396.0	442.9	-534.5	465.1	56.1
Portfolio Investment (net)	-4.0	-68.0	19.9	-2.7	-70.9	25.9
Other investment (net)	-45.0	92.0	-1385.0	-158.0	-1338.3	462.1
Overall balance	325.0	678.0	-874.8	-467.5	-237.3	-42.5
MONEY AND BANKING						
Narrow Money	660.584	754.078	825.527	1047.84	1078.93	1288.1
Broad Money	2078.27	2300.95	2602.44	2969.00	3276.73	3562.52
Net Domestic Credit	-381.0	-653.5	468.6	1595.3	2421.1	3095.2
Government	-1705.6	-2052.6	-1314.5	-744.4	-602.2	-547.2
Private sector	1324.6	1399.1	1783.1	2339.7	3023.2	3642.4
Interest rates (End of period)						
Prime lending rate	14.0%	12.5%	16.5%	11.5%	11.0%	10.5%
Discount rate	11.0%	9.5%	13.5%	8.0%	7.5%	7.0%
Ratios						
Liquidity ratio	16.4%	16.2%	18.4%	17.2%	16.9%	15.4%
Loans/Deposit ratio	65.5%	59.6%	70.1%	84.0%	96.0%	110.4%
Net Foreign assets	2761.27	3634.75	2816.73	1872.35	1939.32	1792.52
Gross official reserves	1110.32	1484.79	1146.89	1194.70	1020.82	1857.38
Import Cover (months of imports)	4.9	4.2	3.2	2.0	2.0	1.7
PUBLIC FINANCE (E' Million)						
Revenue and grants	2825.5	3111.4	3425.9	3885.0	5027.1	5423.6
Total expenditure & net lending	2948.4	3421.6	4018.2	4344.8	5778.1	6210.1
Overall fiscal balance	-122.9	-310.2	-592.3	-459.7	-751.0	-786.5
As % of GDP	-1%	-3%	-5%	-3%	-5%	-5%
External Financing (net)	-42.8	384.2	218.4	112.6	50.3	48.9
Domestic Financing (net)	165.7	-74.0	373.9	348.8	572.4	637.8
Total Debt (E' Million)	2710.4	3498.1	3031.2	2741.3	2732.8	2749.5
As % of GDP	28.1%	32.3%	24.1%	19.0%	17.8%	16.5%
As % of exports of goods and services	43%	39%	32%	26%	24%	24%
Debt Service (E' Million)	168.62	168.90	251.29	281.95	264.21	237.77
As % of GDP	1.8%	1.6%	2.0%	2.0%	1.7%	1.4%
As % of Exports of goods and services	2.7%	1.9%	2.6%	2.7%	2.4%	2.0%

4.1 Economic Growth Performance

Swaziland's past economic achievements have been driven mainly by the performance of the agricultural and manufacturing sectors. Agriculture was the leading sector until in the mid-80s when the manufacturing sector took the lead and that resulted in the contribution of agriculture to GDP dropping from an average of more than 25 % to 16 %. It continued to perform poorly as it further dropped to an average of 11 % in the 1990s and then ultimately to about 8.6 % in 2002. Agricultural production has been affected by a number of factors including the drought which persisted over a number of years. Moreover, declining commodity prices and declining productivity levels due to limited land available for agricultural use and loss of the labour force due to HIV/AIDS, migration among other factors, have affected the agricultural industry. Also, infrastructure to support agricultural production is lacking.

Even though the manufacturing sector is very narrow and is dominated by wood pulp, sugar, sugar concentrates and most recently the garment industry, it has kept to an average of 35 % to GDP. The manufacturing sector is export-oriented with South Africa as the major trading partner. More than 45 % of Swazi exports are going to the RSA whilst 80 % imports are coming from that country. During the 1980s Swaziland received a lot of private investment because of the unfavourable political climate that prevailed in Mozambique and South Africa. She enjoyed a prosperous and investor friendly environment that lured major businesses into the country. Economic growth during this time averaged 8.2%, whilst population growth remained low.

Government realised the importance of the private sector as the engine of growth and introduced certain incentives meant to attract more investments to diversify production from traditional exports into non-traditional exports. That was supported by favourable infrastructure and an attractive tax system that paid dividends by attracting industries like the manufacturing of refrigerators and sugar concentrates. However, in the 1990s, the situation changed and the attractiveness of Swaziland as an investment destination diminished. Resultantly, less foreign investment was coming into Swaziland and those that remained curtailed their operations while others closed down. The level of unemployment increased, revenue decreased the, level of service delivery was impacted negatively and growth prospects became uncertain.

Despite the significance of the manufacturing sector, there was no specific strategy to enhance the competitiveness of any particular industry including those industries which had a comparative advantage to produce for external markets. A lot of emphasis has been put on the development of infrastructure and the taxation system, with very little emphasis on securing new markets and human capital development. The performance of the manufacturing sector has continued to be weak due to lack of innovation, loss of preferential markets and a general decline in the confidence of investors on

the policies and political environment of the country. There is also very little support given to local industries to venture into manufacturing hence the participation of domestic investors in the sector is very low. Of particular note is the lack of an industrial development strategy to support the development of the private sector.

Swaziland has been experiencing declining economic growth rates which reached an average of about 2.5 % between 1995 and 2000 because the industrial base shrank as some of the companies faced marketing problems. Furthermore, the level of foreign investment declined significantly even though the country received an influx of textiles firms due to the African Growth opportunity Act (AGOA). The related low levels of domestic and foreign direct investment (FDI) have led to the stalled growth of the Swazi economy in the 1997-2002 periods. This reduced the growth dynamics of the economy and resultantly exposed the vulnerability of the economy to external shocks and its inability to sustain itself without FDI inflows. FDI inflows have continued to decline, notably, in favour of South Africa and Mozambique because they have improved their competitiveness and their investment environment, especially their economic and social policies, legal instruments and governance. They have also continuously reviewed their structural policies to promote private sector growth.

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

Over the past months, the Rand has strengthened significantly eroding profits. Also, the serious challenges of governance, civil service performance and fiscal indiscipline are posing a serious threat to macro-economic stability, thus threatening the parity of the Lilangeni to the Rand. The present environment seems to be unfavourable for the improved performance of the private sector and the private sector is concerned about future market prospects for the country's export products. This will inevitably affect the balance of payments position, foreign exchange earnings, tax revenue, and more foreign direct investment. A politically stable environment and increased participation of the private sector in the implementation of a comprehensive plan for infrastructural development will go along way in creating an enabling environment for growth.

4.2 Macro-Economic Policy Environment

4.2.1 Fiscal Policy

Fiscal policy instruments have been used by the Government to maintain sound macro-economic management through the creation of an enabling environment for private sector investment. Fiscal policy focused on reviewing the taxation system in order to improve revenue collection and on giving priority to infrastructural development in the capital development budget. Resultantly, expenditure grew much higher than revenue because revenue collection was driven by the performance of the economy whereas expenditures were driven by commitments. Expenditure continued to grow faster on an average of 50% compared to revenue growth of 12% in the past 5 years. Personnel costs take up more than 50% of total government revenue and have become unsustainable. On average, the capital programme is 25% of total expenditure and the rest is recurrent expenditure. About half of the capital programme is financed externally through loans while 5% is financed through grants.

One of the critical issues for pursuing the macro-economic policy adopted by government was revenue mobilisation. Following the unfavourable fiscal climate whereby revenue was dwindling whereas expenditure was starting to escalate uncontrollably, Government designed an Internal Structural Adjustment Programme (ISAP) in 1994. The ISAP policy was to diversify revenue collection and control expenditures. This drive called for pursuing the privatisation of public enterprises, reviewing the tax laws, developing a strategy for debt management and re-considering the size of the Civil Service together with the terms and conditions of service. It also called for targeting a certain level of a budget deficit that was not above 5 % of GDP. Only certain aspects of the expenditure control were implemented and the programme was discontinued in 1998/99. As a result, the Government has continued to maintain unsustainable levels of the fiscal deficit and has made no meaningful progress in budget reform.

In addition, government took a decision to improve service delivery by reviewing public sector management with a view to improve efficiency and effectiveness. However, the exercise has not yielded much result in terms of improving the efficiency and management of the Civil Service. Moreover, no measures have been taken to reduce the size of the Service which indicates lack of commitment to the reform process.

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

4.2.2 Tax Reform

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

For the corporate side, the package included a reduction of the tax rate from 37.5 % to 30 % in line with the reduction in personal tax, removal of tax concessions such as tax holidays and certain exemptions, tax on public enterprises, withholding tax on dividends and royalties as well as capital gains tax. The Government plans to introduce Value Added Tax (VAT) in 2006 in the place of the general sales tax to improve collections. However, thorough preparation is necessary before VAT is introduced in order to avoid negative results. The overall reforms were proposed to minimize the impact of the reduced revenue receipts from SACU.

For sustainable economic development, Swaziland needs a tax system that will balance the various attributes of taxation - eliminate distortions, promote efficiency and equity among the different sectors and groups in society without causing an excessive burden on tax administration. Tax administration in the country has been very poor and the tax committee dysfunctional for some time now. This situation is expected to improve with the establishment of the Revenue Authority in 2006. It is critical that the various reforms introduced at different periods need are assessed in order to determine their impact. Unless assessed adequately, some revenue enhancing measures most likely hurt vulnerable groups than benefit them. For instance, the current tax system is highly skewed against middle class earners. Also the taxation of savings is believed to discourage savings which could be a disincentive to investment. An equitable tax policy should not make taxpayers poorer, but should enhance their standard of living. To come up with an efficient tax system, the country needs to be informed about the living conditions of income groups, and further sensitise taxpayers of their rights concerning service delivery and expectations from government. The private sector expects improved infrastructure, a healthy, educated and skilled workforce and a clean environment while citizens want to be treated equitably. Tax should not be a deterrent to private investment, and the development and expansion of existing companies. A tax regime is ideally a redistribution mechanism and eliminates inequalities among members of society, regions and income groups.

Tax reforms should ensure that pursuance of interests by certain powerful groups is discouraged. Such groups should be prevented from affecting the tax policy and its implementation through the design of comprehensive objectives and guidelines. Expanding the tax base is vital, but it is equally important to desist from raising tax rates to levels that are detrimental to the objectives of such policies.

4.2.3 Revenue

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

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

An analysis of the low revenue collections reveals leakages resulting from tax avoidance, non-compliance, exemptions and the need to improve information system and assessments. The revenue base is very narrow and only a few entities are actually paying tax with certain groups being overtaxed. Revenue collection could be improved by addressing the capacity constraints and inappropriate institutional frameworks that preclude comprehensive implementation and execution of tax policies. The establishment of the Revenue Authority envisaged in 2006 will introduce better incentives, facilities and improved tax administration and collection. While these issues must be addressed quickly, it will be a while before the benefits of doing so are realised.

4.2.4 Expenditure

Government expenditure have grown by an average of 12% per annum, over the past five years and it reflects a heavy bias towards the recurrent expenditure with capital expenditure taking only about 25% of the overall budget. Expenditure on personnel has grown even faster and now accounts for about 60% of recurrent expenditure. Nonetheless, capital expenditure has more than doubled in the last five years, even though it still stands at less than one-third of total expenditure. The present levels of recurrent expenditure are unsustainable and have been a cause for concern for more than a decade now, particularly because very little has been done to reverse the trend. Instead, there have been attempts to cut the capital programme in order to contain the escalating expenditure.

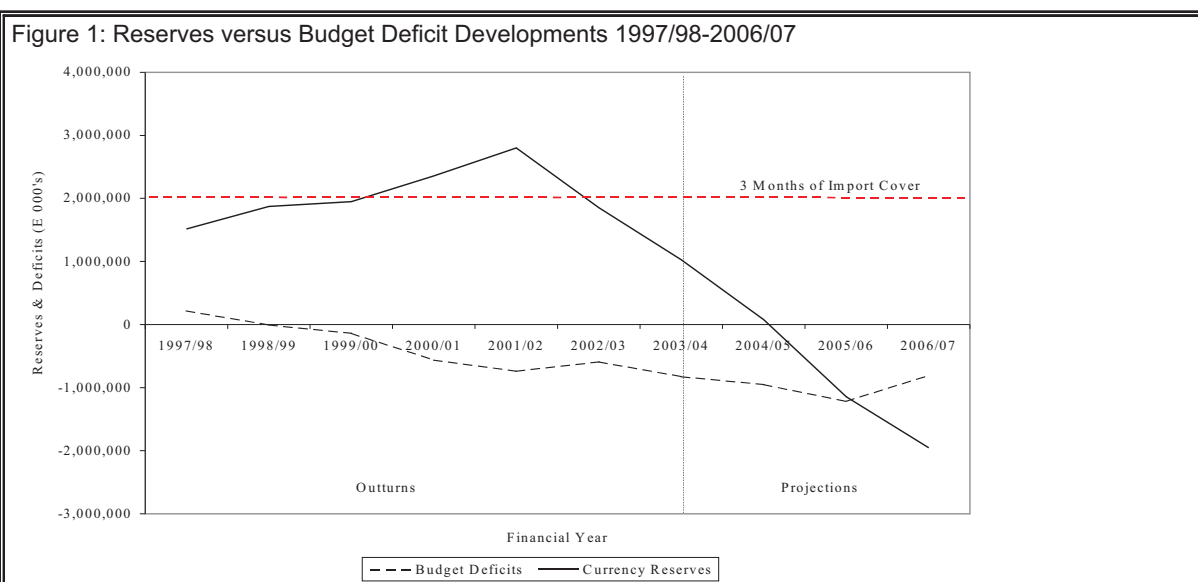
Although Government is aware of the undesirability of overspending, even where such expenditure is indispensable, she has not been able to control expenditure over the years. This has been due to factors such as procurement procedures which are not cost effective, corruption which affects the implementation of development programmes and growth, lack of transparency and accountability in the governance system of the country. The dual nature of the governance system has further led to the inefficient use of resources, unsustainable expansion of the payroll and is open to abuse at all levels. However, if the key development challenges of poverty reduction, HIV/AIDS and unemployment are to be tackled, these problems need to be addressed and proper control put in place, the development budget increased substantially and government recurrent expenditure geared towards activities that facilitate the delivery of social services.

The ability of the government development programme to stimulate economic growth has been compromised by the very low implementation rate, which delays the realisation of the potential benefits of the development. The development programme and the effectiveness of Government spending have been further affected by lack of stakeholder participation in the design and preparation of projects such that project efficient use and ownership becomes a major issue. The monitoring and evaluation of development projects has also not been very effective, which has a negative impact on future programmes and expenditure.

To prioritise expenditure on a yearly and long term basis, the government began the implementation of the medium term expenditure framework (MTEF) in 2003/04 with the intention of focusing on poverty reduction, food security, HIV/AIDS pandemic and employment creation. Furthermore, emphasis was given to food security and revenue generation, given the prevailing drought and weakening fiscal situation. Due to resource constraint, competing priorities, resource constraints, or increasing commitment in other areas, the MTEF has not been effective in its objectives and the need to focus public expenditure in these areas still remains.

4.2.5 Monetary Policy

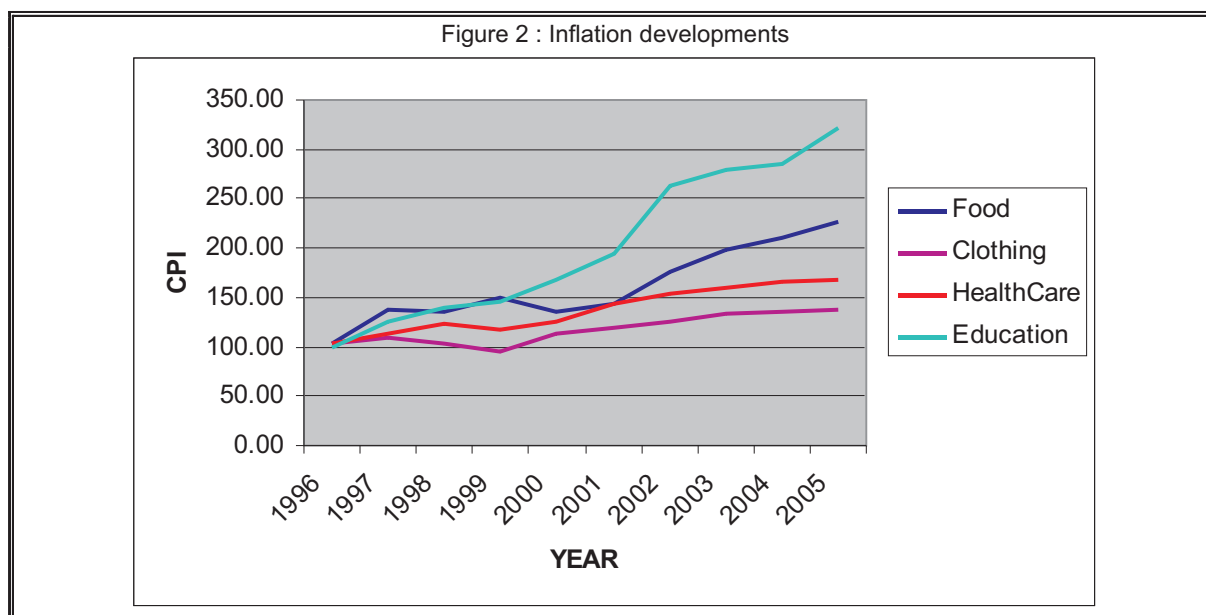
Swaziland's membership to the CMA removes her ability to manipulate the exchange rate and interest rate policy and to influence the direction of her monetary policy. Swaziland only has complete control over fiscal policy developments and over the last decade developments have made the fiscal position unsustainable and have impacted negatively on growth. Reserves are already seriously depleted, and now represent less than 2 months of imports cover, which is below the internationally accepted minimum standard of 3 months of cover by which the ability to sustain a currency value is judged. The running down reserves cannot fund projected budget deficits indefinitely. The policy of financing obligations by running down reserves further threatens the sustainability of the Rand-Lilangeni currency peg and could lead to the de-linking of the Lilangeni from the Rand, which could in turn ignite inflation. The volatility of the Rand has been of major concern for business and industrial development in the country.



The country still has the role of ensuring monetary stability and prosperity in the financial sector. Interest rates and finance charges have been very high in local banks thus adversely affecting the poor as well as small and medium enterprises. Policies that promote financial intermediation should

include support to initiatives that will keep inflation low and interest rates at affordable (but positive) real levels. A sound financial sector is an important catalyst for economic growth and a symbol of a stable macroeconomic climate. Thus whilst the country does not have a significant influence over the broader instruments of monetary policy, domestic policies should not threaten the parity of the local currency to the Rand, which is sustained through reserves.

4.2.6 Inflation



Overall, domestic inflation has been within the single digit level. However, the cost of living for the low-income group (proxy for the poor) has risen considerably (Figure 2). Average Consumer Price Indices (CPI) for food for the Low Income Group increased from 102.3 in 1996 to 144.5 in 2001. The corresponding CPI for clothing and footwear moved from 103.0 to 118.5 during the same period. The CPI for health care reached 143.1 from 102.5. The worst increases were on education where the CPI rose from 100.0 in 1996 to 194.2 in 2001. Since the ability of low-income people to hedge against the rising cost of living is extremely limited, more people succumbed to poverty over this period as evidenced by the rise of the incidence of poverty from 66% in 1995 to 69% in 2001.

Most of the inflation is however imported, limiting the ability of the Government to reduce its effect on the poor. Further inflation is caused by structural issues e.g. the drought and increased wages. There is thus a limit on how far it can be controlled and/or reduced. However, because inflation affects the poor through the items they consume a government strategy to subsidise the prices for the items mainly consumed by the poor may be warranted without necessarily turning it to price regulation or setting.

4.2.7 Trade Policy Reforms

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

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

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

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

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

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

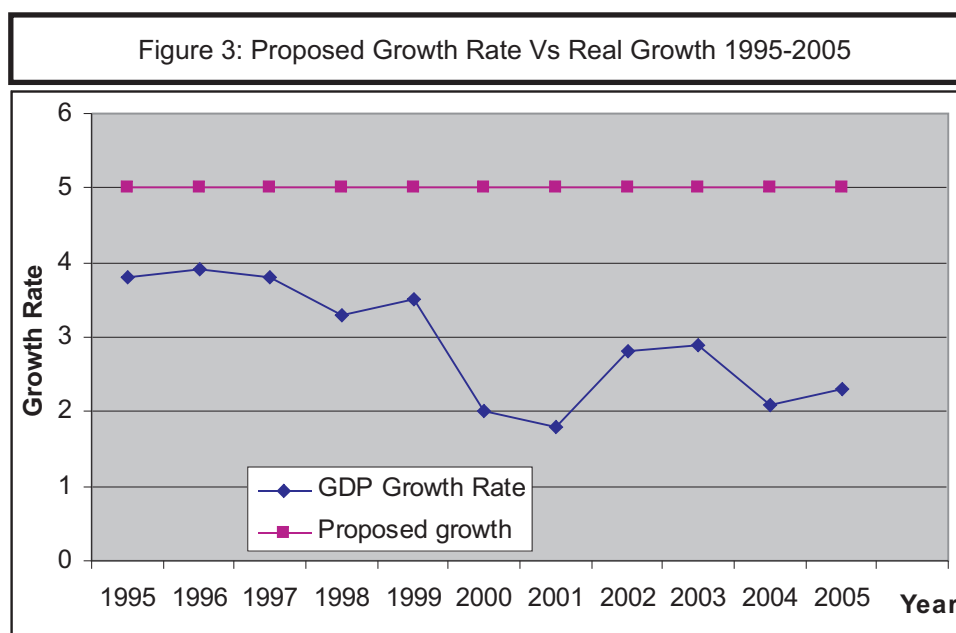
4.2.8 Strategies for 'Poverty-Conscious' Trade Reforms

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

- i. Promote investment and trade, identifying niche markets;
- ii. Provide infrastructure in order to increase potential opportunities for poor producers to benefit from a more open trading regime;
- iii. Support and encourage poor producers to work as associations in order to supply and meet the demand of bulk orders;
- iv. Improve access to micro-credit so that the poor can have sources of financing their export products;
- v. Facilitate the mobility of labour between and within regions and the neighbouring countries;
- vi. Simplify and relax the regulations for business establishment;
- vii. Improve and establish safety nets for the poor against the negative consequences of globalisation.

4.2.9 Macroeconomic Strategies to Restore Stability

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



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

- i. Attract foreign direct investment to stimulate economic growth;
- ii. Encourage investment in research and development and science and technology;
- iii. Provide support for the development and involvement of domestic investors in the manufacturing sector;
- iv. Introduce fiscal reforms to increase the tax base and tax collection whilst reducing the tax burden on the poor;
- v. Rebuild reserves so as to restore investor confidence and restore the strength of the Lilangeni;
- vi. Shift public expenditure to greater social spending especially in primary education, basic health and safe water;
- vii. Restructure, right-size and improve the efficiency of the public service;
- viii. Increase strategic spending on HIV/AIDS mitigation programmes;
- ix. Improve governance so as to build investor confidence and allow for greater transparency and accountability;
- x. Adopt policies and measures that mitigate the negative consequences of trade liberalisation;
- xi. Improve the export base and facilitate increased participation of the SME sector in international trade;

CHAPTER 5: EMPOWERING THE POOR TO GENERATE INCOME

Poor communities need income in order to get food, water, shelter, education, access to health care and all other basic needs. Enabling the poor to earn their own income is the most sustainable approach to poverty reduction. This chapter encompasses all the critical components necessary to achieve Pillars 2, 3 and 5 which are concerned with achieving accelerated and participatory growth; supporting and empowering the poor to generate their own income; and improving the quality of lives of the poor. The four main areas this chapter has focused on are:

- a) Improving access to land
- b) Increasing income from Agriculture
- c) Employment creation (Formal and Micro enterprise sector)
- d) Small Medium Enterprises (SME) support.

5.1 Improving Access to Land

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

SNL is governed by Swazi law and custom and the communal ownership implies that residents have a right to the custody and use of the land although they hold no title to it. It can be passed on through generations and primarily used for subsistence purposes. There are however a few commercial activities being undertaken on SNL, driven by government policy to empower people to generate incomes. Although not significantly mechanised nor fully irrigated, agricultural activities in the form of livestock, maize, vegetables and recently sugarcane production dominate SNL. Production is highly dependent on rains such that it is highly susceptible to drought. Even without title in the past, user rights on SNL were always secure. However recent developments indicate that evictions can be executed without any compensation or due consideration of the effect this has on the lives and livelihood of those concerned. This practice is however discouraged in Sections 19 (2) of the Constitution which provisionally prohibits the deprivation of property, rights over and interests

in any property of any description and Section 211 (3) which states that a person shall not be deprived of land without due process of the law and adequate compensation. The effectiveness of these provisions are however subject to the promulgation of the relevant laws and the dissemination of the information particularly the poor who are usually unaware of their rights or do not have the means to invoke the law in their favour. It therefore remains to be seen how effective national laws will be in protecting the constitutional rights of citizens, in particular the poor. On the other hand, TDL is secured, highly mechanised, irrigated and market oriented, earning very high income for the producers.

The land tenure system has been under serious scrutiny in the past years because of the numerous problems being encountered. The problems range from low productivity, resettlement, idle government and individual farms, environmental management, discrimination against women and youth, landlessness and access to water. First, the size of holdings on SNL is not proportional to the population settling on the land. It has diminished from an average of 3 hectares to only 1.8 hectares or less per household. Second, because of communal ownership, there is limited incentive to invest on the land and users do not safeguard nor conserve the quality of the land, for example overgrazing and deforestation are practiced indiscriminately. Third, land can not be used as collateral or traded for high value use even though there is no concrete evidence to suggest that Swazis are prohibited from using fully the land in their possessions due to the lack of title. Fourth, there is discrimination against women and unmarried youth in rightfully accessing SNL yet they are the ones responsible for tilling the land for the production of food while the husband is at work.

Fifth, TDL often lies idle, where it is owned by government, a foreigner and where the landlord does not reside in the country. Sixth, women cannot inherit SNL land rights therefore they remain marginalised. Seventh, due to HIV/AIDS, a significant amount of land lies idle. According to the agricultural census 2002, about 15% of homesteads do not cultivate their land. Reasons could range from poverty, evictions, drought, debt, Child Headed Households (CHH) or elderly left alone and not able to farm. Finally, the 8% of homesteads squatting on private farms face the threat of never owning land being evicted from those farms when ownership changes. Those people who have known that land to be their forefathers are evicted, cannot farm to their full potential, are expected not to investment in housing and other structures because they do not own the land and cannot buy the land because they cannot afford to. These problems emphasize that access to land is inequitable and persistently locks the poor in poverty.

Government prepared a draft National Land Policy (NLP) in 2000 to address the problems faced by the nation regarding access to SNL and to support government's endeavour to change the culture of subsistence agricultural production and give security of tenure to residents. To date the NLP has not been approved. The NLP seeks to empower land owners to maximise benefits from land on a sustainable basis and also to promote the enhancement, protection and conservation of the

environment. It underscores that land access, clearly defined property rights, and secure land tenure are fundamental vehicles towards improved productivity and human development. A proposal to extend a 99-year leasehold to areas on Swazi Nation Land was also formulated and is being practiced in the areas earmarked for large government projects such as Maguga and LUSIP. Furthermore, the NLP seeks to empower women to have a right of ownership to land. In Section 20, the Constitution enshrines the right of all persons to be treated equally before the law in all spheres of political, economic, social and cultural life. Section 19 (equality before the law) upholds that a person has a right to own property either alone or in association with others and shall not be deprived of property or any interest or right over property. Notwithstanding, the rights conferred by the Constitution to access land are for normal domestic purpose use (Section 21(2)).

