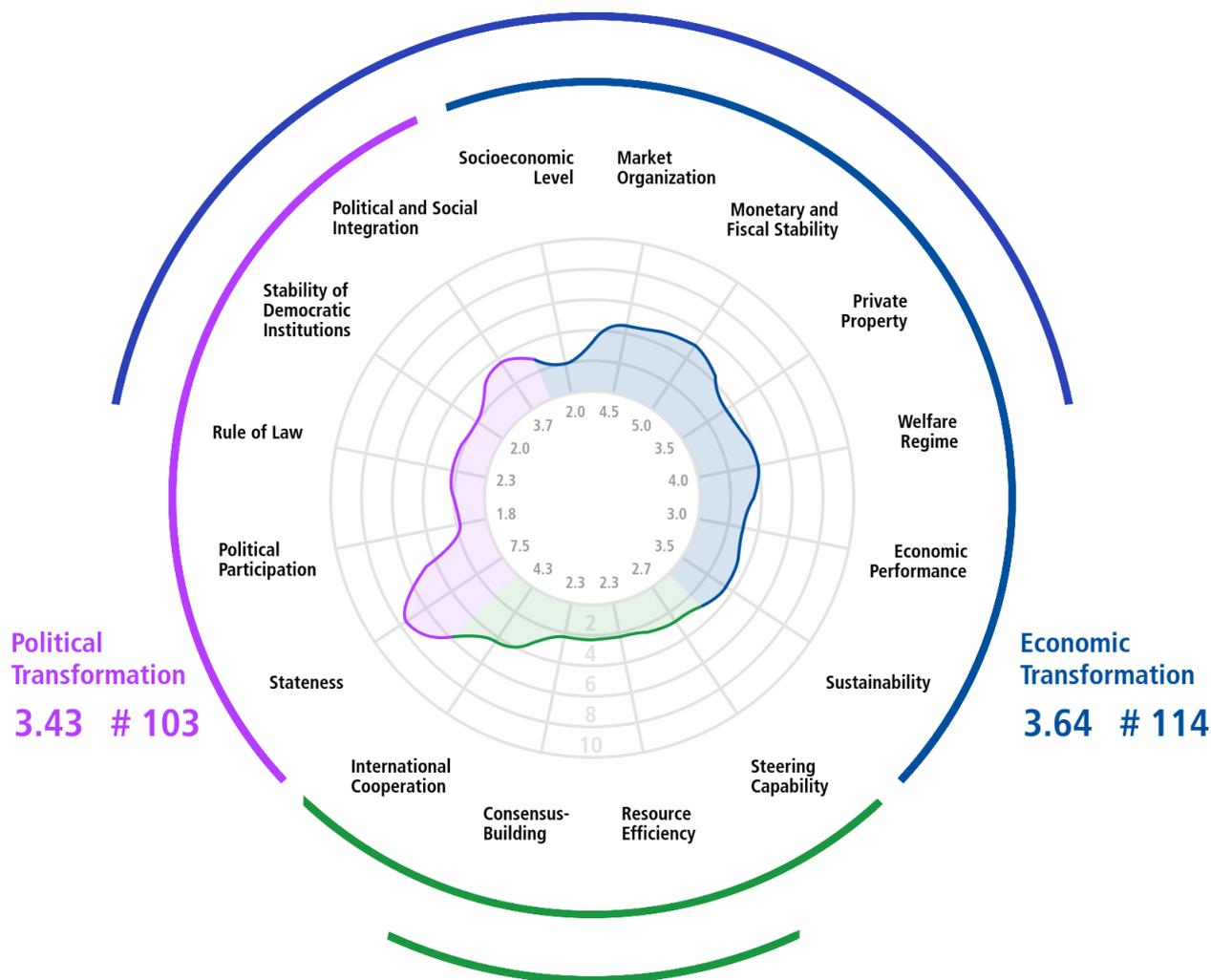


# Eswatini

## Status Index

**3.54 # 110**

on 1-10 scale out of 137



**Political Transformation**  
**3.43 # 103**

**Economic Transformation**  
**3.64 # 114**

## Governance Index

**2.61 # 121**

on 1-10 scale out of 137

This report is part of the **Bertelsmann Stiftung's Transformation Index (BTI) 2026**. It covers the period from February 1, 2023 to January 31, 2025. The BTI assesses the transformation toward democracy and a market economy as well as the quality of governance in 137 countries. More on the BTI at <https://www.bti-project.org>.

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**Key Indicators**

Population	M	<b>1.2</b>	HDI	<b>0.695</b>	GDP p.c., PPP \$	<b>11784</b>
Pop. growth <sup>1</sup>	% p.a.	<b>1.0</b>	HDI rank of 193	<b>126</b>	Gini Index	<b>54.6</b>
Life expectancy	years	<b>64.1</b>	UN Education Index	<b>0.713</b>	Poverty <sup>3</sup>	% <b>58.0</b>
Urban population	%	<b>25.0</b>	Gender inequality <sup>2</sup>	<b>0.484</b>	Aid per capita \$	<b>89.7</b>

Sources (as of December 2025): The World Bank, World Development Indicators | UNDP, Human Development Report 2025. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.65 a day at 2017 international prices.

## Executive Summary

Eswatini (formerly Swaziland) is Africa's last absolute monarchy. King Mswati III and his mother, Queen Mother Ntombi, reign as monarchs and hold veto power over the three branches of government, placing them above the constitution. The bicameral parliament comprises the Senate and the House of Assembly, with some members elected through the Tinkhundla system and others directly appointed by the king. The king also has the authority to designate the prime minister.

The role of political parties remains contested and unclear, despite the 2005 constitution. In addition, some are banned under the 2008 Suppression of Terrorism Act. As a result, political parties are not permitted to compete in elections.

Human rights issues include limitations on political participation and media freedom, the continued prevalence of corruption, child labor, forced evictions, rape and violence against women, and the criminalization of LGBTQ+ communities. Since 2021, reports of arbitrary detention, killings and torture in police custody have increased. Additionally, human rights activists have been assassinated, and former members of parliament have been sentenced to decades of imprisonment under questionable legal procedures.

The government rarely investigates, prosecutes or administratively punishes officials for committing human rights abuses. Impunity is widespread, and police brutality is common during political demonstrations. The presence of soldiers and mercenaries is increasing at such demonstrations.

King Mswati III behaves as if the kingdom were his personal possession. Consequently, the majority of the population sees minimal economic progress and lives in poverty. The economic landscape does not create favorable conditions for business because of the royal family's negative and capricious political interventions and their ties to associated companies, as well as the presence of conflicting political systems.

The extravagant lifestyle of the royal family contrasts with the living conditions of most people across the country. The population's dire situation is worsening because of climate change, which manifests in persistent droughts, water shortages and soil erosion.

The only space for the public to express their grievances is the so-called traditional Sibaya, last held after the 2023 elections, which primarily involves the king. This long-awaited national dialogue, demanded by international and regional bodies, took place in the eyes of the king in October 2023 after the elections. However, civil society organizations rejected the description. There was no debate in advance, let alone an agreement on the form, topics or further procedure for the submissions. Participants were prevented from making critical contributions while there. There is no mechanism that civil society can use to force the government or the king to amend the political system and create more space for democratic participation. On the contrary, the existing space for political activity is shrinking, and the government's reaction to demonstrations is becoming increasingly brutal.

Eswatini is not a top priority for regional or African organizations, nor is it a priority for international solidarity movements or human rights activists.

The young generation, in particular, demands more democratic participation and has taken charge of social and civil dialogue, both on the streets and, increasingly, through social media. Two consecutive Southern African Development Community (SADC) troika visits called for an inclusive national dialogue focused on democratization, but the king refused to engage in any genuine way. The assassination of a leading figure in the Mass Democratic Movement, Thulani Maseko, left the nation in a state of uncertainty and with many unanswered questions. The Mass Democratic Movement and the Multi-Stakeholder Forum are struggling to find common ground and to fight effectively for pro-democratic change.

## History and Characteristics of Transformation

Formerly known as Swaziland, the Kingdom of Eswatini, or Eswatini, is a landlocked country surrounded by South Africa and Mozambique. It has a surface area of 17,363 square kilometers and a population of 1.2 million. The kingdom is ethnically homogeneous, as most residents speak siSwati and identify as Swazi. After the country gained independence from British colonial rule in 1968, a brief democratic period followed. However, when the non-royalist political party, the Ngwane National Liberatory Congress (NNLC), entered parliament after the first post-independence election in 1973, the relatively democratic constitution was suspended. King Sobhuza II subsequently ruled by decree from 1973 until his death in 1982, with financial support from the South African apartheid regime. A short period of political uncertainty ensued between his death and the coronation of his son in 1986 (the current King Mswati III). The People's United Democratic Movement (PUDEMO) was founded in 1983 to compete for power in the vacuum that followed King Sobhuza's death, but this democratic optimism proved short-lived, as King Mswati III continued to rule under the terms of the 1973 decree, and has done so to the present. As the

fight for a democratic South Africa intensified, the anti-apartheid Umkhonto we Sizwe group began to operate from Swaziland, prompting South African apartheid security forces to carry out assassinations and kidnappings deep inside Swazi territory. Both King Sobhuza and King Mswati III received payments from a secret fund established specifically to promote the policies of apartheid South Africa and to fund operations directed against anti-apartheid activists.

