

GOVERNMENT OF THE KINGDOM OF ESWATINI



CABINET RETREAT 2025 OPENING STATEMENT

Honourable Ministers and Principal Secretaries,

Good morning.

This Cabinet Retreat gives us an opportunity to reflect on past achievements and challenges, and strategise on how best to execute Government's new policy and Programme of Action. On the outset, I must thank God for the peace that prevailed throughout 2024. Peace is priceless and it is something that we must all desire and continue to thrive for. We appreciate and acknowledge the contribution of all emaSwati in maintaining peace and stability in the country.

We meet in the aftermath of one of the most severe heavy rains in recent times, which have left a trail of destruction in their wake, leaving many without shelter and destroying a sizeable number of key infrastructure in the country. The recent rains threatened the national food security and undermined the investment made in infrastructure. His Majesty's Government, supported by Development Partners, has swiftly responded to this disaster, and our agents are on the ground offering assistance to affected emaSwati in spite of the limited resources.

The country witnessed a huge participation during the recent Incwala ceremony, which drew thousands of participants – *ingatja* and *emabutfo*. We recognise the participation of dignitaries and the highest number of tourists. The passion demonstrated by the youth towards our Monarchy and culture gives us hope for the future and was a moment of patriotism and great pride for Eswatini.

Government, during the course of our first year, developed and launched an ambitious Programme of Action and Policy Statement. This Programme of Action, whose implementation has already begun, prioritises Government-led exponential economic growth, mindset change for national transformation and an efficient public service geared towards service delivery. Food sovereignty, infrastructure development and energy are key components of the Policy Statement and Programme of Action and remain critical catalysts for economic development and indicators of development.

It is pleasing to note that the economy of the Kingdom of Eswatini is on a positive trajectory, an indication of the confidence of markets on the economy and Government. The projected 8% economic growth for the 2025/2026 fiscal year inspires confidence that indeed the targeted 12% economic growth is attainable. Government is not in delusion that this target can be attained without the participation of all sectors of the economy and therefore invites the public sector, the private sector and everyone else to work hard and work together to stimulate economic growth.

In addition to the mid-term Programme of Action, the formulation of the Grand Plan is going well and is due to be completed during the course of the year.

As previously mentioned, power generation is a catalyst for economic growth. To that end, Government has already issued contracts for power generation, which will culminate in an initial increase to 198MW. However, to promote industrialisation, a minimum baseload of 1 000MW is required. Government continues to engage partners and private companies that would like to invest in power generation. It is critical that we have foresight in promoting power generation.

The process of establishing a Sovereign Wealth Fund has begun, and will be completed by the end of this fiscal year. This Sovereign Wealth Fund should be able to cushion the Nation and stabilise the country's economy, while generating wealth for future generations to come. It is a proven fact that countries that have established Sovereign Wealth Funds have been able to achieve exponential economic growth for the wealth of their Nations.

Government also approved the upgrading of 483km roads from unpaved to paved standard and the Ministry of Public Works and Transport is working on sourcing funds for this project. This Government will continue to invest in road infrastructure and the private sector is welcome to come up with proposals for innovative financing models to finance infrastructure in the country, including roads. This is in line with our Programme of Action, which in itself encourages innovation in resource mobilisation by Government, partners and the private sector. Government will always be open to progressive ideas and feedback from the public to improve its policy and plans.

The establishment of a Roads Agency is expected to spearhead the construction and maintenance of roads. We look forward to have the Roads Agency fully operational.

Cabinet also approved the institutional housing project financed by the African Development Bank (AfDB) to the tune of E2.4BN, which will prioritise police staff housing. We look forward to the rolling out of the institutional housing programme.

We have heeded the calls from His Majesty and Sibaya that Government should get closer to the people and this continues to characterise the operations of the current Government. We commend Ministers who have been closer to the people in communities. To that end, many communities have been visited and amaSwati engaged at different levels, gaining first-hand experience of the challenges that they face with interventions having been delivered in many of these instances. We look forward to the completion of the Decentralisation legislation, which will streamline Government interventions and bring services to the people.

Challenges

While celebrating these achievements, some challenges still remain; particularly in service delivery, health and education, amongst others. Cabinet recognises that the current procurement system is a big hindrance to service delivery and needs urgent overhauling. Government will, therefore, aggressively address the inefficiencies in our procurement system. A review of the procurement system must be completed within the first quarter of this financial year.

The implementation of the Performance Management System (PMS) is also another area of priority. This system, which is currently being tested for full implementation, has not taken off the way we would like to see it take off, and we would like to strengthen and support it.

Education is also another sector that has received the full attention of Cabinet. Cabinet is aware of the challenges faced by our flagship university (UNESWA) hence has committed to resolve the existing challenges. We look forward to the presentation of a report from the task team assigned to identify and propose solutions to the challenges confronting the university.

Government continues to interrogate the prevailing challenges faced by the health sector. We have put in place strategies that will contain the shortages of drugs and other serious challenges that the health sector faces. The Central Medical Stores is already under review to ensure that drugs reach emaSwati, whilst eliminating opportunities for pilferage.

Moving forward, the country needs to take advantage of the natural resources that we have, including the minerals that have been discovered in the country. What we have learnt from other countries is that for maximum benefit to the people, Government must have a state-owned mining company. The Ministry of Natural Resources and Energy has begun the process of establishing a national mining company. We urge the Ministry to expedite this process as we have partners already waiting to invest. We have no doubt that this is the right direction to take.

Conclusion

In conclusion, we would like to thank all Government Ministries and departments, development partners and the private sector for their hard work and support. We look forward to fruitful engagements and the various presentations and updates that will be made by different stakeholders in the course of this week.