The SNL is administered by Chiefs, on behalf of the King allocating land to families, groups and for development. Traditionally, every family has a right to land to be allocated a piece of land from the SNL on which to build a home and grow food to feed their families. The allocation of land is through the system of *kukhonta*, wherein in the past unmarried persons regardless of gender could not be allocated land in their own right. Women would get land only through a male relative and they could not inherit the land from their parents or husbands. However, the Constitution in Section 21 confers upon every Swazi citizen without regard of gender, the right to access land. In order to be effective in addressing poverty this provision will have to be accompanied by the promulgation of appropriate legislation and a civil education exercise in order to change the attitude of men and traditional leaders and protect the rights of women in particular.

All persons can access TDL, although it is very costly and the poor cannot afford to buy it hence the emergence of crowded and unplanned peri-urban areas on the SNL which is on the outskirts of the country's major cities. These areas are usually overcrowded and not properly managed or serviced. It is in these areas where the undesirable practice of selling SNL is widespread. This deprives the poor an opportunity to access land and encourages the influx of foreigners and people who can afford to pay astronomical amounts for land. The number of homesteads grew to 95,128 reflecting an increase of 2% between 1992 and 2002. About 92% of them are on SNL and 8% classified as squatters on TDL. Soon after independence, the government embarked on a land purchase programme with the main purpose of alleviating the pressure on SNL. However, most of the purchased land has not been re-distributed and still remains under-utilised. The Government will have to implement the Land Use Policy and formalize the leasing of SNL and Concessional Land for more productive purposes. More effort is needed from the government to address the Land Policy and distribution issue on both TDL and SNL. In addition, there is need to address land disputes between chiefs which retard development.

Government also developed a Land Use Plan demarcating land usable for agriculture, housing and other uses but never implemented. Most of the agricultural land both SNL and TDL is increasingly being used for housing purposes, diminishing the amount of land available for increased production and maximising returns. Private sector cites land shortage as a hindrance especially for agricultural companies. Due to delays in implementing the LUP and NLP approval, there is a missing link in the enforcement of environmental regulation and proper use of the land. Compounding the problem of access to land is the fact that land endowments are not equal. Lubombo and the Lowveld ecological zones are drier and more prone to rain failure compared to Highveld and Middleveld. Water as a resource is in short supply in Swaziland, leading to most people depending on rain fed agriculture. In July 2004, a National Water Authority was launched to assist in the management of water resources in the country. However, preference for water rights is given to large plantations such as sugar cane. As a result, even where land is available, because of the shortage of water, people in the Lowveld and Lubombo are always susceptible to hunger and a number of water borne disease associated with lack of irrigation and safe drinking water.

5.1.1 Goals for Improving Access to Land Resources

The principle goals of the PRSAP in land and water resources are to:

- Provide secure land tenure for all Swazis and maximise productivity on land;
- Ensure that all land is put into proper and optimal use;
- Ensure sustainable environmental management to safeguard availability and productivity of land; and
- Universal access to existing water resources to meet the needs of the population.

5.1.2 Strategies for Improving Access to Land Resources

To achieve these goals the following strategies will be implemented:

- i. In accordance with the Constitution, promulgate laws that facilitate and ensure the right for all citizens to have equal access to land;
- ii. Extend water rights to smallholder farmers for agricultural purposes;
- iii. Approve and implement the National Land Policy and the Land Use Plan;
- iv. Legislate against the sale of Swazi Nation Land; and
- v. Formalize the leasing of idle government farms and SNL.

5.2 Agriculture

5.2.1 Increasing Income from Agricultural Production

Investments in the agricultural sector are supportive of achieving Pillars 2, 3 and 5 which are concerned with the rapid growth of the economy and broad participation of the poor, empowering the poor to generate income as well as the improving the quality of life. Agricultural production is therefore, crucial for poverty reduction and for enhancing incomes. Although the agricultural sector is by far the most important because of its contribution to the manufacturing sector, employment and also to the livelihoods of the majority of the population who are rural inhabitants, its contribution has declined considerably over the years. It dropped from 15.7% in 1985 to 8.7% in 2001. Of the contribution of agriculture to GDP, as much as 80% comes from Title Deed Land, with the balance of 20% coming from SNL. This shows the huge productivity differentials and the management techniques between the two land tenure systems, as well as the levels of income generated. Government has acknowledges the importance of SNL and has invested heavily aiming to maximise production and incomes. These investments include the rural areas development programme, earth dam project and recently Maguga and LUSIP, but production has continued to decline significantly. Drought has also had a long lasting effect on agricultural production. Furthermore, the returns on SNL have been much lower than the wages provided by off-farm employment particularly because prices of agricultural inputs are quite high and not controlled while output prices are regulated resulting in a low profit margin or losses to farmers.

Agricultural production can be used as a source of income through crop production, forestry, fisheries, and animal husbandry. Agricultural production reduces poverty in three ways: as a source of food, income from the sale of cash crops, and employment on farms or plantations. The poverty levels are high at 76% in rural areas and food poverty is estimated at 43% against 20% in urban areas. This is indicative of the food security status of rural people. Farmers on SNL produce some crops but are unable to produce enough for their consumption and also realise surplus for sale. According to the agricultural census 2002, only 85% homesteads cultivated their land and the remaining 15% did not. Table 1, indicates that only 4% of homesteads produce enough food and sell surplus while 56% never have enough to eat. The number of homesteads who have enough to eat has dropped from 9% in 1992 to 4% in 2002. A majority of homesteads that never have enough to eat are found in Lubombo (62%) and the other regions have an average of 55%. A recent vulnerability study conducted by the Ministry of Agriculture and Cooperatives and Save the Children Fund also concluded that the poor are net buyers of food especially maize, which is a staple food. It is therefore clear that to earn income from agriculture, productivity of SNL must be raised considerably beyond household consumption so as to produce surplus for sale. Most households rely on remittances to meeting their needs and only 12% of income is generated from farming indicating the non-viability of farming as an income generating activity.

Evidence from the management practises applied in TDL suggests that irrigation is crucial for increased production. This is supported by the yield levels during rainy seasons as against yields during years of drought. Only 15% of SNL homesteads irrigate their land while the rest use very primitive methods such as buckets (9%), furrow (2%), drip (2%) and sprinklers (2%). Moreover, there are gender dimensions related to increased production. According to the census, Male Headed Households (MHH) produce more than Female Headed Households (FHH) even though in most cases women work the land and take care of the crops.

The main crops grown on SNL are maize, cotton, pumpkins, beans and groundnuts. With the exception of cotton, other crops are mainly for subsistence. On TDL sugar cane, citrus fruits, pineapple, bananas and vegetables are grown for commercial purposes. Over the past years government has promoted the growing of vegetables sugar cane and wattle trees for the poor to earn income. About 31,589 homesteads grow sugarcane especially those in the Lowveld and 15, 000 grow exclusively cotton due to climatic conditions. Other than crops, the Swazi population keeps a large cattle population, which causes overgrazing, and soil erosion on SNL. Government has been unsuccessful in promoting cattle breeding for commercial purposes, instead the social value has outweighed the monetary value and this has contributed towards environmental problems.

Draught power is important for increased productivity on SNL and unfortunately it is not adequate. Furthermore, the cost of tractor hire is unaffordable for the majority of homesteads. As a result, farmers suffer delays in ploughing and planting while at the same time the rain pattern is not favourable. A total 48% (5% government- owned and 43% either self-owned, privately hired or borrowed) of holdings are ploughed using tractors while 49% ploughed using oxen and 2% by donkeys. Oxen are important not only for social activities but for ploughing and planting. Marketing and pricing have been identified as disincentive to increased production. The influential role of parastatals such as NMC and NAMBOARD in determining prices has discouraged farmers from increasing agricultural production.

5.2.2 Present Policy Environment

The agricultural sector policy aims at transforming production on SNL from subsistence to commercial farming. The policy objective aspires for an agricultural sector that contributes fully to economic growth, food security, poverty alleviation and sustainable natural resources management. Consequently, MOAC expects to increase agricultural production and diversify agricultural activities thereby improving food security at household level and expanding employment opportunities through the promotion of agricultural enterprises and agro-industries. Government has realised that the policy of self-sufficiency does not in itself ensure access to food for everybody and in this regard will reorient it budget policy towards promoting policies and other activities that can ensure food security at both household and national levels. While Government will continue to promote increased productivity in food production, there will also be a focus on diversifying in income generation in order to ensure that food at all levels is accessible, affordable and available.

In support of the agricultural sector, Government has supported technological change through operating subsidised services such as tractor hire and soil testing and the provision of extension services on agricultural production, animal health and livestock production. Other Government interventions are the provision of subsidised and specialised services such as:

- a) The control of tick borne disease through operating dipping services;
- b) Artificial insemination services and inspection of animal products;
- c) Breeding at Sisa ranches aimed at "improving" the local herd;
- d) Improving disease control and prevention through surveillance and efficient diagnosis;
- e) Promotion and regulation of co-operative development through training and enforcement of co-operative legislation;
- f) Promotion of fisheries, forestry and other income generating activities;
- g) Promotion of nutrition education; and
- h) Limited services in land-use planning, irrigation planning and development.

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

- a) Lack of authority for women farmers to take independent financial and other decisions that could improve their production;
- b) Degradation of the environment, mainly due to overstocking, deforestation, and other environmentally unfriendly farming systems;
- c) Vulnerability of the entire agricultural sector to natural disasters, especially drought; poor adoption of technology by farmers, due to poor farmer education;
- d) Lack of finance/credit;
- e) Poor marketing systems; and
- f) Poor linkages between agriculture and the processing sector.

Other handicaps include lack of property rights, especially to land leading to poor management of rangeland in particular; discriminatory access to land and water; the decline of commodity prices, continually rising production costs; and lately the loss of human resource in the sector, mainly due to HIV/AIDS and a young population that is unwilling to embrace agriculture as an occupation. Government also recognizes the importance of environmental management in ensuring increased and sustainable agricultural production and will in this regard also protect and ensure the conservation of the environment.

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

- a) Conducting adaptive research on best agronomic practices and disseminating the results through an extension service; and

- b) Reviewing of operations of state trading institutions currently trading in maize and horticulture products (NMC and NAMBOARD). These marketing institutions also regulate the importation of foreign produce with a view to giving local produce an advantage in the market.

5.2.3 Goal for Increasing Income from Agriculture

The goal for poverty reduction is to increase agricultural production beyond the subsistence level and transform SNL production to semi-commercial and commercial levels by 2010.

5.2.4 Strategies for Increasing Income from Agriculture

- i. Develop and promote production systems that are suitable for farmers who have a weak resource base;
- ii. Capacitate poorer farmers through introducing well-targeted special dispensations aimed at aiding the adoption of high-output yet cost-effective technologies;
- iii. Facilitate the leasing of SNL for agriculture production in order to utilize idle capacity and lease out under-utilised Government land for use in implementing viable agricultural activities;
- iv. Improve farmer education and access to information through well researched and decentralized extension services;
- v. Organize farmers into efficiently run co-operatives and channel most extension through groups so that it is cost effective;
- vi. Encourage mixed farming for diversification and cushioning price risks, such as introducing bee-keeping, medicinal plants, agro-processing, etc;
- vii. Research efficient and cost effective indigenous farming methods, products and species; (such as chicken, goats, pulses etc);
- viii. Ensure efficiency in marketing systems and promote the development of creative marketing systems such as the open market concept, auctions sales, barter systems etc;
- ix. Pilot innovative measures aimed at improving efficiency and equity in land use, land tenure and water resources;
- x. Implement the Land Policy, Land Use Plan and Water Policy and Act and legislate and clearly define land rights as enshrined in the Constitution in order to promote commercial and sustainable farming;

- xi. Encourage the sustainable management of communal grazing areas;
- xii. Prepare agricultural development plans for each region and gradually each inkhundla;
- xiii. Encourage skills transfer from TDL to the nearby SNL and establish joint markets for both TDL and SNL;
- xiv. Encourage the participation of the youth in farming;
- xv. Support needs-based research and promote food processing, preservation and storage technologies
- xvi. Institute measures that reduce the vulnerability of the agriculture sector to disasters, both natural and man-made;
- xvii. Implement the Disaster Management Policy and Plan and manage drought proactively through better early warning systems, fairer distribution of water rights and extensive irrigation;
- xviii. Intensify research into and promotion of the production of drought resistant crops and livestock.

5.3 Creating Employment Opportunities

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

The drastic and fast increase in unemployment is the major reason for the impoverishment and deepening inequalities among the Swazi population. The poor are more vulnerable to redundancies and job losses as they hold low paying, low skill and seasonal jobs. They are also very dependent on employment income and remittances. According to the statistics, they derive about 75% of their income from employment sources and as these opportunities are getting very scarce, the impact on their livelihoods is also very severe. Creating employment opportunities for the people of Swaziland is therefore one of the key strategies for reducing poverty.

5.3.1 Current employment environment

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

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

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

With an estimated 40% of the core poor unemployed, it is expected that their standard of living have worsened in recent years since the subsistence livelihoods have also been adversely affected by drought. Although secondary employment accounted for most income sources in the past, recent economic conditions dictate that self-employment will be vital in poverty reduction. Opportunities for formal employment are dwindling whilst the labour force is growing at a higher rate. Support to the SME sector and the micro enterprise sector should thus be central to any poverty reduction programme. The logical intervention in this regard is to support SME and micro enterprise sector activities and at the same time provide opportunities for their sustainability and growth.

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

5.3.2 The Formal Sector

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

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

5.3.3 Employment in the Agricultural Sector

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

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

5.3.4 Enhancing skills

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

5.3.5 Investment Promotion and Private Sector Development

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

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

5.3.6 Adjusting to Globalisation and Technological Innovation

Swaziland is faced with the challenge of having a competitive private sector that can survive in the global market by producing high quality products that meet all the market and consumer requirements. That means adopting the latest technologies and being up to date in terms of Information and Communications Technology (ICT). Growth of the private sector is increasingly dependent on a flexible, educated and healthy workforce that would take advantage of advanced information communication technology. Under the current circumstances, the poor are most likely to lose as it results in unskilled labour force being redundant, as they cannot easily adapt to new technologies.

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

Swaziland needs to develop a concise private sector development strategy, investment code and trade policy, so that the opportunities of globalisation together with trade liberalisation would be effectively explored and exploited. This calls for intensive research on the industries, markets and technologies that can improve the industrial base of the country. For more sustainable growth, it must be ensured that the benefits are channelled to the agriculture, manufacturing and tourism.

5.3.7 Promoting Tourism

The tourism sector has the potential to create jobs for the unskilled, semi-skilled workers and those who are in SMEs because it creates demand for certain goods and services. It is thus an important factor in raising incomes of local producers because it covers small producers and communities. Although the country is competing with neighbouring countries such as Mozambique and the Republic of South Africa geographically, Swaziland has the potential to forge regional links that can boost the tourism sector and create job opportunities particularly for the poor. It also has the potential to earn foreign exchange as international tourists spend on activities and goods. This potential still needs to be fully exploited in Swaziland.

In 2002 the Government established the Swaziland Tourism Authority in order to give tourism the prominence it deserves in terms of promotion and investment. The Authority with the assistance of the European Union (EU) developed the Tourism Development Policy and Strategy for tourism promotion. The preparation of the Tourism Development Plan is currently underway. Although the Government has invested extensively in basic infrastructure such as roads, communications, airport etc. there is still need to provide the necessary infrastructure in tourist attraction areas and invest more in the development and promotion of this sector.

There is need to identify and protect certain areas of cultural and natural significance that can be promoted as tourist attraction areas. The public, particularly handicraft producers will be encouraged to be innovative and to actively participate in promoting the industry, thus enhancing their own market and self-employment opportunities. In order to create more employment opportunities, there will be a fervent drive to promote community tourism and thus reduce the need to migrate to the cities. Communities will be encouraged to promote tourism through cultural activities, the promotion and protection of national monuments and natural heritage and the appropriate use of natural resources. The Small and Medium Enterprise Sector will also be encouraged to invest and participate actively in the sector. In particular, transport operators will be encouraged to give guided tours and shuttle services in order to facilitate the development of the tourism and also foster dynamism in the transport business.

5.3.8 Impact of Unemployment on the Youth and Women

The unemployment rate is about 40 percent for the youth and this problem is affecting both the uneducated and educated. Unfortunately the youth consist of about 54% of total population they form the majority of the unemployed, unskilled and are most likely to be poor. They face a number of hindrances in acquiring productive assets necessary for generating income. Another major problem that has emerged in recent years is that of increased unemployment of the educated youth resulting from the type of education system, lack of employment opportunities, inefficient human resource management practices and the present high retirement age, particularly in the civil service.

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

5.3.9 Working Conditions of the Poor

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

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

5.3.10 Small & Medium Enterprises

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

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

There is evidence that employed and self-employed people have a better chance of avoiding poverty. Thus promoting equal business opportunities and ensuring favourable conditions for small enterprises and self-employment is important for poverty reduction. In this regard, an enabling environment for business development will be created. Issues that adversely affect business operation and trade will also be address. This will include the issue of simplifying licensing and customs procedures in order to facilitate domestic and cross border trade. It will also be important to critically consider the constraints SMEs face in the transportation of their goods, so that the relevant infrastructure is provided and the transportation cost minimised. The SME sector has a great potential to tap into the resources of the poor and involve them in the mainstream of the economy and therefore will receive the support and the emphasis it deserves in the PRSAP.

5.3.11 Micro Finance System

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

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

5.3.12 Support to the Micro enterprise sector

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

At a more disaggregated level, the differential between formal and micro enterprise sector employment indicates that more attention needs to be given to the development of the micro enterprise sector that is increasingly becoming a source of income for the poor. There is a lot of potential for this sector to grow and contribute to employment creation and income sources for the poor, if it can get the necessary support in terms of training, finance and infrastructure. The objective is to support the growth of the private sector, SMEs, micro enterprise sector and financial supportive structures through the creation of a vibrant, disciplined and growing production and trade sector environment that can improve the livelihoods of the poor.

The strategic objective of the PRSAP is therefore to facilitate an enabling environment for business and employment creation through effective support to the private sector and other income generating activities.

5.3.13 The Goal

The goal of the PRSAP is to ensure a vibrant private sector, sustainable businesses and employment opportunities for 50% of the unemployed population by 2010.

5.3.14 Strategies to Create Employment and Business Opportunities

The following priority strategies aimed at creating employment opportunities and developing the human potential for jobs and self-employment will be adopted:

- a) Strategies for private sector and business development in the Formal Sector:
 - i. Develop infrastructure for private sector and SME development giving special focus to the most impoverished regions of Shiselweni and Lubombo;
 - ii. Remove inhibiting policies, laws and regulations;
 - iii. Facilitate the employment and business development of women and the youth;
 - iv. Invest in database systems that will provide information on the labour market to the general public, private sector and government;
 - v. Promote and support labour-intensive industries with special emphasis on tourism and the agro-processing industries;
 - vi. Ensure adherence to a minimum wage that allows a reasonable standard of living;
 - vii. Conduct Research on markets, technology and industries suitable for Swaziland;
 - viii. Develop effective policies to ensure technology transfer to locals;
 - ix. Facilitate the development of entrepreneurship, skills and human capital to meet industrial needs;
 - x. Adopt internationally acceptable trade and investment policies that enhance industrial growth and diversification;

- xi. Build capacity for trade and industrial policy formulation;
- xii. Ensure skills and technology transfer to locals;

b) Strategies for the Tourism Development:

- i. Promote tourism and market Swaziland as a tourist destination globally using the most cost-effective means;
- ii. Create public awareness on the importance of the tourism sector;
- iii. Protect and promote areas of historical importance and national heritage;
- iv. Encourage innovativeness in the production of handicraft products;
- v. Use Community Development Funds for tourism development activities;
- vi. Strengthen the coordination of all stakeholders involved in tourism development;
- vii. Build capacity for community tourism development and attach tourism officers in each region.

c) Strategies for the SME Sector:

- i. Encourage savings and investment;
- ii. Improve the regulatory framework and investment environment (licensing etc);
- iii. Build the capacity of SMEs to respond to market opportunities and satisfy the demand of local and external markets;
- iv. Facilitate access to finance by SME;
- v. Provide training support to the SME sector;
- vi. Encourage diversity and innovativeness in the SME sector; and
- vii. Promote linkages between the SME sector and large companies;

d) Strategies for Supporting the Micro enterprise sector

- i. Develop infrastructure to facilitate the development of micro enterprise sector operations;
- ii. Provide training and financial support to the micro enterprise sector to facilitate growth and employment creation;
- iii. Facilitate access to micro finance;
- iv. Provide training and inspections on health and quality requirements.

CHAPTER 6: HUMAN CAPITAL DEVELOPMENT

The ability of the poor to participate actively in the growth dynamics of the country and to reap benefits from existing and future opportunities depends entirely on the quantity and quality of their human capital. The quality of human capital is affected or influenced by the level of education, health standards, access to safe water and proper sanitation, housing standards, enjoyment of basic freedoms, social security and contentment. The poor are mostly uneducated or if they are educated, they would have gone as far as primary school. They are also prone to ill health, infections and diseases, do not have access to clean water, proper sanitation, and food security and are vulnerable to HIV/AIDS due a number of factors. The deprivation in terms of all these aspects reveals a state of human poverty which is directly related to income poverty. All past surveys have illustrated that poverty prevalence in Swaziland is much higher among the less educated members of the population.

The investments made on human capital are directly linked to the national policies on human development and the national budget. In addition, this investment determines the ability of the poor to participate in the labour market and sell their skills and the returns that accrue to them in terms of their labour which is the greatest and most natural asset that the poor have. However, without skill this asset cannot reap very high returns and becomes more of a liability than an asset. Unfortunately, the emergence of HIV/AIDS and its ravaging effects is further taking away the gains of many years of investment on this very important asset.

In line with Pillars 3, 4, and 5 this chapter discusses in detail the issues of access to basic education, basic health, safe water and sanitation, food security, good nutrition and HIV/AIDS as major factors that affect or contribute to human capital development in order to address a range of problems that pertain to the physical, emotional, moral and materialistic needs of poor people. The chapter further analyses the situation and the main poverty issues in these areas, the constraints as well as possible strategies that can be adopted in the medium term in order to address the issues that hinder the development of human capital particularly amongst the poor.

6.1 Basic Education

Education has been identified as a basic right and access to education is critical for overcoming the broader dimensions of poverty and social exclusion. Education not only provides people with the means of livelihood, but it also gives them knowledge, confidence and social skills to effectively participate in the market and in society. For this reason in 1990, Governments met in Jomtien, Thailand and adopted the Education for All (EFA) agenda as a key to fighting underdevelopment and

poverty. This was followed by a review of progress made in 2000 and the adoption of the Dakar Framework by all African States which confirmed the agenda. The Jomtein International Declaration defined basic education as the ability to:

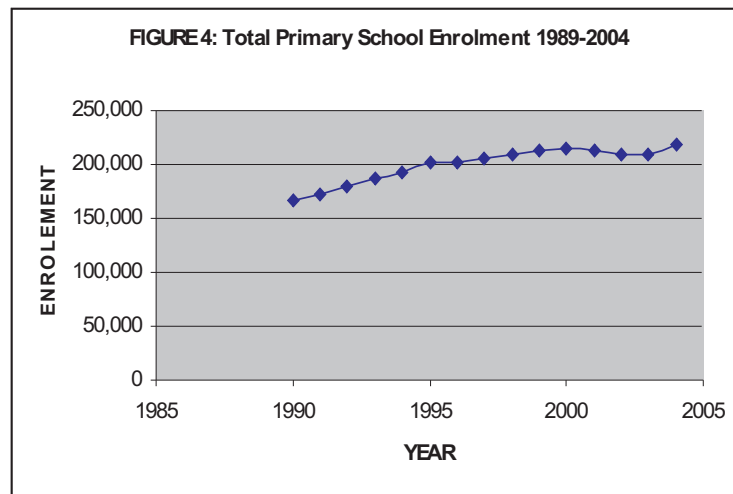
- a) Survive and develop to the full one's capacities;
- b) Participate fully in development;
- c) Improve the quality of life;
- d) Make informed decisions; and
- e) Continue learning and development.

It is thus imperative that in order to address poverty every citizen be afforded basic education, and that programmes be in place at all levels for all people to at least get a basic education. The best education system is one that can be of benefit to the country and to all people irrespective of their social background. It is one that meets the needs of and is capable of helping the people solve emerging problems and various challenges.

Unfortunately, about 23% of children in Swaziland never go to school and a further 17% drop-out of school before they finish primary school. These children are deprived of a basic right to read and write and their chances of breaking the poverty cycle are very slim. Moreover, the challenges brought about by the HIV/AIDS situation and poverty has seen an increase in the illiteracy and dropout rates as well as the increased enrolment of the school-aged population in the non-formal education sector. There has been a tremendous increase in the number of children attending Sebenta lessons. Although in the past this sector was largely for adults the emergence of poverty, HIV/AIDS and other associated challenges have led to the increased number of children enrolling in non-formal education centres. Since the non-formal education sector is still being developed, the poor who access it are getting second-rate education, which further makes them more vulnerable to poverty. The incidence of school-aged population demands the need for a more comprehensive and inclusive basic, formal and non-formal education.

6.1.1 Providing Primary Education to Everyone

Swaziland's education policy has been to provide affordable, relevant and good quality basic education to everyone. In recent years, the Government has been pursuing a policy that will ensure the gradual introduction of universal primary education. As a start, the Government introduced "free books" to primary school children in grades 1 to 4 and will introduce the same programme in 2007 for grades 5 to 7. The Government further introduced school bursaries for the poorest children (the orphaned and vulnerable children). As a result, primary school enrolment has been growing rapidly. Efforts have been made towards making education more affordable through introduction of measures that reduce the burden of the cost of education to parents in the form of bursaries, building of more schools in some areas, provision of free text books to primary school children and re-organization of non-formal basic education. The re-orientation of non-formal education is meant to cater for those children who are above the primary school age, and enable them to get an education equivalent to that offered in formal primary schools.



In 2001 there were 547 primary schools in the country (mainly constructed by communities) with a total enrolment of 230,000 pupils. Of the total enrolment, 82% of the children are in rural areas. Figure 4 shows the steady increase of primary school enrolment. The enrolment has recently received a boost from the Education Fund (€36million), the Social Protection of Vulnerable Children Including Orphans Project, UNICEF, NERCHA and other agencies, which paid school fees mainly for orphans and children more likely to drop out due to lack of school fees. However, even with the increased enrolment, the number of children not in school has also increased significantly.

One major shortcoming of the initiatives taken by Government and other independent sponsors is that it is the children who are already in school, or who recently dropped out of school who benefit from them. Children of school going age who never had a chance to go to school have continued to be bypassed by the existing arrangements for assistance. Again this huge investment does not reach the poorest of the poor and in this regard, more effort has to be made to reach the poor and offer them the same opportunities given to other children.

Provision of education in Swaziland has always been a partnership between communities and the government. Even though the government subsidises about 75% of the direct costs, poor parents still find the school fees exorbitantly high and unaffordable. In rural areas expected parents finance and build schools for their communities, which for most poor families can prove to be a huge burden. A major contributing factor to the high cost of education is the fact that more than 60 % of government contribution goes into teacher salaries and administrative costs, and a huge proportion goes into tertiary education, which is fully subsidized by the Government. Basic education has therefore remained unaffordable to a large section of the population. This has been due to costs not directly related to education, like payment for uniforms, transport costs, auxiliary staff in the school, and other school-generated costs. Another major cost has been school feeding, which although important, especially with the emerging problem of orphans, other destitute children and child headed households, who live, in absolute poverty and hunger is borne entirely by parents.

