Eswatini Country Presentation

Investment Opportunities in Eswatini

SIYINOABA

Investment Forum, Rome, Italy | October 2026

UPDATES

Two national agriculture Investment forums conducted in 2024 and 2025 with pledges from local investors amounting to US$26.4m

Adoption of the HIH process and tools with the Investment Forum being declared an annual event for mobilizing investments for agrifood system transformation

Eswatini Agricultural Development Bank (EADF) fully operational derisking private sector investment where over US$ 2.4million has been disbursed to value chain players in less than a year

SECURED FUNDING

- IFAD Smallholder Agriculture Production Enhancement and marketing Project(SAPEMP) – US50million
- Food Security (Grain reserve) – US $2.8million
- AfDB -Irrigation infrastructure (MNWAP) - US$153million
- GEF 8-Food System Transformation Project - US$3.5million
- World Bank committed US$27million for Youth Agricultural Project.

Hand-in-Hand
Initiative

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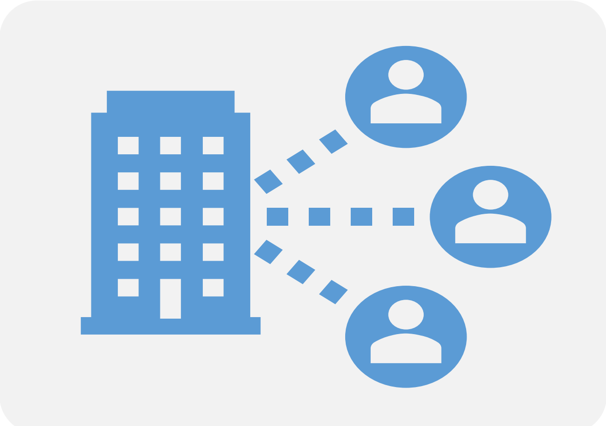

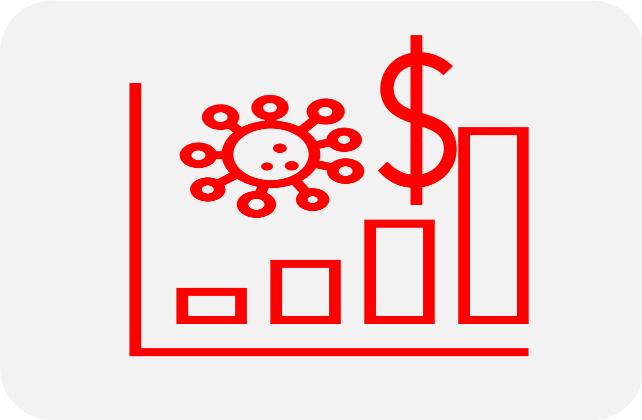

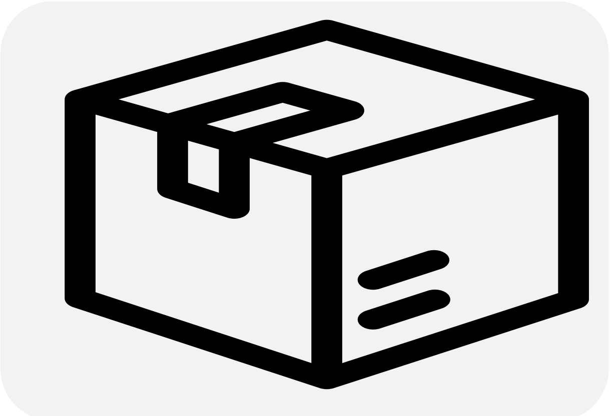

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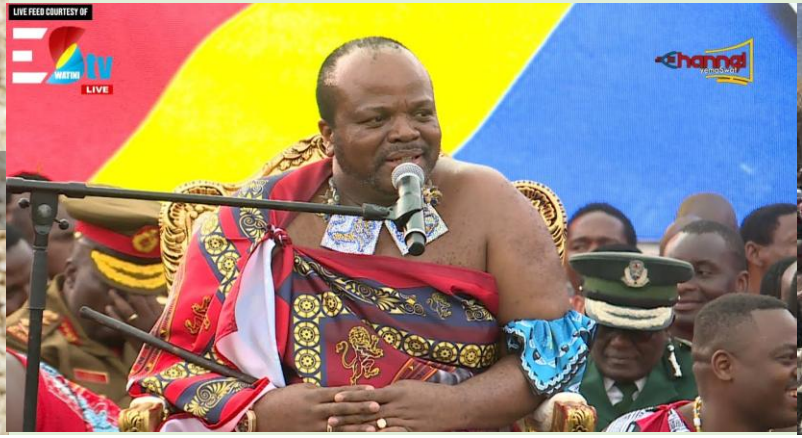
1 Socio-Economic Indicators



A nation in conversation with itself - Renewal and the “Nkwe” mandate

Overview (cont.)