Drawing inspiration from the struggle against apartheid, pro-democracy actors, including student and labor movements, increased pressure on the government throughout the 1990s. The protests culminated in the adoption of the 2005 constitution. The process toward the constitution was largely financed by donors, especially the Commonwealth and the European Union. The constitution states, “Swaziland is a unitary, sovereign, democratic kingdom.” Its provisions reflect the country’s absolute monarchy and do not provide for multiparty democracy. Instead, the political system is called Tinkhundla and consists of 59 Tinkhundla, or constituencies, each responsible for electing a member to parliament. During the election process, candidates are nominated at the chiefdom level, where they compete first; winners then compete at the Tinkhundla (constituency) level. There have been allegations that local chiefs or traditional leaders screen candidates and often exclude women at the local level. Candidates may run for parliament only as individuals, which means that political parties cannot formally register or compete in elections.

The political parties faced further restrictions in their already limited political space following an assassination attempt on King Mswati III in 2008. This led to the enactment of the Suppression of Terrorism Act of 2008, which outlawed four organizations, including PUDEMO and its youth wing, the Swaziland Youth Congress (SWAYOCO). None of these organizations were directly associated with the attempt or claimed responsibility for it.

Politically, the government persistently represses the opposition, arresting and even torturing political activists and sometimes forcing them into exile. More than half of the population (59%) lives in abject poverty on less than \$1.90 per day. The country also suffers from the highest HIV/AIDS rate in the world (27.9% of the population between the ages of 15 and 49 lives with HIV/AIDS). Life expectancy in the kingdom is 58 years, one of the lowest such figures in the world. Despite these depressing statistics, the country is considered a lower-middle-income country and has been listed among the most unequal countries globally. Neither economic nor political policies implemented in recent years have done much to change this. On the contrary, the king and the royal family have used the country’s wealth and economy to finance their lavish lifestyles, creating louder calls for pro-democratic change in the country. This movement is largely led by younger people who no longer see themselves as subjects. The government’s reaction has been violent, and the king has shown disregard for such criticism.

The BTI combines text analysis and numerical assessments. The score for each question is provided below its respective title. The scale ranges from 1 (worst) to 10 (best).

## Transformation Status

### I. Political Transformation

#### 1 | Stateness

There is currently no challenge to the state's monopoly on the use of force across the entire territory. The Umbutfo Eswatini Defense Force (UEDF), the military of Eswatini, is used primarily during domestic protests, together with the Royal Eswatini Police Service (REPS).

The risk seemingly posed by the Swaziland International Solidarity Forces (SISF) after the June 2021 unrest seems to have diminished, although hardly any information about the SISF is available.

Most people in Eswatini are Swati. The nation-state itself is not in question, but the absolute monarchy and the Tinkhundla system are. Tinkhundla (singular: Inkhundla) is a system of local government and electoral constituencies. Political representatives are elected as individuals at the community level, and political parties have been banned since 1973, so they cannot run in elections. Communities are headed by chiefs and headmen, who are loyal to the king. In this patriarchal society, it remains difficult for women outside the king's clan to gain access to political power, and they are therefore denied some of the rights derived from citizenship.

Because there is no free press, it is difficult to assess the extent of such disadvantage. The more rural the area, the more people accept the status quo. The more urban the area, the more the status quo is questioned. With young people all over the world having access to social media and information about democratic dispensations, this is changing in rural areas as well.

Maryam Khalif, a law student who volunteers at community legal clinics, wrote for the Young Diplomats Society on April 27, 2024, about "Democracy and Youth Rebellion," noting that the country's 58% youth unemployment rate contrasts with the royal family's luxury lifestyle as presented on social media, and adding that the university can be a place for young activists to find like-minded people.

Question  
Score

Monopoly on the  
use of force

10



State identity

8



Most Swazis identify as Christians (according to Worlddata, 89.3%), and religious conflicts with other denominations, such as Muslims (2% of the population), are not an issue. However, the Christian community is divided, which makes the church unable to speak with one voice even on important policy matters.

In the 2005 constitution, the right to freedom of thought, conscience and religion (Article 23) is guaranteed, as well as the right to worship and convert to a different religion. Some people believe that the king is ordained by God and therefore can stand above the law. This stems from the cultural belief that the king is an extension of the rule of the ancestors, and from the biblical narrative that God ordained kings in the past. However, this understanding is grossly misused, as current leaders no longer feel accountable to either the ancestors or to God. Tradition plays a pivotal role in the daily lives of EmaSwati and members of the royalty. Rituals such as Incwala, reed dance and Sibaya influence political decisions and governance, as they always carry connotations of African spirituality. Some aim to induce submissiveness to authority. The authorities may also cite religion, Christianity or culture to support certain positions they take.

Democratic forces have long called for a substantive national dialogue. However, they largely rejected the October 2023 event described as a Sibaya – the nation’s highest policy and advisory council – criticizing the lack of discussion at that event. In the Daily Maverick on October 23, 2023, Khulekane Nene wrote that “only the king spoke and none of the people in attendance was afforded an opportunity to make submissions or respond to what the monarch had said.”

Statistics indicate that the country’s basic infrastructure, for instance with regard to the public’s access to drinking water and electricity, slightly improved in 2022, but the health system remains in a worrisome state. Drug shortages are reported to be a persistent, unsolved problem. According to the Observer on October 20, 2023, the government admitted that there was a health crisis and that hospitals had only half the amount of medication needed. The Health Crisis Cabinet Select Committee promised the crisis would be solved by January 2024. On January 23, 2024, the Observer reported that, according to Swazi Pharm Director Kareem Ashraf, the health crisis was driven by mismanagement and corruption.

In 2023, 40% of rural communities in Eswatini lacked access to clean water, and 25% of the existing sanitation infrastructure, including toilets and water taps, were nonfunctional, according to Sophia Manole of The Borgen Project.

Although the share of the population with access to electricity has risen, the Eswatini Energy Regulatory Authority (ESERA) increased tariffs by 10.14% for the 2023/24 financial year and by 8.02% for 2024/25.

No interference of religious dogmas

6

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6

\_\_\_\_\_ 1

Basic administration

6

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6

\_\_\_\_\_ 1

## 2 | Political Participation

The king is head of state and appoints the prime minister, who is the head of government. The Senate consists of 30 seats, 10 of which are appointed by the House of Assembly and 20 by the king. The House of Assembly consists of 65 seats, of which 10 are appointed by the king. Elections are held under the Tinkhundla system. All prime ministers to date have come from the royal family. King Mswati III named Russell Mmiso Dlamini as prime minister following elections in September 2023 and the Sibaya in October 2023.

Elections under the Tinkhundla system are not democratic, as political parties are barred from contesting, and candidates must be approved by their traditional chief, who is also under the king's rule. The 2023 election was conducted under two new pieces of legislation: the Elections Act 2023, which specifies that winners will be announced only after the second ballot, and the Voters Registration Act 2023.

After the 2018 elections, the Southern African Development Community (SADC) Electoral Observer Mission (SEOM) urged the country to conduct an inclusive dialogue about its political system, including defining the role of political parties. This recommendation was not taken into consideration.

The king has veto power and stands above the constitution. The 1973 Decree of King Sobhuza II remains the supreme law of the country, vesting all executive, judicial and legislative functions in the king. No one can criticize the monarchy without running the risk of being criminally charged. The prime minister is nominated by the king, not elected, and usually comes from the royal family. The monarch also appoints 20 out of 30 members of the Senate and 10 out of 69 seats in the House of Assembly. Official delegates prefer to meet the king rather than the prime minister.

Therefore, Eswatini's government does not reflect the will of the people.

The more actively that political organizations, associations and NGOs operate, the more they are subject to government surveillance. The more pro-democratic they are, the more likely they are to be operating in exile, often from South Africa. Charity and developmental groups are welcome to work within the country as long as they respect tradition and the absolute monarchy.

LGBTQ+ groups are still unable to register officially. Although the Supreme Court has ruled in favor of allowing them to regularize their operations, the government denies them the ability to register as organizations.

Political parties are still not permitted to operate. The various political formations face numerous restrictions, including limitations on registration processes, member recruitment and the ability to hold meetings. This oppressive environment often instills fear in individuals, deterring them from joining or associating with political

Free and fair elections



Effective power to govern



Association / assembly rights



parties. In addition, some political parties are prohibited under the Suppression of Terrorism Act. PUDEMO's president, Mlungisi Makhany, was poisoned while in exile in South Africa, as the Sowetan reported on September 25, 2024. He was in the process of organizing a pro-democratic protest for October in Eswatini. PUDEMO suspects the government is behind the attack, although the government's spokesperson, Alpheous Nxumalo, has denied it.

Although media freedom and the freedom of expression in the country are constitutionally guaranteed, the media and journalists are in general subject to severe restrictions, and journalists are harassed. Many newspapers have given up their websites and publish only through social media – Facebook is the most popular site – or from South Africa. The Times of Swaziland, which is privately owned, and the pro-government Observer are the only daily newspapers. The only television channel is owned by the royal family.

Soon after taking up his position, Prime Minister Dlamini announced plans to further regulate the media with the Media Commission Bill and threatened to scrap the editors' forum, where journalists are provided with official information by the government, as News24 reported on September 16, 2024.