In the rural parts of Swaziland, the quality of primary school resources and facilities are usually very poor. This is compounded by the reluctance of qualified teachers to work in a rural environment. As such, the achievement of pupils in rural schools is generally lower when compared to urban schools. This is one of the many reasons the PRSAP gives priority to rural development. Although this is not a result of any deliberate Government policy, evidence seems to point to the fact that the enrolment of girls is lower than that of boys. This has serious economic and social implications because the lack of education among women translates to lower employment prospects, yet many households are increasingly female-headed. Uneducated women are also not well informed about how to provide for their families and raise their children in terms of home based health care, good nutrition, and home education.

Another issue that is related to the quality of education is that primary and secondary school curricula have remained geared towards providing basic literacy and numeric ability with very little training for life-long skills. There is comparatively less emphasis on teaching children vocational or practical skills (such as practical, home related and agricultural skills) that would enable them to create employment and sustain themselves. However, the Government has piloted vocational training in 16 schools (4 per region) to give skills to children and plans to expand this programme to other schools.

6.1.2 Constraints in Providing Universal Primary Education

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

- a) The inability of parents/guardians to pay for the education of their children because of poverty and the high and continually rising cost of education;
- b) Age discriminative primary school entry requirements;
- c) High repetition and drop-out rates;
- d) Shortage of teachers' houses and other social infrastructure in rural areas. These include electricity, water, clinics, shopping and other social services;
- e) Inequitable distribution of qualified teachers, where rural school often end up with lowly or non-qualified teachers;
- f) Lack of proper management in schools;
- g) Other costs related to accessing education such as school uniforms, transport, building funds, school feeding etc;
- h) Lack of flexibility and inadequacy of school curriculum to address vocational and other employment needs; and
- i) Inflexible learning hours and lack of facilities and learning materials for children with disabilities and other special needs.

The cost of primary education is beyond the reach of poor parents and the consumer price index for education has been rising very steeply. These costs are often inflated by ambitious school projects propelled by well-off parents, unnecessarily expensive types of uniforms insisted on by different schools, and the organisational behaviour and practices of different schools. Although the cost of textbooks was recently reduced through the provision of free textbooks by the government in lower primary school, other education related costs have remained high because of the lack of a regulatory mechanism in the education sector, inefficiencies, corruption and poor management of schools. Transport, school uniforms and other school management costs also inflate the cost of educating children. The poor respond in a variety of ways under such circumstances. They may not send any child to school or withdraw their children before they complete school which contributed to the high dropout and repetition rates.

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

YEAR	BOYS	% to total Enrolment	GIRLS	% to total Enrolment	Total Repeaters	%of total Repeaters to total Enrolment
2000	20,076	18.20	14,337	13.80	34,413	16.10
2001	20,481	19.00	14,798	14.00	35,279	17.00
2002	19,052	17.00	13,303	13.00	32,355	15.00
2003	19,752	18.00	13,901	14.00	33,653	16.00
2004	20,938	18.00	14,343	14.00	35,281	16.00

Factors such as inadequate facilities and shortage of qualified teachers in rural areas are related and have the same negative effect on the performance of children in school. They work together to lower the standards and result in repetitions and drop-out of those pupils who cannot afford to repeat classes. School curricula that do not prepare the children to face the realities of post-primary school also contribute to the problem of those who do not proceed to secondary schools and/ or university.

Another key problem is that presently, there is no coherent policy regarding the admission requirements of primary schools. Children who have attended pre-school are given preference, which discriminates against the children of the poor that are not able to afford pre-school education. There is also reluctance by head teachers to admit children that are above the average age limit of 7 years. Yet by denying the so-called “over-aged” children an opportunity to basic education, their vulnerability to poverty is entrenched.

The situation is worse for children with disabilities and other special needs as they have limited facilities for their education. Poor children who are blind, deaf, dumb, slow learners or mentally incapacitated, are further marginalized because there are no or inadequate facilities and materials for their education at all levels. This means that unless certain measures are taken to cater for the disabilities of these children, they are never going to “exit” the cycle of poverty.

6.1.3 PRSAP Goals for Providing Primary Education

In line with the Millennium development goal of achieving universal primary education, the goal of the government in this PRSAP is to provide relevant, high quality and affordable primary education for all Swazi children by the year 2015.

Get those children who have never attended school (23%) to learn to read and write and reduce the proportion of these children by half in 2008 and completely by 2010.

6.1.4 Strategies in Providing Primary Education

The following strategies are designed to address the above problems at different stages and to achieve these goals over the next ten years:

- i. Gradually reduce the cost of education and introduce universal basic education (UBE) in all public schools;
- ii. Establish an effective regulatory mechanism for the administration of schools and pricing;
- iii. Ensure that all children of school going age including children with disabilities are catered for under UBE;
- iv. Develop and coordinate early Childhood development programmes;
- v. Formulate and implement new primary school entry requirements;
- vi. Introduce school gardens and feeding schemes so that all children especially the OVCs have at least two balanced meals a day in school;
- vii. Enhance collaboration between all programmes designed to address the education and nutritional needs of children;
- viii. Gradually introduce universal secondary education and ensure that it forms part of “basic education”;

- ix. Shift from high subsidies for tertiary education and use savings to pay school fees for universal primary education and subsequently secondary education;
- x. Revise school curriculum to strengthen the practical or vocational subjects in schools;
- xi. Encourage transport operators to review pricing structure to favour school going children; and
- xii. Increase the intake in teacher training colleges and ensure that teachers are equipped with teaching, life, parenting and counselling skills.

6.1.5 Reducing Illiteracy

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

The increase in primary and adult education has brought the expected impact of reducing illiteracy in Swaziland. Total literacy rose from 70% in 1986 to 81.3% in 1997. According to the 1997 census, rural areas had a literacy rate of 78.3% compared to 90% in urban areas. By 1997, the literacy was 82.6% among men compared to 80.2% among women.

Despite the successes in providing adult education, the Department of Adult Education and Training is still faced with a number of challenges. The main challenges include the need to further diversify the curriculum to include trades in agriculture such as growing of vegetables and crops; encouraging local tourism and small businesses and other skills; increasing the participation of the private sector in non-formal education; strengthening the Education Rural Development Centres so that they become focal points for all adult education programmes; developing a co-coordinated strategy for all activities of adult education providers; developing and implementing a policy that will ensure that all structures enable children and other people with disabilities to access education; and reviewing the working conditions for adult education providers with the objective of encouraging and attracting the participation of other people in this worthwhile agenda. The ultimate challenge however is to completely eliminate illiteracy from all categories of people.

This objective of achieving full literacy will be achieved through universal primary education supplemented by intensified adult education over a long-term perspective. Primary education reduces illiteracy among the youth but the older generation needs specially designed adult education programmes.

The government has a duty to ensure that adult and non-formal education remains an explicit and integrated element in the life-long learning policies and practices of the government. An integrated non-formal education programme will assist the adult population and the youth alike, to constantly develop their talents and skills in order to enter or remain in the job market for the benefit of their households.

6.1.6 PRSAP Goal for Reducing Literacy

The goal of the government is to reduce illiteracy by 50% by the year 2015 and ultimately eliminate it completely by 2022.

6.1.7 Strategies for reducing illiteracy through non-formal education centres

- i. Review and expand the curriculum for Sebenta and other non-formal education centres to accommodate children who for various reasons have dropped out of school and cannot attend mainstream school system;
- ii. Attract, retain qualified personnel and build the capacity of the trainers in non-formal education centres;
- iii. Facilitate the integration of people with disabilities in the non-formal education programme; and
- iv. Facilitate the recognition, quality assurance and accreditation of non-formal education qualifications to reputable formal institutes.

6.1.8 Vocational Education and Technical Training

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

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

It has been observed, however, that there is lack of co-ordination in terms of the skills offered by all these institutions. Also, policies guiding vocational education and training are not clear or well coordinated. Tuition fees are remarkably high and thus discriminatory against the poor. There is also

no proper co-ordination of the government scholarship scheme. Some students undertaking vocational studies are sponsored by government and while others are not. Most importantly, a lot remains to be done to change people's mindset and their attitudes towards pursuing skills-based career paths as opposed to white-collar jobs.

New initiatives have also been made in recent years at the school level. The Ministry of Education, through a loan from the African Development Fund, introduced a pre-vocational education programme in sixteen schools, which are evenly distributed among the four regions of the country. This was an effort to reinforce and diversify practical or vocational subjects offered in the schools and to give the pupils entrepreneurial skills. In order to make the desired impact, these programmes will have to be expanded particularly to rural schools.

Problems and challenges identified in these institutions include the issue of accreditation and the requirement for a pass in English language, which still remains an impediment towards entry into such institutions. Some trades offered by these institutions are still not accredited hence the qualifications and standards of the institutions are not recognized. The structures and facilities in most of these institutions are not appropriate to enable the physically challenged to get skills and training. There is also no mechanism to track or follow up the development of graduates in order to determine their rate of absorption into the market. The concept of entrepreneurship needs to be introduced to the students at the earliest stage of their training so that they can easily adapt in the competitive world.

6.1.9 PRSAP Goal in Providing Vocational Education and Technical Training

The goal of this PRSAP is to ensure the development of skills through vocational education and training and improve opportunities for active economic involvement and self-employment.

6.1.10 Strategies for Vocational and Technical Training

To achieve this goal, the government will take a series of measures to:

- i. Introduce vocational skills at primary and secondary school level;
- ii. Improve the co-ordination and rationalization of the programmes offered by existing vocational training institutions in order to improve their efficiency and effectiveness;
- iii. Ensure the accreditation of vocational institutions with reputable professional institutes
- iv. Review the entry requirements and structure of fees charged by government vocational training institutions with a view to improving access; and
- v. Review the courses offered in vocational institutions and establish pro-active links with industries; and
- vi. Review and strengthen the strategy for the collection of scholarship repayments.

6.2 Basic Health

A vibrant health system is important for overall economic and social development. The poor depend on their health status for economic survival because their able bodies and labour ensure their livelihood and job security. Because they mainly depend on seasonal employment the principle of “no work no-pay” automatically applies to them if for any reason they are unable to come to work. The prevention of disease and the reduction of morbidity is the best hope for the poor to sustain employment and resist deeper poverty. Public investment in basic health therefore paramount in the fight against poverty and directly contributes to the long-term goal of poverty reduction.

Poverty is both a consequence and a cause of ill-health. Malnutrition, ill-health and high fertility, are often reasons why households end-up in poverty or if already poor sink further into it. The illness and the consequent death of a household breadwinner often results in the loss of income and undermines a poor household’s ability to cope financially. Out of pocket payments for health services can make a difference between a poor household and one that is not and can also determine whether or not the poor seek or are able to access health care services. Expensive curative medical care is often beyond the reach of the poor and the price index for health has been rising for the low-income group.

6.2.1 Primary Health Care

The Ministry of Health and Social Welfare adopted the Primary Health Care Strategy in 1983 as a mode for the delivery of basic healthcare, particularly in rural areas. The basic health services include amongst others environmental health, ante- and post-natal care, immunisation, family planning, and treatment of minor ailments (e.g. diarrhoea diseases, respiratory infections, etc) and the treatment of sexually transmitted diseases. The Primary Health Care Strategy aims at providing services that will be accessible and affordable to all. In an attempt to accomplish this, the Ministry had, by 2004, established 187 outreach sites and 162 clinics, distributed countrywide. Clinics and outreach sites constitute the first level of health care.

Prior to 1983 basic health services, had a major impact on the health and welfare of the people of Swaziland. However, since then, until the 1990s, the country made significant advances in the area of health. Life expectancy rose from 46 years in 1976 to 56 years in 1986 and 60 years in 1997. Crude death rate per 1,000 dropped from 18.5 in 1976 to 13 in 1986 and to 7.6 in 1997. Under-Five Mortality dropped from 221 per 1,000 live births in 1976 to 139 in 1986 and 88 in 1997. However, HIV/AIDS has emerged as a major threat and is eroding these past gains. Its prevalence rose from 3.9% in 1992 to 38.6% in 2002 and 42.6 in 2005. As a result, life expectancy had been reduced from 58 years in 1997 to about 40 years in 2003, maternal mortality rate was 156/100000 live births in 2002 and infant mortality 74/1000 in 1993. This together with the decline in economic growth is reversing all the above achievements.

Unfortunately, the budget allocation to the Ministry of Health and Social Welfare has not kept pace with the demands on the health sector but instead has declined. In the financial year 2005/06, the health budget accounted for 10% of the total budget. This rendered the Ministry of Health incapable of dealing with the increased burden of disease in the whole country. Moreover, even though the health policy advocates for preventive care and most of the disease burden is preventable, the health budget is biased towards curative care. According to the World Bank study, curative medicine accounted for close to 80% of the budget leaving 20% towards preventative care. It is therefore crucial for government to re-affirm her commitment to the Millennium Development Goals by increasing investment in health services.

In 1997, a new health fee structure was introduced and in 1999, its impact was analyzed. The study indicated that the introduction of the new fees structure reduced the attendance to outreach health sites. The imposition of these fees manifested in reduced immunization coverage from 91% in 1995 to about 82% in 1997. To further aggravate the situation, inaccessibility and the non-operation of some of these sites made it very difficult for the people to get adequate health care. The problem of access to health care is a result of a number of factors including the cost of transport to health centres, quality of health care, unreliability of the service and poor/inadequate infrastructure and facilities such as rural roads and ill-equipped health facilities. Moreover, the inaccessibility of healthcare services in certain areas has influenced a certain pattern of health seeking behaviour, leading to many people seeking the services of traditional healers before approaching the modern health system. As a result of this, the health status of the rural population has deteriorated over the years.

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

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

According to a Family Health Study conducted in 1994, at least 70% of the rural population lives within 8km of a health facility. Over the years, new facilities have been constructed and the coverage was presumed to be 85% by 2004. The 1997 Population Census also revealed that, on average, 35.5% of households in Swaziland travel less than 30 minutes to the nearest health facility. However, access differs among regions and communities. The Health Sector Study (1998) revealed a strong urban bias in the distribution of health facilities and services which means that the rural poor are the least served. Although only 30% of the population is in urban areas, 90% of inpatient beds are in urban areas and likewise the concentration of medical personnel and higher quality facilities. There remains some 'pocket areas' without health facilities e.g. communities close to the border between South Africa and Swaziland in the Lubombo region. In Shiselweni, only 3.5% of households travel less than 30 minutes to the nearest health facility. In Lubombo, the figure is 7.6%. The population in these areas does not have comparable access to basic health services and as a result they are vulnerable to ill-health, which exacerbates poverty levels by increasing the morbidity, burden of care and reduces incomes of these already poor households.

6.2.2 Challenges in Providing Basic Health

Swaziland's impressive achievements in the recent past are masked by major challenges facing the provision of basic health, particularly the high incidence and the rapid spread of HIV/AIDS and STIs; the increased burden of disease on health sector resources; the falling quality of health services resulting from the disease burden; the vulnerability of children resulting from the above challenges; the declining proportion of the health sector budget; and loss of health personnel. Health facilities and health care personnel are stretched beyond their capacities due to the increased number of patients seeking medical care. Despite the efforts made by Government in the health sector, the burden of disease has increased such that morbidity and mortality rates in the country have reached unacceptably high levels. For example hospital admissions for HIV/AIDS patients increased from 1 person in 1994 to 873 persons in 2000; for tuberculosis, patients increased from 566 persons in 1986 to 3,854 persons in 2000; for malaria, went up from 852 patients in 1986 to 3,692 persons in 2000. Cases of outpatients diagnosed with malaria increased from 6,258 in 1992 to 45,712 in 2000.

The diseases that have been found to be most common and contributing to the high mortality and morbidity rates include amongst others tuberculosis, malaria, skin diseases, and acute respiratory infection. There has been a steady increase of TB cases from 2000 cases in 1995 to 8000 cases in 2005 and the trend is still growing. The 2002 sentinel survey indicated that 78% of TB patients were HIV positive and within the age group 15-40. Hospital admissions due to TB accounted for 25% and deaths related to TB were also increasing at a very high rate at 20%. Malnutrition, poor housing and overcrowding, defaulting treatment, food insecurity, lack of access to information and the increased rate of HIV/AIDS infection have increased the vulnerability to TB infection amongst the poor.

In order to address this problem, the Government provides TB services free of charge and is conducting community awareness campaigns through a number of communication modes in order to improve understanding of the relationship between TB and HIV and to sensitize people about the importance of testing for and treating TB. The Government has also adopted the Directly Observed Treatment Short-course (DOTS) strategy in all the 15 centres that diagnose and treat TB as well as through rural health motivators and the home based care programme. Also, as a means of decentralizing TB services, the Ministry has placed a TB coordinator in each of the four administrative regions of the country. The TB centre is also encouraging the participation/partnership with the private sector in the fight against TB.

Malaria is yet another growing problem and the burden of malaria is greatest in Lowveld and Lubombo plateau, which is one of the most poverty stricken regions in the country. It is estimated that 30% of the population live in malaria infested areas. A malaria parasite prevalence surveys carried out in 2002, indicated rates of less than 5% (3.4% among pregnant women and 0.08% in children under 5 years). Swaziland has performed very well in dealing with malaria and has over-shoot the target of reducing the incidence of malaria by half by 2010. This was achieved through vector control, community mobilization, case management, operational research and the surveillance programme.

Another concern for the reduction of poverty, dependence and vulnerability is maternal health and maternal mortality. In 1995 the maternal mortality rate was 229/100000 which had however reduced to an impressive 156/100000 by 2002. Again in this regard, the country had outdone the target of 180/100000 set for 2005. However, this is no reason to be extremely excited given the prevalence of HIV/AIDS among pregnant women and the quality of the health service and the fact that at least 26% of pregnant women deliver at home assisted by unqualified or unskilled persons. The major causes of maternal deaths are puerperal sepsis (post delivery infections) accounting for 25.6 % of deaths, haemorrhage (7%), hypertension (4.6%), unsafe abortions (9.3%) and other causes including lack of facilities, midwives and clinical skills in handling obstetrics and abortion emergencies. One of the most important interventions in primary health care is giving greater attention to reproductive health especially to limit fertility. The number of children in a family is closely associated with poverty. SHIES 2001 showed that homes with 4 or more children have a poverty prevalence of 81% compared to those with one child who have a poverty prevalence of 51%. Fertility rate for Swaziland had, however, declined from 6.4 in 1986 to 4.5 in 1997 in response to better knowledge on family planning. However, the key focus of this chapter is on the quality of the population rather than on controlling quantity, hence the emphasis on enhancing the provision of social services.

6.2.3 The Declining Quality of Health Services

The declining quality of health services is an outcome of many factors affecting the demand and supply of health care. The quality of health services has been compromised by the increasing burden of disease in the face of limited financial and human resource capacity, limited medical supplies, shortage of equipment and inadequate infrastructure. Health services are under-funded and public expenditure has not been pro-poor. Recurrent expenditure on health sector has been less than 9% of total recurrent expenditure since 1992/93. Of total pro-poor capital projects, the proportion of health projects accounted for only 7% in 2000/01 and 10% in 2005/06. Per capita recurrent expenditure on health in 2000 was only about €185. Expenditure on basic health therefore needs to be increased in order to restore the quality of health service delivery.

6.2.4 Ensuring child survival

Over the years, several efforts have been made to alleviate child-related illnesses. The country has conducted immunisation campaigns in order to reduce the prevalence of diseases common amongst children such as polio and measles. Reported cases of measles had dropped from 7,148 in 1993 to 607 in 1997. No case of polio has been reported since 1993 and no cases of diphtheria and tetanus have been reported in the country since 1995. Among other indicators, the proportion of under weight children at first clinic visit has also continued to decrease from 5.9% in 1994 to 3.06% in 1997.

Infant mortality has steadily declined over the years. While it was 98 per 1000 live births in 1986, it decreased to 74/1000 in 1993. However, in 2005 there was a marked increase in infant mortality to 108/1000. Child mortality i.e. under-5 mortality also decreased from 218 per 1000 in 1976 to 89 per 1000 in 1991. However, with the emergence of HIV/AIDS, this trend has taken an upward trend with child mortality estimated at 149 per thousand in 2002 which ranks Swaziland 27th out of a global list of 193 countries. 54% of infant mortality occurs within 4 weeks of birth and 1 in 5 deaths within the first week. This implies that the cause of mortality is associated with the health status and quality of care given to the mother during pregnancy and delivery. As more children become infected at birth the mortality attributed to HIV/AIDS amongst the under 5 is estimated to be above 40%. The situation is further aggravated by the fact that there are a substantial number of women who prefer to give birth at home where there are totally no means of preventing mother to child transmission of HIV and in rural areas where PMTCT programmes may not readily available.

It has been observed with concern that since 1997 there has been a significant decline in the immunisation coverage from 82% in 1997 to 72% in 2001 according to the EPI Household Survey which also confirmed the following findings: irregularity in servicing outreach sites; poor integration of services; negative effect of the introduction of a new fee structure, which has resulted in the poor utilisation of the immunisation services; shortage of staff at national level to provide support to the

regional and peripheral levels; ageing of refrigerators in health facilities, which results in frequent breakdowns and consequently stock-outs; and the high number of poorly serviced areas in the Lubombo and Shiselweni regions.

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

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

6.2.5 Goals in providing basic health

The goals of the PRSAP in this sector are:

To provide quality, efficient, effective, affordable and accessible basic health services to the whole population by 2015

To combat malaria, TB and other diseases by 2010

Reduce under 5 mortality by half by 2015

Reduce maternal mortality by half and improve maternal health by 2015

6.2.6 Strategies for basic health

The following priority strategies will be adopted over the next ten years;

a) Strategies for basic health care:

- i. Improve affordability and accessibility of health services to the poor and regulate the price of health care;
- ii. Ensure availability of health care personnel and services to the poor;
- iii. Improve the quality of health care services provided to the poor;
- iv. Improve service delivery to the poor by increasing the number of outreach centres, rural health motivators and training them to improve their skills and knowledge;
- v. Improve physical infrastructure (hospitals, clinics, beds) to cope with the rising number of admissions and outpatients

- vi. Improve availability and quality of health information with respect to utilisation and provision of the service to the poor;
- vii. Reinforce primary health care by redirecting public expenditure in health from curative towards preventive health care;
- viii. Remove the urban bias in the provision of health services;
- ix. Improve access to safe water and proper sanitation;
- x. Improve and strengthen preventive programmes including fortification of foods with vitamins and minerals;
- xi. Enhance reproductive health research and educational programmes particularly to reduce adolescent and youth pregnancies;
- xii. Encourage male involvement in the management and planning of reproductive issues;
- xiii. Improve the management of public sector resources in the health sector; and
- xiv. Improve the coordination of health service providers.

b) Strategies for reducing infant mortality:

- i. Scale up the Integrated Management of Child Illnesses Programme.
- ii. Improve the transport for child support programmes and for rural areas (ambulance services);
- iii. Improve and strengthen child health and survival programmes in order to reduce infant mortality;
- iv. Strengthen high impact interventions and disseminate information on the value of deworming, ORS , insecticide net distribution etc;
- v. Support the Expanded Programme on Immunization (EPI) and encourage the deworming of children as well as adults;
- vi. Reduce mother to child transmission of HIV/AIDS;
- vii. Improve and encourage early childhood development initiatives on the physical, mental and improve access to health care.

c) Strategies for addressing maternal mortality:

- i. Improve access to and the quality of Ante Natal Care (ANC);
- ii. Ensure the proper nutrition of mothers in order to reduce maternal and infant mortality and support the Neighbourhood Care Points concept;
- iii. Equip health centres with adequate facilities and materials to provide adequate maternal care and delivery.
- iv. Improve appropriate delivery and newborn care at community level.

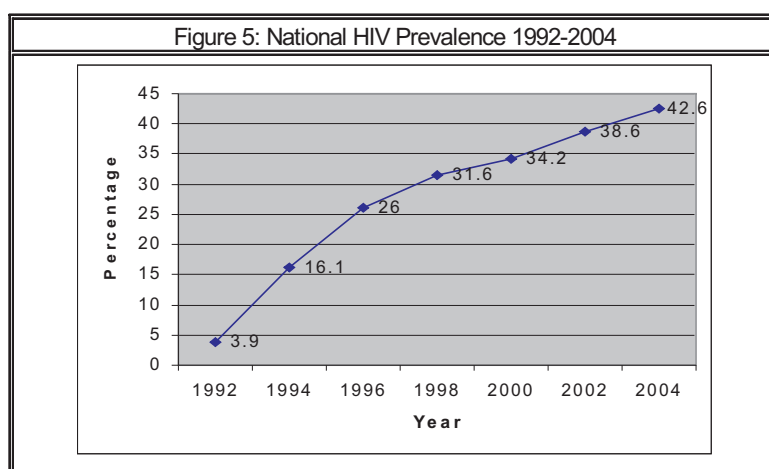
d) Strategies for TB and Malaria control:

- i. Increase the number of centers that diagnose and treat TB;
- ii. Strengthen and support the malaria and TB control programmes;
- iii. Disseminate information on most prevalent diseases and increase awareness and treatment of TB and Malaria;

6.3 HIV/AIDS

6.3.1 The Spread of HIV/AIDS

Since the discovery of Swaziland's first AIDS case in 1986 there has been a steady increase in the number of cases both at national and regional level. The prevalence rate among pregnant women which is taken to be a good proxy for the national prevalence rate, escalated from 3.9% in 1992 to an alarming 38.6% in 2002 and 42.6 in 2005 which ranks as the highest in the world.



The HIV/AIDS pandemic has inevitably rolled back many of the social development achievements attained by Swaziland in the past. The pandemic has had disastrous effects economically and socially and poses a major threat to the socio-economic development of the country. The effects of HIV/AIDS are felt in both the private and public sectors, and are distorting opportunities for higher growth, agriculture, education, health and other services. The suffering brought about by HIV/AIDS affects the entire nation, but its most susceptible victims are children, women, and the elderly. On the supply side, government services are heavily compromised, with the budget falling short of meeting the demands for providing adequate health care, drugs as well as enough personnel.

The prevalence of HIV/AIDS is equally spread through out the country and follows a similar upward trend. There is only a marginal difference in the prevalence of the pandemic in rural areas (35.9%) and urban areas (40.6%). This could be due to the easy access and high population mobility and urban areas (40.6%). This could be due to the easy access and high mobility between regions, across the country and the close linkages between rural and urban areas.

It could also be due to social and cultural factors that contribute to the spread making the population especially women and girls vulnerable to infection. Furthermore, the prevalence rates for the four regions of Swaziland show no significant differences. Although on the one hand, Shiselweni recorded the highest escalation rate and is also the poorest region with the highest level of absentee heads that work outside the country, Manzini on the other hand, has the highest level of infection at 41.2%.

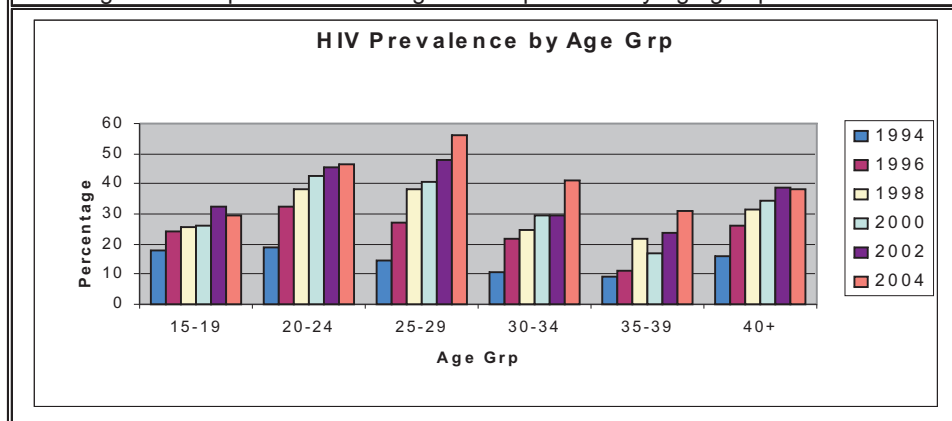
Table 4: HIV Prevalence by Administrative Region 1992-2004

Year	National	Hhohho	Manzini	Shiselweni	Lubombo
1992	3.90				
1994	16.10	15.50	15.60	19.80	16.80
1996	26.00	26.30	27.70	23.90	26.50
1998	31.60	30.30	34.80	29.60	31.50
2000	34.20	32.30	41.00	27.00	34.50
2002	38.60	36.60	41.20	37.90	38.50
2004	42.60	40.30	45.10	42.50	41.30

Source: HIV Serosurveillance, 2004

In addition, there is no significant difference with regards to the marital status of people. Both the married and unmarried are equally affected, which signifies behavioural problems. The most worrying aspect is that HIV infection is highest among teenagers estimated at about 35% while among the pregnant youth attending clinics it was found to be an even higher 47.7%. The age groups of 15 – 29, which are the most productive, are the most affected. This brings to question the future of Swaziland since the youth is expected to contribute towards the country's future and development and to take care of the very young and elderly. Evidence further seems to point to the fact that the HIV infection rate is higher among females (52.8%) compared to 45.6% for men.