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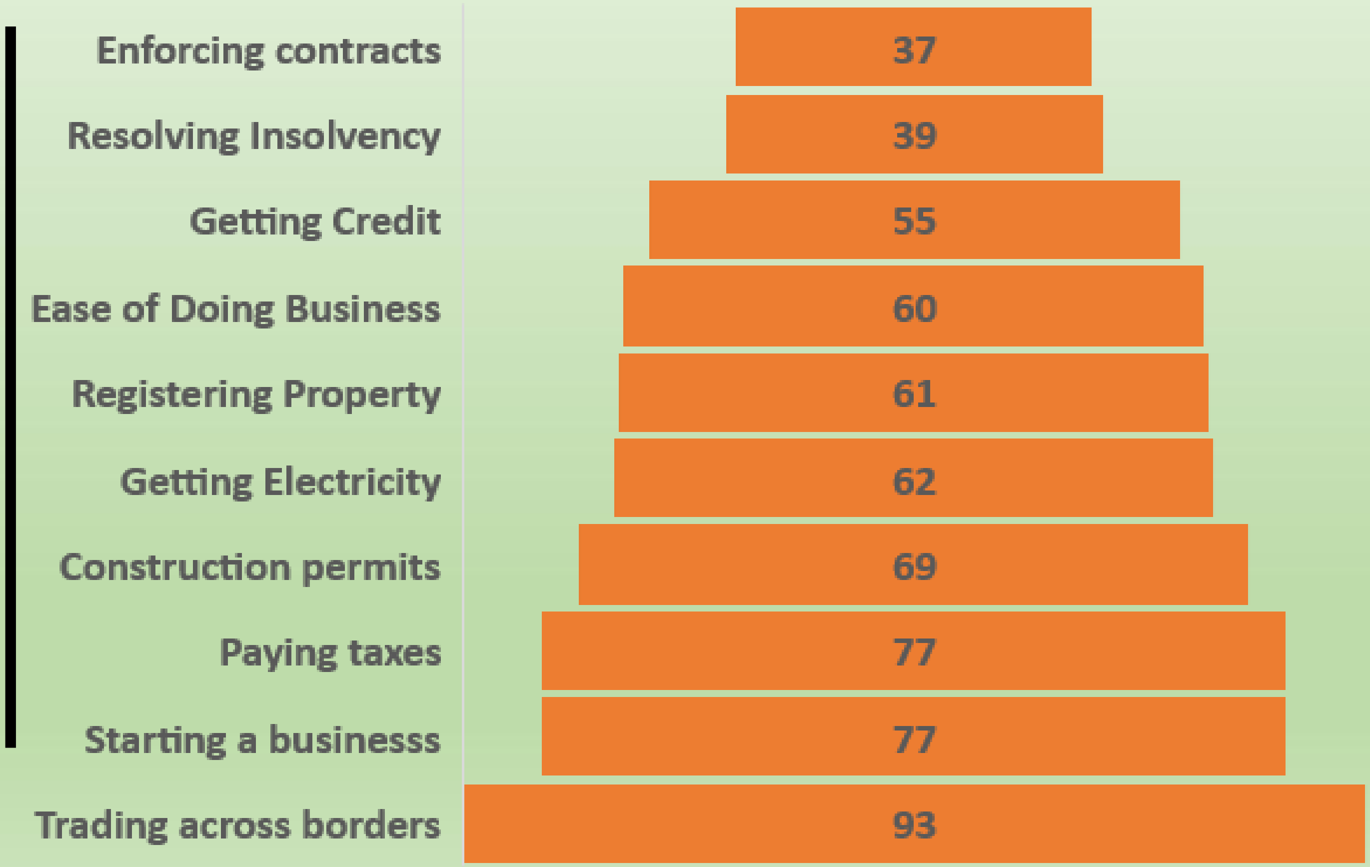
2023-Indicators

- **Population (million)** **1.2**
- **GDP (USD billion)** **4,6**
- **GDP per capita (USD)** **3,797**
- **GDP Growth Rate (%)** **4.8**
- **Share of Agriculture & Forestry to GDP (%)** **8.1**
- **Share of manufacturing to GDP (%)** **33**
- **Share of Tertiary Sector to GDP (%)** **53.5**
- **Key economic sectors:**
- Agriculture, Forestry, Mining, Manufacturing
- **Total GHG emissions (mtCO2e)** **3.1**

(Source: World Bank, 2024)

Ease of Doing Business Ranking - 2020

Eswatini Ranks 14th in Sub-Saharan Africa in the Ease of Doing Business



Source: Doing Business Legacy (Worldbank.org)

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2 Policy Framework and Enablers for Investment