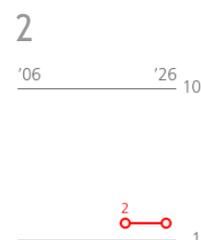
On January 20, 2024, the Times of Swaziland reported that the government had cut off communication with Zweli Dlamini, editor of Swaziland News, who is currently in exile in South Africa. The year before, the government had declared him to be a terrorist. The Mbombela Division of the Mpumalanga High Court dismissed a case against Zweli Dlamini, as Sunday World reported on October 1, 2024. While the court found the articles in question, published between August 2020 and December 2022, to be defamatory, it rejected the Eswatini government's attempt to declare their publication to be an act of terrorism.

Reporters Without Borders, in its 2024 World Press Freedom Index, ranked Eswatini at 85th place out of 180 countries worldwide.

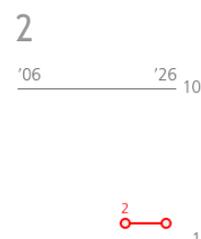
### 3 | Rule of Law

King Mswati III holds executive, judicial and legislative powers. Therefore, he is unimpeachable, and accusations against him cannot be taken to court. He directly appoints Supreme Court and High Court judges on the recommendation of the Judicial Service Commission (JSC). For years, the king has delayed appointing members to this commission, which is responsible for the appointment of judges, magistrates and judicial officers. According to Zweli Dlamini in Swaziland News on December 18, 2024, the king wants Chief Justice Bheki Maphalala to resign, but Maphalala has resisted. This has further delayed the selection process for the JSC and in turn the appointment of judges.

Freedom of expression



Separation of powers



On his online blog, pro-democracy activist Thulani Thembo Khoza writes: “Judges are often appointed based on their loyalty to the monarchy, and their decisions frequently reflect the interests of the state rather than adherence to the rule of law.”

Sections 138 and 141 of the 2005 constitution proclaim the independence of the judiciary. This is contradicted by the 1973 royal decree, which remains in effect and creates a dual judicial system. Roman-Dutch law has no authority in rural areas, where traditional courts handle matters. This affects 75% of the population. In addition, the high cost of accessing justice and geographic distance hinder many individuals from seeking legal representation.

As early as 2022, the Eswatini Law Society called for the impeachment of Chief Justice Bheki Maphalala on the basis of allegations of corruption, interference, and manipulation of judges and other judicial officers. Since then, King Mswati III has urged Maphalala to resign, without success. Swaziland News reported on November 29, 2024, that the Supreme Court under Maphalala had ordered the government to pay junior police and Correctional Services officers a previously decided salary increase, and to lift the suspension on demanding the increase at a march.

In June 2024, the High Court sentenced former members of parliament Mduzuzi Bacede Mabuza and Mthandeni Dube to prison terms respectively of 25 and 18 years. They were arrested in 2021 for participating in and supporting pro-democracy protests. Amu Mnisi of Human Rights Watch wrote on July 18, 2024: “The sentencing of Mabuza and Dube is a stark reminder of the lack of accountability and justice for the serious violations committed by law enforcement in and around the 2021 protests. The jailing of two politically dissenting voices in a country where the judiciary is neither impartial nor independent is another mark against Eswatini’s already deteriorating human rights record.”

The Global Organized Crime Index’s 2023 country report on Eswatini specifically cited corruption among political elites, law enforcement and regulatory authorities. Officials can be sued for corruption, but impunity is still common. Personal relationships are frequently exploited, and bribes are used to secure government contracts for large capital projects. The royal family and its close allies are not investigated or prosecuted, as they are effectively above the law. An example of this is the investigation into fraud allegations against Vumile Dlamini, CEO of the Royal Science and Technology Park (RSTP). According to reporting by Swaziland News published on July 29, 2024, this investigation was allegedly sabotaged by bribes provided to Anti-Corruption Commission (ACC) Chief Investigator Siphon Mthethwa to drop the high-level investigation.

The ACC and the Commission on Human Rights and Public Administration Integrity are consistently under-resourced, which undermines their effectiveness. They have been viewed as duplicative organizations, and discussions about merging them have been ongoing since 2020. The IMF also criticized this overlap in its 2024 Article IV

Independent  
judiciary

3

'06 '26 10

4  
3

1

Prosecution of  
office abuse

2

'06 '26 10

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2

1

consultation press release. Afrobarometer, in its Dispatch No. 770 of February 20, 2024, noted that 87% of respondents in the country said the level of corruption had increased over the past year, and 73% said it had increased a lot.

The media report on cases of corruption but on hardly any court rulings in response. In 2024, the ACC investigated 285 cases, which led to only six arrests, with 13% processed through the court system, as the Times of Swaziland reported on January 5, 2025. The Swaziland News reported on January 24, 2024, that ACC Commissioner Daniel Dlamini left office after five years without investigating a single corruption case.

The 2005 constitution protects civil rights de jure, but in reality many people lack comprehensive knowledge of their rights and therefore are vulnerable to abuse. Access to the judicial system is unaffordable for many, and the cost of seeking legal redress is prohibitive. To address this, the Eswatini Legal Aid Office was established in August 2023. The Legal Aid Bill has been heard in parliament but remains pending, and the degree to which it conforms with the constitution has been questioned in parts, as the Times of Eswatini reported on September 17, 2024.

To date, there have been no investigations into the 2021 uprising or the assassination of human rights lawyer Thulani Maseko.

The Supreme Court decided in August 2024 to uphold the Suppression of Terrorism Act, a major setback for human rights in Eswatini. As the International Commission of Jurists (ICJ) noted in its August 30, 2024, statement, the decision “will allow for the continued overexpansive use of national security and counter-terrorism laws to violate human rights and fundamental freedoms.” In June 2024, two former members of parliament, Mduduzi Bacede Mabuza and Mthandeni Dube, were sentenced to prison terms respectively of 25 and 18 years. Initially, they were arrested in 2021 for participating in and supporting pro-democracy protests. For this, they were convicted of terrorism-related offenses and murder.

Discrimination based on race, ethnicity or religion is rare because society is relatively homogeneous. However, LGBTQ+ rights remain disputed and relatively unclear. While a court decision has recognized the full personal rights of LGBTQ+ individuals, the same decision simultaneously bars a group supporting such rights from legally registering.

Civil rights

2

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4  
3  
2

1

#### 4 | Stability of Democratic Institutions

Eswatini is an absolute monarchy; therefore, there are no democratic institutions. The political system, called Tinkhundla, is unique and difficult to compare with others. It was established after World War II by King Sobhuza II. The existing democratic institutions are subordinate to the king in all aspects. Any criticism of the king is considered treasonous. People in rural areas live under an undemocratic traditional legal system without any checks and balances, and even under a different judicial system that does not fully respect human rights. This is contradicted by the constitution and the Roman-Dutch legal framework. This duality compromises accountability and increases opportunities for corruption. The king and the royal family intervene in, control and influence electoral processes.

Since the unrest in 2021, the Southern African Development Community (SADC) Organ on Politics, Defense and Security Cooperation has urged the king to allow a national dialogue. To date, this has not happened. No one can persuade the king to hold this dialogue because he considers himself to be above the law and the constitution. For him, the traditional Sibaya gathering, in which he speaks directly to his subjects, is the only way to hold this dialogue. This happened in September 2023 after the elections, but it was rejected by civil society as an appropriate dialogue, because civil society groups were not involved either in preparing the event or in setting its agenda. Again, its structure allowed participation only by individuals, not by public interest groups.

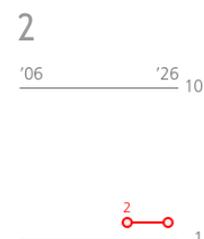
Political parties cannot participate in elections under the Tinkhundla system because it allows only for individual candidates. Consequently, parties are excluded from the country's democratic framework. However, in their capacity as NGOs/CSOs, they serve a significant role in shaping public opinion and endeavor to establish checks and balances in a way akin to an extra-parliamentary opposition.

The country's monarchy rests on the dual leadership of the queen mother and the king, who are counseled by different bodies. It is unclear how much influence the king's consultants actually have. Only the king has veto power. This makes it difficult for government-to-government diplomatic interventions to succeed, because the government's decision-making power is limited.

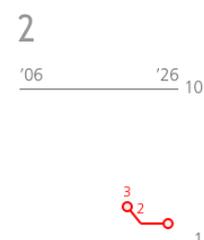
According to the Afrobarometer country democratic scorecard released on June 17, 2024, 85% of the citizens reject one-man rule and 67% would prefer multiparty competition.

The main functions of the Eswatini armed forces, which are seen as loyal to the king, are to maintain internal and border security. To date, the army has not been involved in any military operations.

Performance of democratic institutions



Commitment to democratic institutions



## 5 | Political and Social Integration

With the establishment of the Tinkhundla system in 1973, King Sobhuza II banned political parties. Political parties cannot compete in elections, because the Tinkhundla system is based on individual votes. King Mswati III has made contradictory statements about parties.

There are about 10 to 15 political parties in the country; however, most remain largely silent. The pro-democratic uprising in 2021 was largely organized by students and young activists.

There are now three umbrella organizations to strengthen the call for democratic change in the country. The Mass Democratic Movement (MDM) consists of organizations involved in the struggle for democratization. The Multi-Stakeholder Forum (MSF) is part of the MDM, and was founded after Cyril Ramaphosa, the then-chair of the SADC troika on peace and security, visited the country and suggested a broad, national and inclusive dialogue. The MSF consists of political parties, businesses, faith-based and women's organizations, students, youth groups, and other collectives. It was chaired by human rights lawyer Thulani Maseko until he was shot in January 2023. The Political Party Assembly (PPA) is an umbrella organization encompassing most of the more progressive political parties.

