United Nations Development Programme
Project Document

Country: Swaziland

Project Title: Poverty Reduction and Sustainable Livelihoods

**Narrative**
The poverty alleviation programme acknowledges economic growth not only as a means to address poverty, but as a mechanism to achieve the national MDG targets through implementation of the PRSAP and Aid effectiveness management. Central to the programme will be the support for development of policies and legislation pieces that contribute to stimulation of innovative use of the productive resources by all, in particular, the poor. Capacity developments to generate data, analyze information, manage and package evidence for national policy and decision making processes will be targeted to key institutions. The programme will also support successful initiatives on women economic empowerment through promoting entrepreneurship and sustainable business management. The Government’s and key national stakeholders’ capacity will be strengthened in terms of existing SME infrastructure and the implementation of policies promoting women economic empowerment.
Programme Title: Poverty Reduction and Sustainable Livelihoods

Date: January 2011 – December 2015

UNDAF Pillar 2: Poverty and Sustainable Livelihoods.
MDGs and UN Declarations: Goal 1: Eradicate extreme poverty and hunger.
National Goals:
1. To reduce poverty by more than 50 percent by 2015 and then ultimately eradicate it by 2022.
2. To create an environment that will empower the poor to participate actively in uplifting their standards of living.
UNDAF Pillar 2: Poverty and Sustainable Livelihoods.
UNDAF Outcome: 2. Increased and more equitable access of the poor to assets and other resources for sustainable livelihoods.
Joint Country Programme Outcome: 2.1: The poor’s access to productive resources increased.
Country programme Outcome: The poor’s access to productive resources increased.
Implementing Partners: Deputy Prime Minister’s Office – Gender and Family Issues Unit, Ministry of Economic Planning and Development (MEPD), Ministry of Finance (MOF), Central Statistics Office (CSO), Surveyor General’s Office (SGO), Ministry of Agriculture (MOA), Ministry of Education and Training (MOET), Ministry of Health (MOH), Ministry of Natural Resources and Energy (MNRE) – Department of Water Affairs, Federation of Swaziland Employers and Chamber of Commerce (FSE&CC), Business Women Forum Swaziland (BWFS), Coordinating Assembly for Non-Governmental Organizations (CANGO)
Situational Analysis

Prior to 1990’s the economy of Swaziland recorded unprecedented growth patterns marked with high Human Development Index, low poverty and HIV prevalence. However the situation has changed since then, social indicators declined due to a mix of challenges that deprived the country economic prosperity. Some of the challenges that the country is facing are not limited to unemployment; declining contribution of agriculture to the economy; skewed income distribution; fiscal challenges; HIV/AIDS; high incidences of poverty. The situation is exacerbated further by both exogenous and endogenous factors. In light of the aforementioned challenges and declining indicators one would expect more support for Swaziland from Development Partners. However the country’s middle income classification works against the country’s preference by the Development Partners. It is unfortunate however that Swaziland’s socio economic indicators are similar to those from less developed countries. Below is the glimpse of the country’s situational analysis.

Economic growth has weakened over the last decade, GDP deteriorate from 8.5 % in 1986 to 0.2 % in 2013. This growth is much below the targeted 5% which is required to achieve the country’s aspirations as enshrined in the National Development Strategy which is attainment of top 10% of the medium human development group of countries founded on sustainable economic development, social justice and political stability. This aspiration is targeted for the year 2022 which is 8 years from now. There is a mix of factors that stress economic growth in Swaziland these are exogenous and endogenous in nature. External factors include: fiscal crises mainly due to reliance on Southern African Customs Union revenue; political stabilization in neighboring countries (Mozambique South Africa) has created completion for Foreign Direct Investment, where investors left the country in favor bordering countries; natural disasters in form of drought. Internal factors among others are low ranking on the ease of doing business; inadequate policies and legislation supporting inclusive participation of the grass roots and the marginalized; under utilization of factors of production and inefficiencies in service delivery.

Unemployment in Swaziland stands at 22% which is highest in the region. The situation is much worse for the youth whose unemployment rate propelled from 53% in 2007 to 64% in 2010. There is need by government and Development Partners to tailor support to revitalize the economy to address unemployment nationwide.