Overview of the Agriculture Sector Policy Framework

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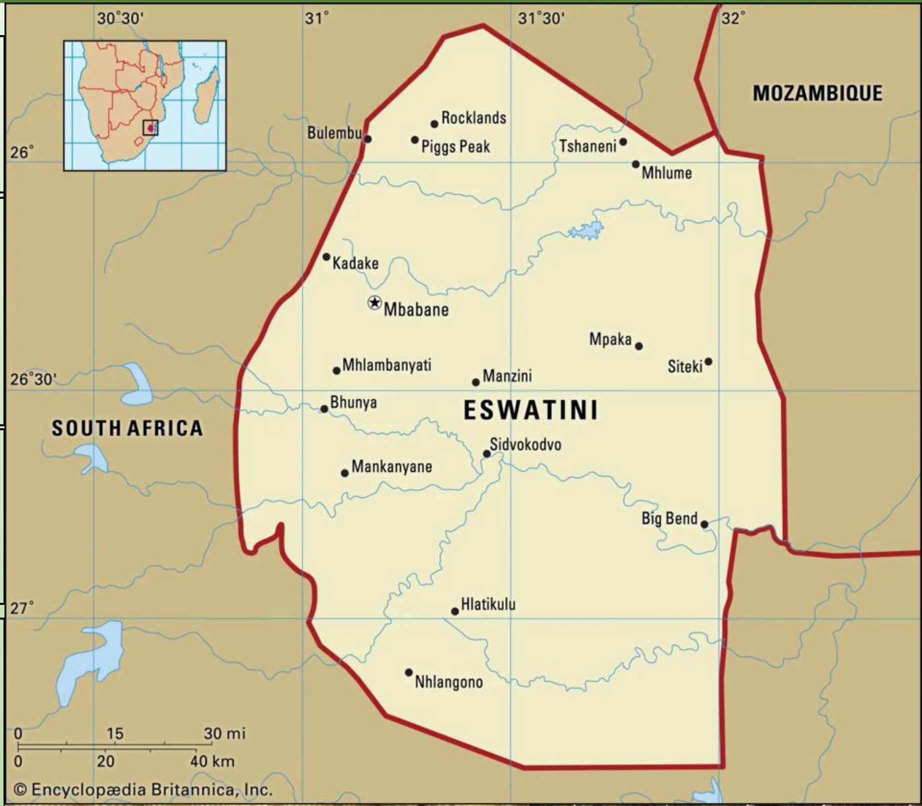
National Development Plan (2023-2028): Promotion of agriculture and high value crops, value addition and processing

Eswatini National Agricultural Investment Plan (ENAIP) (2023-2028): Increasing productivity and production, diversification and overall consumption.

Ministry of Agriculture Strategic Plan (2023-2028): Attain food abundance and create wealth: 10 strategic projects

Special Economic Zones (SEZ) Act 2018: Offers 20-year corporate tax exemption; reductions on customs duty & value added tax; unrestrictive foreign exchange controls or restrictions

Eswatini Food System Transformation Game Changing Pathways: inclusive value chains development, Eswatini **Agricultural Development Fund (EADF),** institutional reengineering, Information and Technology systems, specialised nutrition programmes



Investment Environment

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A range of supportive **policy instruments and incentives framework in place.**

The EADF applies **blended financing** by crowding in other finance sources e.g. ongoing projects: EU, AfDB, IFAD and Climate Funds (GCF, GEF & AF).

Agriculture sector supports agro-based industries and manufacturing (value addition) which contributes about **30%** of Eswatini's GDP.

Huge export potential of most agricultural commodities(e.g. dairy, chevon, baby vegetable and beef)

Stable political system; peaceful, unified nation with single cultural identity, active youthful workforce with entrepreneurial spirit.

Investment Advantage

- Pro-business government that supports private sector-led economy
- Ranked within top 10 in Africa in World Bank Business Ready (B-READY) indicator
- Non-discriminatory treatment of foreign investors
- 100% foreign ownership of foreign investments
- Constitutional guarantees against expropriation
- Guaranteed repatriation of funds

Investment Environment

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Tax Incentives

Unlimited Provision for Losses; may be carried forward indefinitely

Duty-free imports of Capital Goods; intermediate goods

Duty Free imports of Raw Material; for production of goods exported outside SACU

Full Repatriation of Profits and dividends for capital repayments, in any currency

Employee Training Allowance; 100% of costs to be offset against tax liabilities

Double Taxation Agreements; offering relief for taxes paid abroad on income

Investment Environment

Non-Tax Incentives

- Export credit guarantee scheme
- Legal protection of investments
- Eswatini is a member of Multi Investment Guarantee Agency (MIGA)
- Five-year work and residence permits
- Subsidised rental on government factory shells
- Bilateral and Unilateral Trade Agreements (SADC, SACU, COMESA, AGOA, AfCTA)
- Financial enablers: Availability of financing options; investment incentives (tax breaks, duty exemption)
- Special designated areas for agricultural development