All three bodies represent a new way of channeling the plea for pro-democratic change in the country to the king, intended to force him into dialogue, though so far without success.

Before the 2023 elections, there was a dispute among members of different bodies over whether to run as individuals in the elections or openly boycott them, as the Times of Swaziland reported on July 31, 2023.

The latest efforts to organize mass pro-democracy demonstrations were brought to an end by the alleged poisoning of exiled PUDEMO President Mlungisi Makhanya in South Africa while he was planning pro-democracy marches in Eswatini in October 2024, as the South African weekly Sowetan Live reported on September 24, 2024.

In addition to political parties, interest groups such as trade unions, civil society organizations (CSOs) and faith-based organizations, as well as broader coalitions like the Multi-Stakeholder Forum, exert pressure on the government.

These interest groups and political parties have programs that connect them with communities and engage ordinary citizens.

Cooperation among interest groups has improved, making them more visible and vocal. However, at least three coalitions (Multi-Stakeholder Forum, Mass Democratic Movement, Political Party Assembly) coexist alongside traditional

Party system

1

'06 '26 10

1

Interest groups

5

'06 '26 10

4 5

1

coalitions such as the Federation of Trade Unions and church councils, and none dominates the public discussion. There may still be too many coalitions to serve as an effective driver of change.

Two bodies are dedicated to advancing workers' rights: the Amalgamated Trade Union of Swaziland (ATUSWA) and the Trade Union Congress of Swaziland (TUCOSWA). ATUSWA operates at the industrial level, focusing on specific sectors, while TUCOSWA functions at the national level, uniting various unions to advocate for labor rights across the country.

Most of the churches support the envisioned national dialogue and are part of the Multi-Stakeholder Forum.

Still, most political and civic initiatives are based in urban areas. Youth organizations such as the Swaziland Youth Congress (SWAYOCO), and other groups such as the Swaziland Rural Women's Assembly are trying to expand their reach to rural areas. The latter primarily addresses gender-based violence and climate change, but is becoming increasingly political as it advocates for women's land rights and an end to traditional patriarchal systems.

Support for the monarchy, particularly for the current king, is declining. In the December 2024 Afrobarometer survey, 87% of respondents said they rejected one-man rule. The proportion of people calling for multiparty democracy increased to 67% of the population, up from 59% in 2021. A total of 55% said they preferred democracy to any other kind of government. The younger generation in particular is bringing a different perspective to the discussion about the king, using social media to expose the royal family's extravagant lifestyle and contrast it with the overwhelming poverty experienced by the majority of citizens. Following a crackdown by the state in 2021, the number of street marches and protests has declined, while the frequency of protests on social media or in neighboring countries has risen, as Channel Africa reported on December 5, 2024, referencing the march to the Eswatini Embassy in Pretoria.

Traditionally, the people of Eswatini have promoted a communal way of life fostering collaboration for a common purpose at different levels. This spirit has led to successful community development projects such as the neighborhood care points. However, a constant lack of resources relative to needs has undermined trust. The country's diverse civil society includes trade unions, religious communities, and women's and charity organizations. Ongoing pressure on civil society organizations has often resulted in divisions and splits that are neither conducive to their long-term effectiveness nor to their political influence in addressing systemic issues such as poverty, malnutrition or gender-based violence.

According to the government, the crime rate increased by 15% in 2024, as the Observer reported on November 29, 2024.

Approval of  
democracy

n/a

'06 \_\_\_\_\_ '26 10

\_\_\_\_\_ n/a 1

Social capital

5

'06 \_\_\_\_\_ '26 10

\_\_\_\_\_ 6 5 1

The gap between the younger generation and their parents is widening, especially when young people try to become politically involved and find solutions for their future. The high rate of unemployment and the lack of proper education create a tense situation with no hope. Young people are not provided with an official voice either in traditional rural communities or in urban areas, where their demonstrations were attacked in 2021 and activists were sent to prison. Family members of those imprisoned do not understand them and have never talked with their children, as some personally reported to the author in April 2025.

## II. Economic Transformation

### 6 | Level of Socioeconomic Development

The country's human development level can still be classified as medium, with a 2022 Human Development Index score of 0.610, down slightly from 0.612 in 2021, and a ranking of 142nd out of 191 countries. The Gender Inequality Index score was 0.491, also a slight decline from the previous year. About 75% of the country's residents still live in rural areas, with women making up about 60% of this rural population. This population relies on agriculture, with minimal infrastructure and limited mobility. Although the share of the population with cellphones and access to the internet is steadily improving, the prevailing lack of cash limits people's digital opportunities. In addition, climate change is further exposing the vulnerabilities of the rural population. According to the IMF, 59% of the population lives below the poverty line, with 29% being extremely poor. The region surrounding Manzini and the capital city of Mbabane is more developed and industrialized than the rest of the country.

Unfortunately, the last calculated Gini index value of 54.6 dates from 2016. This does not accurately reflect the royal family's accumulated wealth through its economic engagement in recent years.

Question  
Score

Socioeconomic  
barriers

2

'06 '26 10

2 1

Economic indicators		2021	2022	2023	2024
GDP	\$ M	4785.7	4741.2	4604.2	<b>4891.9</b>
GDP growth	%	3.4	1.1	3.4	<b>2.6</b>
Inflation (CPI)	%	-	-	-	-
Unemployment	%	34.2	35.4	35.1	<b>34.4</b>
Foreign direct investment	% of GDP	2.4	0.3	0.6	<b>1.5</b>
Export growth	%	11.2	-4.2	9.2	-
Import growth	%	7.3	2.2	12.9	-
Current account balance	\$ M	125.3	-141.0	107.5	-
Public debt	% of GDP	37.5	39.5	39.4	<b>39.2</b>
External debt	\$ M	1178.8	1247.9	1240.7	-
Total debt service	\$ M	65.2	85.1	168.2	-
Net lending/borrowing	% of GDP	-4.7	-	-	-
Tax revenue	% of GDP	24.5	-	-	-
Government consumption	% of GDP	21.8	19.5	19.5	-
Public education spending	% of GDP	5.3	5.6	5.0	<b>6.0</b>
Public health spending	% of GDP	3.7	3.2	-	-
R&D expenditure	% of GDP	-	-	-	-
Military expenditure	% of GDP	1.8	1.6	1.6	-

Sources (as of December 2025): The World Bank, World Development Indicators | International Monetary Fund (IMF), World Economic Outlook | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database.

## 7 | Organization of the Market and Competition

The most important sectors of the economy are dominated by large companies and by a high degree of interference by the royal family, which is reflected in the significant number of family members in senior corporate or government positions. According to Swaziland News on July 29, 2024, Vumile Dlamini, the chief executive officer of the Royal Science and Technology Park (RSTP) and grandson of King Sobhuza II, has been involved in fraud.

Under the Special Economic Zone (SEZ) Act of 2018, the Royal Science and Technology Park (RSTP), established in 2007, has been designated a special economic zone. The public in Eswatini has been told that the RSTP has not made any money since its inception, the Times of Swaziland reported on August 27, 2024.

The International Consortium of Investigative Journalists (ICIJ) published a report on April 15, 2024, based on leaked documents indicating that Finance Minister Neal Rijkenberg was involved in the dubious establishment of Farmers Bank. The central bank reviewed Farmers Bank's license in September 2023 for a one-year period and revoked it again in November 2024 because the documentation provided had been insufficient, the Times of Swaziland reported on November 11, 2024. Further, the leaked documents indicated that the Special Economic Zone was used for money-laundering through two alleged gold refineries.

According to data from World Economics, the informal sector accounts for 52.9% of the economy, a rising trend that corresponds to \$7.58 billion (adjusted for purchasing power parity). At the same time, job opportunities for people outside the royal family are available only in the informal sector.

The Eswatini Competition Commission and Consumer Protection (ESCC) was established in 2007 and operates under the Competition Act of 2007; it is listed as a member of the International Competition Network (ICN). A draft 2020 Competition Bill was still pending in the legislature as of the time of writing. The Times of Swaziland reported on October 9, 2024, that the ESCC was investigating the Eswatini Medical Aid Fund (Eswatini Med) following complaints of alleged violations.

Tibiyo Taka Ngwane (Wealth of the Nation), a sovereign wealth fund created by King Sobhuza II in 1968, is currently controlled by King Mswati III, is independent of the government and is not subject to ESCC oversight. Its 2022 annual report (the last available as of the time of writing) listed 21 companies in which the king held shares.

The ESCC has never ruled against foreign investors. It may be compromised by a lack of resources, and it may not be entirely independent – especially when it comes to the royal family and its business connections.

Market  
organization

2

'06 '26 10



Competition policy

4

'06 '26 10



The ESCC also oversees the implementation of antitrust laws to prevent monopolies. Although regulatory bodies and a competition-law legal framework are in place, they have yet to be tested by a substantial merger that involves politically powerful entities. Decisions by independent agencies are often watered down by members of the royal family or the government. Large state-owned enterprises (SOEs) today have no legal advantage over private companies. However, tenders are often awarded to companies with royal connections rather than to the best offer, which clearly undermines competition.

According to the World Bank, foreign trade accounted for 91.42% of the country's GDP in 2022. South Africa is the main trading partner, accounting for about 65% of Eswatini's exports and 75% of its imports.

Eswatini is eligible for the African Growth and Opportunity Act (AGOA), a positive factor for the investment climate. This may serve to attract, promote, encourage and facilitate local and foreign direct investment and trade in Eswatini for economic development. The Eswatini Daily News reported on April 22, 2024, that a working group under the AGOA was established to address all critical issues that the U.S. government has indicated hinder long-term sustenance.