Despite the fact that agriculture is the mainstay of the Swazi economy, the sector is currently contributing 8.5% to GDP yet previously its contribution was as high as 13 % in 1989. Agriculture has a potential to resuscitate the country’s economy and improve the livelihood of the people in the rural communities. Various commodities are imported from neighboring countries which could be produced in the country; these are maize which is the staple food for Swaziland; milk and associated dairy products; meat and vegetables among others. Currently the agriculture sector is the largest employer of the labor force, about 70 % of the population relies on agriculture and practice traditional methods which are ineffective to

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1 2007 MDG Report
2 2014 Swaziland Business Year book
3 National Development Strategy (NDS)
4 Economic Indicators for Swaziland 2013
5 Swaziland MDG Report 2012
6 VAC
7 VAC
meet domestic consumption. Farming in rural areas is subject to erratic rainfall and drought which exacerbates food insecurity.

Income distribution in the case of Swaziland is skewed. According to the MDG report for 2012 the Gini Coefficient for Swaziland increased from 0.48 in 2007 to 0.51 in 2010 which is worse than the acceptable 0.3 international bench mark. The aforementioned statistics are underscored by the Economic Dependency Ratio which indicates that 23 economically inactive persons depend on 10 economically active populations.

**Key Challenges**

Challenges that militate against economic growth in the country are as a result of a mix of factors which among others are the following:

- Swaziland’s classification as a lower middle income country which makes it less preferred for official development assistance.
- Lack of access to and control of productive assets by the poor and disadvantaged groups such as women and Youth.
- Economic growth is reversed by high score of HIV infections.
- Large variation in rainfall and recurring droughts
- Limited capacity in government institutions which compromise efficiencies effective service delivery.
- Less use of inclusive approach to Development

**Policy Frameworks**

National Development Strategy (NDS)

The National Development Strategy is the country’s overarching development framework which advocates for attainment of top 10% of the medium human development group of countries founded on sustainable economic development, social justice and political stability. The nucleus of the vision is the quality of life in the country whose critical dimensions are poverty eradication, employment creation, gender equity, social integration and environment protection. The vision fully supports community participation; inclusive participation; rural development and empowerment.

**Millennium Development Goals**

Swaziland is the signatory to the United Nations Millennium Declaration of 2000 in which member states pledged to improve the quality of life by setting targets for eight goals. Swaziland is reportedly on track with achieving universal primary education; combating HIV/ AIDS, malaria and other diseases. However the country needs to redouble its efforts and employ strategies towards attainment of poverty alleviation; reduced child mortality and improved maternal health and gender equality. Gender equality is, *not only a key development goal in its own right, but also an important means to achieving all MDG. Acting on MGD3 has a catalytic effect on all MDGs and makes their attainment more feasible. (innovative approaches to promoting Women’s Economic Empowerment 2008).* This intervention is critical more so because Swaziland is left with one year to realise her millennium aspirations.

**Gender Policy**
The National Gender Policy advocates for gender equality in Swaziland and condemn inequality between women and men in all spheres of life. The policy advocates for fair and equitable distribution of economic and political resources, and full participation at community and policy level regardless of gender. Further the policy condemns gender inequality in that it impedes attainment of sustainable national development goals.

**Strategy**
The overall objective of the intervention is to resuscitate the economy to attain vision 2022 which is about reaching the top 10% of the medium human development group of countries founded on sustainable economic development, social justice and political stability. The programme will focus on the following outputs;

1. Development of national frameworks including policies that promote the poor to access and effectively utilize productive resources.
2. Timely collection, processing, analysis and dissemination of disaggregated poverty data

**Components of the Project**

**Component 1:** Poverty eradication and achievement of inter/nationally agreed development goals, including MDGs. This component will focus on the development of sector development plans for four piloting ministries. These development plans will be operationalized by 2015. National development frameworks will be reviewed to enhance attainment of national aspirations. These will be the review of the NDS and the PRSAP.

**Component 2:** Effective social protection systems that secure the livelihoods of the vulnerable communities in place. This component entails support directed towards setting building capacity for institutional frameworks to develop key national documents which include the MDG reports; SHIES; Poverty Maps and National M&E framework
**2014 ANNUAL WORK PLAN – POVERTY AND SUSTAINABLE LIVELIHOOD PROGRAMME**

<table>
<thead>
<tr>
<th>EXPECTED OUTPUTS</th>
<th>PLANNED ACTIVITIES</th>
<th>TIMEFRAME</th>
<th>IP</th>
<th>PLANNED BUDGET</th>
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<tr>
<td>And baseline, indicators including annual targets</td>
<td>List activity results and associated actions</td>
<td>Q1</td>
<td>Q2</td>
<td>Q3</td>
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### Output 1.1: Developed National Frameworks including policies that promote the poor to access and effectively utilize productive resources.