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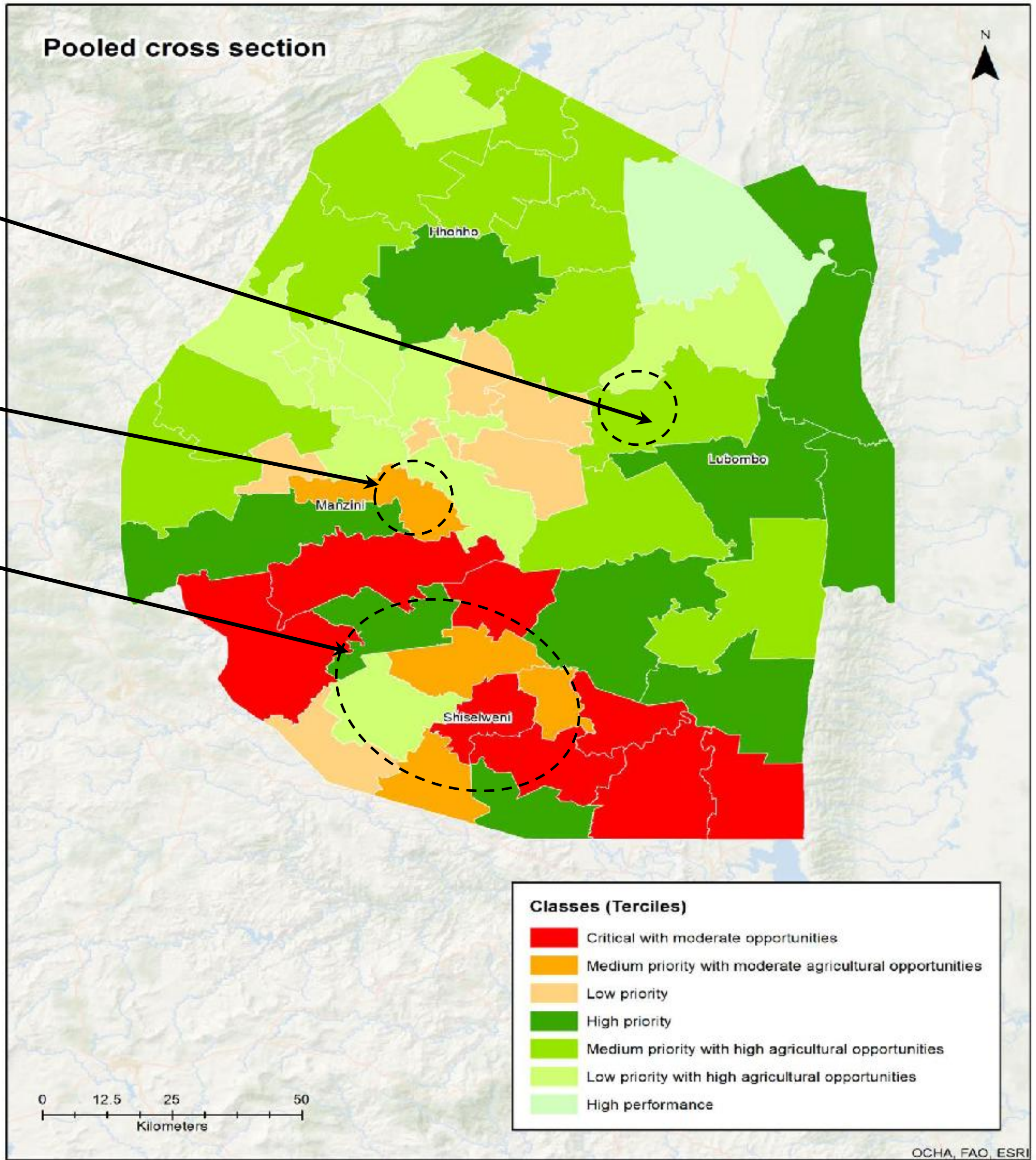
Presentation of Investment Cases

Investment Locations

- **Sikhuphe (KM3 International Airport):** *Export hub facility-* (Beef, Chevon, baby vegetables, Milk and milk products)
- **Manzini:** *Seed multiplication & grain storage facility* (Maize & Beans)
- **Mkhondvo-Ngwavuma:** *Agro-industrial zone-* (Aquaculture, Maize, Dry beans, Soya Beans, cotton & banna grass)

Sikhuphe: KM3 is an operational international airport
Export Hub Facility construction underway- funded by government Agency, and opportunity now lies in the production for export purposes
Manzini: Central distribution, high bean producing area, existing infrastructure and close proximity to high maize producing areas (Sigangeni, Madulini)
Mkhondvo-Ngwavuma Dam construction : Located in the most poverty and drought stricken region



Source: Stochastic frontier analysis FAO-HiHi task force (2024/6)

Potential Markets for Selected Commodities

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Beef

- Preferential tariff-free access into EU through the Economic Partnership Agreement
- **Currently exports well <u>below the quota</u>**.
- In 2008, quota was 10,000t, currently **no limit and no tax levy**
- Current export markets: Norway (57%), rest to South Africa, Mozambique, Asia
- Potential Export Market through the African Continental Free Trade Area (AfCFTA)

Baby Vegetables

Current export market: South Africa
Potential: EU, Taiwan

Milk

Current export markets: Botswana, Mozambique
Current import quantity: 66 M litres
Potential: Taiwan

Chevon

Current export market: South Africa
Potential: South Africa (150,000-1M live animals), Kuwait (USD 144M), Taiwan, South Korea

Annual imports by selected target markets (000 USD)