Companies in special economic zones (SEZs) benefit from duty-free imports of machinery and equipment, an exemption from corporate income tax for the first 20 years, and a 5% tax rate thereafter. Investors receive a full refund of customs duties, value-added taxes (VAT) and other taxes on raw materials, and are exempt from foreign exchange controls. However, SEZs appear to be used for dubious economic activities, as leaked documents analyzed by ICIJ and Open Secrets suggest.

Eswatini has low trade and entry barriers and is easily accessible.

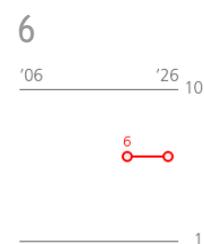
The banking sector is relatively stable, and there has never been a bank failure. There are four commercial banks and one building society operating in the country, most of which are branches of South African institutions, with Standard Bank being the largest. Only 54% of the population has a bank account. The remaining 46% of adults without access to formal banking services may rely on informal financial mechanisms such as savings groups or cash transactions, which can limit their ability to participate fully in the formal economy.

The Farmers Bank has had difficulties obtaining a license due to irregularities. It is the subject of investigations by the ICIJ and Open Secrets based on leaked documents.

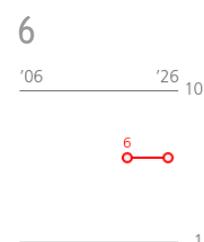
Nedbank Eswatini reported a 12% increase in the share of non-performing loans in 2023 because of high interest rates. The central bank decided to lower its key interest rates to 7.25%.

According to the central bank, the banking sector's capital-to-asset ratio in 2022/23 stood at 14.79%.

Liberalization of  
foreign trade



Banking system



## 8 | Monetary and fiscal stability

The Eswatini currency, the lilangeni (SZL), is linked to the South African rand, which is also accepted throughout the country (SZL 1 = ZAR 1.0004 as of January 6, 2025). The national budget relies heavily on revenues from the South African Customs Union (SACU). The SACU member states – Botswana, Lesotho, Namibia, South Africa and Eswatini – have a unified tariff structure and do not charge customs duties to each other, although there is a common external tariff that applies to non-member states. Income is collected through South Africa’s National Revenue Fund and distributed based on a revenue-sharing formula. About 40% of the country’s total revenues come from the SACU. In 2023/24, revenues doubled.

The inflation rate fell from a peak of 4.95% in 2023 to 4.7% in 2024, mainly driven by food and transport costs.

As of 2023, Eswatini’s public debt was estimated at about 41% of GDP, down slightly from 43% in December 2022. This level exceeds the government’s desired threshold of 35%, indicating ongoing fiscal challenges.

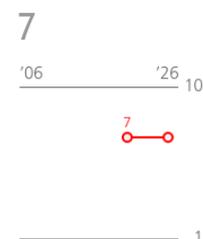
In the fiscal year 2023/24, the overall fiscal deficit narrowed to 1.5% of GDP, a significant improvement from 6.2% in the previous fiscal year.

This reduction was attributed primarily to increased revenue from SACU.

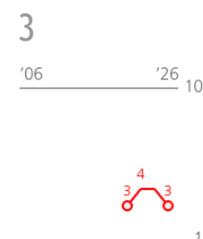
Rising debt and debt service levels are of great concern for the country’s fiscal stability. Real GDP growth, as published by the Revenue Management Sub-Directorate of SACU on January 30, 2024, was just 0.5% in 2022, the lowest in the region, even below neighboring Lesotho. Inflation is rising in Eswatini (4.8% in 2022 and 5.7% in 2023), while the trend in neighboring countries was downward in 2023. Minister of Finance Neal Rijkenberg indicated in the Times of Swaziland on January 12, 2024, that “compared with the 2023/24 level, SACU revenue for 2024/25 will grow by 11.15% and will stand at SZL 13.06 billion.” In the 2023/24 financial year, the country’s SACU receipts were SZL 11.75 billion, 102% higher than in 2022/23. Already in 2023, the principal planning officer in the Ministry of Economic Planning and Development, Siphwe Dlamini, was quoted in the Times of Swaziland on January 12, 2023, as saying that this rise would not transform the lives of ordinary people because the government was poorly managing the economy. This proved true when Rijkenberg acknowledged in June 2024 that, a month before the quarterly payment of SACU revenues, the government was not able to pay suppliers for medication, as the Times of Swaziland reported on June 12, 2024. He said the amount owed to suppliers was estimated at about SZL 1.4 billion.

Public debt peaked at 40.7% of GDP in 2022, but fell to 38.5% in 2023, according to the IMF. Total debt service amounted to a 1.5% share of gross national income (GNI) in 2021, down from 2.9% in 2020. However, this figure has fluctuated in recent years. Debt service on external debt alone was \$65.2 million in 2021.

### Monetary stability



### Fiscal stability



Eswatini lacks a National Disaster Risk Finance Strategy, which would be especially useful for a small country to enforce the prioritization of scarce fiscal resources, as described by Barry Maher and Marko Kwaramba in their study published in May 2022.

General government final consumption expenditure has fallen in recent years, to 18.4% in 2021 and 17.6% in 2022, after peaking at 25.2% of GDP in 2017. SACU revenues are the main source of government income, because a large portion of the sovereign wealth funds is controlled by the royal family and does not contribute to the budget. In addition, the royal family receives an additional allocation from the national budget that amounted to SZL 991 million for the 2023 financial year.

There was a positive current account balance of \$107 million in 2023, but a negative balance of \$141.1 million in 2022.

The IMF released a financial sector stability report on April 5, 2024, and noted that non-bank financial institutions (NBFIs) account for 78% of financial sector assets, or 116% of GDP. NBFIs are “both a source of most risks and vulnerabilities as well as the priority area for improvements in the oversight framework, starting with better coordination and exchange of data between the supervisory authorities,” the report noted.

## 9 | Private Property

The International Property Rights Index 2024 ranked Eswatini at 75th out of 129 countries globally and seventh in Africa, with a decrease in its score of 0.071 to 4.641. The country’s score on the physical property rights subindex was unchanged at 5.033, with a score of 3.781 for perception of property rights protection.

Land ownership under the current land tenure system remains problematic because it falls within the traditional system and is linked to patriarchal structures, under which women are often denied equal rights. There are no guarantees of land ownership, especially on Swazi Nation Land. Farm dwellers lack tenure security, and after receiving an eviction order, families have no alternative place to go. The Times of Swaziland reported on May 13, 2024, that Taiwanese investors were invading rural areas and were violently taking land from citizens. Swaziland News named John Fan, a Taiwanese investor and managing director of the FTM Garments textile factory in Nhlanguano, as being behind the demolitions and forcible evictions.

The 2005 constitution is clear that “non-citizens or their majority-owned companies cannot purchase immovable property,” Ntokozo Nkambule wrote in April 2022 in Inside Biz magazine. Here, modern law contradicts traditional law because land rights are administered not by a democratically elected government but by the monarchy.

Property rights  
3



Year	Score
'06	3
'26	10



Year	Score
'06	1
'26	3

Although the government is engaged in the privatization of more than 30 state-owned enterprises (SOEs), implementation is slow and lacks transparency, as the IMF noted in its report released on September 30, 2024. The African Development Bank Group implemented a program in 2022, stating: “It will help the government to fast-track much-needed reforms to achieve fiscal consolidation, restore macroeconomic stability and make much-needed capital and social investments. This project will contribute to economic transformation and inclusive growth. It also solidifies the bank’s position as a trusted partner that is responsive in a time of need, while complementing and catalyzing the bank’s ongoing and future support for the country.” As of February 2024, most implementation has been delayed.

Corruption and interference by the royal family occur in both the public and private sectors. The traditional system of land access through chiefs is likely to discourage investors in the agrarian sector.

King Mswati III and the royal family are said to control about 50% of the country’s economy, primarily through shares held by the Tibiyo Taka Ngwane fund. The sovereign fund does not contribute to the national budget, but rather finances the royal family’s luxurious lifestyle, although King Mswati III in theory holds it in trust for the Swazi nation.

## 10 | Welfare Regime

Life expectancy declined from 60.5 years in 2019 to 56.4 years in 2022.

Poor planning in the establishment and implementation of government social grants has contributed to their ineffectiveness and exposed them to corruption by some of the officers responsible.

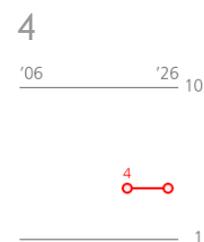
The Old Age Grant for citizens over 60 (currently received by 75,481 citizens) was implemented in 2005 and has been set at SZL 500 per month since 2020, without accounting for inflation or price increases.

The national school feeding program covers about 330,000 pupils, and the pilot homegrown school feeding program, introduced in 2019, covers 24,000 pupils. Times of Swaziland has reported delays and shortages in school feeding programs. According to the Global Child Nutrition Foundation, both programs faced supply chain issues and extreme food prices, and the foundation indicated that it was concerned about food mismanagement in schools.

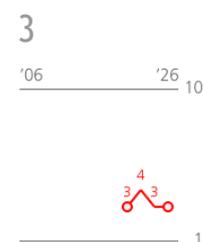
About 24,000 students benefit from the school meals program called Zondle. The program is supported primarily by external donations (74%). The Times of Swaziland reported that schools did not receive food or grants for orphaned and vulnerable children.