#### Baselines

(a) **2013**: 13 sector working groups identified by the GOS and 4 selected for fast-tracked SWAP; SWAP Needs Assessment Report; Health and WASH Sector with key functionality components.

(b) **2013**: NDS review rod map; Comprehensive M&E Situational Report; MAF Action Plan; PSD

(c) **2013**: National indicators developed; 55 member – Technical Working Team in place; 2012 MDG Report

#### Indicators

(a) Number of sectors with development plans formulated through the SWAPs.

(b) Reviewed NDS; Comprehensive M&E Framework; Number of trainings for the planners on budgeting and planning tools; Number of youth interventions supported; Number of MAF initiatives supported; Number of PSD intervention supported

(c) Number of capacity development for TWT; Road map for the development of the 2015 MDG Report.

#### Targets

(a) 13 sectors with development plans formulated through the SWAPs.

(b) Reviewed NDS; 2 youth interventions supported; 2 of MAF initiatives supported; One PSD intervention supported

(c) One training for the TWT; Road map for the 2015 MDG Report.

**Related CP Outcome:** The poor’s access to productive resources increased.

**Indicator:** Improved social and economic welfare of the poor.

### Annual Target 1.1.1(a): Greater capacity to plan using SWAP – Sector development plans.

1. **Activity Result:** Improved Application of the SWAP as a National Coordination Mechanism for Government

   - **Activity action:** Review SWAPs.  
   - **Activity action:** Support the development of the comprehensive national M&E framework.

##### Annual Target 1.1.1(b): Operationalisation of the PRSAP and review of the national development framework.

1. **Activity Result:** National M&E System Framework

   - **Activity action:** Provide Technical Assistance for the review of the NDS through the Poverty Advisor.

2. **Activity Result:** Reviewed NDS.

   - **Activity action:** Support the development of the comprehensive national M&E framework.

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<tr>
<th>Activity</th>
<th>Responsibilities</th>
<th>Cost Sharing</th>
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<tbody>
<tr>
<td>-</td>
<td>Support capacity building for MEPD Sectoral Unit and sectors to coordinate the SWAP.</td>
<td>- Meeting and workshop facilities - Travel - Printing</td>
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<td>-</td>
<td>Support the integration of cross-cutting issues – HRs, CC, DRR, gender, HIV in the sectoral approaches.</td>
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<td>-</td>
<td>Print the sector development plans</td>
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**Related CP Outcome:** The poor’s access to productive resources increased.

**Indicator:** Improved social and economic welfare of the poor.
Output 1.1: Developed national frameworks including policies that promote the poor to access and effectively utilize productive resources.

**Baselines**
- **2013:** Women directory prepared with 1,388 women owned businesses registered;
- **2013:** 700 women entrepreneur benefiting from UNDP support.
- **2013:** 15 UNISWA graduates placed with women businesses – market needs identification.

**Indicator**
- (a) 
- (b) 
- (c) 

**Targets**
- (a) 
- (b) Two thousand (2,000) women entrepreneurs benefiting from technical and financial assistance.
- (c) Three (3) capacitated organizations effectively supporting and mentoring business women and three (3) of mentoring services provided systematically by 2013.

**Related CP Outcome:** Women have the capacity and accessing their rights.

**Indicator:** Women’s rights and their access to productive resources enhanced.

<table>
<thead>
<tr>
<th>Annual Target 1.1.2 (a): Target has been achieved.</th>
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<th>BWFS</th>
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<th>UNDP</th>
<th>- Consultant - Meeting and workshop facilities - Travel - Printing</th>
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<tr>
<td>Annual Target 1.1.2 (b): 250 women received technical and financial assistance to sustain businesses. 1. Activity Result: Quality assurance and securing markets for women products for improved profits. - Activity action: Support training of women entrepreneurs in rural, peri-urban and urban areas. - Activity action: Support initiatives to assist women in manufacturing to produce products that conform to SWASA standards. - Activity action: Support value-addition initiatives on products for women-run businesses. <strong>Activity action:</strong> Support the diversification of market opportunities for (SMME) women products. 2. Activity Result: SMME capacity strengthened to support women informal cross border trade - Activity action: Support engagement of TA for the informal cross border trade sector regulation.</td>
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<td>UNDP</td>
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<td>Annual Target 1.1.2 (c): Target has been achieved.</td>
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<td>SMME Unit</td>
<td>UNDP</td>
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**Analysis:**
- The Baselines show initial progress in 2013 with key milestones set.
- The Targets aim to increase the number of women entrepreneurs benefiting from UNDP support and support services.
- The Related CP Outcome indicates the importance of women’s rights and access to productive resources.