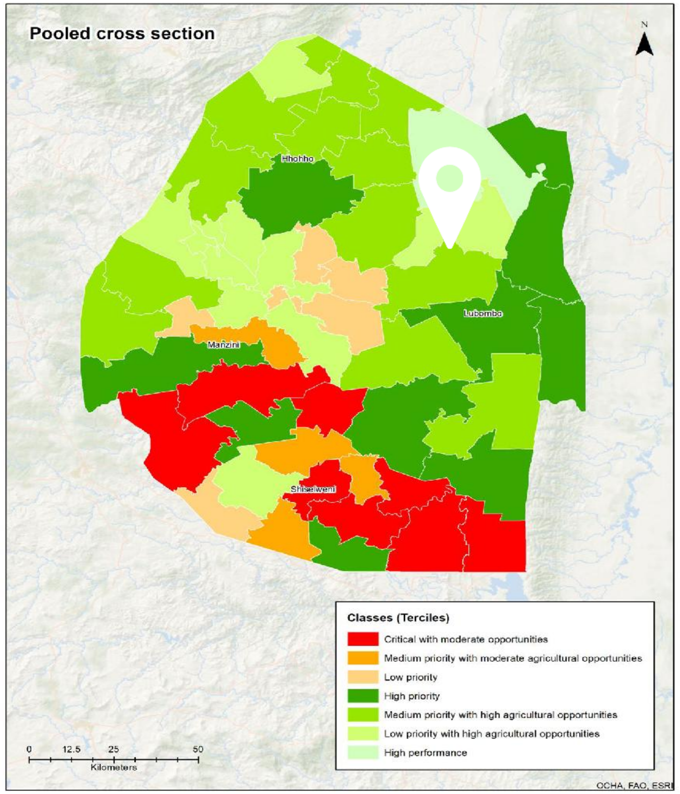
Country/Region	Product	Value (000 (USD)	Tonnage	CAGR (2016-2022) – for value
European Union	Beef	667,648	288,987	8%
	Milk	375,242	1,172,558	11%
	Baby vegetables	420,251	147,000	17%
South Africa	Milk	3,555	48,469	30%
	Baby vegetables	564	94	18%
Mozambique	Beef	380	217	15%
	Milk	185	64	32%
	Baby vegetables	115	17	27%

Source: FAOSTAT (2024);World Bank (2022); OEC World (2022)

1 - Export Hub Facility: Food Processing Facility

Targeted Products: Dairy (Cheese, Yoghurt, Butter, Fresh and Skimmed Milk, Juice; **Baby Vegetables** (Fresh and Frozen); **Beef** (fresh, sausages, dried meat; **Goat** (Chevon) – for local and export market

Hand-in-Hand Initiative



Source: Stochastic frontier analysis FAO-HiHi task force (2024)

CURRENT SITUATION

Beef

Demand: 19,094 MT
Production: 16,353 MT
GAP: 2,741 MT
IMPORTS: 2,014 MT
Source: FAOSTAT 2024

Milk

Production: 20M litres
Demand: 84M litres
GAP: 64 M litres
Imports: 64M litres
Source: (SDB, 2026)

Baby Vegetables

Demand: 39,146 MT
Production: 7,647 MT
GAP: 31,499 MT
Imports: 2,994 MT
Source: FAOSTAT,2024

Profitability Indicators

Investment Outlay	IRR	NPV
USD 28.42M	16.20%	USD 19.45M

Environmental Performance Indicators

Carbon Footprint	Others	
TBC		

Social- Economic Indicators

Direct Beneficiaries	Indirect Beneficiaries	Income Increase Per Capita
15,100	137,500	USD 248.32

Government Support – Fiscal & Policy Incentives

1. KM3 designated Special Economic Zone (SEZ)
2. 2,300 ha of land is earmarked for industrial development
3. 67 ha fully serviced and ready to welcome new investment

1 Export Hub Facility: Food Processing Facility
Targeted Products: Dairy (Cheese, Yoghurt, Butter, Fresh and Skimmed Milk, Juice; **Baby Vegetables** (Fresh and Frozen); **Beef** (fresh, sausages, dried meat; **Goat** (Chevon) – for local and export market

Hand-in-Hand
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Key Bottlenecks

- Low livestock value addition - inadequate infrastructure, technologies and equipment.
- Limited technical and management skills
- High transportation costs for imputs and goods.
- Lack of modern quality control and certification systems
- Limited marketing and branding initiatives

Key Investment Needed

1: Establish climate smart, cost-effective food processing facility (USD 13.97)

(i) Transport and cold chain infrastructure (USD 3.25M) – private sector

(ii) Collection centres (USD 6.5M) – private sector

(iii) Sorting, packaging, & branding system – (USD 4.22M) – private sector

2: Outgrower production system (USD 2.5M) – private sector

3: Breeding & artificial insemination services (USD 1.6M) –government

4: Digital marketing system & collective marketing (USD 1.5M) – private sector

5: Establish accredited laboratory (USD 7.6M) - government

6: Deploy internationally accredited certified agents - USD 1.25M – private sector

Risks & Mitigation

- Supply of raw materials

Mobilize critical mass of raw materials from farmers & cooperatives, bulk purchasing through outgrower schemes