Although Minister of Finance Neal Rijkenberg announced the implementation of an Unemployment Benefit Fund in the 2022 budget speech, this was not in place as of the time of writing.

Private enterprise



Social safety nets



The king and queen mother are above the law, and citizens of Eswatini are their subjects. Members of the royal family often exploit their proximity to power and are given preference in filling vacancies or pursuing interests. In this respect, there is no equality in the country. The society is quite homogeneous, since most residents are Swati and an overwhelming majority are Christian. Although the constitution guarantees gender equality, society is still patriarchal and respect for women's rights is not always a given. Male (91.1%) and female (90.4%) literacy rates were nearly equal in 2022.

In 2022, the country's score on the Gender Parity Index (GPI) was 0.9, indicating that girls were more disadvantaged than boys in primary education, but equal in secondary and tertiary education.

Women made up 47.2% of the labor force in 2023, compared with 47.1% in 2022.

The country's score on the Global Gender Gap Index was 0.73 in 2023, indicating a gap between women and men in four key areas: health, education, economy and politics. Girls and young women are five times as likely as boys and young men to be living with HIV because of their limited power to negotiate safe-sex practices.

The constitution provides that 30% of parliamentary seats are to be held by women. In the parliament elected in 2023, 16 of 74 members (21.6%) are women, a rise from 13.51%.

The country's score on the 2024 Women, Business and the Law Index was 46.3, indicating that it has comparatively low constraints on women starting and running a business.

The LGBTQ+ community continues to face political and social discrimination.

## 11 | Economic Performance

Eswatini is a lower-middle-income country. Real GDP grew 2.4% in 2021, and GDP per capita was \$9,816. Inflation rates in 2024 (4.76%) and 2023 (4.95%) were fairly similar.

The official unemployment rate was 37.9% in 2022 and 37.6% in 2023, placing it among the 20 countries globally with the highest such rates. The youth unemployment rate in 2023 was 64.99%. This was reflected in the Afrobarometer survey, in which youth rank unemployment at the top of the priority list.

Foreign direct investment declined from 2.3% of GDP in 2021 to 0.3% in 2022, then rose to 0.6% in 2023. Gross capital formation fell further to 11.8% of GDP in 2022.

The current account balance shifted from a surplus of \$125.3 million to a deficit of \$141 million in 2022, then back to a surplus of \$107.5 million in 2023.

### Equal opportunity

5

'06 \_\_\_\_\_ '26 10



### Output strength

3

'06 \_\_\_\_\_ '26 10



The stock market rose in December 2023, with market capitalization increasing 42.06% from SZL 4.67 billion to SZL 6.63 billion because of the listing of First National Bank of Eswatini (FNB) on December 5, 2023, as reported by the Swazi Observer on January 9, 2024.

## 12 | Sustainability

Eswatini faces escalating risks of climate change-related seasonal flooding and drought. Some rural areas are already experiencing heightened aridity, causing hardship for local populations. The National Climate Change Policy faces financial constraints that hinder full implementation. To carry out the policy, an estimated \$1.3 billion will be needed by 2030, with much of this funding still unsecured. Eswatini relies on external donors for both financing and technical support.

The initial successes of the Adaptation Communication (AdCom) include improvements in infrastructure resilience, for instance through climate-proofing roads and buildings in pilot areas.

Because of resource constraints, adaptation is not a priority. The government has had difficulties in scaling successful adaptation projects to cover all vulnerable regions.

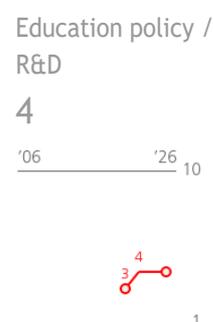
The Eswatini Environment Fund (EEF) has to date funded more than 20 community-level projects focused on biodiversity protection and ecosystem restoration, but these projects often lack long-term sustainability plans.

About 80% of the country’s energy is imported from South Africa. The government plans to achieve energy independence by 2034. Domestically produced energy is currently derived almost entirely from renewables, with 60% coming from hydropower, 39% from sugarcane-based biomass cogeneration and only 1% from solar energy. Solar energy’s share is growing due to increased investment in small-scale projects. Geothermal projects hold considerable potential.

Eswatini faces an education crisis amid the government’s failure to fund education. Schools face shortages of teachers and equipment. Newspapers such as the Times of Swaziland and Swaziland News have reported on the government’s refusal to release student allowances on time and on delays in paying salaries to lecturers and other workers. This comes even as public expenditure on education has increased over the last two years – rising to 5.7% of GDP in 2022 and 6.3% in 2023 – and the literacy rate has also improved, rising to 90.7% in 2022.

Over the past five years, the number of failures to pass the seventh-grade level increased from 1,638 in 2020 to 2,295 in 2023 and most recently to 2,716 in 2024.

Between 2020 and 2022, the country’s score on the U.N. Education Index was 0.604.



For many students, the situation is worsening. When parents lose their jobs, they often cannot pay for their children's education. As the Times of Swaziland reported on February 9, 2023, at least 120 children in the Matsapha corridor had to leave school, and of these, 40 reportedly attempted suicide.

The quality of education is inadequate, access to secondary education is poor, school retention rates are low and the education system is not geared toward the labor market.

## Governance

### I. Level of Difficulty

Eswatini is a landlocked country surrounded by South Africa and Mozambique. Therefore, South Africa and Eswatini are closely linked although South Africa dominates it economically and socially.

There are as many siSwati speakers in South Africa as in Eswatini. Historically, the country was used by the apartheid regime as a source of unskilled (male) workers for the mines and farms. As this demand has declined, employment opportunities for Eswatini's population have become scarcer. Since 2016, the unemployment rate has risen sharply, reaching 37.85% in 2022 – the highest ever – and 37.64% in 2023. Poor management and corruption, as well as poor school performance and an education system that is not aligned with the labor market, contribute to the number of graduates without jobs.

The majority of citizens still live in rural areas and are heavily affected by climate change. This is particularly true in the agricultural sector, which accounted for only 7.05% of GDP in 2023.

Over 50% of the population still lives below the poverty line of \$3.65 a day.

The country has one of the highest HIV prevalence rates worldwide, with about 26% of adults ages 15 to 49 living with the virus in 2022, according to the United Nations.

Climate change is significantly affecting Eswatini, producing an increasing number of seasonal droughts and floods. According to the Climate Change Knowledge Portal, severe recent droughts have left 25% of the population vulnerable and recognized as food and water insecure.

Eswatini has a vibrant culture of civic engagement. Cultural and traditional structures are closely associated with and celebrated by the monarchy. Individuals are subjects of the king, so it is not clear to what degree this engagement is voluntary. Although civil society and pro-democracy groups have called for a boycott of the traditional Umhlanga reed dance, the number of participating girls has seemed to normalize.

There are many international, regional and national NGOs and charitable organizations active in the country, and their efforts are accompanied by extensive community work. In addition to work on health, education and agricultural issues,

Structural  
constraints

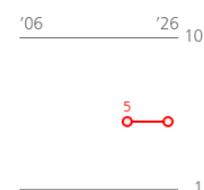
8



1

Civil society  
traditions

5



1

women's organizations are dedicated to addressing gender-based violence. The Swazi Rural Women's Assembly is a robust network deeply rooted in rural areas and engaged in regional networking.

While concern about the country's sociopolitical situation is growing, space for civil society engagement is shrinking.

Compared with 2021, levels of open conflict have declined. It is not clear how much pro-democratic organizations and political parties have gained ground outside urban areas. Much protest has shifted from the streets to social media because of increased state aggression, police brutality and constant harassment. Civic space is shrinking, and the remnant is at the mercy of state repression.

State violence includes the use of mercenaries and paramilitary forces. Some sources have alleged support from South Africa.

After the assassination of human rights activist and lawyer Thulani Maseko, his widow was also harassed and arrested on March 26, 2024, as reported by Amnesty International. The People's United Democratic Movement party (PUDEMO) president, Mlungisi Makhanya, was poisoned while in exile in South Africa; the poisoning was attributed to the Eswatini government, and served to halt the plans for mass protests in the country that Makhanya was organizing for October of that year.

Conflict intensity

6

'06 \_\_\_\_\_ '26 10



1

## II. Governance Performance

### 14 | Steering Capability

The National Development Plan (NDP) from 2023/24 to 2027/28 is Eswatini's strategic framework intended to guide the country's policy, planning and budgeting processes in the direction of inclusive and sustainable development.

While the NDP from 2023/24 to 2027/28 sets out a comprehensive framework for Eswatini's development, its success will depend on effective implementation, the ability to address fiscal challenges and the country's ability to secure necessary financing. Continuous monitoring and evaluation, along with stakeholder engagement, will be crucial to achieving the plan's objectives.

Efforts are underway to enhance digital infrastructure and literacy, aligning with the Eswatini Digitalization Strategy (2024 – 2028), called "Government in Your Hand."

In May 2023, the World Bank endorsed a new Country Partnership Framework for Eswatini for FY 2024 to FY 2028, focused on promoting private-sector-led growth and human capital development.

Question  
Score

Prioritization

4

'06 \_\_\_\_\_ '26 10



1

Previous development plans fell short because of weak implementation and exaggerated expectations, leaving objectives unmet.

Although it is a lower-middle-income country, Eswatini's economic performance has been poor and fiscal challenges persist.

Achieving structural transformation by 2030 will require closing an estimated financing gap of 9.5% of annual GDP.