Figure 6: HIV prevalence among ANC respondents by Age group 1994-2004



6.3.2 Socio-Economic Impact

In 1999, the Government declared HIV/AIDS national disaster and more resources have increasingly been injected into the organisations and programmes responsible for its elimination. However, even with this high level of investment, no significant improvement in the level of infection has been observed. The pandemic is already having a big impact on service delivery, economic growth, productivity and the social fabric of the country. It is anticipated to have even a greater impact on the future social and economic prospects of the country. There is evidence that the country is far from containing the spread of the pandemic and thus far it continues unabated. HIV/AIDS, coupled with the present state of fiscal uncertainty, threatens to undo the past gains of socio-economic development particularly in the areas of health, education and social welfare. Due to the pandemic, illnesses and deaths are on the increase. Present statistics indicate a conspicuously high level of deaths between the ages of 26-40 followed by the 16-25 age group.

The impact of HIV/AIDS is felt in all sectors. The health sector is near collapse and cannot cope with the demands for care and treatment. Hospital beds and drugs for those needing treatment are not enough. Consequently, the ministry has been trying to intensify the programme on "home based care" so that families can take care of their own using their limited skills and resources. Families make great sacrifices to provide treatment, relief and comfort for sick relatives. There is also increased infant mortality and morbidity. The poor have limited access to health care facilities because they cannot afford to pay for quality care. The general free health services are inadequately resourced as a result of the national budgetary constraints. This poor access to health care means that the people are generally in poor health enhancing the risk of HIV infection and progression to AIDS. Also, mainly due to illiteracy the poor have very limited access to information (on HIV/AIDS issues) that is critical for them to make informed decisions and choices about their behaviour and sexuality.

Also, as a consequence of AIDS, the agricultural sector is losing the battle against food security and self-sufficiency, whilst the private sector is losing skilled and experienced labour force, severely impacting productivity. The education sector is losing teachers increasing the pupil/ teacher ratio, thus compromising the quality of education. Some students are also forced out of school because of worsening economic conditions at home contributing to an increased drop-out rate. At family level, breadwinners are losing their lives and in some cases both parents die leaving orphans to fend for themselves. It is estimated that as a result of deaths mostly associated with HIV/AIDS, 10% of households in the country are headed by children.

About 52% of the population of Swaziland consists of children below the age of 18 years, a group that is sexually active and most likely to have multiple sexual partners. According to the National Behavioural Study, whilst some school children are sexually active, the vast majority of sexually active children (more than 70%) are those out of school. Furthermore, because of the associated rewards (financial or materialistic) most of these are in exploitative relationships where the partners are much older and high risk partners. Behavioural change is the key factor against the spread and without such change the potential for fast spread is quite high.

Apart from the risk of infection, children and the elderly are the most vulnerable to the effects of the pandemic. It is estimated that about 15% of children below 15 years are orphaned and the number is expected to rise to 24% in the medium term. The estimated number of orphans in 2005 was 85,000 and is projected to increase to 120,000 by 2010. These orphans very often have nothing or very little to eat, do not go to school, are not in good health, are malnourished and in some cases homeless because unscrupulous relatives seize their rightful property. Even though Government, faith based organisations and NGOs are making interventions for support and care in this regard, the burden on the nation and Government is still quite heavy.

The HIV prevalence is strongly linked to poor nutrition. About 48% of the population lives below the lower poverty line of 47.70 per capita per month and cannot afford enough food to eat and lives on food aid. It must be noted that poor nutrition renders the body less resistant to infections, STIs, TB and other opportunistic diseases. 53% of HIV positive people tested positive for syphilis in 2002. There are also high levels of STI among female factory workers, sex workers, seasonal workers, transport workers and security personnel. Of serious concern, is the fact that in spite of the high level of knowledge about condom use, less than 20% of the population use them and women reported even less usage.

Another factor that has contributed to the high level of infection is the migration of family breadwinners in search for employment resulting in the breakdown of family relations and increasing the likelihood of multiple sexual partners and casual partners. Cultural practices and the social status of women have also contributed to the spread of HIV/AIDS. Polygamy, a practice that allows men to have multiple partners encourages the lack of trust and unfaithfulness amongst married couples. Also, women are at a disadvantage in such relationships as they are expected to accept men's behaviour and cannot force their partners to use condoms if they do not wish to do so. Their vulnerability to infections under such relationships is increased by their economic, social and cultural status. Most of them are dependent on men economically, lack access to opportunities and resources and suffer high poverty levels compared to men. Culturally, women are expected to be submissive and accept the wayward behaviour of men. Traditions like arranged marriages (kwendzisa) and inheriting brother's widow (kungenwa) are still widely practised in some parts of the country without taking the requisite precautions and this contributes towards the spread of HIV/AIDS.

It would be irresponsible for the PRSAP to ignore the contribution of the transport and construction sectors to the spread of the HIV/AIDS pandemic. The transport sector acts as a conduit for a lot of sectors in the economy in the transportation of goods services and people. As such, it facilitates the transfer and spread of new infections as people move from one point to the other. Of critical importance is to study and understand the reasons and consequences of these movements and the pattern of new infections in order to determine the extent to which the transport sector has contributed to the problem.

The movement of truck drivers and bus operators for instance, has contributed to a lot of illicit sexual activity and although not quantified its contribution to the pandemic is bound to be a major factor in increasing the spread of HIV/AIDS particularly among the adolescent and sexually active unemployed population. Another problem that needs to be addressed is the establishment of road construction camps (emathende) within communities. Because the men in the camps are not encouraged to bring their wives or regularly visit their homes, they end up having adulterous and multiple partners. This contributes to the spread on two fronts, first it is the men in the camps that are at risk of infecting or being infected while engaging in sex with multiple and strange partners or it could be the women whose husbands have migrated that end up having illicit affairs and risking HIV/AIDS infections. It is therefore important that special attention be given to the transport and construction sectors in addressing the pandemic.

At the national level, productivity and the growth prospects are uncertain due to increased morbidity amongst the very active and productive population. Furthermore, the ability to provide social services diminishes because of increased demand for such services resulting from HIV/AIDS. At community and individual level, HIV/AIDS deflects household incomes to caring for the sick and reduces time spent on productive activities thereby aggravating poverty. HIV/AIDS erodes gains made on reducing poverty at a faster rate than any attempt to improve the poverty situation.

6.3.3 HIV/AIDS and Poverty

There is a clear link between HIV/AIDS and poverty. Poverty is one of the major underlying factors driving the epidemic. People living in a state of serious and worsening poverty are more vulnerable to HIV infection due to a number of factors including the following:

- a) Women are most likely to engage in casual sex as a survival strategy;
- b) Young girls join the sex trade to make-ends-meet;
- c) The behaviour of men who in most cases control economic resources in poor families has not changed; and
- d) Orphans and vulnerable children are abused and sexually exploited by those taking care of them.

The dependency ratio has increased due to the epidemic and poor families are inherently dominated by children and the elderly. Orphan headed families are becoming more prevalent in Swaziland. The ability of extended families to absorb such stress has been reduced by urbanisation and labour migration. As the number of orphans increase, the traditional coping mechanisms are weakened.

There is an urgent need to turn the tide against HIV/AIDS, requiring extraordinary response in the areas of curbing new infections, care and mitigation. Of priority is the change of behaviour in order to reduce new infections and the provision of drugs for opportunistic infections as well as ARVs for those already infected. The task of managing the pandemic is a difficult one. In spite of the various interventions to address this, behaviour has not changed dramatically among the sexually active population. Services and programmes for addressing the pandemic are concentrated in urban communities and the rural poor are not well serviced.

Although the Government has embarked on a comprehensive programme of voluntary testing and counselling as well as the free supply of ARVs, given the current economic situation of the country, the sustainability of this programme is in doubt. Without Government support, it is highly unlikely that most poor Swazis will be able to afford and sustain the supply of any future effective AIDS drug. The only sustainable and effective strategy to combat HIV/AIDS is to focus on prevention through behavioural change. However, there is evidence that the response against HIV/AIDS will be more effective where prevention efforts are combined with care and impact mitigation services. To address the HIV/AIDS problem, Government has designed a health sector response plan and the HIV/AIDS strategy plan, which aim at contributing to the reduction of the incidence of HIV and mitigation of the impact of AIDS on individuals, families and communities through the provision of health and social welfare services for the prevention of HIV transmission and care of infected and affected individuals. The plans take into account the principles of integration, decentralisation, community participation, partnership and regional collaboration. The effects of HIV/AIDS on the productive population require an improvement in human resource planning and training in all sectors of the economy. In addition, it calls for well-designed workplace programmes for mainstreaming HIV/AIDS as a factor of human resources management in all sectors.

6.3.4 Goal

The goal of the PRSAP is to completely stop any new infections, reverse the spread of HIV/AIDS and reduce the vulnerability of affected individuals and families by 2010.

6.3.5 Strategies for addressing HIV and AIDS

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

- i. Strengthening the campaign for behavioural change to reduce the spread of HIV infection;
- ii. Expand the home-based care programme for people with HIV/AIDS to reduce health care costs, especially for poor households;
- iii. Improve pro-poor coping methods for HIV/AIDS infected and affected households;

- iv. Reduce the infection rate and enhance prevention and control measures particularly in health and emergency services;
- v. Intensify the treatment of opportunistic infections like STIs;
- vi. Strengthen the monitoring, scale up and decentralization of programmes such as ARVs and PMTCT which are currently being piloted;
- vii. Strengthen paediatric HIV/AIDS care programmes;
- viii. Facilitate the integration of HIV/AIDS services in Reproductive Health, TB, Blood Safety, STIs and PMTCT programmes;
- ix. Improve the collection and analysis of HIV related data;
- x. Establish HIV/AIDS workplace programmes in all places of employment; and
- xi. Regularly conduct research on the impact of HIV/AIDS on poverty, health, education and other social and economic services in order to facilitate proper planning.

6.4 Ensuring Food Security and Proper Nutrition

Food security is a basic human right and it is achieved when all people at all times, have physical and economic access to sufficient amounts of safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life. However, close to 70% of the total population in Swaziland is still food insecure, as such, food security is a policy the Government has to pursue in order to address poverty. Food insecurity, education, poor nutrition, access to health care and population are closely related. A mix of these factors is reflective of the livelihoods of the poor section of the Swazi society.

According to the SHIES 2001, the most vulnerable group are those households in subsistence agriculture where the poverty incidence is about 77%. These are households with the largest number of dependants and most of these dependants are children and the elderly. Female and Child Headed Households are the most affected by food insecurity. The immediate cause of poor nutrition and food insecurity is the manifestation of diseases like scabies, acute malnutrition, low birth weight and maternal deaths. These problems are then exacerbated by poor feeding and care habits, inadequate education, lack of knowledge and HIV/AIDS.

According to the 2002 Agricultural Census, 56% of the households never have enough to eat and about 15% never produce enough maize (the staple food). The report further states that food insecurity at household level has worsened in comparison to what it was in 1992. The number of homesteads with enough food was 9% in 1992 but had dropped to 4% in 2002, whilst those that do not have enough to eat had grown from 39% in 1992 to 56% in 2002. This could be a result of the prolonged drought, shift away from agricultural production and the increasing incidence of HIV/AIDS.

The status of maize production is reflective of the food situation in rural Swaziland. After peaking in 1995/96, maize production at homestead level declined steadily and as such maize self-sufficiency has dropped.

The majority of subsistence farmers on SNL and ITF don't produce enough maize for their families. The number of families living on food aid confirms the increase in vulnerability and seriousness of food insecurity in the country. Swaziland is a net food importer of food, even maize and since independence, has failed to achieve the goal of self-sufficiency. Nearly 40% of food consumed is imported and crop harvests are down by 37%. Increased food production, affordable prices and possession of sufficient income to buy food are important in ensuring food security.

The basic causes of food insecurity in Swaziland are:

- a) Climatic conditions and prolonged drought in the country and region;
- b) Growing of maize as the only major crop and no diversification;
- c) Conflict in policy whereby farmers are encouraged to grow crops on unsuitable soils;
- d) Inadequate access to water resources and rights for crop irrigation;
- e) Inadequate earth dams for crop production and livestock feeding;
- f) Lack of environmental management, deforestation, desertification, overgrazing and land degradation due to exceeding the carrying capacity of communal grazing land;
- g) The impact of HIV/AIDS on the agricultural sector and production;
- h) Lack of productive assets for women and restrictive laws which hinder people from using land gainfully and to its full potential; and
- i) Low income due to joblessness.

Table 5: Status of Homesteads on Maize Production (%) 1992/93-2002/03						
Crop Year	Enough to sell	Always Enough	Mostly Enough	Sometimes Enough	Never Enough	Not Producing
1992/93		8	11	30	39	12
1993/94		7	11	27	44	10
1994/95		11	11	26	40	12
1996/97		9	14	23	41	11
2000/01		6	9	35	41	8
2001/02	4	4	11	25	44	13
2002/03	4	6	6	15	56	13

Securing adequate food from own production or the ability to afford to purchase adequate supplies of food is the primary condition that determines whether one is poor or not. Ensuring food security from either sources (own food or earned cash) is a key pillar for poverty reduction. In Swaziland, a mixture of both sources to access adequate food is necessary because not all farmers produce enough food, even maize which is considered the staple food (Table 5) and not all households with employed heads live above the poverty line. The situation is critical on SNL where dependence of agriculture on rain renders most farmers vulnerable to crop failure due to occasional drought.

Families that are food insecure do not have enough to eat and live in hunger because they cannot grow enough and do not have money to buy sufficient food to meet basic needs. When food is scarce, diets are altered and quantities are small. Food insecurity and hunger are widespread among households living below the poverty line. 69% of these households experience food insecurity nationwide and the highest number of affected households come from Lubombo (62%) where the number of employed persons is also low. For those who are employed, the employment is seasonal or casual because they lack the requisite skills and as a consequence they earn very low salaries or payments are either delayed, in kind or no payment at all.

Table 6: Maize Production on Homesteads 1992/93-2002/03		
Crop Year	Maize Production (Mt)	Maize Production (Kg/Capita)
1992/93	84,519	99.4
1993/94	76,195	86.7
1994/95	76,052	83.7
1995/96	135,627	144.6
1996/97	108,207	110.3
1997/98	125,205	124.2
1998/99	107,340	103.6
1999/00	112,779	105.9
2000/01	82,536	75.4
2001/02	67,640	60.1
2002/03	69,273	59.8

Many children born from these families suffer from serious malnutrition and stuntedness, and they are most likely to be deficient in major nutrients i.e. minerals and vitamins e.g. iron, calcium. Limited household income and food insecurity are associated with low intake of nutritious foods. The reduction in nutrient intake increases the risk to various chronic diseases in their lives. 40% of under-5s are stunted (a measure of chronic malnutrition), 2.2% wasted, 11% undernourished, 46% vitamin A deficient and 40% iron deficient. Among pregnant mothers, 80% are iron deficient and 21% adolescents are among the iron deficient.

Poor families cope by reducing the number of meals and/or by skipping meals. These households already have difficulties accessing maize and other food items as they can hardly afford the high prices. These developments are attributed to the worsening income distribution levels and incidence of poverty, HIV/AIDS and drought.

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

The dry Middleveld and Lowveld suffer more frequently from drought and failed crop. The prolonged drought has left many households vulnerable and with huge debts especially those growing cotton. During 2003, close to 2% of cattle population in Lubombo and Shiselweni died of starvation and estimates indicated 10-15% of normal production in the Lowveld. At national level, there is a gap between maize production and requirements estimated to be between 110,000 – 140,000 metric tonnes. Maize prices in 2002-2004 were 45% above the five-year average (1998-2002), eroding the poor households' purchasing power and reducing access to food. The poor spend most of their income on food and education. In 2002, some 207,000 were reported to be living in hunger whilst in 2003 the figure increased to 265,400. In 1995, 48% of Swazis were living below the food poverty line, i.e. they did not have adequate income to purchase enough food packages to supply a minimum intake of calories.

6.4.1 PRSAP Goal for Ensuring Food Security and Proper Nutrition

The government's goal is to half the number of people suffering from hunger by 2015 and to achieve food security and proper nutrition for all Swazis by the year 2022.

6.4.2 Strategies for Food Security

Swazis must at all time access sufficient, safe and nutritious food at affordable prices, to meet their daily dietary needs and food preferences. To ensure this, Government is in the process of preparing the comprehensive agricultural sector policy and the food security policy. These documents are complementary, and they will be followed by an action plan. They will focus on the measures to improve access to, and availability and utilization of nutritious food in a sustainable and consistent manner.

Strategies to increase food security and improve nutrition include the following:

- i. Modernise agriculture and reducing the dependence on rain-fed farming in order to increase and assure production;
- ii. Increase off-farm employment opportunities;
- iii. Implement the food security policy;
- iv. Improve efficiency and equity in land tenure in order to maximise land use and food production;

- v. Eliminate the restrictions on women accessing credit and inhibiting their ability to take farming decisions;
- vi. Improve early warning systems and disaster preparedness to prepare the population for crop failure, including the implementation of the Disaster Management Policy and Plan;
- vii. Improve access to water resources for gardening through water harvesting and securing water rights;
- viii. Improve research and extension services in order to enhance food production, crop diversification, fisheries and aquaculture, chicken, piggery and other small livestock production;
- ix. Encourage crop diversification and the cultivation of drought resistant crops where necessary;
- x. Increasing the ability of the poor to generate income (Chapter 5);
- xi. Increasing public awareness and distribute information on nutrition requirements, food safety, preparation, preservation and storage;
- xii. Encourage the protection and cultivation of indigenous crops and vegetables such as legumes, imbuya, ligusha etc;
- xiii. Reduce micronutrient deficiency especially iodine, iron and Vit A;
- xiv. Support needs-based research and training on food processing, preservation and storage technologies;
- xv. Encourage barter trade between regions and fully utilize and establish suitable regions such as the Highveld as food production zones.

6.5 Safe Water and Sanitation

The provision of safe water is critical for improving the quality of life for the majority of the Swazi people and the incidence of poverty is strongly related to access to safe water and sanitation. Safe drinking water helps to reduce the incidence of water borne diseases in households and communities and it reduces public and private expenditure on health care, which has escalated in recent years. It increases the productivity of the population of all ages and reduces time spent travelling to collect water, a task that is mainly performed by women and children of school going age.

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

6.5.1 Safe Water Supply

According to the 1997 Census, about 43% of households in Swaziland obtained their water from unsafe sources: rivers and canals (27.2%), unprotected springs (4.9%), and unprotected wells (10.4%). There has been significant improvement in the last ten years in the provision of safe water supply, although the progress is chiefly in urban areas. In 2004 water coverage was 87% in urban areas and 54% in rural areas. Of these water schemes, 17% are not functional and require major rehabilitation. This effectively means that almost two thirds (2/3) of the households in rural areas do not have access to safe water sources such as boreholes, protected springs, protected wells, tap and tank. They rely on earth dams and streams which dry out in winter, forcing households in these areas to share water sources with animals. Most of these households are in the driest ecological regions of the country i.e. Lubombo and the Lowveld.

Figure 7: Distribution of Water in Swaziland



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

The SWSC provides safe water to designate urban and peri-urban areas (see Figure 7). This water is accessed by 60% of the population while the remaining 40% are forced to use rivers and streams. These are mainly the population in the least developed

areas of the urban boundary where the majority of the poor urban population lives. SWSC erects standpipes for clean water, which must be paid for, and in most instances the people fail to maintain these facilities and end up vandalising the SWSC network. The price of portable water has risen considerably, resulting in the poor in urban areas not affording to purchase and access clean water which consequently leads to the outbreak of environmental diseases. In addition, the water sources used are quite unsafe because of very poor sanitation and waste disposal systems. More often than not, sewage pipes burst open and the waste flows into rivers, which ends up affecting people living downstream. Waste is not disposed properly, breeding flies and when it rains, all the dirt is washed down stream.

Government is pursuing a policy of providing free safe water to rural communities through the RWSB which is the largest supplier of safe domestic water in rural areas. It had by December 2003, installed a total of 308 water reticulation systems (macro systems) and a further 446 hand pumps (micro projects) which serve a total of 371,100 people. A lot of progress has been made by RWSB: its water supply systems increased from 339 in 1995 to 754 in 2003, representing an increase of 59 new water sources per year. However, not all these people are fully serviced, as there are problems of management, maintenance (regular break down of pumps), affordability and water quality. Consequently, more than 50% of the rural population rely on unsafe water drawn from rivers, streams, springs, and dams. Many of these sources routinely dry out during prolonged dry seasons and bring hardships to communities. The coverage of safe water supply in rural areas is estimated at just over 50%; however, its distribution is biased against Lubombo and Lowveld, which are the driest ecological zones.

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

Communities in the rural areas contribute in kind towards water schemes by digging trenches and assisting in the installation of the water systems. To run the system, user communities are in some cases required to open and operate bank accounts to pay for operational and maintenance costs of their water systems once completed. In spite of this subsidy, some communities have not been able to maintain these systems due to their poverty status and lack of proper co-ordination and management structures. The involvement of a lot of players in the provision of water and water infrastructure is a problem in itself in that it leads to uncoordinated planning and development of water services and related infrastructure. The usage of water is also not monitored or controlled which leads to a wastage of this resource in areas where it is readily available.

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

6.5.1 Proper Sanitation and Waste Disposal

Sanitation standards, like those of water supply, deteriorate as one moves from urban areas down to peri-urban and finally to the rural areas where the situation is pathetic. In rural areas, 45% has proper sanitation facilities. In urban areas, 63% of households use flush-toilets while the rest either use pit latrines or a smaller percentage the bush. The use of pit latrines and the bush is very common in peri-urban areas. Even though pit latrines are predominantly used in the country, they present a health hazard because they are not properly constructed nor regularly maintained.

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

Domestic waste is not collected and disposed properly in accordance with environmental laws. Refuse is indiscriminately scattered and in congested areas where the poor live, it is not collected and is left to rot after which rains wash it into the water table and rivers. Sanitary conditions are worst in rural and peri-urban areas where the use of pit latrines is the only viable option, although, most households do not even have them. A lot of those in existence are not ventilated which results in the breeding of flies and the associated health hazards.

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

The Ministry of Health and Social Welfare is undertaking a number of programmes in order to address sanitation and hygiene problems. One is the Participatory Hygiene and Sanitation Transformation (PHAST), a programme based on community participation that promotes hygiene and sanitation. Another is the community builder training which trains and provides some basic building material for some community members on the basic skills of constructing pit latrines. The third programme is that of teaching and encouraging proper sanitation in rural schools in the Lubombo and Shiselweni regions.

6.5.1 Goal in Safe Water and Sanitation

Swaziland's goal is to half the population without access to safe water by 2010 and to ensure that everyone has access to safe water, proper sanitation by 2010 and proper waste disposal by the year 2015.

Achieve a significant improvement in the lives of slum dwellers by 2015.

6.5.2 Strategies for Water and Sanitation

The following strategies will be adopted to achieve the above goals:

- i. Improve access to safe water for cooking and drinking;
- ii. Develop and enforce proper legislative and regulatory framework for ensuring proper sanitation and water supply;
- iii. Ensure proper planning and regulation of human settlements and associated infrastructure and services in peri-urban and rural areas;
- iv. Coordinate and harmonize the activities of planners and suppliers of water related infrastructure and services;
- v. Develop water usage control mechanisms and legislation to minimize the wastage of water;
- vi. Promote hygienic practices such as the washing of hands;
- vii. Research and encourage appropriate and less costly options for water supply and rain water harvesting;
- viii. Promote and ensure the availability of sanitary facilities in every household;
- ix. Reduce the contamination of water and encourage community based and household water purification methods (e.g. sand filter methods);
- x. Centralize the management and coordination of water tanker services utilizing all spare capacity; and
- xi. Build water supply maintenance capacity within communities.

CHAPTER 7: IMPROVING THE QUALITY OF LIFE

7.1 Social Protection

Every human being has a right to survival and fulfillment of their subsistence needs, which include food, shelter, water, and energy. However, the income-poor are also human-poor and therefore are deprived of their human right to basic needs and a respectable life. The constitution embraces the need for the state to make reasonable provision for the welfare and maintenance of the aged and to protect the family and recognize the significant role of family in society.

Extreme poverty affects the most disadvantaged and vulnerable groups. Such vulnerability emanates from various consequences such as disabilities, unemployment, HIV/AIDS, adverse natural calamities, cultural discrimination, gender bias, etc. It is important to recognize that the causes and the impact of poverty are different for different categories of people and that the variables that determine ones susceptibility to poverty include gender, age, physical fitness, and legal status. Symptoms of vulnerability are ill health, malnutrition, illiteracy, and lack of basic needs such as food, shelter, water, household energy and lack of protection from violence and abuse. Accordingly, this chapter encompasses Pillars 4 and 5 in that it seeks to address all the issues of vulnerability, inequality and the fair distribution of the benefits of growth as well improving the quality of life of the poor and most vulnerable groups of society.

Vulnerable groups in Swaziland can be grouped as (i) vulnerable children and orphans; (ii) physically handicapped; (iii) the elderly; (iv) widows; (v) displaced families; and (vi) children and adults in conflict with the law. Not everyone falling in this category is vulnerable to poverty or deprivation but most have a high probability of being poor and/or socially deprived.

7.1.1 The Plight of Vulnerable Groups

Most poor people lack food, shelter, clothing and access to basic health services and education. The vulnerable, however, are further subjected to extreme difficulties related to their special circumstances. For instance, vulnerable children and orphans are subjected to deprivation of their inheritance, lack of parental guidance as well as emotional and physical abuse. Street kids are exposed to crime, child labour, drugs, and sexual abuse. The elderly are subjected to mental and physical abuse, lack of resources for their daily subsistence and health care. Most of the vulnerable population lack information on human rights and self-development, and, and often lack self-esteem.

The physically handicapped and mentally disturbed, are faced with problems of stigmatisation and marginalisation. They are not adequately catered for in terms of infrastructure and services. Most of the offices in both private and the public sectors are inaccessible to people with disabilities because the buildings are not suitable for wheelchair access. In terms of education there are only three schools in the country for special education: for the deaf, mentally retarded, blind and handicapped.

Even then, these schools provide only for primary education thus limiting the progression of handicapped children. There is also lack of information on the special needs of either the people with disabilities or the elderly. As a result the interests of people with disabilities are often left out of development planning processes. Moreover, the roles of agencies that deal with vulnerable people are unclear and there is no coordination of their activities.