- Market linkages and price volatility

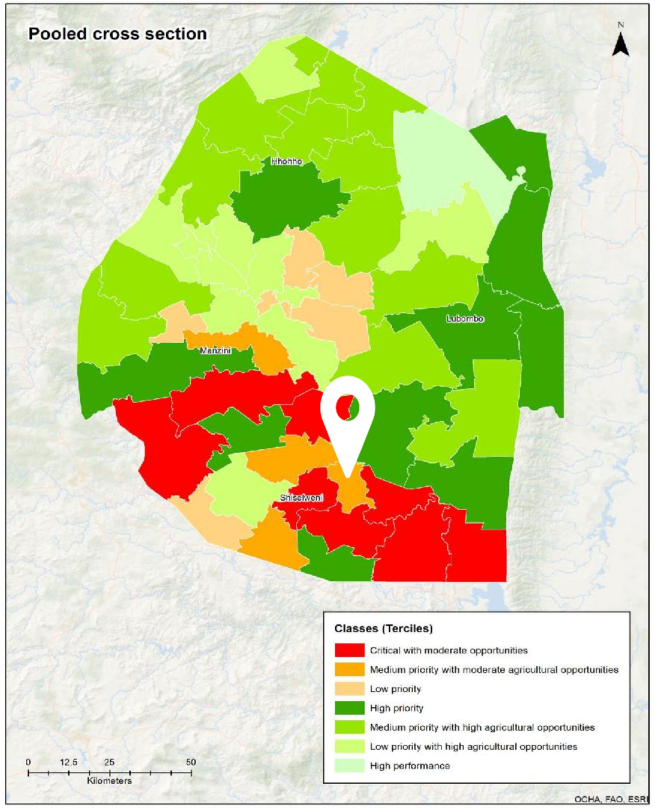
Promote digital marketing system

- Quality control and certification infrastructure

Enforce quality standards & strengthen certification system

2(a). Agro-Industrial Zone - Eswatini Mkhondvo-Ngwavuma Water Augmentation Program (MNWAP)
Targeted Products: Intensive climate-smart aquaculture (tilapia. Salmon and catfish) – for local and export market

Hand-in-Hand
Initiative



Source: Stochastic frontier analysis FAO-HiHi task force (2024)

Current situation

- Demand 5,025 MT
- Production 165 MT
- **GAP 4,860 MT**
- Imports 169 MT

Source: FAOSTAT 2024

- Decline in per capita fish supply from 6.8 kg in 2005 to 3.2 kg in 2017 (Source: FAO 2019)
- No fish hatchery
- EWADE piloting cage farming at LUSIP II
- **Market:** Africa Growth Opportunity Act (AGOA) duty-free and quota-free fresh fish market

Profitability Indicators 15

Investment Outlay	IRR	NPV
USD 18.97M	14.98%	USD 12.43M

Environmental Performance Indicators

Carbon Footprint	Others	
TBC		

Social- Economic Indicators

Direct Beneficiaries	Indirect Beneficiaries	Income Increase Per Capita
18,000	99,000	USD 169.32

Government Support – Fiscal & Policy Incentives

- Approved by Cabinet as a priority project,
- USD 278 million loan has been secured from Development Partners for the construction of Mpakeni Dam, Main Conyeyance Canal (35 km), Secondary Distribution System and On-Farm Development for 1000 ha.
- A further USD 412 million is required for Phase II of the project which involves the construction the Ethemba Dam, canal, secondary distribution system and on-farm

This investment will benefit from and build on the investments in the Mkhondvo-Ngwavuma Dam.

2(a). Agro-Industrial Zone - Eswatini Mkhondvo-Ngwavuma Water Augmentation Program (MNWAP) Targeted Products: Intensive climate-smart aquaculture (tilapia. Salmon and catfish) – for local and export market

Key Bottlenecks

- No facility for production of aquaculture in Eswatini, no supportive infrastructure
- Limited breeding facilities
- Limited technical and management skills
- Limited quality control and certification infrastructure

Key Investment Needed

1: Establish climate-smart intensive aquaculture production facility (USD 8.15M)

(i) Farm infrastructure 20,000 tons capacity – USD 5.7M – private sector (20 cages – 1000 capacity)

(ii) Fish feed facility – USD 2.45M – private sector

2: Technical services (USD 1.64M) – private sector

3: Breeding programme (USD 2.7M) – private sector

(i) Hatchery - USD 1.36M- private sector

(ii) Source raw materials - Mpakeni dam – (USD 1.34M)

4: Quality control infrastructure – amenities, laboratories and certification services (USD 1.85M)

5: Marketing efforts to promote local consumption

(i) Awareness program – (USD 780,000)