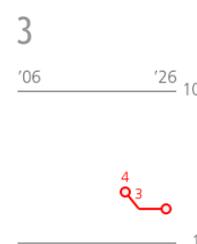
Unfortunately, the government has a history of adequate development strategies, mostly stemming from collaboration with international institutions, but these plans are generally not implemented.

On March 7, 2024, the Economic Commission for Africa, in cooperation with the United Nations system and Eswatini, launched the National AfCFTA Implementation Strategy with the aim of achieving sustainable growth, diversifying export markets, growing the economy, and obtaining higher living standards and well-being for the country's citizens. The government seems to be failing at planning, prioritizing and implementing, due to a lack of political will or because the king – with his veto power – has divergent priorities. For example, gender-based violence (GBV) was identified as one of the key obstacles to achieving the 2023 development goals and the Sustainable Development Goals (SDGs). But according to the Times of Swaziland on January 10, 2025, the Swatini Action Group Against Abuse reported a 52.35% increase in GBV cases in December 2024 compared with 2023. This comes even though the United Nations Country Team (UNCT) organized a bimonthly meeting through its Gender Theme Group (GTG) as early as February 2024.

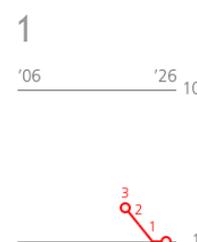
The royal family receives SZL 1 billion a year from the general budget, in addition to revenue from the Tibiyo sovereign wealth fund, which is neither included nor visible in the national budget. The fiscal adjustment plan is destined to fail. It lacks transparency and does not include all assets currently held by the royal family. Neither the king nor the Tibiyo fund pays taxes.

The government in Eswatini's absolute monarchy has little leeway to change the current situation and improve economic performance or resolve political blockades. The call for real democracy, which would mean civic participation and multiparty elections, is still strong, although mass mobilization in the streets has stopped after the crackdown on civil society and pro-democracy activists. The government is merely the king's extended arm. Therefore, policy learning is unlikely to be associated with the government of Eswatini. The government's complete dependence on the king, along with the fact that the king is frequently absent and unreachable for months, makes it nearly impossible to learn from failures. Conversely, the overall deteriorating situation and the government's approach make it difficult to believe that achieving social progress is among its objectives.

#### Implementation



#### Policy learning



The prevalence of police brutality, unlawful incarceration, torture and political murder highlights the government's response to the quest for greater political participation.

Especially in the political sphere, the king repeats past mistakes, and there has been little or no learning from these experiences.

## 15 | Resource Efficiency

The government is only partly elected through individual rather than party elections. The remainder is appointed by the king, who often selects ministers and staff from his immediate family, regardless of their qualifications. The appointment of junior officers compromises workforce quality and marginalizes qualified and deserving candidates. From the royal family, the king has appointed Prince Simelane as minister of justice and constitutional affairs, Princess Lindiwe as minister of home affairs, as well as Prince Lindani and Princess Nkosungumenzi as ordinary members of parliament.

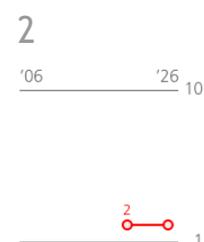
The interference of the royal family in government affairs, its consumption of a significant portion of the country's assets and its lavish lifestyle leave little for the rest of the population – whether financial resources or job opportunities. Consequently, nearly half of the population relies on jobs in the informal sector, while the brain drain to South Africa deprives the economy of highly educated individuals.

In recent years, the government has caused an education crisis because of a shortage of teachers and support staff. Schools lack basic supplies because the government has not paid suppliers, and there is a shortage of food for the school meal program. The deteriorating education system poses a significant challenge for the country because human resources are not effectively developed, and under-skilled graduates do not benefit the economy. As reported by Times of Swaziland on February 25, 2023, Minister of Finance Neal Rijkenberg presented a youth-focused budget with an increase in the wage bill, the education budget and scholarship funding, as well as a larger allocation for the Ministry of Sports, Culture and Youth, primarily to benefit youth.

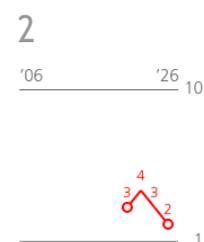
Because the king makes decisions for his own benefit rather than for the benefit of the country, especially with regard to key staff positions, the level of competence in government is low and decision-making quality is poor. However, the government fails to balance conflicting objectives for fear of rejection and a refusal to entertain dissenting views.

The main driver of conflict and dissent in the country continues to be the lack of a multiparty democratic system. The government is unable to reconcile conflicting objectives because it has taken sides.

Efficient use of assets



Policy coordination



Government programs are often selected primarily because funding is available from private or public/international sources, rather than on the basis of strategic policy decisions. Prioritization is not carried out within ministries or the government, and it does not occur through democratic processes. The fact that a considerable number of high-level politicians are chosen by the king, including members of his own family, suggests that loyalty, rather than experience or skills, drives nominations.

Wandile Dlodlu, PUDEMO's deputy president, was cited in Al Jazeera on October 10, 2023, as saying that no parliament has been able to redirect money away from useless projects in which the government engaged. He concluded that the king has done nothing to address people's poverty, unemployment and the underdevelopment of the country as such.

According to Afrobarometer (February 2024), Eswatini citizens think the government is losing the fight against corruption. A substantial share believes that if they report corruption, they might face retaliation, and say that such reports are unlikely to lead to government action.

While the Anti-Corruption Commission (ACC) ostensibly works to combat corruption in the country, it is itself suspected of corruption. The Times of Eswatini (September 1, 2024; October 30, 2024) has reported on various allegations involving staff members, including failing to investigate allegations due to earlier financial benefits or taking bribes to avoid reporting them at all.

In April 2024, Swazi Secrets, an ICIJ cross-border investigation, exposed Eswatini's unexplored role as a possible facilitator within southern Africa's gold-smuggling economy, with a special focus on how weak anti-money-laundering controls allowed individuals to profit from their proximity to the king. The investigation is based on leaks from the Eswatini Financial Intelligence Unit. In August 2024, parliament discussed tightening media freedom in response to the leaks, as reported by Weekly SA Mirror on August 11, 2024.

## 16 | Consensus-Building

In Eswatini, two camps differ in their understanding of democracy. On one side are traditional authorities, including the king, the chiefs and the current government, who view the Tinkhundla system as democratic, even though the king holds veto power and exerts influence over the entire electoral process. On the other side are political parties and associations that believe in multiparty democracy, advocate removing the ban on political parties, and call for the inclusion of parties in elections and governance structures. However, their reach is evident mainly in urban areas, and they have little official influence. As agreed with Southern African Development Community (SADC) bodies, the king held a Sibaya, an indigenous advisory discussion forum, after the 2023 elections. He argued that the event was a Sibaya.

Anti-corruption  
policy

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Consensus on goals

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Most civic organizations rejected this description because, with respect to the Sibaya, there is no consensus about the different roles, the use of the outcomes or the subsequent procedure. It is crucial to highlight that there have been no legal changes to the constitution in response; Sibaya is not the appropriate platform for the type of concrete dialogue civil society groups are advocating for.

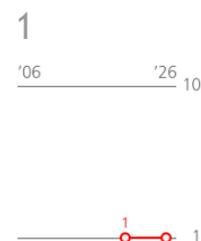
There is a consensus on a market economy as a long-term strategic goal of transformation. This is reflected in all recent economic strategic plans. However, there is a contradiction between the modern constitutional system and the traditional system. Most business transactions fall within the market-based modern system, while land governance is rooted in the traditional system and therefore creates negative incentives for investment in agriculture. The same contradiction holds when it comes to the private sector. Officially and traditionally, the Tibiyo Taka Ngwane sovereign wealth fund is viewed as the nation's property, which the king leads on behalf of his people. In reality, it is operated solely for the benefit of the king and the royal family, and therefore can be seen as a private entity. The shareholdings of the king are problematic because they are not acquired in accordance with the rules of the market economy, and neither the king nor Tibiyo pays tax.

As an absolute monarch, the king is the most anti-democratic actor in the country. However, the demand for multiparty democracy is growing not only in urban areas but also in rural areas, especially among the younger generation. Political parties remain banned, and there is currently no local or regional power that can or is willing to bring the king to the negotiating table. As a result, the king has been able to avoid and postpone any effective form of dialogue accepted by all stakeholders. Civil society sees the traditional Sibaya consultation as merely a platform for the king to address his subjects. Individual inputs made there are followed up only if the king wishes to do so.

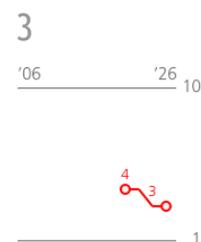
For a short time, the killing of Thulani Maseko in January 2023 drew international attention to Eswatini, but this changed nothing in the long term. No authority can compel the king to introduce democratic reforms or curtail his power.

There are beneficiaries of the current system – members of the extended royal family, traditional authorities and others loyal to the king – and those who fight for a modern democratic society. The king exerts absolute power and veto rights, a main factor contributing to this division. Additionally, there are no ethnic or religious conflicts, as most of the population speaks siSwati and practices Christianity. Pro-democracy supporters are taking the debate to rural areas today. With greater access to the internet and social media, the contrast between the absolute poverty experienced by most of the population and the luxurious lifestyle of the royal family is becoming more apparent. However, publicly criticizing the king is considered treason and punishable.