**Metrics:**
- Number of women entrepreneurs benefiting from technical and financial assistance.
- Capacity of organizations supporting women entrepreneurs.
- Women’s rights and access to productive resources enhancement.

**Actions:**
- Support training and initiatives for women entrepreneurs.
- Strengthening market opportunities and cross-border trade support.

**Costs:**
- 10,000.00 for consultant fees, meeting, and workshop facilities.
- 7,000.00 for travel and printing services.
### Output 1.2: Timely collection, processing, analysis and dissemination of disaggregated poverty data.

**Baselines**
- **2013:** 2010 SHIES; 2010 Poverty maps; 2010 Multi-Poverty Index; 2012 MDG Report; 2012 NHDR draft
- **2013:** Annual regional dissemination exercises;
- **2013:** No sector website in place.

**Indicators**
- **MICS**
- **National Statistics Strategy:** Number of national surveys supported:
  - Number of reports printed and disseminated
- **2013:** Number of sectors with website with national data.

**Targets**
- **MICS**
- **National Statistics Strategy:** Number of national surveys supported:
  - Number of reports printed and disseminated
- **2013:** Number of sectors with website with national data.

**Related CP Outcome:** The poor’s access to productive resources increased.

**Indicator:** Improved social and economic welfare of the poor.

| Annual Target 1.2 (b): Knowledge products and services to address key development emerging issues |
|---------------------------------------------------------------|---|---|---|
| 1. Activity Result: 2012 National Human Development Report (NHDR) launched together with the NHDI |
| - **Activity action:** Support capacity development on the NHDR niche product and finalisation of the 2012 NHDR |
| X | X | X | X |

| Annual Target 1.2 (c) National Statistics Strategy Developed. |
|---------------------------------------------------------------|---|---|---|
| **Activity action:** Support development of a strategy for national statistics |
| X | X | X | X |

| MEPD Poverty Section, CSO and Surveyor General’s Office |
|--------------------------------------------------------|---|
| UNDP |
| Workshop facilities |
| Travel |
| Consultant |
| Meeting and workshop facilities |
| Travel |
| Printing |
| 25,000.00 |

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<td>Workshop facilities</td>
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<td>Travel</td>
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<td>Meeting and workshop facilities</td>
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| Programme Management (ISS, 5000.00 |
| Communication and resource mobilisation |
| TOTAL 273,459.00 |
MANAGEMENT ARRANGEMENTS

The funds for this project will be provided by UNDP from the various Development Partners. UNDP will be the main responsible Agency with regards to budget control and oversight. The Ministry of Economic Planning and Development (MEPD) will be the implementing partner (IP) and will work with the Ministry of Agriculture; Ministry of Education, Ministry of Health and Ministry of Natural Resources and Energy to undertake the project activities. Since various financiers will be approached for financial support. It is in this regard that UNDP’s procurement procedures will be used to ensure accountability and transparency is observed during the entire duration of the project.

The fund execution modalities will be the National Implementation Modality (NIM) where direct payments will be made to the suppliers on behalf of the Implementing Partner.

UNDP Programme Analyst at UNDP Swaziland country office will provide overall supervision and guidance in the implementation of the project.

MONITORING AND EVALUATION
The project monitoring and evaluation procedures will be aligned to the Country Programme Action Plan 2011-2015. Quarterly monitoring visits and reports using the UNDP standard templates will be used to track implementation of planned activities, expenditures, and achievement of the output results.

Identified risks:
The implementation may require long approval procedures from the government of Swaziland.

LEGAL CONTEXT
This document together with the CPAP signed by the Government and UNDP which is incorporated by reference constitute together a Project Document as referred to in the SBAA [or other appropriate governing agreement] and all CPAP provisions apply to this document.

Consistent with the Article III of the Standard Basic Assistance Agreement, the responsibility for the safety and security of the implementing partner and its personnel and property, and of UNDP’s property in the implementing partner’s custody, rests with the implementing partner.

The implementing partner shall:

a) Put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;

b) Assume all risks and liabilities related to the implementing partner’s security, and the full implementation of the security plan.
UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

The implementing partner agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm. This provision must