(ii) Branding and Marketing (USD 1.15M - private sector

Risks & Mitigation

- Supply of raw materials

Establish breeding programme

Introduce climate smart production techniques

- Quality and certification standards

Invest in quality control and certification infrastructure

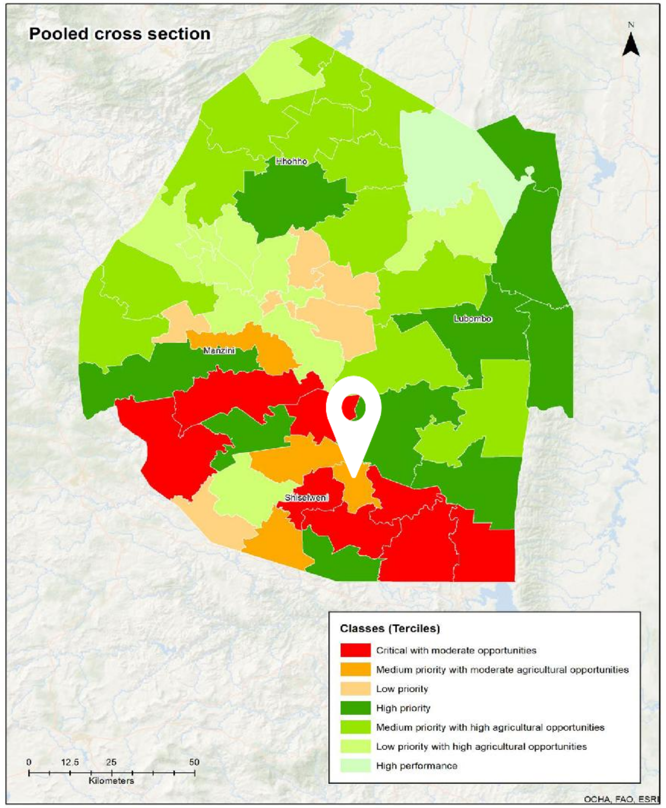
- Domestic market

Targeted marketing efforts to promote fish consumption locally

Targeted awareness program

2(b). Agro-Industrial Zone - Eswatini Mkhondvo-Ngwavuma Water Augmentation Program (MNWAP)

Targeted Products: Integrated climate smart grain production (Maize, Beans and Livestock feed) – for local and export market



Source: Stochastic frontier analysis FAO-HiHi task force (2024)

Current situation

- Annual legume production: 924 T, national demand 14,000 T
- Livestock feed manufacturers (Soya) - 40,000T/annum
- Annual maize production ≈ 75,000 MT whilst national demand is about 140,000MT
- Average bean imports 5 780 MT
- **Target market:** Angola, Botswana, Malawi & Zimbabwe

Government Support – Fiscal and Policy Incentives

- Approved by Cabinet as a priority project
- USD 139M approved and ongoing AfDB Loan for the dam (Mpakeni)
- USD 111M going through parliamentary approval for AfDB Loan

Profitability Indicators		
Investment Outlay	**IRR**	**NPV**
USD 17.20M	16.04%	USD 16.54M
Environmental Performance Indicators		
Carbon Footprint	Others	
TBC		
Social- Economic Indicators		
Direct Beneficiaries	**Indirect Beneficiaries**	**Income Increase Per Capita**
26,000	143,000	USD 131.60

This investment will benefit from and build on the investments in the Mkhondo-Ngwavuma Dam.

2(b). Agro-Industrial Zone - Eswatini Mkhondvo-Ngwavuma Water Augmentation Program (MNWAP) Targeted Products: Integrated climate smart grain production (maize, beans and livestock feed) – for local and export market

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Hand-in-Hand Initiative

Key Bottlenecks

- Insufficient land for modern farming and infrastructure
- Over-dependence on imported grains – e.g. annual maize production is 75,000 MT whilst national demand is 140,000 MT
- Low technical and managerial skills
- Inadequate marketing infrastructure & skills

Key Investment Needed

1: Establish integrated grains production & processing facilities - (USD 9.21M)

- Farm infrastructure for maize – USD 3M – private sector
- Farm infrastructure for dry beans USD 3.30M private sector
- Collection centres – USD 1.41M –private sector
- Transport infrastructure – USD 1.5M – private sector

2: Technical services for climate smart production practices & management (USD 3.99M)

- GAP - (USD 1.56M) – private sector
- Incubation programme - USD 2.43M - government

3: Outgrower production system (USD 2.5M) – private sector

4: Digital and Collective marketing systems (USD 1.5M) – private sector

Risks & Mitigation

- Supply of raw materials

Mobilize materials – bulk purchasing through outgrower schemes

Reduce post harvest losses through climate smart production techniques

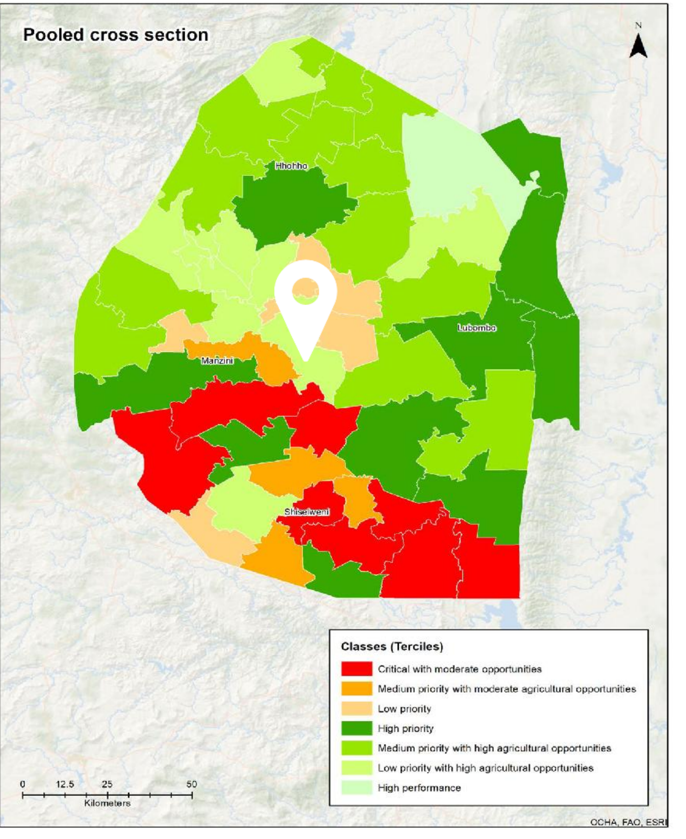
- Competition from major producers – e.g South Africa