The Social Welfare Department has a mandate to assist the elderly, abused children, and orphans. The Department, however, has very limited resources and can only cater for a small percentage of the vulnerable population. The department has been providing limited bursaries to orphans and welfare grants to some elderly citizens on a quarterly basis. These welfare grants are however marred with a lot of administrative and management problems. It has also assisted in the placement of orphans to orphanages and arranged adoption of children. However because of limited personnel and other resources, the department is not able to reach all those who are in need. Moreover, the system used to manage the social welfare grants and payments is not cost effective nor are the quarterly payments sufficient to meet the needs of the elderly. The elderly that the PRSAP considers vulnerable are both men and women above the age of sixty who live in isolation, are abandoned by their children or relatives and have absolutely no one to take care of their needs. They lack basic needs and are generally marginalized. They tend to live in dilapidated houses and are exposed to abuse.

During the drought season of 1993-96, NGOs and donors working together with government introduced the concept of food for work. This was a very useful system which is however used as a relief and temporary measure. The culture of food distribution, although necessary during emergency situations, is not sustainable and tends to create a dependency syndrome. A more sustainable way of preparing for and mitigating the effects of disasters as well as empowering the poor needs to be developed and properly planned for.

Widows are exposed to the practice of having to involuntarily wear mourning gowns and being offered an unsolicited second husband (Kungenwa). The widows are not allowed to attend inkhundla meetings and for as long as they are in mourning they cannot freely participate in decision making processes and are sometimes disadvantaged in their work places. They also face the problem of losing their assets to their husband's relatives due to weak inheritance laws and institutional structures.

Juvenile offenders are prone to poverty because whilst in remand or rehabilitation centres they are deprived of the mainstream development of capacities through education and other means; they are often caught in a vicious cycle of poverty because of stigmatization and non-acceptance back into society.

Adult prisoners also find problems of reintegration into society and often resort to further crime or simply go back to prison to seek refuge. Moreover, the judiciary system does not assess or evaluate the value of a sentence based on the extent of the crime committed such that sentences for very petty crimes lead to prison when society and the prisoner could have gained more from community service or other forms of correction.

7.1.2 Recent Interventions

There are a number of institutions actively involved in providing welfare assistance to disadvantaged groups. These include: the Social Welfare Department of the Ministry of Health and Social Welfare, the Ministry of Education, and Deputy Prime Ministers of Office, UNICEF, NGOs and philanthropic private and public corporations.

The Ministry of education has over the past years provided bursaries for orphaned children. The Deputy Prime Minister's Office has provided funds to various community groups (parents) to start income generating projects in order to provide food and school fees for their households. So far 455 community groups have been funded since 1997 and more than 50% of the grant goes to women's groups. Also, with the assistance of the UNICEF programme, the DPM has introduced the concept of Neighbourhood Care Points (NCPs), which cater for the nutritional needs of orphaned and vulnerable children.

Save the Children Fund has assisted some children to access education, legal protection and school feeding. The SOS Village, Tibiyo Taka Ngwane, Fundzisa Umnfwana, and a few private companies have provided bursaries for vulnerable children. Some street children have been assisted by non-governmental organizations such as the Light House while SACRO has been responsible for the rehabilitation and education of ex-prisoners' children. Even with these numerous efforts, a number of orphaned and very vulnerable people are still without any assistance. These need to be identified and targeted in the planning and implementation of ongoing and new initiatives. The delivery of services such as social grants could to be further enhanced through proper coordination and the use of community based organizations and non-governmental organizations.

Institutions that cater for people with disabilities and other special challenges are limited. There is only one mental health Hospital under the Ministry of Health and Social Welfare. Associations for people with disabilities have been established in the four regions of the country to look into the needs of the physically challenged and mentally impaired persons. The Government of Swaziland has already established two vocational schools for the disabled in Mbabane and Nhlanguano. There is a gradual renovation of some Government offices to include pathways for people with disabilities. However, more effort has to be put into empowering the disabled and ensuring that they participate in mainstreaming development and in improving their livelihoods.

The Government of Swaziland has allocated funds to the Deputy Prime Minister's Office under the Community Empowerment, Regional Development, and Community Poverty Funds. These funds if managed properly and channelled towards the most vulnerable groups could go a long way towards relieving the problems of vulnerable groups. The Correctional Services under the Prime Minister's office have provided courses on skills development for children in conflict with the law. This department also provides the education of a limited quality for those children of school going age. Such an initiative needs to be strengthened in order to provide all the life skills required by the children who are in prison and in conflict with the law. This will rehabilitate, empower them and ensure that they stay in harmony with their communities and survive the pressures that come with stigmatization and marginalization.

Some church organizations have also initiated charity schemes to cater for the poor and the communities are also adopting coping strategies which can help them to deal with these challenges communally. Recently there has been the resuscitation of traditional coping strategies within communities. There are individual homesteads within communities who are willing to offer their labour to assist the poor. Some community members allow the poor to assist in the harvesting of their fields in exchange for a bag or two of maize. In such cases, every member of the family benefits from the bag of maize as opposed to monetary payment, which sometimes does not reach children. Some women are engaged in group schemes of money rotation (Luholiswano); money which can be used for school fees or buying household requirements.

Some Chiefs have gone back to the forgotten practice of providing land for purposes of cultivating food crops and generating income for the benefit of their less privileged subjects: orphans, vulnerable children and the elderly. Although both men and women participate on a voluntary basis, more women volunteers participate in community fields and other activities for the vulnerable children than men. More programmes that encourage the participation of the youth, the poor and men in the development and empowerment of vulnerable groups must be encouraged.

Although all the above interventions are good and well intended the delivery has been far too inadequate to address the demand for the services offered. Most of them are uncoordinated, sporadic; insufficient in terms of resources, and not very systematic in their selection criteria. A more coordinated delivery mechanism is necessary since the efficiency in the use of resources is hampered by the high possibility for different organizations to provide the same support to the same individuals or communities. The multiplicative provision of resources leads to further problems of monitoring and resource tracking and problems of inaccurate data and impact assessment.

7.1.3 The Goal for the Social Protection of Vulnerable Groups

The goal of the PRSAP is to break the poverty cycle among all the vulnerable groups so that they lead an improved and dignified standard of life, to empower, protect the rights and social well-being of the most disadvantaged people in the Swazi society.

7.1.4 General Strategies for the Social Protection of Vulnerable Groups

- i. Develop a social security policy for the elderly, severely disabled and mentally incapacitated;
- ii. Design a baseline survey and databases for all the vulnerable groups;
- iii. Ensure that all development programmes at the national, regional and country levels involve and incorporate the interests of the vulnerable;
- iv. Improve community and household capacity to respond to the needs of vulnerable groups;
- v. Develop gender responsive systems of advocacy on the issues affecting the vulnerable;
- vi. Improve coordination between agencies that provide support to vulnerable groups;
- vii. Design sustainable programmes to cater for the needs of the poor and the most vulnerable covering all aspects of their social needs e.g. education, health, psychosocial development, legal protection, empowerment etc;
- viii. Educate and empower the public on inheritance laws and the drawing of wills; and
- ix. Improve the efficiency in the delivery of social welfare benefits.

In addition to the general strategies, for the each of different groups identified, the Government will adopt the following strategies:

a) Strategies For Orphans And Other Vulnerable Children:

- i. Facilitate the approval and implementation of the Children's Policy and the Child law;
- ii. Develop a criteria for identifying and selecting vulnerable and poor households and children;
- iii. Establish a data base for the vulnerable and orphaned children;
- iv. Ensure universal access to primary education, health, and psychological needs for all the vulnerable children;
- v. Establish a coordinating office and a children's programme to coordinate all the needs of the vulnerable children including adoption services;
- vi. Develop sustainable programmes for feeding, clothing and caring for vulnerable children in order to discourage their involvement in illicit activities;

- vii. Increase the number of schools and teachers to accommodate the out of school children and increased enrolment following the implementation of Universal Primary Education;
- viii. Provide refresher courses to communities and trainers to deal with psychological issues and empower the poor with life skills;
- ix. Encourage families for the vulnerable children to start income generating projects; and
- x. Research and investigate cases of child labour and abuse and address them.

b) Strategies For Street Children:

- i. Improve the welfare of street children by integrating them into their original families/communities or foster parents;
- ii. Establish programmes which curb the increase of street children;
- iii. Provide of counselling skills for understanding and handling street children; and
- iv. Address issues of drug and sexual abuse among street children.

c) Strategies for people with disabilities:

- i. Build capacity and empower people with disabilities to generate income;
- ii. Increase the number of schools and teachers for people with disabilities and ensure that at least some strategic schools are equipped with facilities and materials for children with disabilities;
- iii. Increase the number of vocational schools for people with disabilities;
- iv. Ensure that all public infrastructure including roads and traffic lights are fitted with guard rails and sound system to facilitate the movement of people with disabilities;
- v. Encourage public transport operators to cater for people with disabilities in the design of their vehicles;
- vi. Set up a coupon system for health care and transport services for people with disabilities particularly the blind to minimise cases where they are cheated; and
- vii. Ensure that all public buildings are easily accessible to people with disabilities.

d) Strategies for the Elderly

- i. Establish an up to date database for the elderly;
- ii. Devise a well co-ordinated system for distributing food and social grants to the elderly;
- iii. Set up community based care organizations to look out for the needs of the elderly and encourage income generating projects within communities to cater for the needs of the elderly; and
- iv. Set up a coupon system for health care and transport services for the elderly.

e) Strategies For Widows

- i. Establish a legal instrument that will speed up the disbursement process of pension fund, insurance, and other family assets after the death of a spouse;
- ii. Promulgate, in line with the Constitution, legislation that will prohibit the enforcement of cultural practices that may impact negatively on women's economic productivity such as the compulsory wearing of mourning gowns; and
- iii. Update all discriminatory laws in line with the Constitution.

7.2 Legal Protection of the Poor

The underlying principle of modern government is that the law is an instrument for protecting the rights of all. The realization of these rights is also key to the advancement of a society in which men and women are equally able to achieve their full potential. The universal aim and basis for the existence of socio-economic rights in the Bill of Rights is to protect a person's right to human dignity and justice as a fundamental value and right.

The poor are often unaware of their basic human rights and fall victim of oppression by powerful groups. Even where the poor become aware of their rights, legal representation is too costly for them and their cases are rarely heard. Quite often, when they arrange their own legal defence, the process ends up financially benefiting their lawyers more than the poor. Laws are also enacted by the elite and do not give due emphasis to the protection of the voiceless.

7.2.1 Obligation of Government

Government, whether in litigation, public advocacy or academic discourse, has a critical role in promoting and protecting the rights of everyone, including the poor and marginalized groups. Under the Covenant on Economics, Social and Cultural Rights State, parties are obliged to take steps in utilizing their maximum available resources to progressively achieve the realization of the rights contained in the Covenant, adopting appropriate legislative and other measures towards this end. The state has the duty to:

- a) Refrain from interfering directly or indirectly with the enjoyment of the rights in question for example deprivation of land where the land was the individual's physical means of securing the right to food;
- b) Prevent third parties from interfering in any way with the enjoyment of one's rights and
- c) Adopt necessary measures directed towards the full realization of rights. States must therefore proactively engage in activities intended to strengthen people's access to and utilization of resources and means to ensure their livelihood.

7.2.2 Shortcomings in current laws

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

The Government is committed to building a secure judiciary system founded upon the Constitution in which the rule of law, good governance and a Bill of Rights encompassing the socio-economic rights of the people will be respected. The government shall therefore reform the law in order to ensure: preservation of the Constitution as the supreme law of the land; access by the poor to basic legal services; the protection of human rights and the rule of law; independence of the judiciary; that all people have the right to socio-economic rights; harmonization of the modern and traditional legal system; accountability, transparency and dynamism in the application of the laws; and that information on legislation and human rights is available to the poor.

7.2.3 Goal for Legal Protection

The goal of the PRSAP is to ensure that the law protects everyone and that everyone, including the poor and vulnerable by 2008.

7.2.4 Strategies for legal protection

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

- i. Provide free legal service to the poor;
- ii. Establish and enhance the capacity of human rights protection commissions as enshrined in the Constitution;
- iii. Build the capacity of government legal institutions to adequately address legal issues and human rights;

- iv. Ensure the ratification and domestication of international human rights instruments that advocate for socio-economic rights of the people;
- v. Finalize the codification process of Swazi law and Custom and harmonize it with current legal developments;
- vi. Harmonize Roman Dutch Common law with the Constitution and Swazi law and Custom;
- vii. Protect the poor against exploitation especially during elections and as cheap labour;
- viii. Legislate strongly against domestic violence and forced labour;
- ix. Provide information on human rights and legal protection services to the poor in a simplified and accessible form; and
- x. Conduct research and regularly review all laws to accommodate new legal developments.

7.3 Improving Housing

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

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

7.3.1 Causes of Poor Housing

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

The rapid rate of urban migration in search of employment has led to the mushrooming of sub-standard houses on SNL in a very haphazard and unplanned manner. The mushrooming of shabby structures on the outskirts of the country's major towns has skipped the control of local authorities and no one seems to have control or authority over the development of these areas. Moreover, due to the financial gains now attached to land in the outskirts of urban areas, farmland is being sold for the construction of houses and the remaining hectares, if any, cannot be used for any meaningful and gainful farming activity. This situation has led to increased congestion, poor sanitation and a lot of hunger and malnutrition due to limited potential for income generation on the remaining portions of land. Another factor that has contributed to the congestion and unplanned housing development has also been inadequate synchrony in the location of industries, development of human settlements, and provision of social services. New factories have been constructed without due consideration to the social services, infrastructure and welfare of workers.

Lack of title to land on SNL has undermined the sense of ownership of and permanence on the land, which are necessary for anyone to construct a decent and permanent house. The Constitution empowers every citizen of the country regardless of gender to be treated equally and have equal access to land for domestic purposes. For this reason, once the appropriate legislation has been put in place, the situation for accessing land for building houses and other domestic use should improve particularly for women and unmarried men who were previously disadvantaged in this regard. However, the ineligibility of SNL to be used as collateral for obtaining housing loans limits the ability for the poor to construct good quality houses.

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

7.3.2 Goal of improving housing conditions

The goal of the government is to ensure that every household has a decent, secure and affordable house, with proper sanitation facilities by 2015.

7.3.3 Strategies for Improving Housing Conditions

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

- i. Review housing standards to promote construction of affordable and decent houses which will conform to norms of hygiene, safety, and environment;
- ii. Design schemes that will assist the elderly and vulnerable children to construct and live in good quality housing;
- iii. Regulate and formulate laws that control the growth of sub-standard houses and unplanned human settlements in peri-urban areas;
- iv. Strengthen coordination among authorities responsible for regulating human resettlement and standards;
- v. Implement the land policy and enact laws that facilitate access to land by all people in line with the Constitution; and
- vi. Implement a proper resettlement policy to facilitate more efficient service delivery.

7.4 Ensuring Sustainable Energy

7.4.1 Energy and Poverty

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

7.4.2 Sources of Domestic Energy

Poor households in Swaziland use various forms of energy. Most households in rural areas use firewood whilst paraffin (kerosene) meets the majority of peri-urban energy needs. LP Gas and, to a limited extent, electricity is also used by rural households. In extreme cases, dry cow dung and dry maize stalks are used for cooking. Paraffin, coal, and wood emit fumes which pose respiratory risks. In addition, these forms of energy are fire hazardous, with children and the elderly being the most likely victims. The use of renewable energy (solar PV Systems) although more sustainable, is minimal, expensive and is susceptible to theft. Even with the rural electrification programme, the poor in most cases do not afford electricity although it is a clean and convenient source of energy.

According to the National Energy Policy, in 1999 less than 5% of households in rural areas had access to electricity. It is estimated that 55% use firewood, 30% use paraffin, and 10 % use Liquid Petroleum Gas (LPG). Of the 95% without electricity, 80% use wax candles for domestic lighting.

Nationally, there has been a significant shift towards use of electricity between 1987 and 1997. At the national level, domestic consumers of electricity rose from 17,053 in 1991/92 to 31,282 in 2000/01 while users of wood fuel decreased from 71% in 1986 to 60% in 1997. This change was associated with the past rapid economic growth. However, due to the fact that benefits of growth were not equitably distributed, the poor have remained unable to afford electricity and have relied on other sources for household energy.

Rural families rely on traditional fuel sources - wood, agricultural residues, and cow dung to meet most of their heating and cooking requirements. These sources of energy are no longer as readily available because they are quickly depleted due to overgrazing, annual bushfires and uncontrolled exploitation of forests for commercial purposes. As a result of this, prospects for fuel wood as a main source of domestic energy are gradually diminishing. Although indigenous forests cover an area of 652,000 hectares, this is dwindling due to deforestation caused by farming, development projects, and human settlements, indiscriminate harvesting and selling of fuel wood. As natural forests get sparser most places, particularly in the Lowveld, experience acute shortages of firewood. At the same time there is limited land for the planting and growing of trees. The burden of gathering and collecting firewood predominantly rests with women and girls. The shortage of firewood therefore, leads to women and children travelling long distances to gather firewood. This reduces the time available to girls and women to engage in income generating activities as well as to attend to their educational and other social needs.

Renewable energy and electricity can be considered to be Swaziland's future energy source. Not only is it safe and clean, but it also can be generated in an environmentally sustainable manner. The promotion of electricity usage through the rural electrification programme will be a two-pronged attack on poverty. First, domestically, it will help improve the quality of life of the poor by providing an efficient and clean energy sources. Secondly more than other energy source, it can also help the poor generate incomes as it can be used in for commercial and industrial purposes. Not only can electricity light a shop and power its refrigerators, it can also be used for as diverse activities as running maize mills and internet cafes. Electricity supply is however very expensive and inaccessible to the poor. In order for this very commendable programme to make a positive impact on the lives of the poor, it has to be accessed in an affordable manner and the poor further be assisted to light their houses and generate income that will sustain their continued access to electricity.

7.4.3 The Policy Environment

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

strategic areas of the country. This policy not only deals with taking energy related infrastructure to even the most remote corners of Swaziland, but it also looks at other means of assistance such as smart subsidies and targeting tax cuts to pro-poor energy appliances such as improved efficiency wood fuel stoves and higher quality paraffin stoves.

The Ministry of Agriculture has also produced a National Forestry Policy, which covers the management of natural forests and woodlots. It provides for the growing of eucalyptus trees that grow well in the Highveld and Middleveld of the country as well as growing of other drought resistant trees in the Lowveld. The strategies to achieve this goal will start with availing sufficient wood fuel to the poor while rapidly moving towards renewable, modern and efficient sources such as solar energy, Liquefied Petroleum Gas, Biogas, electricity and other new renewable sources.

7.4.4 The Goal for Sustainable Energy

The PRSAP goal is for all poor people to have access to affordable, safe, sustainable, secure and environmentally friendly sources of energy by 2010.

7.4.5 Strategies for Sustainable Energy

The following strategies will be followed in order to address energy needs for the poor:

- i. Establish community woodlots and encourage forestation and reforestation on available land;
- ii. Diversify the use of energy sources in a cost effective manner, moving away from traditional towards more sustainable energy sources;
- iii. Ensure the supply of energy services in rural and peri-urban areas;
- iv. Provide electricity at affordable prices to improve the rural household energy situation and to attract entrepreneurial activity to rural areas;
- v. Encourage efficient use of energy and promote the adoption of the pre-paid electricity system in order to minimize costs of electricity; and
- vi. Legislate against the indiscriminate harvesting of wood resources for commercial gain.

CHAPTER 8: GOOD GOVERNANCE

8.1 The System of Governance

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

The success of any government in addressing poverty issues is embedded largely on the governance practices in that country. If efforts to address these poverty issues are to succeed, the system of governance should be sound and founded on principles that effectively and efficiently respond to the needs of citizens. It is in this respect that this chapter in conformity with Pillars 1 and 6 deals with issues that can improve or ensure good governance in order to protect the interest of all Swazi citizen and the poor in particular. The basic principles of governance include participation, consensus building, accountability, transparency, responsiveness, effectiveness and efficiency, equitability, inclusiveness and adherence to the rule of law. This effectively means a system that ensures that service delivery is efficient, non-discriminatory, corruption is minimised, the views of minority groups are taken into account, every citizen participates in decision-making and their rights are protected. The process should also be responsive to the present and future needs of society, particularly the poor.

8.2 Definition of Good Governance

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

8.3 Promoting Good Governance

The preamble of the Constitution of Swaziland recognises that it has become necessary to review the various constitutional documents, decrees, laws, customs and practices so as to promote good governance, the rule of law, respect for our institutions and the progressive development of the Swazi nation. Moreover, the Constitution obligates the State to take all action necessary to ensure that the national economy is managed in such a manner as to maximise the rate of economic development and to secure the maximum welfare, freedom and happiness of every person in Swaziland and to provide adequate means of livelihood and suitable employment and public assistance to the needy.

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

The PRSAP comes at a time when the country is in the process of rolling out its Constitution. It is expected that the Constitution as the Supreme law of the land will be the legal framework for attaining the country's social and economic objectives in the challenging years ahead.

8.4 The Principle of Good Governance

Good governance is founded on the following set of principles:

8.4.1 Participation

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

8.4.2 Rule of Law

The rule of law is characterised by the elements of:

- a) Fair legal frameworks that are enforced impartially;
- b) Impartial enforcement of laws, embedded on an independent judiciary;
- c) Full protection of human rights, particularly those of minority groups; and
- d) An impartial and incorruptible police force. This is an important element in the fight against crime and poverty, in the sense that it ensures the protection and security of the populace as well as their properties.

8.4.3 Transparency

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

8.4.4 Responsiveness

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

8.4.5 Consensus Orientation

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

8.4.6 Equity and Inclusiveness

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

8.4.7 Effectiveness and Efficiency

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

8.4.8 Accountability

Accountability is a key requirement of good governance. Not only governmental institutions but also the private sector and civil society organisations must be accountable to the public and to their constituencies. In general, an organisation or an institution is accountable to those who will be affected by its decisions or actions. The principle of accountability cannot however be effectively enforced without transparency and the rule of law. Swaziland has all the necessary institutions and regulatory framework for ensuring satisfactory attainment of the principles of Good Governance. Examples of these institutions are Tinkhundla, an elected Parliament, Public Accounts Committee, the People's Parliament (Libandla), Auditor General's Office, the Central Tender Board and an independent press. However, there is need to enhance the capacity of these institutions in order to ensure that they work more efficiently, effectively and interactively to eventually attain good governance. Also, there is need for political commitment to effect change and make critical decisions for ensuring good governance.

8.5 Ensuring Good Governance

8.5.1 Improving the Fiscal Position

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

8.5.2 Judicial System and Law Enforcement

Although in relative terms, personal security in Swaziland is considered good, there are signs of increased cases of crime particularly assault, robbery and stock theft. Serious cases have, for example, risen from 15,653 in 2000 to 18,356 in 2002. There is a very strong correlation between poverty and crime as one could be the causal effect of the other. Because of poverty, some people resort to crime thus negatively affecting the lives of other people, illegally depriving them of their property, injuring and killing them further leading to even more poverty and suffering. There is therefore need to strengthen the ability of the country's internal institutions for keeping law and order to detect and prevent crime early enough. Furthermore, in order to boost business and tourist confidence in the country there is need to strengthen the judiciary system and ensure co-operation and harmony between all arms of Government and traditional structures, in upholding the rule of the law and ensuring the protection of all-Swazi citizens, particularly the poor.

8.5.3 Anti- Corruption Measures

Misuse of public resources denies the poor access to services that are supposed to be delivered by the government. Corruption often involves victims paying bribes to receive what is otherwise a free or highly subsidised public service, for instance in the selection of beneficiaries of government bursaries. Similarly, when government officials misuse resources and inflate prices of government purchases, the poor forfeit the benefits of such expenditure. Corruption therefore misallocates resources and levies a private tax on the society. Corruption and misappropriation of public funds has been widely reported in public institutions. In effect, this results in further impoverishment and perpetuates or increases income inequality. Government is aware of this practice and has in this respect established the Anti Corruption Commission and other institutions to address this problem and recently enacted the Anticorruption Act of 2006. During the period of the PRSAP, the capacity of these institutions will be strengthened in order to ensure that they function more efficiently.

8.5.4 Traditional and Modern Systems of Governance

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

8.5.5 Local Government Institutions

Over the years, Local Government in Swaziland has referred to the municipalities (urban areas). In principle, local government institutions in the country are divided into two categories - Tinkhundla/constituencies and the municipalities. The 55 Tinkhundla are constituted by about 340 chiefdoms in the country, which are administered by

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

One major challenge is that there is no harmony between the two types of local government, which eventually affects the implementation of development programmes within the areas covered by both an Inkhundla and town or city council and in the process, the poor are grossly affected. However, section 218 (1) of the Constitution provides for the 'Establishment of a single countrywide system of local government based on the Tinkhundla system of government hierarchically organised according to the volume or complexity of service rendered and integrated so as to avoid the urban/rural dichotomy'. From this provision, the two institutions of local government will be harmonised and have one common legal base for their establishment and definition.

8.5.6 Service Delivery/Decentralisation

In section 58 (2), the Constitution provides that; "in the conduct of public affairs, the state shall be guided by the principle of decentralisation and the devolution of governmental functions and powers to the people at appropriate levels where the people can best manage and direct their own affairs." Section 80 (3) of the Constitution further says; "The Tinkhundla units or areas inspired by the policy of decentralisation of state power are the engines of development and the central pillars underpinning the political organisation and economic infrastructure of the country through which social services to the different parts of the Swazi community are facilitated and delivered."

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

The policy also addresses the identification of priorities, planning, budgeting and implementation at Tinkhundla level. Decentralised governance, improves service delivery because the beneficiaries are empowered to identify their priorities, rank these priorities, allocate resources according to those priorities, and spend most of the resources in their areas. For decentralisation to accomplish these

fine objectives, the functions of priority setting, planning, budgeting and implementation will be devolved to the four regions and eventually to all the Tinkhundla Centres.

It will be important to build the capacity in all government institutions to implement the various dormant policies that the Government has developed over the years. It is also important for the implementation of the PRSAP to strengthen the executive and decision making and management authority of Government executive officers in order to ensure efficiency and accountability in Government.

8.5.7 Capacity Building in Local Administration

Tinkhundla are facing a number of constraints that must be addressed before services can be fully decentralised and the decentralisation policy efficiently executed. First and foremost, there is little experience and capacity to manage development programmes within the Tinkhundla centres. There is need for manpower and skills development at Inkhundla level to manage especially the planning, budgeting, and financing of development programmes at that level. Second, there is evidence of interference by chiefs in development initiatives, to the detriment of the poor. This would be corrected by constitutional demarcation of roles since the chiefs must also participate in governance. Third, in all the chiefdoms, men tend to dominate the traditional power structures. As such, the participation of women in the inner council and development committees is very minimal, if any, thus curtailing their role in key decision-making processes. In order for the Tinkhundla system to be effective, these issues need to be resolved.

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

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

8.6 Challenges for Poverty Alleviation

8.6.1 Chieftaincy Disputes on succession and Boundaries

Developmental projects amongst the rural poor are often delayed if not completely abandoned because of disputes amongst chiefs regarding succession and boundaries. This is a governance issue that occurs due to lack of proper mapping and delineation of chieftaincy boundaries and unclear succession procedures. These shall be resolved by enshrining the borders and succession laws and procedures in the codified Swazi Law and Custom as well as in the Constitution and any other related law. Related to this are the issues of the unapproved draft Land Policy, dormant Land Use Policy and the non availability (or lack of use where available) of physical development plans which will serve as a guide on the access, use, tenure and authority over land. It is important that these documents be approved and used in order to ensure the right of every Swazi to access and proper use of land.

8.6.2 Women's Minority Status

The minority status of women inhibits the full participation of women in deliberations at community level and is a governance issue. The minority status of women (who form more than 52% of the population) both under the customary and modern laws limits the potential of more than half the population to participate fully in development and poverty alleviation. The minority status of women denies community's effective strategies and valuable contributions in resolving problems that affect them at this level. The subjugation of women disempowers them, thus reducing the welfare of their households and that of their communities. Although it would seem at face value that the Constitution has attempted to address this issue, a lot still needs to be done in terms of translating the Constitution into law and practice. The attitudes of both men and women also need to change to conform to the equal rights and status bestowed on every citizen by the Constitution.

