

 Early Warning System

AFDB-P-SZ-K00-008

Eswatini - Enhancing economic resilience and competitiveness
programme (phase I)



Quick Facts

Countries	Eswatini
Financial Institutions	African Development Bank (AFDB)
Status	Approved
Bank Risk Rating	C
Voting Date	2025-06-24
Borrower	Government of Eswatini - Ministry of Finance
Sectors	Industry and Trade, Law and Government
Investment Type(s)	Loan
Investment Amount (USD)	\$ 46.90 million



Project Description

According to the Bank's website, the proposed operation is an ADB loan to the Kingdom of Eswatini (KoE) to finance the Enhancing Economic Resilience and Competitiveness Program (EERCP). The EERCP is structured as a programmatic series of two consecutive General Budget Support operations covering the fiscal years (FY) 2025/26 and FY2026/27. This follows a request dated June 27, 2024, from the Government of the Kingdom of Eswatini (GoKE). It builds on the Bank's experiences specific to Eswatini by supporting economic and financial governance reforms and capabilities. The proposed operation aligns with the country's National Development Plan (NDP, 2023-2028). The NDP includes several strategic priorities, such as macroeconomic and fiscal stability, private sector development, efficient public service delivery, and environmental sustainability. Additionally, the EERCP aligns with the Bank's Country Strategy Paper (CSP) 2025-2029. Under Priority Area II, the Bank aims to support the country in enhancing economic governance and reinforcing frameworks that strengthen the business-enabling environment, facilitate trade, foster Micro, Small, and Medium Enterprises (MSMEs) growth, and deepen financial inclusion. The operation will also assist Eswatini in implementing recommendations of the Southern Africa Development Community (SADC) Peer Review Report adopted by the Peer Review Panel in 2022. The report recommended, diversification of export markets and products, expediting the establishment of Revenue Stabilisation Fund (RSF) and improving energy generation among others.

The program's development objective is to enhance reforms in economic governance, public financial management, and private sector competitiveness to achieve a resilient, inclusive, and green economic recovery. The proposed operation is expected to contribute to Eswatini's medium-term objectives of enhancing private sector competitiveness in this case supporting energy security and trade facilitation as enablers for a private sector led growth, fostering inclusive growth, and creating jobs and economic opportunities for youth and women. It will also stabilize fiscal space and enhance macro-economic stability, enabling the authorities to allocate their limited resources to priority projects. Considering declining SACU revenues, ongoing tight financial conditions, and external shocks, the Bank's support will cushion the country's fiscal transition while encouraging the authorities to pursue difficult structural reforms and undertake essential public investments, such as in the energy sector and critical social spending to protect vulnerable groups, including youth and women.



Early Warning System Project Analysis

According to the Appraisal Report, the proposed operation is classified as a Category 3, using the Bank's Integrated Safeguard System (ISS) and Climate Safeguard Systems (CSS). The project is not directly exposed to climate physical risks nor will directly contribute to greenhouse gas emission. However, the project supported PFM reform will strengthens Eswatini climate adaptation and mitigation actions including accelerating the transition to a low-carbon, climate-resilient development pathways.

The program will not lead to any involuntary resettlement or economic displacement.



Investment Description

- African Development Bank (AFDB)

Finance Type: Standard loan

Commitments (UA): 34,963,233

Conversion Rate USD (2025-11-12): 1,34161

Loan Type: Fully Flexible Loan

Tenor: Up to 25 years inclusive of Grace Period

Grace period: Up to 8 years



Contact Information

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ACCESS TO INFORMATION

You can submit an information request for project information at: <https://www.afdb.org/en/disclosure-and-access-to-information/request-for-documents>. Under the AfDB's Disclosure and Access to Information policy, if you feel the Bank has omitted to publish information or your request for information is unreasonably denied, you can file an appeal at <https://www.afdb.org/en/disclosure-and-access-to-information/appeals-process>.

ACCOUNTABILITY MECHANISM OF AfDB

The Independent Review Mechanism (IRM), which is administered by the Compliance Review and Mediation Unit (CRMU), is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an African Development Bank (AfDB)-financed project. If you submit a complaint to the IRM, it may assist you by either seeking to address your problems by facilitating a dispute resolution dialogue between you and those implementing the project and/or investigating whether the AfDB complied with its policies to prevent environmental and social harms. You can submit a complaint electronically by emailing crmuinfo@afdb.org, b.kargougou@afdb.org, b.fall@afdb.org, and/or s.toure@afdb.org. You can learn more about the IRM and how to file a complaint at: <https://www.afdb.org/en/independent-review-mechanism/>



Bank Documents

- [Appraisal Report \(EN\)](#)