Anti-democratic actors



Cleavage / conflict management



Since the pro-democracy demonstrations in 2021 and the violent reaction by state actors, the incidence of harassment and intimidation of those opposing the king's absolute power has intensified. The king is not willing to engage in meaningful dialogue about the future of the country, and there currently seems to be nobody who can force him to do so. Although there is a growing mass movement in the country, with civil society groups, churches and unions demanding change or at least a debate about the future of the country, they are also fighting among themselves. One point of dissent among civil society organizations has been whether individuals from political parties or associations should participate in the Tinkhundla elections or instead boycott the system.

As an absolute monarch, the king makes direct decisions by appointing government officeholders and works indirectly through traditional authorities and the Tinkhundla system. He rules the country and uses his veto power to deny civil society actors any access to policy and decision-making processes. The king still sees no need to discuss any issue with the citizens of Eswatini, whom he treats as his subjects. If he does engage with them, it is only through the traditional Sibaya process. However, because the opinions expressed there are neither published nor implemented, this cannot be considered consultation.

On January 20, 2025, Swaziland News reported that Prince Lindani, former army commander Lt. Gen. Tsembeni Magongo, the king's praise singer Qethuka Dlamini, Princess Ncengcenge, and former national commissioner of police Isaac Mmemo Magagula were appointed by the king to parliament.

As long as their work is confined to labor issues, trade unions remain the sole civil-society groups able to strike. In September 2024, the Trade Union Congress of Eswatini (TUCOSWA), in partnership with the British Trades Union Congress (TUC UK), started a joint program to strengthen the Eswatini organization's democratic structures, promote democratic reforms and build democratic institutions in Eswatini.

Media freedom is under pressure, especially after the ICIJ leaks. Several journalists have left the country, and most newspapers that offer critical reporting on the state are available only online. On January 20, 2024, the Times of Swaziland reported that the government cut communication ties with Swaziland News after declaring editor Zweli Dlamini to be a terrorist a year earlier.

In 2021, when the police and military began attacking, torturing and killing demonstrators, young EmaSwati in particular experienced gross human rights violations for the first time simply for lobbying for democratic change in the country. Still, no one has been held accountable for the massacre of June 29, 2021. So far, the murderers of Thulani Maseko have not been brought to justice. Many activists have gone into exile since 2021. But as the poison attack on PUDEMO President Mlungisi Makhanya in September 2024 shows, they are not safe in South Africa either.

Public  
consultation

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Reconciliation

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Apart from this, many individuals and families have suffered eviction without compensation or gender-based violence. A large part of society lives in abject poverty. There is a growing need for trauma healing or counseling in society.

## 17 | International Cooperation

International cooperation is characterized by a wide range of projects, particularly in the areas of health, education, rural development and poverty alleviation. Even after the 2021 uprising and the murder of Thulani Maseko, human rights and good governance have not been made conditions or requirements of such cooperative ventures, although the topics are mentioned in the EU-Eswatini regular dialogue.

There appears to be no overall plan, and individual programs lack coordination, making them somewhat eclectic, since donors tend to set their own priorities. The overall undemocratic situation, the level of corruption and the lavish spending of the royal family deter international donors from providing direct budgetary support.

According to the European Union's official website on January 11, 2024, the European Union earmarked €150,000 in humanitarian aid funding through the Disaster Relief Emergency Fund (DREF) of the International Federation of Red Cross and Red Crescent Societies (IFRC) to support regions severely affected by drought.

The first Partnership Dialogue under the Organization of African, Caribbean and Pacific States (OACPS)-EU Partnership Agreement was held on July 4, 2024, for the period from 2021 to 2027, focusing mainly on human development and social inclusion through skills and empowerment of youth and the most vulnerable.

Eswatini is the last country in Africa with diplomatic ties to Taiwan. In February 2024, both countries signed a declaration affirming their solid relationship, as reported by the Taipei Times on February 2, 2024. For its loyalty to Taiwan in international organizations, Eswatini has received loans on favorable terms to build a strategic oil facility through the Taiwan Overseas Investment & Development Corp. (OIDC). As a consequence, Eswatini is the only country not part of the triennial Forum on China-Africa Cooperation (FOCAC) summit, which took place at the beginning of September 2024.

The World Bank and Eswatini have signed a Country Partnership Framework for the FY 2024 to FY 2028 period. This aims to strengthen private-sector-led economic growth. It also supports new lending via the International Bank for Reconstruction and Development (IBRD) in the areas of basic education, skills development and public spending efficiency. However, more lending in a corrupt and inefficient governmental environment creates even more dependency and debt stress.

Effective use of support

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As reported on November 26, 2025, by Inside Biz magazine, Moody's Investor Service upgraded Eswatini's global credit rating from B3 Positive to B2 Stable, citing the country's progress in improving budget management and implementing important institutional reforms.

The very high poverty rates in Eswatini have led some development organizations to continue working with the regime while avoiding the provision of direct budget support to the government.

Although Eswatini complies with international conventions, these are not always translated into national law or implemented later.

Eswatini has not signed the Rome Statute; therefore, the International Criminal Court (ICC) has no jurisdiction to prosecute crimes against humanity committed within Eswatini. In 2023, the ICC interviewed Bonginkosi Dlamini, coordinator of the South Africa-based United Eswatini Diaspora (UED), to discuss evidence regarding alleged crimes against humanity after Dlamini filed a complaint against the king.

In 1969, Eswatini recognized the International Court of Justice as compulsory, on the condition that it would not have jurisdiction over disputes falling within the country's domestic jurisdiction. To date, it has not been directly involved in any cases before the court. However, the country's legal practices are criticized by international human rights organizations.

In March 2022, during the third Universal Periodic Review (UPR) cycle of the United Nations Human Rights Council (UNHRC), Eswatini accepted 70.3% of the body's recommendations. However, in January 2023, the U.N. High Commissioner for Human Rights condemned the killing of human rights lawyer and pro-democracy activist Thulani Maseko, and urged Eswatini authorities to conduct an independent and effective investigation into the incident. As of the end of the review period, that had yet to happen.

Eswatini, a landlocked country, is surrounded by South Africa and Mozambique. It is a member of the Southern African Development Community (SADC). SADC's charter includes basic human rights and democratic principles with the primary objective of achieving regional integration. In addition to being a member of the Southern African Customs Union (SACU), SADC, the Common Market for Eastern and Southern Africa (COMESA), the African Union (AU) and the United Nations, Eswatini has signed most international treaties.

Although Eswatini was on the agenda of the 44th SADC Heads of State Summit in August 2024 because of the 2021 unrest, it was removed at the king's request. The heads of state accepted his account that the issues leading to the June 2021 unrest had been fully addressed and the situation normalized. This was despite the fact that there had been no national dialogue to date, as called for by the then-chair of SADC, South African President Cyril Ramaphosa. The action effectively ignored a letter written by

#### Credibility

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#### Regional cooperation

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the Multi-Stakeholder Forum (MSF) to the SADC Secretariat ahead of the summit. The coalition of political parties and civil society organizations urged SADC to exert more pressure on the Eswatini government and to adhere to its own resolutions. This shows the need for reforms in the regional body to better serve the interests of its citizens rather than the interests of elites.

## Strategic Outlook

More than ever, the lack of democracy or genuine participation by citizens and civil organizations in society and politics remains the overarching obstacle to economic, political and cultural transformation in Eswatini. The elections held every five years do not provide the population with any meaningful mechanism to help shape the country's development path; rather, such decisions are determined by a small elite surrounding King Mswati III. The impact of absolute rule is evident in the national budget's priorities, the economic and social policies passed through parliament, the incentives provided to attract sustainable investment and create jobs, and the disregard for people's basic rights. The government's policymaking practices are persistently characterized by blatant nepotism, prioritizing the luxury of one family over the welfare of most of the citizenry. Instead of being allocated to measures that would improve the population's well-being, government budgets and public wealth funds are spent on the royal family and its costly lifestyle. About 50% of the economy is owned by the king, creating obstacles to competition and fostering corruption.

Given the current state of political affairs, a stronger national business environment is unlikely to emerge despite Moody's recent upgrade of the country's credit rating. With the economy in free fall, health care systems inadequate, political unrest mounting, and an education system bled dry by corruption and mismanagement, there is little hope that the EmaSwati will be able to improve their lives in the coming years.

Slowly but surely, the country is sinking deeper into chaos, with the (attempted) murders or the torture of political activists, while the king and the royal family are burning most of the country's resources. The smoldering conflict and looming violence will hinder the economy's recovery and growth, and security challenges will also diminish foreign investment in the country.

The lack of intervention from neighboring countries like South Africa or regional bodies such as the SADC is advantageous to the king. No peaceful solution to the complex situation is in sight. Young people in particular, as well as political activists, are leaving the country mainly for South Africa.

The political unrest in Mozambique might destabilize regional security and impede economic development, with weapons becoming more available and triggering criminal activity. As a landlocked country, Eswatini needs Mozambican ports to export sugar to the European and U.S. markets.

The people need a platform that allows them to safely and openly discuss the country and the political leadership they want. If the king allows it, there should be a national and inclusive dialogue mediated by an external authority to discuss a way forward. However, it would also be necessary to secure a free and diverse press inside the country and release political prisoners, first and foremost the former members of parliament.

Still, there seems to be neither the national nor regional – and even less so international – will or available mechanisms to urge the king to make any concession, engage in dialogue or make any change whatsoever in the current state of affairs as long as it serves his purpose.