8.6.3 Authority to Conduct Business in Rural Areas

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

8.7 Goal for Improved Governance

The goal of the PRSAP is to ensure a governance system that enables every Swazi citizen to participate efficiently and effectively in the economy for the enhancement of individual lives, households and the economy as a whole by 2007.

8.7.1 Strategies for Improved Governance

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

- i. Allocate adequate resources for poverty reduction and track expenditures to ensure proper targeting and rightful beneficiaries;
- ii. Build planning and budgeting capacity at regional and Tinkhundla levels;
- iii. Equip and increase the capacity of Police and equip and strengthen law and order institutions in order to improve law enforcement and uphold justice ;
- iv. Improve the capacity of the civil service and institutions in order to ensure efficiency, transparency and accountability in the public sector;
- v. Decentralize government services to regional and subsequently all Tinkhundla Centres for them to be accessed by everyone at lower cost;
- vi. Properly map and delineate chieftaincy boundaries.
- vii. Legislate and enforce laws against corruption and misappropriation of public funds;
- viii. Enact legislation that removes women's minority status in Swazi society;
- ix. Simplify licensing laws and remove unnecessary and laborious procedures;
- x. Formulate policies that facilitate and encourage community participation in every development endeavour;
- xi. Improve and decentralise administrative powers and authority between local government and central government;
- xii. Clearly define and delineate chieftaincy boundaries; and
- xiii. Properly monitor the use of public resources and the implementation of development programmes.

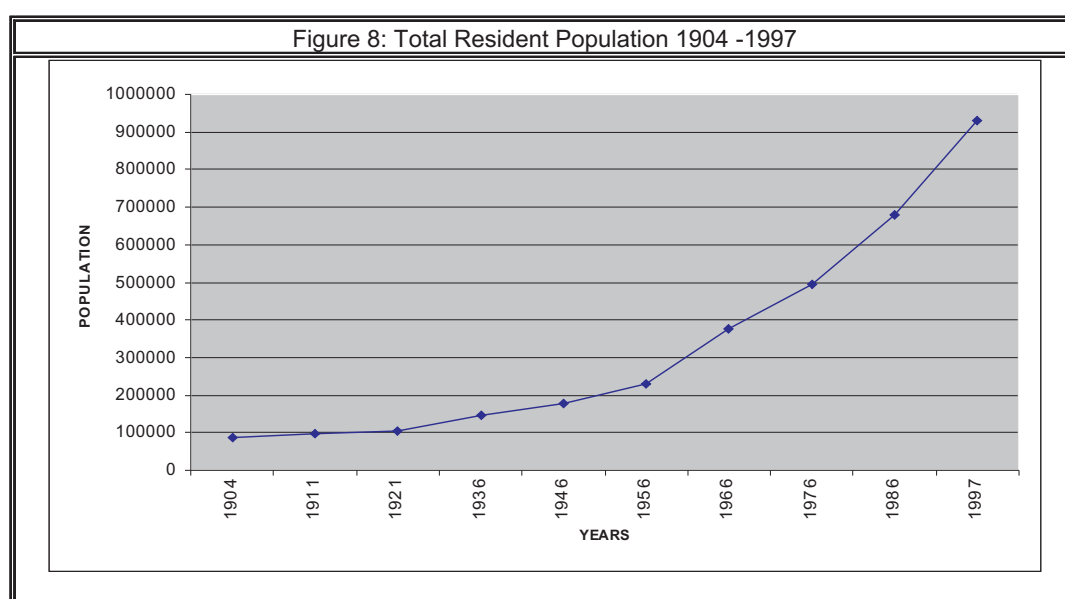
CHAPTER 9: CROSS CUTTING ISSUES

9.1 Population Issues

9.1.1 Population Dynamics

Understanding Swaziland's population dynamics (fertility, mortality and migration) is important for development. It enriches the planning and policy making process since these factors influence the way population grows and changes over time. Population growth is a key element in the determination of livelihoods, level of development and allocation of resources. Since the 1970s empirical evidence in developing countries indicates that higher productivity, savings and productive investment are realized as fertility and population growth rates decline.

The population growth rate was calculated at 2.9% per annum between 1986 and 1997 but it is estimated to have dropped to 2.1% as a likely consequence of the increase in mortality, decline in fertility and the HIV/AIDS pandemic. However, due to the youthful age structure of the population, it is expected to gain momentum for growth. The increase in population was most rapid from the 1960s to the 1980s after which it slowed down to 2.9% per annum in 1997. On average the total population could double in the next 24 years if the current growth rates are maintained (the impact of HIV/AIDS not considered).



It is expected that when a country develops, mortality and fertility should decline because of the change in society's attitudes and behaviour in conformity with modern standards. Some of these changes have taken place in Swaziland as the population growth declined from 3.2% in 1986 to 2.9% in 1997. The TFR declined sharply from 6.4 in 1986 to 5.6 in 1991 to 4.5 in 1997 with the decline more pronounced in urban areas. Contraception use

increased from 17% in 1988 to 34% in 1998 (although this is still low by international standards). The fertility decline is attributed to improved reproductive health interventions, education, primary health care, and until recently to HIV/AIDS as some people delay having children.

Although the average fertility rate declined from 7.0 live births per woman in 1966 to 4.5 live births per woman in 1997, it is much higher among the poor. The high fertility rate among the poor is attributed to the low-level of contraceptives use and increased teenage pregnancies. There is a growing trend of pregnancies amongst young girls 15-19 years and they contribute to 13% of total annual live births. This calls for very intensive programmes to discourage sexual activity and promote abstinence among adolescent children. The low levels of education, lack of access to information, dominance of males and to a certain extent culture are major determining factors of family size. Although awareness of the importance and methods of family planning is improving, the practice among the majority of the Swazi population, especially the poor in rural areas is still limited. As a result, the total fertility rate (TFR) in rural areas is 5.1 compared to 3.1 in urban areas.

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

The last three censuses indicated a rapid increase in longevity in Swaziland, with the life expectancy rising from 46 years in 1976 to 56 years in 1986 and 60 years in 1997. The crude death rate declined from 18.5 per 1,000 in 1976 to 7.6 per 1,000 in 1997. Under-five child mortality rate also declined from 221 per 1,000 live births in 1976 to 139 per 1000 live births in 1986 and a further 88 per 1000 per live births in 1997. In spite of the decline associated with the above indicators, the country's level of mortality remains amongst the highest in Southern Africa and is not consistent with the level of economic development. Furthermore, whilst the country has undoubtedly made impressive gains in the past, these seem to be eroded by the impact of HIV/AIDS. Levels of mortality and morbidity are believed to have increased in the past few years and HIV/AIDS has particularly brought about a generation of orphans relying on aging and very poor grand parents, all of whom are at the risk of deepening poverty.

Maternal mortality is also high at 229 per 100 000 live births (1991 estimate) with the risk of dying while giving birth being amongst the highest in the world. Women at highest risk include adolescents,

those over 35 years, those with five or more children and those with short birth intervals of less than two years. A large number of unwanted pregnancies among young unmarried women end in abortion, posing a serious health concern since many of these abortions are unsafe, carried out by people lacking formal medical training and in facilities with substandard hygiene and care. The ill health and mortality associated with pregnancy and child birth disproportionately affects poor women and adolescent girls thus pushing the households to which they belong deeper into poverty through the loss of productive family members. The high maternal mortality levels are indicative of poor reproductive health services. It is universally recognised that reproductive health is not only a human right but also a critical aspect of gender equality.

Empirical evidence indicates that international migration is insignificant and does not play a major role in influencing demographic trends in the country. However the level of illegal immigration is of concern and presumably has a negative effect on the socio-economic development of the country. Therefore there is need to device measures to curb it.

9.1.2 Population Structure and Characteristics

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

The implications of the population structure raise concerns of a likely population explosion by the end of the next decade. This will impose heavy social and economic demands particularly on education, health services, water and employment. The already economically active population (ready to be employed) increased from 48.8% in 1986 to 52.1% in 1997.

An analysis of the population trends and the socio-economic developments clearly indicates deterioration in the welfare status of the people of Swaziland. Of great concern is the rapid growth of the disadvantaged population, which is estimated at about 756,000 people according to the SHIES 2001. Other social and economic indicators are indicative of a deteriorating quality of life of the average citizen. 69% of the population lives in poverty with about 48% are living in absolute poverty; the distribution of income is highly skewed; more than 200,000 depend on food aid; an estimated 42.6% of the adult population in 2005 was infected with HIV/AIDS; more than 30% of under-fives are stunted; more than 50% of the population are food insecure, unemployment is increasing; the number of orphans has increase resulting in the emergence

of child-headed households; and teenage pregnancies are prevalent. These point to a fast deteriorating welfare of the Swazi population and these developments are inconsistent with the country's classification as a lower middle income with an annual GDP per capita of more than US\$ 1,000 for the past decade.

9.1.3 Spatial Distribution and Density

Statistics indicate that seventy (70%) percent of the slightly over a million people of Swaziland reside in rural areas. The distribution of the rural population among the four regions of the country is uneven, with Manzini accounting for the highest percentage of 31% and Lubombo the least (19%). Hhohho and Shiselweni each account for 25% of the rural Swazi population. The migration of people between regions is relatively low; however it is very high between rural and urban areas as people search for job opportunities and a means of earning a living.

There has been a considerable increase in the rate of urbanisation in the last thirty years, and as a result urban population increased from 14.2% to 23%. The phenomenal growth of the urban population is largely attributed to rural-urban migration. Given that the migrating population is usually the young and able-bodied persons, this has an effect of impoverishing the rural areas from where they originate. More than half of the urban population is concentrated in the two cities of Mbabane and Manzini leading particularly to urban unemployment, emergence of unplanned human settlements which have no provision for public infrastructure and services and are infested with crime and street children.

Population density has increased from an average of 4.9 persons per square kilometre in 1904 to an average density to 54 persons per square kilometre in 1997, probably the densest it should reach under current social and economic circumstances.

9.1.4 Economic Impact of Population Dynamics

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

For a number of years, population growth rates have not been in tandem with the rate of economic growth. The Swazi nation now faces the serious challenge of rapid population growth against the backdrop of slow economic growth, shrinking SNL available to each household on SNL, reduced food production, rising costs of government social services, mismatching employment opportunities, rising number of vulnerable groups especially orphans and a growing number of out-of-school children.

This has translated into poor services, declining incomes and falling living standards of the population. Even though fertility is declining nationally, for the rural people it remains high, thus worsening their poverty situation. Big families impose a heavy burden on poor households limiting opportunities for education and economic independence. Lack of education implies increased poverty and a cycle of poverty for future generations of the household. Swaziland has an average literacy rate of 81% but in rural areas about 22% have never been to school compared to only 9.8% in urban areas.

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

9.1.5 The Policy Environment

The government of Swaziland has already formulated a National Population Policy which is critical in the management of the population and the reduction of the effects of population growth on poverty and the poor quality of life. The vision is to have a nation which is healthy, prosperous and economically empowered in such a way that population dynamics are consistent with sustainable development. The policy provides a framework for managing the trend and reshaping the characteristics of the population. Under the Poverty Reduction Strategy and Action Prg., the government will adopt these policies in order to address the special needs of the poor segment of the population. The actions identified in the PRSAP are particularly aimed at reversing imbalances between the dynamics of the population expansion on one hand and the requirements for the desired improvement in the quality of life of the poor on the other. These remedial actions oscillate around right-sizing.

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

- a) To reduce fertility rates particularly among the poor segments of the population;
- b) To reduce infant and child mortality;
- c) To improve the health and welfare status of the population;
- d) To reduce maternal mortality;
- e) To reduce rural-urban migration;
- f) To curb illegal immigration;
- g) To promote full access to basic health and social welfare services by the poor segments of the population; and
- h) To promote equitable access to natural resources by the poor segments of the population so as to meet their basic needs on a sustainable basis.

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

9.1.6 The Goal for Population

To ensure that population growth is commensurate with economic growth and that the people of Swaziland should attain a good quality of life by 2015.

9.1.7 Strategies for Population Quality and Right-Sizing

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

- i. Review the Reproductive Health Policy and facilitate the implementation of the Population Policy;
- ii. Improve basic health to reduce morbidity and mortality;
- iii. Intensify the fight against HIV/AIDS;
- iv. Promote reproductive health services and family planning programmes to reduce fertility;
- v. Establish public health and outreach programmes that will promote community based delivery of contraceptives;
- vi. Encourage programmes for male participation in family planning activities including increased awareness and promotion of sterilization as method to control family size;

- vii. Strengthen programmes reducing teenage pregnancy and promote abstinence before marriage;
- viii. Empower women to take decisions concerning their reproductive health;
- ix. Strengthen migration legislation and enforce immigration controls;
- x. Improve access to natural resources particularly land by the population;
- xi. Sensitize the public and disseminate information on population management and family planning; and
- xii. Ensure reliable disaggregated and more frequent availability of data on population and poverty.

9.2. Environment

9.2.1. Environment and Poverty

The natural environment is simply defined to include land, water, air and all forms of life and the relationships between them. It also includes sites of cultural and historical importance whether natural or built. The environment serves two main functions. One, it provides natural resources for sustaining livelihoods and it is also important for waste assimilation. Due to the importance of these functions in all sectors of the economy, environment is a cross cutting issue and is important for the sustainable achievement of all the Pillars. According to Section 210 and 216 of the Constitution the State and the people of Swaziland have a duty to protect, conserve and improve natural resources and the environment in the interest of the present and future generations. By virtue of where they live and work, the poor depend almost entirely on the environment. Fertile land, water and favourable climatic conditions are, for instance, a prerequisite for food production and other agricultural activity. Other natural resources important for the sustainable livelihood of the poor are: clean water; wood for fuel and construction of dwellings; herbal plants; vegetation for food and grazing of animals; rain and sunshine for agriculture, natural vegetation and people's needs. When water and fuel are nearby, less time is spent collecting these, thus allowing time for women and children to engage in other activities such as going to school, doing homework or attending to other responsibilities.

In order to ensure sustainable livelihoods and in the process reduce poverty, it is very critical that all the environmental concerns faced by the country are addressed in a sustainable manner. The poor depend on the environment and natural resources for their survival, therefore any meaningful poverty reduction strategy will have to address issues related to the sustainable environmental management. Three of the most critical environmental problems in Swaziland are soil erosion, deforestation, forest degradation (including both actual loss of trees and the changing composition and structure), water and air pollution and much more recently the invasion of alien species. One of the major causes of

these problems is the lack of enforcement of environmental laws, increasing population, which has been accompanied by the unsustainable exploitation of natural resources, overgrazing on communal lands, increasing urbanisation and diminishing farm size. In turn, this has mounted pressure on Swaziland's natural resources. Land, water, woods and natural forests have become very scarce, leading to land fragmentation, overcrowded human settlements, soil erosion and water contamination.

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

Government has accordingly put in place institutions charged with policy formulation, enforcement of environmental laws, bylaws, and norms, and providing advice and/or assistance during crises. Prominent among these institutions are the Ministry of Tourism, Environment and Communications – under which the Swaziland Environmental Authority (SEA) falls; the Ministry of Natural Resources and Energy (MNRE); the Department of Environmental Health in Ministry of Health and Social Welfare (MHSW); Ministry of Agriculture and Cooperatives (MOAC); the Office of the Deputy Prime Minister (DPM); and the National Disaster Task Force.

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

- a) The National Environment Strategy 2000;
- b) The National Environment Policy;
- c) National Environmental Health Policy;
- d) The National Energy Policy;
- e) Swaziland Environment Action Plan (1997);
- f) Swaziland Environment Action Plan Implementation Support Programme;
- g) National Land Policy;
- h) National Biodiversity Strategy and Action Prg.;
- i) Forest Policy and Legislation, and
- j) Solid Waste Management Strategy.

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

9.2.2 Persisting Environmental Challenges

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

9.2.2.1 Environmental Health

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

Water and air pollution and poor sanitation have been identified as the most serious among these problems and one that affects the poor proportionately more than other groups. Water contamination occurs when floods and ordinary rain water sweep away shallow pit latrines and drain human excreta into rivers and canals. Water may also be contaminated through humans sharing of water sources with animals. Another critical problem that has emerged due to the overcrowded human settlements in the outskirts of urban areas is that of poor sanitation, unplanned housing and infrastructure, and no farmland for the people who live in these areas. This exacerbates the poverty problem and contributes to the problems of poor sanitation, diseases and malnutrition. The use of shallow pit latrines, buckets and the bush as toilet facilities is therefore a big health hazard that needs to be addressed with urgency. The most recent phenomenon has been a marked increase in the environmental contamination caused by industrial waste.

9.2.2.2 Decline in Biodiversity

The loss of biodiversity poses a threat to the livelihoods of the poor in that it affects the interrelations between nature and people. This is a result of a number of factors amongst which is increased population density, unsustainable use of natural resources, poor livestock management, wrong farming methods, poorly planned human settlements etc. The pressure on the land has more than doubled with the increase in the human and cattle population density. The sustainable conservation of land is very critical in the fight against poverty, more especially because the poor depend entirely on land for their livelihood.

Traditional land use, especially communal land ownership and grazing, is no longer sustainable. Overgrazing has increased on communal land; encroaching on arable land and causing soil erosion. Another major cause of soil erosion is the failure of road contractors to adhere to environmentally

sustainable methods of construction and to ensure that the proper infrastructure is put in place to limit land degradation. In most cases the poor designs and lack of maintenance of feeder roads have contributed to the environmental problems of the country. The increasing pressure on the land at times manifests through the conflicts between those who represent conservation and the communities neighbouring conservation areas such as national game parks. Poor people have been maimed and even lost their lives in the hands of game rangers who refuse them access to natural resources within and outside the boundaries of game reserves. These game rangers allegedly have a right to torture and “shoot to kill” people in the name of protecting nature and wild life. The situation has reached such an extent that the poor are even refused access to their own fields and are virtually at the mercy of game rangers to meet their basic needs of firewood, herbs, food (fish and relish). Apparently, the law protects wildlife at the expense of human lives. No due consideration is taken by conservationist of the dependence of poor communities on natural resources for food, fuel, water and other basic needs.

9.2.2.3 Deforestation

Deforestation has occurred mainly through the felling of trees for firewood, building material, fencing, medicinal use, handicraft and forest clearing for ploughing fields, homestead building, road construction, etc. It appears that the cutting of trees has contributed the most to the deforestation problem. Natural woodland has diminished resulting in the high cost of fuel wood and an increase in time travelled to collect free communal fuel wood. The depletion of vegetation cover has generally increased soil erosion, loss of soil moisture, and reduced the productivity of the land. The poor themselves contribute to the problem as the tough economic situation has pushed them into an unsustainable harvesting of firewood, which at times involves the felling of green trees for commercial purposes. Another problem is that of trees that are not environmentally suitable in that they destroy the environment and affect the people around them by consuming a lot of water and affecting the soils. The PRSAP will therefore focus on more sustainable ways of ensuring the availability of fuel wood whilst safeguarding other availability of other natural resources.

9.2.2.4 Climatic Change

Climatic change is another area of environmental concern which has a long term effect on the lives and livelihoods of the poor. Unfortunately the reasons for climatic change are beyond the comprehension and control of the poor. Moreover, the costs associated with addressing climatic change are beyond the means of the poor yet, they are the most affected by the adverse conditions resulting from global warming, ozone layer depletion, uncertain weather conditions etc. The resultant drought, floods, change in climate and weather conditions affects agricultural production, availability of water resources and natural habitation on which the poor are dependent, almost entirely.

9.2.2.5 Alien Plant Species Invasion

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

9.2.3 Strategic Objectives

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

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

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

9.2.4 Goal for Environmental Conservation

The Government's goal on environment is to restore and conserve Swaziland's environmental resources for the present and future generations.

9.2.5 Strategies for Environmental Protection

a) Improving environmental health

The following strategies will be implemented to improve environmental health:

- i. Support the passing of the Public Health Bill into an Act;
- ii. Adhere to the "polluter pays" principle.
- iii. Build the capacity in government to monitor environmental health damage;
- iv. Promote of information, education and communication for all stakeholders;
- v. Properly plan human settlements and balance population growth with environmental resource conservation; and
- vi. Formulate laws and acceptable standards for human settlements in peri-urban areas.

b) Waste management

Waste management will be improved through the following strategies:

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

c) Reversing land degradation

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

- i. Build the capacity to monitor environmental damage particularly soil erosion;
- ii. Promote information, education and communication for all stakeholders particularly those relying on communal grazing;
- iii. Promote public awareness about land degradation;
- iv. Regulate unsustainable communal use of natural resources, in accordance with recommendations of the draft Land Policy and modern animal husbandry and agricultural practices;
- v. Promote of intensive animal husbandry practices and promote the growing of feed and fodder.

d) Conserving forests and wood land

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

- i. Bring the responsibility for environment management to the local level through supporting the formation of Natural Resources Committees (NRCs) as envisaged in the Forestry Policy;
- ii. Strengthen, implement and enforce all existing laws and bylaws relating to all aspects of environmental conservation with particular regard to the country's natural forests and woodland;
- iii. Promote and popularise of the use of energy saving and fuel-efficient methods of cooking, heating and lighting;
- iv. Promote, develop and use affordable sustainable new forms of energy (such as solar, wind, micro-hydro systems etc);
- v. Promote of public awareness on forest and woodland protection;
- vi. Review conservation legislation and the role of rangers in the management of the environment;
- vii. Develop strategies with concerned communities on the sharing and use of natural resources around game parks;
- viii. Support initiatives that aim to reverse deforestation such as afforestation; and
- ix. Ensure the protection of flora and fauna;

e) Climatic Change

Climatic change will be addressed through the following strategies:

- i. Enhance programmes to mitigate the effects of climatic change;
- ii. Strengthen early warning systems and investigate the impact of climatic change on food security;
- iii. Reduce the emission of green house gases and ozone depleting substances; and
- iv. Sensitize the public on climatic change issues and intensify early warning systems.

f) Combating invasive alien plant species

Invasive plants will be curbed through the following strategies:

- i. Strengthen and support ongoing efforts aimed at the eradication of alien invasive species;
- ii. Promote public awareness about invasive alien plants.

9.3 Gender Equality

Poverty reduction is about improving the lives of all people, especially the disadvantaged. Unless effective redistributive mechanisms are put in place, the benefits of growth do not accrue equally or equitably to the whole population. Women and children in Swaziland are the most disadvantaged and form the majority of the poor and deprived. Therefore, for the country to successfully achieve the objective of reducing poverty, it is important that no one is left out. It would be unfortunate for any section of the Swazi society prosper and flourish whilst the majority of the population live poor and miserable lives. Already, about 69% of the Swazi population consisting of poor men, women, boys and girls are deprived of the opportunity to fully recognize and explore their potential, capabilities, interests, aspirations, rights, responsibilities and roles.

Poverty has a gender dimension as men and women, boys and girls experience it differently. There are huge disparities between men and women and these become clear when viewed from the perspective of relationships that exist and the institutions and ideologies that govern rights, entitlements and capabilities of these people. There are barriers embedded in the legal framework, culture, religion, attitudes that prevent women and girls from achieving their full potential. A complete understanding the dynamics of gender and poverty will reveal the power relations within a society and the factors that shape the distribution of income, assets and work. These dynamics further determine the social norms that configure the differential access to opportunities and resources by men and women at all levels of the economy.

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

9.3.1 Inequalities in Poverty

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

About 52% of the population consists of children whilst the proportion of females to males is 53% to 47%. About 70% of the population lives in rural areas where it is estimated that 76% are poor. Although there is no deliberate government policy to discriminate against certain groups, there is enough evidence to show that the scales are not balanced between the sexes. Swazi females/women face numerous discriminatory challenges. A brief glance at the socio economic, political, cultural and legal environment reveal the dynamics that have an influence on the current gender relations, roles, responsibilities and rights in the private and public sphere. These individually and collectively a negative impact on the lives of women as compared to men.

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

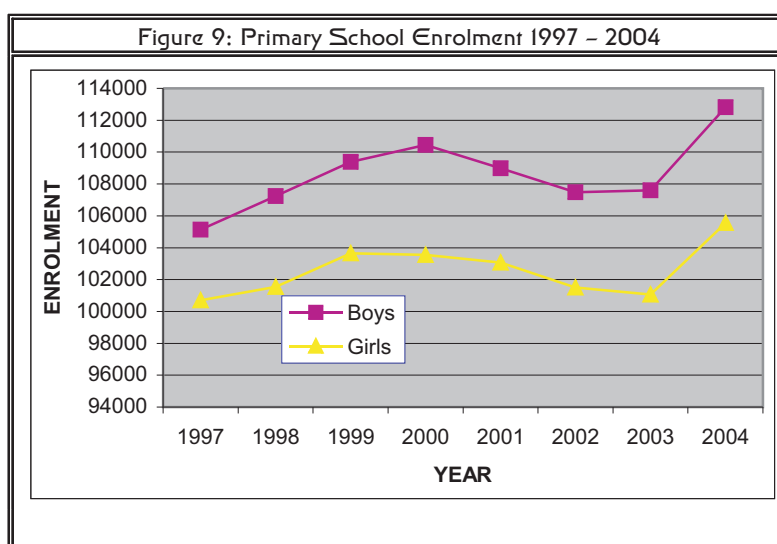
Even though on the surface the situation looks normal, Swazi women tend not to have equal opportunities to their male counterparts. Women are less likely to find jobs, are rarely in senior management and leadership positions. Only 31% of the population is employed and this represents 39.6% males and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

9.3.2 Income Generation

Not all women are active economically. According to the 1997 population census report, 31.8% of women are economically active and the rest are not with at least 28% engaged in housekeeping activities, taking care of the home and family. The importance of women’s participation in the economic process comes to be appreciated when they become heads of households. In spite of the disadvantages that women face, women headed households are expected to fend for their households. Almost 43.2% of households are headed by women and of these only 41.7% are economically active compared to 75.9% in the case of MHH. Of the 58.3% economically inactive heads, 73.2% are widowed and 67% have children. A majority of these households are located in the rural areas. Considering their limited access to assets, employment and lack of influence in society, the households they had tend to the poorest. This calls for serious consideration of supporting the development of micro enterprise sector in terms of policy and resources.

9.3.3 Gender and Education

Primary school enrolment is almost equal for boys and girls, but there has been a shift in favour of boys' education. The high expectations parents have for the boy child, puts emphasis on boy's education despite the child's capabilities. The tendency is to spend more money on the boy child because of the belief that when the boy child is successful he take care of the family and keep the family lineage while the girl is expected to get married and live with her husband and in-laws. This belief has led to most girls lacking the skills and abilities to cope with life yet when they grow up they bear the burden of taking care of families the most. At secondary school level, the ratio of girls to boys is equal. A comparison of enrolment at primary school indicates that some children drop out and never continue to secondary schools. One possible reason for this difference could be that the poor are the ones faced with the choice of withdrawing or not sending girls to school, and are more likely to be sending their children to primary rather than secondary school because of the associated high cost. In most cases these are children living in poverty and there are many other children unable to go to school due to poverty. About 23% of school going children (both boys and girls) never get to school (SPVCO Implementation Manual, 2002). These children that will grow to be illiterate adults will mostly likely be unemployed and will find it harder to appreciate the opportunity cost of not sending their own children to school. Statistics show that more boys than girls are enrolled in primary school.



Although fertility is influenced by a number of factors, education is one of the most important. The average number of children for uneducated mothers is 5.2 compared to 1.6 for those with high school education.

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

9.3.4 Health, HIV/AIDS and Gender

Life expectancy in Swaziland is 58 years, although with the impact of HIV/AIDS it is estimated to have reduced to about 39 years. Infant mortality rates show a decline from 139 per 1000 in 1986 to 88 per 1000 in 1997.