Competitive pricing through improved production, processing and marketing interventions

Effective digital marketing system

Strengthen collective marketing through producer associations

3. Seed Multiplication and Grain Reserve Facility
Targeted Products: Maize and Beans – for local market



Source: Stochastic frontier analysis FAO-HiHi task force (2024)

Current situation

- Imports: USD1.02M of maize seed
- **Market: Angola, Botswana, Malawi & Zimbabwe**
- Availability of small scale millers and commercial silos; capacity 54,000 MT
- The National Maize Corporation (NMC) provides market, maize aggregation & storage. NAMBoard regulates grain imports & exports

Government Support – Fiscal & Policy Incentives

- Legal framework: The Seeds and Plant Varieties Act of 2000
- Approved by Cabinet as a priority
- Seed Multiplication Project (SMP) & contracted commercial seed-producers

Profitability Indicators

Investment Outlay	IRR	NPV
USD 21.27M	20.05%	USD 18.45M
Environmental Performance Indicators		
Carbon Footprint	Others	
Social- Economic Indicators		
Direct Beneficiaries	**Indirect Beneficiaries**	**Income Increase Per Capita**
27,200	149,600	148.59

3. Seed Multiplication and Grain Reserve Facility
Targeted Products: Maize and Beans – for local market

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Key Bottlenecks

- Insufficient land for modern farming and infrastructure
- High transportation costs
- Overreliance on seed imports (maize & dry beans).
- High grain imports for food Maize: 143,000 MT; USD 64M
- Competition from major producers in the region – e.g. South Africa

Key Investment Needed

1: Establish climate smart seed multiplication facility – (USD 12.77M)

(i) Farm Infrastructure – USD 5.35M – private sector

(ii) Satellite collection centres for maize and beans –USD 2.5M –private sector

(iii) Transport infrastructure – USD 1.32M – private sector

(iv) Existing land 40 ha -USD 3.6M – government

2: Out grower production system (USD 2.5M) – private sector

3: Digital marketing system & collective marketing (USD 1.5M) – private sector

4: Construct 160,000-ton physical grain silo – (USD 4.5M) –government

Risks & Mitigation

- Supply of raw materials

Mobilize raw materials from farmers & cooperatives

- Competition from major regional producers, particularly South Africa

Promote digital and collective marketing

- High cost of construction and management of storage facilities could discourage private sector

Operation arrangements to be based on PPP model, e.g. build operate & transfer option

Summary of Investment Plan

Hand-in-Hand Initiative

Total Investment: **USD 85.86 M**
Government **USD 21.85 M**
GAP: **64.01M**

16.82% Overall Average IRR

86,900 Direct Beneficiaries

529,100 Indirect Beneficiaries

Income Increase Per Capita: **USD 174.50**

MT (Work in progress) Emission Reduction Per ha/year

1	2	3	4
Intervention **Food Processing Facility**	**Intervention** **Aquaculture Production**	**Intervention** **Grain Production**	**Intervention** **Seed Multiplication Facility**
Cost (USD) 28.42M	**Cost (USD)** 18.97M	**Cost (USD)** 17.20	**Cost (USD)** 21.27M
IRR (%) 16.20%	**IRR (%)** 14.98 %	**IRR (%)** 16.04%	**IRR (%)** 20.05%
NPV USD 19.45M	**NPV** USD 12.43M	**NPV** USD 16.54M	**NPV** USD 18.45M
Sustainability Benefits Direct Beneficiaries: 15,100 Indirect Beneficiaries: 137,500 Income increase per capita: **USD 248.49** Emission reduction per ha/year: Work in progress	**Sustainability Benefits** Direct Beneficiaries: 18,000 Indirect Beneficiaries: 99,000 Income increase per capita: **USD 169.32** Emission reduction per ha/year: Work in progress	**Sustainability Benefits** Direct Beneficiaries: 26,000 Indirect Beneficiaries: 143,000 Income increase per capita: **USD 131.60** Emission reduction per ha/year: Work in progress	**Sustainability Benefits** Direct Beneficiaries: 27,200 Indirect Beneficiaries: 149,600 Income increase per capita: **USD 148.59** Emission reduction per ha/year: Work in progress