Statistics show the fertility is high among the poor with the total fertility rate of 4.5 but averaging 5.1 in rural areas compared to 3.2 in urban areas. The 20 – 24 age group is the most productive although there is now a growing trend of teenage pregnancies. Teenagers contribute about 13 % of births, which is quite significant. The sad thing to note is that the use of contraception is low especially in rural areas where poverty levels are high. In most cases women have to seek the consent of their partners to use contraception which may or may not quite often be granted.

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

Swaziland is one of the top countries in the world affected by the HIV/AIDS pandemic. The prevalence rate is estimated to be 42.6% based on the 2005 ante natal survey. Women have a higher prevalence rate with 52% as compared to 45% of men and the most affected age group is the 20-39 years. Most of these women are infected by their partners, as men believe it is their right to have multiple partners and the women cannot refuse any advances from their husbands and even find it very difficult to insist on the use of condoms. The number of teenagers getting pregnant has increased markedly revealing problems of protection, decay of morals and risks of deeper poverty for young mothers and their babies. As a result the number of orphaned children is increasing significantly.

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

9.3.5 Gender and Land/Property

Land is the main resource for growing food, but evidence shows that about 40% of households never produce enough food in any year. Recent assessments indicate that maize production went down by 40% between 1990 and 2000 further worsening the food situation of poor families. They depend on remittances to buy food packages. Female Headed Households are the most affected because they lack the means to earn or supplement their food requirements. About a quarter of the population depend on food aid for their meals. Food security is a major concern especially among the poor. Projections indicate that more than 50% of the rural population will be facing food shortages.

Both customary and common law govern the acquisition of land and/or property. The right for all citizens to access land is now enshrined in Section 211 of the Constitution. In the past however customary practices and the legal status of married women as minors compromised their right to own land and property. The Constitution in Section 19 (1) further entrenches the right of an individual or group of individuals to own property, which was not there in the past particularly for married women. Whilst women could buy property in their own right whether single, married out-of community or by customary law, those married in community of property could not. The situation was even more critical during the disposal of property or death of a spouse where the distribution of the estate was and still is very complicated as the widow in most cases faces expulsion from the husband's property by in-laws, the process of winding up the estate takes too long leaving the widow and children destitute, especially where the husband is the breadwinner. However, Sections 20 (1) and (3) and 28 of the Constitution accords equal status to all persons and disallows the discriminatory treatment of any person on the basis of gender, race, religion etc.. Again the Constitution in Section 34, safeguards the property rights of spouses upon the death of the other. Even with these exciting provisions in the Constitution, until traditional leaders are fully informed of these rights and the proper legislation is promulgated and enforced, such rights will remain on paper.

For private land, the property remains in the name of the husband even after death. The process of transferring the ownership of the property into the widow's name is cumbersome and expensive. Due to the expenses involved, the property can be lost to lawyers, creditors during liquidation or even other family members. According to Swazi customary laws, a woman cannot acquire a piece of land from a chief in her own right and girl children are not supposed to inherit property including land from their

parents. Rather, the property is given to a male relative if there is no boy in the family, which often leaves them at the mercy of a male relative. The Deeds Registry Act says the woman married in community of property cannot register a title on her own but has to be assisted by the male. This provision vests absolute power on men to unilaterally make decisions concerning the property leaving women very vulnerable where their interests are concerned. This is also a major problem where families headed by single mothers are concerned. It is critical that all laws in this regard be reviewed in line with the Constitution which now gives the right to all persons regardless of gender to own and keep their property. The Constitution further gives the right to spouses to have a share of the Estate in the event of death. Again these rights need to be legislated and enforced.

9.3.6 Gender and Culture

Other than legal restrictions concerning land, women have been socialised to feel and view themselves as inferior and this is the reason why they shy away from leadership and decision making roles. It is always seen as not in conformity with Swazi custom for a woman to take a prominent leading role in society as a result such opportunities are often delegated to men especially by the women themselves.

Culture is what has shaped the Swazi peoples' way of life. Culturally, the people of Swaziland have been socialized to define and assign gender roles. For instance, girls are socialized to be in the kitchen while boys are groomed to assume roles outside the house. Mothers as well as other older women impart 'women' skills to girls whilst fathers impart 'men' skills and the associated attitudes to boys. Because of this kind of socialization both boys and girls assume certain roles which influence and determine their interaction with society in general and the other gender in particular. This in most cases limits the potential of these children who grow up expecting and assume certain specific roles and responsibilities in life. The environment in which children are brought up shapes their future and social integration. For instance, a child brought up in a home where there is a lot of domestic violence is most likely to develop violent tendencies.

Women are also expected to be under the guardianship of their husbands and in-laws. This has hindered the development of women because there are instances where they cannot access credit and/or start businesses because their husbands are holding their consent. There are cultural practices like mourning that degrade the status of the women in society and polygamy (sitsembu) which spreads thinly the resources that men have. This also promotes the spread of HIV/AIDS as the virtue of faithfulness among couples remains elusive.

The wearing of mourning gowns (kuzila) for two years by widows and the fact that they have to observe certain rules which discriminate against them, constrains their productivity and freedom to participate in decision making processes which impact on their lives. There is need therefore for civil education and the respect of the constitutional right of women to voluntarily decide which cultural

practices to observe. Furthermore, because of the very weak maintenance laws, men tend to shirk their parental responsibilities and very often leave women with the sole responsibility to take care of their children. This has contributed immensely to the practice of baby dumping, street children and orphans' who are putting a lot of pressure on limited social resources yet their parents are still alive. Again the Constitution in Section 29 enshrines the right of every child to be cared for and maintained by its parents. Therefore, in line with this, maintenance laws will need to be strengthened and enforced.

With regard to all the gender issues mentioned in this document, the objective of the PRSAP is to ensure that poverty levels are reduced through direct and effective strategies that will facilitate and ensure equal opportunity to people of all gender.

9.3.7 The Goal for Gender Equality

The goal of the PRSAP is to ensure gender equality and afford women and other disadvantaged groups increased opportunity to utilize factors of production and equal access to social services by 2007.

9.3.8 Strategies for achieving gender equality

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

- i. Create and compile a comprehensive database on FHH and CHH and other disadvantaged groups;
- ii. Empower women and CHH on income generating activities and inform them of their constitutional rights to own and acquire property and assets;
- iii. Review, improve and educate both men and women on marriage and inheritance laws;
- iv. Review cultural practices which infringe on the rights of women;
- v. Encourage responsible and gender sensitive reporting;
- vi. Develop innovative ways of reducing the burden of household chores on women and girls;
- vii. Review and repeal all discriminatory laws including Swazi Law and Custom and remove the minority status of women in accordance with the Constitution;
- viii. Improve and enforce laws against domestic violence, sensitize both men and women and provide counselling services for abused people;
- ix. Provide information on the rights, privileges and practices that will empower women and encourage them to be leaders;
- x. Support and develop the Micro Enterprise sector where most poor women are involved and ensure equal opportunity to employment and income generation activities;

- xi. Ensure equal opportunity for children of all gender in the implementation of Universal Basic Education;
- xii. Improve access to information on reproductive health and family planning;
- xiii. Encourage abstinence among adolescent children especially girls; and
- xiv. Conduct research on the relationship between gender and other economic, social and political factors.

9.4 Infrastructural Development for Increasing Returns

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

Rural infrastructure can be seen as the complex of physical structures or networks within which social and economic activities are carried out. These structures are not ends in themselves, but are means to achieving the broader goals of economic growth and poverty reduction. Rural infrastructure contributes to these goals by providing essential services such as transportation for goods and services, the transmission and communication of knowledge and information to the rural population. It is the provision of rural infrastructure that will result to a meaningful and effective rural economic and social transformation. As more and more developing countries commit themselves to transforming their social and economic conditions and in order to ensure that the people at every level are better connected and can interact with the rest of the world, the need to develop reliable infrastructure facilities becomes inevitable. In addition good infrastructure facilitates the performance of the private sector and enables forward and backward linkages with activities conducted by SMEs and the poor.

A large proportion of the people of Swaziland reside in the rural areas where most of the poor are found. Overall, 76% of poor Swazis are found in the rural areas compared to 50% in the urban areas. Approximately, 43% of the rural population is poor compared to 30% of the urban population and the depth and severity of poverty is also worse in the rural areas. The other aspect is the high incidence of poverty in peri-urban areas where the urban poor are mainly found. They lack infrastructure and find services extremely unaffordable and thereby inaccessible. Worse still is the fact that the rural areas have the least developed infrastructure compared to urban areas. In the rural areas for instance, it is unlikely to get a telephone within a radius of five kilometres whereas in the urban areas they are found within distances of less than two hundred metres. Poor infrastructure affects the development

of the poor as producers, consumers and workers as it denies them the opportunity to contribute to the social and economic development of their country and deprives them of a share of some of the benefits of growth.

9.4.1 Improving Rural Infrastructure

The entire development process is dependent upon the provision of adequate physical infrastructure (roads, water pipes, electricity and telephone lines etc.), transport and communications, therefore, the need to develop rural infrastructure cannot be overemphasised. Not only is there a need for a well-developed infrastructure, but also the issues of accessibility, affordability, availability and safety in the provision of services are to be considered in order to ensure that the poor participate and benefit from all efforts of poverty reduction. Infrastructure could be in the form of roads, bridges and foot bridges, airports, railways, markets and buildings and services such as passenger transport, goods transport, telephone, radio, television, ICT and postal services.

9.4.2 Roads

The government of Swaziland has committed itself improve the quality, length and maintenance of rural road network, while ensuring that local people derive maximum benefits from the development. By African standards, Swaziland has a well-developed transport infrastructure with a total proclaimed road network of 3,000km inclusive of both district and main roads. Of this, about 33% is paved and in terms of quality, the Ministry of Public Works and Transport (MOPWT) rates proclaimed roads as follows: 5% very good; 39% good; 6% fair; 22% poor and 28% very poor.

The major problem with these roads is that the 44% of roads which are classified as “very good and good” are all in urban areas and the remaining 56% of roads, which are rated as poor and very poor, are in the rural areas where a majority of the poor population lives. Co-ordination in the construction of feeder roads has been very poor, with very little or no liaison amongst the different players involved. Key players include MOPWT, MOAC, some NGOs and the communities themselves. As a consequence the design standards for most of the feeder roads that are not proclaimed are very poor and they were constructed without a clear maintenance plan. There are cases whereby what was meant to be a feeder road has become a serious environmental hazard due to soil erosion caused by uncontrolled storm water drainage.

In general, the poor live away from the main roads and rely on feeder roads, hence the importance of improving feeder roads and gravel roads. Studies undertaken by MOPWT indicate that most feeder and gravel roads are in serious need of rehabilitation in order to bring them to maintainable standards. Gravel roads are intermediate and connect feeder roads to the main road network and therefore are in need of rehabilitation as much as feeder roads. The poor designs and lack of maintenance of feeder and gravel roads is matter of serious concern because have contributed immensely to land degradation.

Therefore it is important that there is proper coordination, design and monitoring of feeder and gravel road construction. The personnel involved in feeder road construction particularly the Ministry of Works and the Land Development Section personnel need to be trained on sustainable construction methods. Another important consideration in the construction of roads is the construction of bridges and where this is not immediately possible, foot bridges in order to facilitate access to schools, health centres and other services. This is more critical with the increasing number of accidents and cases of children drowning in big rivers. The construction and rehabilitation of feeder and gravel roads are a priority in the PRSAP. In order to improve the participation of the poor in the construction and maintenance of feeder, gravel roads and foot bridges, labour intensive construction methods need to be encouraged and accordingly communities mobilized. Moreover Government will develop a policy that compels contractors to employ and/or outsource certain elements of the construction work to local contractors and to utilize local inputs as far as possible, particularly for locally funded projects.

9.4.3 Passenger Transport

The provision of passenger transport is critical in the fight against poverty. Passenger transport facilitates access to markets for household items and agricultural produce/products, job opportunities and social services. Reliable and affordable transport in rural areas is necessary for improving the livelihoods of the poor. It further reduces the time spent on travelling thus increasing time available for doing other household chores. Given the poor spread of the social amenities like schools and health facilities, the provision of efficient passenger transport ensures that the rural population have access to services. There is a strong linkage between access to transport services and poverty.

The level of development of a region and the economic activity involved determines the demand for passenger and goods transport services. As indicated in Table 7 below, Shiselweni, which is the poorest region, is also the most poorly served in terms of transport whilst Hhohho, the richest region is the best served. Based on data on the number of permits issued, it is estimated that there are 3546 passenger vehicles, comprising 1,181 conventional buses, 340, mini buses and 2025 kombis. However, these figures need to be interpreted with caution because the number of permits does not necessarily correlate with the demand for the service. The demand for the service in most cases justifies the need for public transport hence some routes may seem to be under serviced due to lack of demand. However, other factors such as the quality of roads also play a key role in determining the availability of public transport. It is therefore of utmost importance that all bottlenecks in the provision of transport in rural areas be investigated and addressed.

As already indicated, the number of vehicles serving the public is estimated based on the permits issued. However, there are serious problems with the permit system, especially with regards to monitoring. Rent seeking behaviour is believed to be widespread with people using their influence to

get permits that they then lease out to the genuine vehicle owners. In most cases, the people who actually hold on to the permits and continue objecting to the applications of others do not own or operate the vehicles. The impact of this is that it makes the monitoring and control of road accidents as well as the general transport operations very difficult and increases the costs of operating a transport business, which is eventually passed on to users.

Table 7: Distribution of Permits Issued by Region by Vehicle type against population				
Vehicle Type	Hhohho	Manzini	Lubombo	Shiselweni
Scheduled Buses	354	395	270	162
Minibuses	108	128	59	45
Kombi	838	562	385	240
Total	1300	1085	714	447
% of permits	36.6	30.6	20.1	12.6
% of total Population	27.4	30.2	20.9	21.4

Another critical issue which often eludes the attention of policy makers is the transport needs of elderly and people with disabilities. Very often because of the design of public transport, the elderly and people on wheel chairs in particular, find it difficult to use public transport and operators do not normally sympathize with their predicament. Secondly, the blind and the elderly often fall victim of unscrupulous operators who cheat them of their money because they can neither see nor count the money they are carrying. A well managed coupon system would therefore go a long way in addressing this issue.

9.4.4 Transport for Goods and Services

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

Furthermore, the poor often depend on selling their produce and wares in the big cities. However, because of exorbitant charges and limited carrying capacity in the now commonly used forms of public transport (kombis), the poor cannot afford to take their products/produce to the market place.

This defeats the objective of promoting income generating activities in rural areas. To facilitate the generation of incomes and growth in rural areas, passenger transport servicing these areas should accommodate and cater for the transportation of agricultural and other produce to markets at very low cost.

In view of the poverty situation and to ease the burden of women in particular in the transportation of goods, it is important to promote other Immediate Means of Transport (IMT) and non-motorised means of transport such as donkeys and cattle especially when carrying out household chores.

9.4.5 Market Infrastructure

Urban and rural market infrastructure is linked to road infrastructure and transport and is crucial in serving the interests of the poor who want to sell their wares. Access to markets remains a serious constraint to farmers and urban/peri-urban vendors who sell their products and produce to make a living. Under the Agricultural Policy, government would like to commercialise agricultural production on Swazi Nation Land and there will be need to support this transformation by establishing markets and also de-regulating the present marketing system in order to ensure efficient operation of markets and pricing. In order to realise this objective, access to agricultural inputs, research facilities, information centres, efficient transport system and extension services to farmers should be facilitated and improved.

9.4.6 Road Safety

The number of road accidents experienced nationwide has more than doubled over the last ten years from 2,910 in 1993 to 6,238 in 2003 of which 220 (or 3.5%) were fatal. Accidents contribute to poverty in several ways including loss of life, loss of future earnings due to disability, present and future medical bills, damage/loss to property (in terms of the value of the damaged vehicle itself). Without insurance cover or compensation, road accidents can lead to the financial ruin of motorist and their families as well as increased vulnerability due to the death of bread winners. The consequences of road accidents add to the number of orphans and vulnerable children or families in general. In order to reduce road accidents, there is need to promote road safety as well as the vigorous enforcement of road safety legislation.

In an effort to provide relief to accident victims, the Government introduced the Motor Vehicle Accident Fund (MVA) in 1988. The fund provides compensation to road users who find themselves involved in an accident. Although this fund has saved many lives and livelihoods, there are some problems in its administration. These problems include:

- a) Very low statutory limits on group claims that were set in 1988 and have never been revised (e.g. there is a maximum of €250,000 for passengers in a bus combined and a per passenger limit of €25,000);

- b) Family squabbles and relatives who take advantage of accident victims who have been incapacitated;
- c) The length of time it takes to process claims;
- d) Procedures for filing a claim that facilitate the swindling of victims by some legal practitioners; and
- e) The lack of compensation for victims of accidents that occur on non proclaimed/gazetted roads.

In order to address the issues facing the poor with regards to transportation and related infrastructure, the Government will be concerned with the objectives of improving the quality, length and maintenance of the rural road network whilst ensuring that maximum benefits derived from such activities accrue to local people. It will also be critical to improve the quality (frequency, reliability and comfort) of the service provided by public transport operators on rural roads and reduce the number and rate of accidents whilst ensuring that fair and adequate mechanisms for compensating victims are in place.

9.4.7 Goal for Rural Infrastructure Development

The goal of the PRSAP is to provide and maintain rural infrastructure to facilitate growth and enhance economic activity in rural areas.

9.4.8 Strategies for Rural Infrastructure Development

- i. Encourage private sector investment in rural infrastructure;
- ii. Improve rural infrastructure and living conditions to reverse the rapid rate of migration and congestion in the cities;
- iii. Build the capacity of communities to construct and maintain rural infrastructure;
- iv. Properly plan rural and peri-urban human settlements to facilitate the provision of infrastructure;
- v. Promulgate the Physical Planning and Control Act and develop regional physical plans;
- vi. Harmonize policies and activities for rural infrastructure development.

9.4.9 Goal for Rural Transport

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

9.4.10 Strategies for Improving Rural Road Transport and Infrastructure

The strategies to achieve these objectives will be as follows:

- i. Improve the financing for rural roads through establishing a dedicated Feeder Roads budget within the Ministry of Public Works and Transport;
- ii. Ensure that labour intensive techniques are used during rural road construction and maintenance, with maximum participation of local communities;
- iii. Empower small contractors and communities to take part in rural road construction through employment, training and other forms of capacity building;
- iv. Review, pass and enforce the provisions of the Transport and Traffic Bill;
- v. Encourage the installation and usage of condom cans in all public transport to curb HIV infections;
- vi. Properly coordinate and manage the utilization of the Government fleet particularly for servicing the needs of the poor;
- vii. Design and construct foot bridges in all areas that need access;
- viii. Develop a comprehensive Information Management System on road transport services
- ix. Develop and implement a robust permit control and monitoring system;
- x. Set realistic standards of service delivery for transport operators and enforce these vigorously;
- xi. Review passenger transport pricing system and tariffs and encourage transport operators to cater for the transportation of produce and products;
- xii. Construct bridges and foot bridges to facilitate access to services;
- xiii. Introduce a coupon system for vulnerable groups such as the elderly, children, people with disabilities, so that they too can be treated fairly and afforded the opportunity to access transport services;
- xiv. Vigorously enforce legislation dealing with road safety, especially on the roadworthiness of vehicles and the conduct of drivers of vehicles that serve the public;
- xv. Review the effectiveness of the MVA with a view to making it more friendly to victims whilst also guarding against fraudulent practices;
- xvi. Sensitise the public on the MVA and selectively provide legal aid to victims who may not afford it.

9.5 Information and Communications

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

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

9.5.1 Telecommunications

Between the year 2000 and 2001 there was a decline in the number of postal services, telephone services and telex connections. This may have been due to the introduction of new forms of communication such as cellular phones, and internet and e-mail services. Telecommunications services are provided by Swaziland Posts and Telecommunications Corporation (SPTC) and the Mobile Telephone Network (MTN) company who are both monopolies and government is the regulatory body. SPTC designs, implements and maintains services such as telephone, pay phones, internet, video conferencing/groupings,

spaza phones, private wires (e.g. for data transmission), satellite receptors, wireless local loops (lunyazi), pre-paid systems (umkhululi) and solar powered communication systems. The company is also responsible for providing point-to-point radios and the sale of handsets.

The company mainly deals with the provision of fixed telecommunication services but the costs are prohibitive to the poor. Payphones are installed free of charge on request by communities. The service provision is guided by the corporate plan emphasising the provision of effective demand-driven services.

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

Table 8: National Telephone Connections 1986- 2000			
Year	Estimated Residential Population	Telephone Connections	Estimated Population per telephone connection
1986	681,059	9,440	72
1990	768,880	13,524	57
1991	795,534	14,355	55
1992	822,784	15,418	53
1993	850,628	16,028	53
1994	879,081	18,605	47
1995	908,119	20,611	44
1996	937,747	22,771	41
1997	980,772	24,322	50
1998	1,008,233	28,999	35
1999	1,036,411	30,569	34
2000	1,065,431	31,872	33

On the other hand, MTN provides and maintains mobile communication system and public pay phones. Service provision by MTN is also guided by a corporate plan. With MTN, service provision is more readily accessible and cash-driven but the cost is many times more than that of SPTC landlines. The company has made significant progress towards improving the network coverage in the country. However, the key challenge remains that of improving the network coverage in rural areas and providing an affordable service which would benefit those areas which telecommunication network has not reached.

9.5.2 Postal Services

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

9.5.3 Radio

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

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

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

9.5.4 Television

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

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

9.5.5 The Print Media

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

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

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

9.5.6 Goal for Information and Communications

The goal of the PRSAP is to ensure improved communication and access to information by 2008 in order to empower the poor, enable them to get accurate, timely and reliable information.

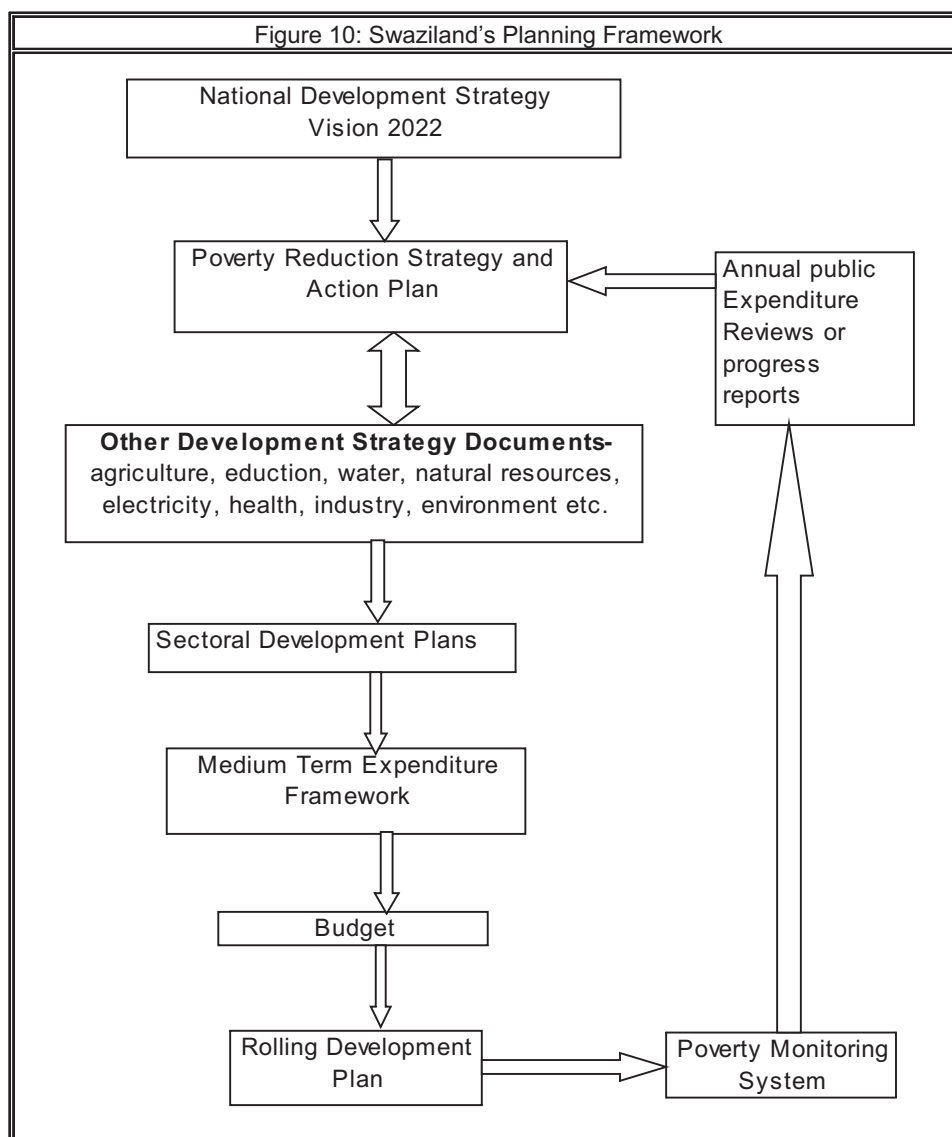
9.5.7 Strategies for Information and communications

The following strategies will be pursued over the PRSAP period:

- i. Establish partnerships between government and the private sector in relation to poverty reduction programmes for information dissemination;
- ii. Improve infrastructure by extending existing communications network;
- iii. Increase the number of repeater stations for radio and TV to cover the whole country;
- iv. Establish alliance with other distributing agencies to ensure 100% distribution throughout the whole country;
- v. Establish multi-purpose community centres providing postal, telephone, Internet and television services;
- vi. Design special mass media programmes targeted at poverty reduction;
- vii. Lobby corporate organisations to target poor communities in their corporate plans.

CHAPTER 10: IMPLEMENTATION, MONITORING AND EVALUATION

10.1 Planning Framework



Swaziland is currently changing her planning and budgeting framework with the development of the PRSAP and the effective implementation of the medium term expenditure framework for the overall budget and the decentralisation policy, which aims to include people at the grass root level in planning, budgeting and implementation. The implementation of the PRSAP will involve all stakeholders especially the poor at all levels and facilitate their participation in development and growth. The government has the overall responsibility for coordinating and monitoring the implementation of the PRSAP and will in this regard, create the institutional

and operational framework for the requisite reform and service delivery. Central agencies (Ministries of Finance, Planning & Development and Public Service & Information) will continue their role of co-ordinating national planning and budgeting activities in consultation with line ministries. The Ministry of Regional Development and Youth Affairs in collaboration with line ministries and NGOs will assume the role of coordinating development activities at community and regional level.

The planning and budgeting machinery revolves around the National Development Strategy (NDS), the Poverty Reduction Strategy and Action Programme, the rolling Development Plan and the Medium Term Expenditure Framework (as reflected in Figure 10). The MTEF was introduced in 2003 in an effort to render the budgeting process more predictable. The NDS provides a set of macro and micro social and economic strategies to be pursued by the entire country over the period 1997 to 2022 whilst the PRSAP reflects Government's priority focus in operationalising the Vision over the next ten years (medium term). The PRSAP has been formulated based on the consensus of Swaziland's development priorities and the urgent need to achieve the Vision contained in the NDS. The process has also been highly participatory and its implementation should therefore, not lead to parallel systems. Instead, it should lead to the strengthening of capacities and institutions including those of civil society.

The PRSAP together with the Prioritised Action Programme on Poverty Reduction sets goals and time bound targets to be achieved over the period up to 2015. In view of resource and capacity constraints these targets have been realistically set to address immediate challenges while at the same time attaining the goals which are broadly in line with the Millennium Development Goals (MDGs). The Ministry of Economic Planning & Development through the Poverty Reduction and Monitoring Section has the overall co-ordinating and monitoring responsibility for the implementation of the poverty reduction action programme in close collaboration with line Ministries, other partners like NGOs, CBOs, and FBOs. At the same time, it will ensure that the Sectoral Development Programmes and MTEF are reformed in line with the objectives of the PRSAP.

The implementation of the PRSAP will reform the planning and budgeting process in that it brings to fore the key issues each sector needs to focus on in developing policies, strategies and programmes that will make an impact on the lives of the poor. Instead of the top-down approach, planning will gradually shift to the grassroots with the implementation of the decentralisation policy at regional and Tinkhundla levels. This will enhance the participation of the poor in decision making and in the planning and implementation of the programmes designed to reduce their poverty. The PRSAP recognises that there are projects already under implementation which may not necessarily target the poor. It is envisaged that as part of the implementation of the PRSAP there will be adjustments wherever possible, to incorporate elements of poverty reduction and ensure proper targeting of benefits.

The Budget is the operational tool for allocating domestic and external resources for the implementation of all development plans. The Budget draws its projects principally from proposals submitted by line Ministries according to their Sectoral Development Plans. At any given time, Sectoral Development Plans outline the policies, strategies and programmes to be implemented by a sector. The sectoral development plans will then be translated into the MTEF and included in the budget. These will be expected to be inline with the PRSAP and the role of central agencies will be to ensure such conformity. The elimination of poverty is broadly dependent on the political will to review Government priorities in line with the objectives of the PRSAP. This view is taken in acknowledgement of the serious limitations on resources and the need to prioritize and limit or scale down activities that have very little impact on reducing poverty. Also, in line with Pillar 6 (governance), transparency will be encouraged in the planning and budgeting process.

10.2 Co-ordination of Implementation, Monitoring and Evaluation Arrangements

10.2.1 Implementation Roles of Stakeholders

The involvement of all stakeholders is paramount in the implementation of the PRSAP. Stakeholders in the poverty debate include private sector, parastatals, NGOs, CBOs, FBOs, donors, government ministries, communities, the poor and others. The PRSAP encourages empowerment and participatory development rather than hand outs, except in emergency or disastrous circumstances. Therefore any support or involvement of key stakeholders in poverty reduction will be characterized by empowerment and participation.

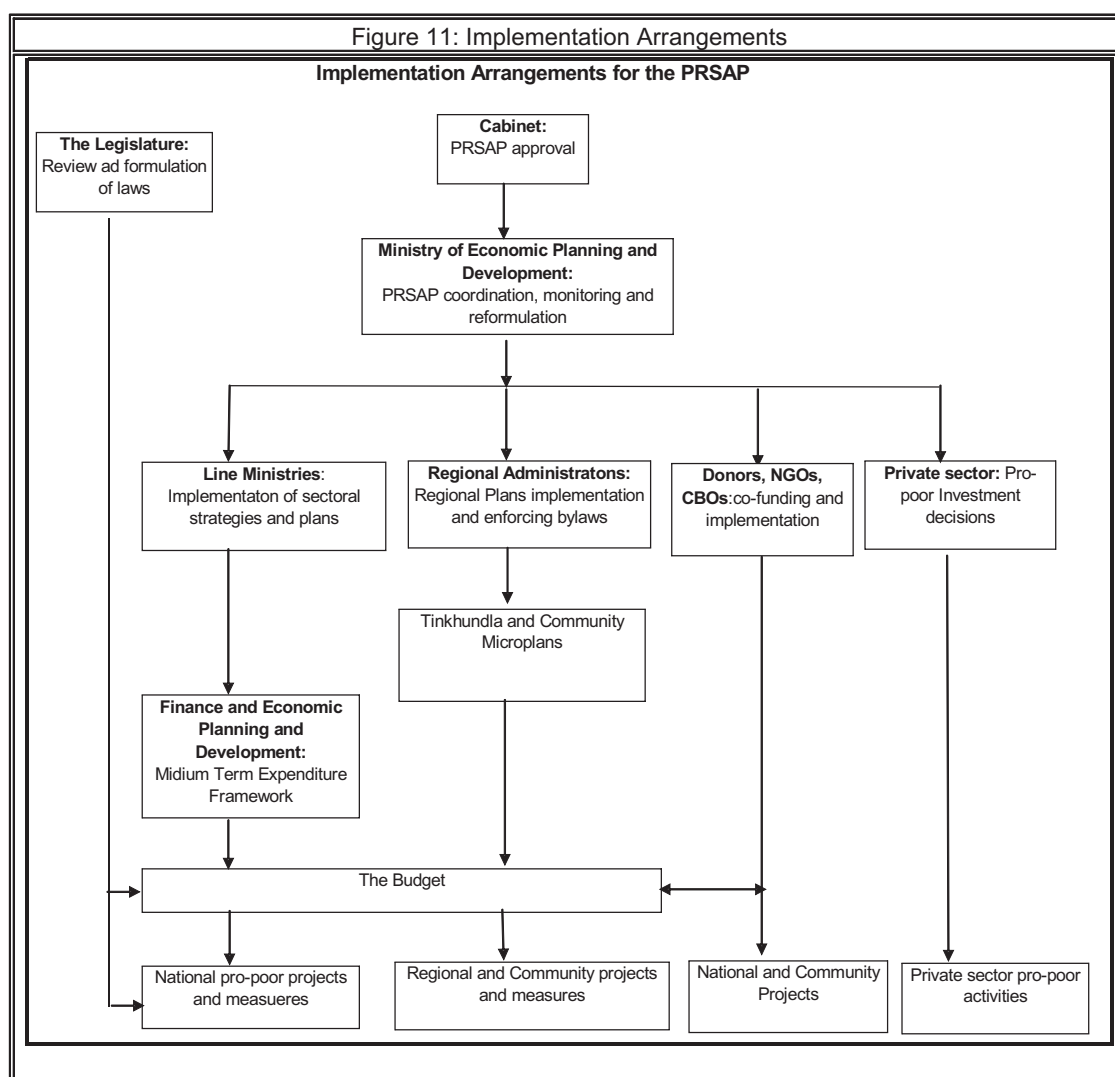


Figure 11 and 12 depicts the involvement of all key stakeholders in the planning and budgeting process. The planning framework also includes reviews – through the monitoring system and expenditure review. These will monitor any progress made in terms of resource allocation and the impact on poverty. The framework will also provide an opportunity to decentralise the planning and budgeting process and make structural adjustments in the budget approval and implementing and monitoring mechanisms. The role of local governments, NGOs, communities and the Ministry of Regional Development and Youth Affairs will be critical in this regard.

10.2.1.1 Executive and Legislative arms of Government

The Government, through Cabinet has the mandate to approve the PRSAP and oversee its implementation in terms of ensuring that Ministries adhere to the objectives set therein. Cabinet will also ensure that before the budget is passed on to Parliament, it conforms to the principles set in the PRSAP. Parliament will be responsible for enacting or repealing the laws recommended in the PRSAP, approving the budget in accordance with the objectives of the PRSAP and monitor the use of resources through the Portfolio Committees and the Public Accounts Committee.

10.2.1.2 The Ministry of Economic Planning and Development

The Ministry of Economic Planning and Development will spearhead the implementation of the PRSAP through an interactive sensitization process. The Ministry will also mainstream poverty reduction by ensuring that the objectives of the PRSAP are central to the Sectoral Development Plans and thus included in the MTEF and in the rolling Development Plan. The Ministry will also design a sound macroeconomic framework supportive of accelerated shared economic growth. The Ministry will also mobilize donor funding and solicit support from NGOs for the implementation and monitoring of pro-poor projects.

The Ministry will also establish the National Poverty Reduction Forum comprising of implementing agencies and other stakeholders that are involved in the implementation or have an interest in the efforts of reducing poverty. The Ministry will continue undertaking participatory poverty assessments and disseminating information through regular reports produced from the poverty monitoring system (PMS) and hold an annual National Poverty Reduction Forum. The monitoring reports will facilitate better planning and the progress reports on the MDGs. The Poverty Reduction and Monitoring Section (PRMS) will co-ordinate the formulation and review of future PRSAPs, assist in the identification of pro-poor projects, co-ordinate and monitor their implementation through regular consultations with line Ministries and Local Governments. The PRMS will also act as the Secretariat to the National Poverty Reduction Forum.

10.2.1.3 The Central Statistics Office

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

10.2.1.4 Line Ministries

As established in Figure 11, line ministries will translate the strategies and actions into programmes, projects, policies and activities. These will then be further spelt out in the SDPs and included in the MTEF and the annual budget. The SDPs will be expected to outline activities that are in conformity with the PRSAP and in line with the objectives the programme/projects developed therein will be expected to be pro-poor. Furthermore, line Ministries will be responsible for designing and implementing these poverty reduction policies, programmes and projects. Line Ministries will also participate in monitoring of projects and programmes both at regional and national levels.

10.2.1.5 The Ministry of Regional Development and Youth Affairs

The Ministry of Regional Development and Youth Affairs is responsible for operationalising the decentralisation policy as well as ensuring that the development programme is well co-ordinated at the regional, Tinkhundla and community level. The role of the Ministry and local governments particularly the Regional Administration offices in the initial stage will be to ensure the poverty reduction projects are identified and subsequently implemented at the grass root level. Government funds such as the Regional Development Fund, Community Fund will, in future, be consolidated into a Poverty Reduction Fund and be used to implement projects that have already been planned for reducing poverty. Regional Administration Offices working very closely with Tinkhundla and communities will ensure the enforcement of bylaws recommended in the PRSAP at community level.

10.2.1.6 Ministry of Finance

The role of the MoF in implementing the PRSAP is fourfold. First, along with the MEPD, the Ministry will ensure that priority is given to poverty reduction initiatives in the MTEF and the budget. Secondly, the Ministry will ensure that fiscal policy such as tax reforms and subsidies as outlined in the PRSAP are implemented. Thirdly, the Ministry will ensure that the desired orientation of public expenditure in favour of poverty reduction is realised particularly recurrent expenditure. Finally, it will participate in the public expenditure reviews and integrate recommendations in the budget. Tracking of both recurrent and capital expenditure will be crucial in the assessment of the impact of programmes on poverty. Therefore the MEPD and MoF have the joint responsibility of tracking public expenditure.

10.2.1.7 Donors

Donors and financing agencies will use the PRSAP as a framework for channelling official development assistance to the country. They will be expected to ensure that assistance is in line with the activities identified in the PRSAP and co-operate with government in funding priority areas and sharing information.

10.2.1.8 NGOs, FBOs and CBOs

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

10.2.1.9 The Private Sector

The private sector, foreign and domestic, is expected to remain Swaziland's engine of growth. Private investment reduces poverty through job creation and creating opportunities for forward and backward linkages with small and medium entrepreneurs. The private sector will be encouraged to invest in areas that develop rural communities, facilitate the control of HIV/AIDS infections and enhance the skills of their employees. In that way, opportunities for private investment will increase when incomes and the lives of the majority poor improve and links with SMEs and smallholder farmers are established.

10.2.1.10 Poor Households

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

10.3 Financing of the PRSAP

In recent years, the Capital programme has not given much emphasis to poverty reduction (Table 9). Between 2003/04 and 2004/05, less than a third of capital budget resources were allocated to poverty projects. Evidence points to the fact that even with these projects, the benefits do not reach the poor.

The objective of the PRSAP is to steadily increase the share of poverty reduction projects

from 26% in 2004/05 to 69% per annum in line with the poverty prevalence rate. This share should eventually decrease as poverty levels lose social and economic significance.

Table 9: Capital Budget Financing of Poverty Projects (E' 000)			
Financial Year	Poverty Projects Estimates	Total Capital Budget Estimates	% Share of Poverty Projects
2003/04	390,431	1,232,502	31.7
2004/05	361,221	1,415,222	25.5

Public expenditure is skewed in favour of recurrent expenditure, accounting for 74% leaving 26% for capital development budget. Recurrent expenditure can equally promote poverty reduction if it supports previous or current poverty programmes. Indeed, most poverty programmes such as primary health care, basic education, and extension services are funded from the recurrent expenditure. Only a detailed analysis and tracking of this recurrent expenditure can reveal its real impact in reducing poverty. Moreover, since recurrent budget resources are disbursed faster, if targeted correctly, their impact on poverty can be more significant and immediate.

Not all aspects of the PRSAP will require additional funds for implementation. Some require the enactment of new laws, amendment and enforcement of existing ones, formulation of policies and implementation existing policy measures. The most important reform in the successful implementation of the PRSAP is the re-orientation of the limited resources in the budget towards poverty reduction activities.

Even where additional funds are needed, it will not always be the government or donors that will have to provide all the funds. The private sector and all the people of Swaziland, including the poor will also be expected to play an important role in this regard. The participation of the private sector and public-private partnerships will be encouraged in this process.

10.3.1 Resource Forecasts

Currently and for several years now the economic and financial situation has not been favourable with the budget running a deficit. The deficit reached 4% of GDP in 2006/07 and is projected to continue for the next three years.

Whilst revenue is forecast to increase by 2.8% per annum by 2006/7 recurrent expenditure is expected to grow by 4.8% per annum, well out of tandem with revenue. Moreover, the wage bill continues to increase to very unsustainable levels, accounting for more than 50% of recurrent expenditure. Capital expenditure is forecast to increase by 12.6% per annum.

The emerging picture calls for fiscal prudence, improving revenue collection, more donor resource mobilisation, rationalising the public service, targeting of resources, prioritisation of expenditures, restraint on recurrent expenditure and improving efficiency and cost-effectiveness in the operations of Government and management of the budget. Allocated resources must be tracked down to ensure that they reach the targeted population and that programmes are efficiently implemented.

Table 10: Budget Estimates and Projections for 2004/05-2007/08 (E Million)

Item/Financial Year	2004/05	2005/06	2006/07	2007/08
Revenue	4,840.7	4,982.4	5,337.0	5,767.5
Grants	186.3	222.0	211.0	132.7
Total Recurrent Revenue	5,027.0	5,204.4	5,548.0	5,900.2
Recurrent Expenditure	4,702.7	4,561.4	4,777.0	5,041.9
Capita Expenditure	1,059.4	1,490.4	1,587.3	1,690.4
Capital and Recurrent Expenditure	5,762.1	6,051.8	6,364.3	6,732.3
Source: Economic Review and Outlook 2004/05-2007/08				

10.3.2 External Assistance

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

Grants not only constitute a small fraction of revenue (2.38% in 2004/05), but as shown in Table 10 they are projected to decline. By basing their policies on a country's per capita income donors aid policies work against the poor and marginalized groups. Furthermore, the shortage of domestic revenue and the lack of substantial external assistance to the country will slow down the implementation of the PRSAP. There is therefore an urgent need for donors to review their policies on official development assistance and make substantial contribution to the financing of the PRSAP in Swaziland. For this purpose, a donors' conference will be organised during the early years of implementing the PRSAP in order to sensitize donors of the challenges facing the country and solicit their support.

10.4 The Monitoring and Evaluation Processes

Monitoring the implementation of the PRSAP is a significant element in the overall objective of reducing poverty by more than 50% by 2015 and assessing progress made on all the MDGs. Monitoring and evaluation will be done at different levels. The objective of monitoring and evaluation at all levels will be to ensure that the PRSAP is on track and will be flexible to adapt promptly to changing circumstances and priorities. Accordingly, there will be a two-way communication between the different structures. Also, there will be feedback from higher authorities downward on action taken in response to the monitoring and evaluation reports.

At implementation level (Tindvuna Tetinkhundla, Regional Teams, line Ministries), the main concerns will be whether inputs at micro level (resources, personnel, equipment) are made available timely and are producing the desired outputs (schools, health centres, rural roads, household income etc). The role of civil society in assisting communities to monitoring the implementation of their programmes and in tracking the expenditures will be critical. Consequently, community capacity must be strengthened so that this will be done with the full participation of communities.

At the next level, line ministries will enhance their own monitoring and evaluation systems in line with the MTEF and expenditure reviews. Public expenditure reviews will be conducted at line ministry level and together with MEPD and MOF. This will involve the monitoring of PRSAP activities that are included in the budget and the tracking of expenditure on these activities by budget line item in order to identify beneficiaries and assess the impact on their lives. It is at this level that the Sectoral Division and the Poverty Reduction and Monitoring Section (PRMS) will be instrumental in analysing and assessing the programmes and their impact on poverty.

Principal Secretaries will monitor and evaluate the PRSAP implementation and advise on any action to correct any undesirable deviation from the objectives and targets. At cabinet level, monitoring will concentrate on the impact of all poverty reduction initiatives on the final indicators of welfare (poverty prevalence, depth and severity, income distribution, levels of household incomes, literacy rate, health status indicators etc). The Poverty Reduction Forum will be concerned with key poverty issues as well as the change in the welfare of the people due to the overall implementation of the PRSAP.

10.4.1 Monitoring Indicators

Monitoring will be regularly undertaken on the basis of agreed targets and performance indicators. The targets have been identified in the matrices appearing in the various sections of this document. Appendix I shows some of the monitoring indicators that will be used in assessing the success of programmes in reducing poverty and the impact of implementing the PRSAP. Performance indicators take three forms - inputs, outputs/outcomes and impact indicators. These indicators may be revised or refined by stakeholders as necessary in the course of implementing the PRSAP.

Input indicators identify resources made available for reducing poverty in any form. These resources can be financial such as budget expenditure on labour, transport, personnel or capital equipment. In this regard the monitoring focus will largely be on financial resources on an activity basis e.g. resources spent on primary education, basic health services etc. The purpose of monitoring the inputs will be to establish the efficiency and effectiveness with which the resources are used.

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

Impact indicators measure changes in the final dimensions of poverty such as the incidence of poverty, literacy rates, life expectancy, which result from numerous outcomes of many interventions cutting across sectors usually after a long time. The Poverty Reduction and Monitoring Section will carry out this task and has in this regard developed a computerised monitoring system and the requisite database, to be maintained regularly. The PRMS will work closely with civil society and the media to disseminate information to all stakeholders.

The CSO and statistical units in line Ministries will ensure the production of statistics to generate the data for calculating these indicators. Whenever possible the CSO will be encouraged to produce disaggregated data up to Tinkhundla level. This will be done through regular surveys such as the demographic and health survey, consumer price index, agriculture, employment etc. The production of reports will have to be regular and timely.

10.4.2 Monitoring Reports

All monitoring institutions below the Cabinet sub-Committee will make clear and comprehensive annual poverty review reports and recommendations to the immediate higher authorities for action. Communities working within their structures and together with tindvuna tetinkhundla, civil society and regional teams will submit such annual reports through the regional administrators to the Ministry of Regional Development and Youth Affairs and the MEPD. The MEPD through the PRMU will produce quarterly, half year and annual reports.

10.4.3 Evaluation Reports

Evaluation will be intended to review the relevance of the PRSAPs, the performance of stakeholders in implementing it, and success of completed initiatives. Specific issues to be evaluated will be

determined by the PRMS at any time of the monitoring process and independent consultants engaged for this purpose. Evaluation reports will be made available to all relevant institutions actively participating in the poverty reduction process.

10.4.4 Establishment of Management Information Systems for Poverty Monitoring

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

10.5 Arrangements for Co-ordination, Monitoring and Evaluation of Poverty Reduction

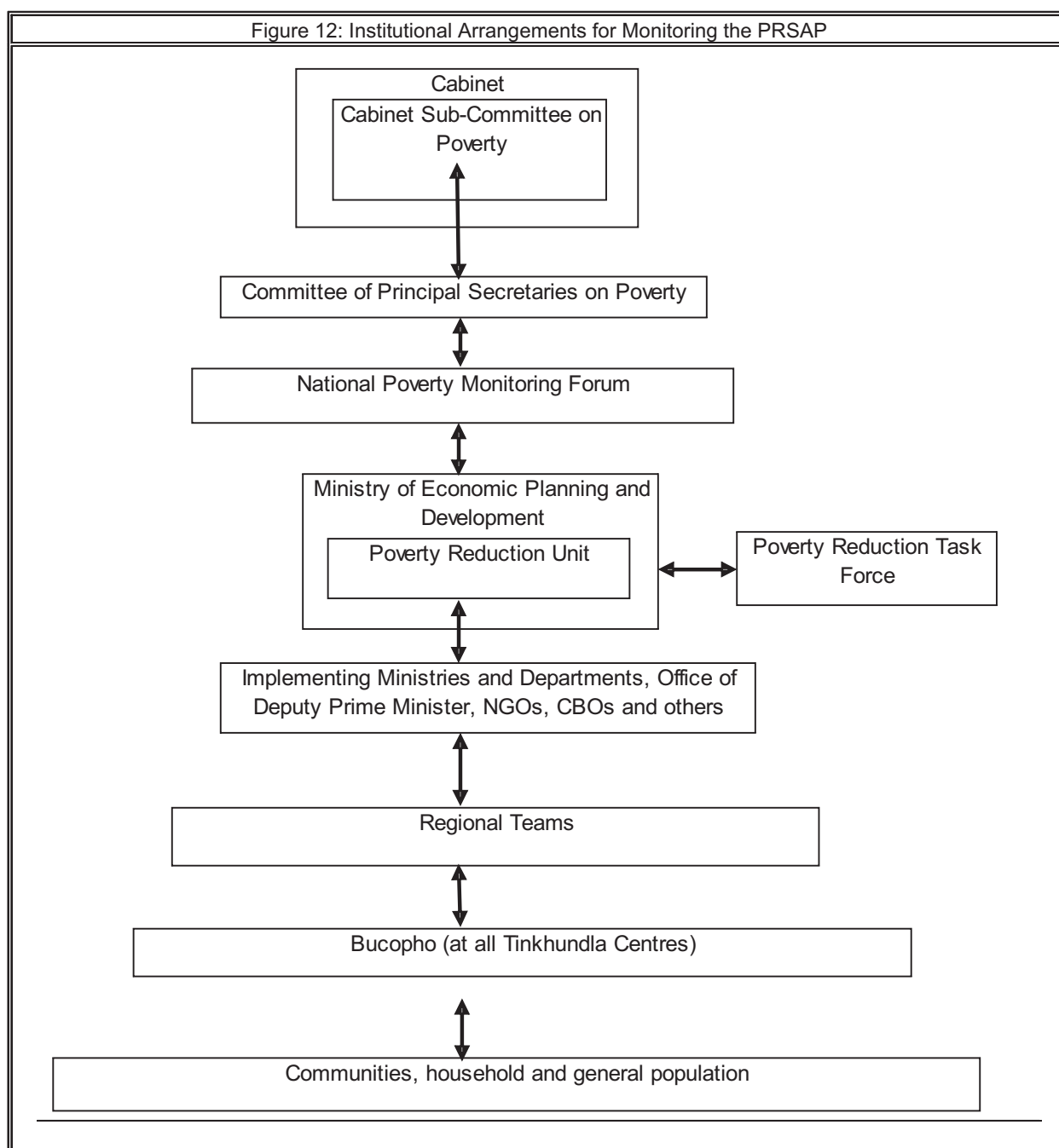
In order to inform the processes of policy making, programme implementation and financing agencies it is important that effective monitoring and evaluation measures are taken. This will also ensure the confidence of all stakeholders in the PRSAP. In this regard, clear targets have been set and indicators developed so as to facilitate the monitoring process. The evaluation of programmes will go further to periodically and systematically assess the continued relevance, performance and success of the PRSAP initiatives, objectives, and targets and redirect the efforts and resources accordingly. The following institutions and committees have been set up to ensure continuous and effective monitoring of the PRSAP.

10.5.1 Cabinet Sub-Committee on Poverty Reduction

The overall responsibility of monitoring the implementation of the PRSAP and monitoring trends in poverty dimensions on behalf of Government rests with the Cabinet (Figure 12). The Cabinet Sub-Committee on Poverty Reduction will exercise this responsibility on a more regular basis. Members of this Committee include the Deputy Prime Minister, Ministers of Economic Planning and Development, Regional Development and Youth Affairs, Finance, Education, Health and Social Welfare and Agriculture and Co-operatives.

10.5.2 Poverty Reduction Sub-Committee of Principal Secretaries

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



10.5.3 National Poverty Reduction Forum

A National Poverty Reduction Forum, whose membership will involve stakeholders and representatives of institutions, involved in the poverty reduction agenda. Typical participants in the Forum will be government Ministries and Departments, Regional authorities, NGOs, CBOs, donors, private and parastatal sector representatives of the poor and the media. The Forum will meet at least

once a year to monitor and evaluate the progress of the country in implementing the PRSAP and recommend in an advisory manner, changes and the way forward in the involvement of all stakeholders in the fight against poverty. The PRMS will provide secretariat services and prepare the necessary documentation for the National Poverty Reduction Forum.

10.5.4 Poverty Reduction and Monitoring Section

The PRMS within MEPD will conduct the day-to-day monitoring of the implementation of pro-poor projects and poverty trends at the macro level. For this purpose, the PRMS has established a computerised Poverty Monitoring System and a database to act as the central repository of statistical data from national statistical system focusing on poverty. To keep the database up-to-date, the Unit will work closely with offices that produce data in particular the CSO, Macro Economic Division, Ministries of Health and Social Welfare, Education, Agriculture and Cooperatives, Enterprise and Employment, Finance (Budget Unit), Rural Water Services Board, and the Population Section.

10.5.5 Line Ministries, Regional Teams and Bucophos

Parallel to the macro level monitoring and evaluation conducted by the PRMS, all implementing agencies at ministerial, regional, Tinkhundla and community levels will monitor the implementation of the poverty reduction projects and programmes under their purview. This will be important in order to inform and facilitate changes in the implementation, operations and financing of these programmes/projects.

10.6 Review of the PRSAP

As the external and internal environment changes, even the best formulated and implemented strategies become obsolete with time. This calls for a periodic review of the document and the implementation processes. The monitoring and evaluation reports will be very important in the review of the PRSAP. The reviews will also be influenced by the assessment of targets, evaluation of indicators and the public expenditure reviews. Other poverty studies like the Poverty Participatory Assessments and surveys conducted by CSO and other agencies will also be useful in the monitoring and review the PRSAP. Workshops and consultations will remain an integral part of the monitoring, evaluation and review processes.

The review of the PRSAP will take place after every five years and like the annual monitoring and evaluation exercise will influence the change of policy and priorities. In addition, the reviews will also influence the change of strategies, operations and institutional framework. At the interval of five years, the Cabinet Sub-Committee will determine whether or not there is need to review or reformulate the PRSAP. If so decided, MEPD shall set in motion a participatory process of reformulating the PRSAP.

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APPENDIX 1: PRSAP Poverty Monitoring Indicators

Economic Management

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

Education and Vocational training

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

Employment

- i. Growth in formal employment
- ii. Employment as % of labour force
- iii. Unemployment rate

Energy

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

Environment and Tourism

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

Food and Agriculture

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

Gender

- i. Ratio of girls to boys in primary schools
- ii. Ratio of literate females to males
- iii. Ratio of literate females to total population
- iv. Share of women in wage employment
- v. Proportion of seats held by women in Parliament
- vi. Share of women in wage employment in the non-agricultural sector
- vii. Ratification of CEDAW (Convention on Elimination of all forms of Discrimination against Women)
- viii. National Laws against discrimination of women repealed
- ix. Succession laws in force
- x. Laws to protect orphans and widows

Governance

- i. Regularity of democratic elections
- ii. Harmonious operation of Executive, Legislature and Judiciary
- iii. Existence of State organs of accountability and transparency

- i. Reported cases of corruption
- ii. Levels of electioneering (national, urban, local)

Health

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

HIV/AIDS

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

Information and Communication

- i. Number of vernacular and other language newspapers sold
- ii. Number of cellular phones in use

- iii. Number of radios in use
- iv. Coverage by government stations
- v. Coverage by private radio stations
- vi. Number of households per telephone
- vii. Number of households per television set.

Land

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

Multi-sector

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

Rural Infrastructure

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

Social Protection

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

Water and Sanitation

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

