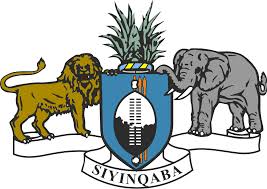
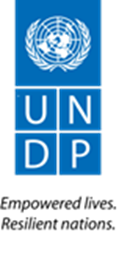
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**Outcomes Evaluation of the ‘Sustainable and Inclusive Economic Growth’ portfolio of Projects**

This outcomes evaluation report is for the sustainable and inclusive growth portfolio of projects implemented from 01 January 2021 to 31 December 2025

**Prepared by Molupe Matsumunyane on behalf of UNDP Eswatini**

**08 August 2024**

|  |  |  |
| --- | --- | --- |
| **Project/outcome Information** | | |
| **Project/outcome title** | Sustainable and Inclusive growth | |
| **Atlas ID** | UNDP-SWZ-00072 | |
| **Corporate outcome and output** |  | |
| **Country** | Eswatini | |
| **Region** |  | |
| **Date project document signed** |  | |
| **Project dates** | **Start** | **Planned end** |
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| **Implementing party[[1]](#footnote-1)** | Government of Eswatini | |

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**List of Acronyms and Abbreviations**

|  |  |
| --- | --- |
| AMP | Africa Minigrids Programme |
| CFI | Centre for Financial Inclusion |
| CO | Country Office |
| COMESA | Common Market for East and Southern Africa |
| CPD | Country Programme Document |
| CSA | Central Statistics Agency |
| CSO | Civil Society Organisation |
| DPMO | Deputy Prime Minister’s Office |
| ECB | Eswatini Central bank |
| ECOWAS | Economic Community of West African States |
| EEA | Eswatini Environment Authority |
| EEC | Eswatini Electricity Company |
| ESERA | Eswatini Energy Regulatory Authority |
| GEF | Global Environment Facility |
| GoE | Government of Eswatini GoE, |
| Ha | Hectares |
| Kwh | Kilowatt Hour |
| MEARD | Macroeconomic Analysis and Research Division |
| MOA | Ministry of Agriculture |
| MEPD | Ministry of Economic Planning and Development |
| MOE | Ministry of Education |
| MNRE | Ministry of Natural Resources and Energy |
| MSME | Micro Small Medium Enterprises |
| MTEA | Ministry of Tourism and Environmental Affairs |
| NAMBoard | National Agricultural Marketing Board |
| PMU | Project Management Unit |
| PSC | Project Steering Committee |
| REAESWA | Renewable Energy Association of Eswatini |
| SEDCO | Small Enterprises Development Company |
| SDG | Sustainable Development Goal |
| UNDP | United Nations Development Programme |

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# Executive Summary

**Project Description**

The Inclusive Economic Growth Portfolio in Eswatini aims to foster sustainable and equitable economic development by enhancing productivity, promoting innovation, and creating opportunities for marginalized groups, including women, youth, and smallholder farmers. The portfolio seeks to achieve these goals by supporting micro, small, and medium enterprises (MSMEs), advancing value chain development, improving access to finance, and facilitating the adoption of innovative technologies. Additionally, it focuses on capacity building, policy reform, and inclusive business models to ensure broad-based participation in the economy, ultimately contributing to poverty reduction and improved livelihoods for all citizens.

**Summary of Findings**

**Relevance**

The projects in the portfolio are well-aligned with Eswatini's socio-economic challenges, including high poverty, unemployment, and income inequality. The projects support national priorities outlined in the National Development Plan by focusing on economic diversification, particularly in emerging sectors like renewable energy and waste management, and enhancing employability through skills development, especially for youth. The portfolio also emphasises supporting MSMEs, promoting gender equity, and addressing environmental sustainability.

**Effectiveness**

The six projects evaluated under the Inclusive Economic Growth Portfolio achieved varying levels of success. While many of the projects made significant contributions to their respective goals, challenges such as limited access to finance, short implementation timelines, infrastructure gaps, and sustainability concerns were common across most projects. Addressing these challenges is crucial to enhancing the long-term impact and effectiveness of the portfolio.

*Waste for Livelihoods Project*

This project aimed to empower Micro, Small, and Medium Enterprises (MSMEs), particularly women and youth, by creating income-generating opportunities through innovative waste management solutions.The project successfully supported MSMEs through financial grants and business model development. It also established a waste management platform, provided training, and promoted gender-inclusive strategies. The project created jobs, supported the development of 14 MSMEs, and facilitated income generation for 349 individuals (264 females and 85 males). Key challenges included limited access to finance for MSMEs, insufficient time for project implementation (only six months), and difficulties in scaling the business models.

*Increasing Farmer Resilience to Climate Change - Upscaling Market-Oriented Climate Smart Agriculture Project*

This project aimed to increase income for small-scale farmers by adopting climate-smart agriculture practices, improving water management, and linking farmers to sustainable markets. The project trained 401 farmers on market management, facilitated off-take agreements with NAMBoard (National Agricultural Marketing Board), and achieved significant production increases (462.2 metric tons of vegetables sold). Farmers generated sales totaling SZL 2,000,000, directly improving their livelihoods. The project faced infrastructure challenges, including inadequate water management systems and insufficient cold storage facilities, which affected the overall effectiveness.

*Africa Minigrids Programme*

The program aimed to increase access to electricity in rural areas through renewable energy minigrids, supporting the development of a conducive policy environment and innovative business models. The project made progress in establishing a foundation for minigrid development in Eswatini, including policy and regulatory work and stakeholder training. It mobilized significant co-financing and initiated efforts to reduce regulatory barriers to minigrid implementation. The project faced challenges related to the high costs of minigrids, limited private sector investment, and the need for more comprehensive stakeholder consensus on minigrid deployment.

*Powering Equality*

This project aimed to promote gender equality by supporting women-led MSMEs in the renewable energy sector, facilitating access to finance, and creating sustainable business models.The project succeeded in empowering women through business development and access to finance initiatives. It also supported the creation of employment opportunities for women in the energy sector.Despite progress, challenges included the sustainability of the business models, the need for continued capacity building, and barriers to accessing larger-scale finance to support business growth.

*Accelerating Private Sector-Led Diversification*

This project focused on diversifying Eswatini's economy by supporting MSMEs, particularly in the tourism and ICT sectors, and fostering a conducive business environment.The project made strides in improving the business environment for MSMEs. It also provided training and support to enhance the capacity of these enterprises to generate sustainable employment.Key challenges included limited access to finance, the impact of COVID-19, and the need for further policy support to sustain and scale the diversification efforts.

*Structural Transformation for Economic Recovery and Poverty Eradication*

This project aimed to support structural transformation in Eswatini’s economy, focusing on enhancing productivity, reducing poverty, and creating jobs through policy support and capacity building. The project contributed to policy development and capacity building efforts that supported economic transformation. It also aimed to reduce poverty through targeted interventions in key economic sectors.The effectiveness of this project was constrained by the need for more coordinated implementation and monitoring, as well as challenges in aligning the interventions with broader economic policies and structures.

**Efficiency**

The findings suggest that Coordination was largely effective, with strong inter-agency collaboration, use of steering committees and technical working groups, and Project Management Units (PMUs) for some projects. However, there were opportunities to improve cross-project synergy and the efficiency of fund utilization.

Quality of Implementation was generally good, with adequate reporting and document management. However, challenges included infrequent oversight meetings, insufficient project monitoring, and issues with budgeting and procurement. Financial Management highlighted low overall expenditure against the planned budget and the need for accelerated implementation. While one project received a clean audit, others have not been regularly audited as required, raising concerns about financial oversight

**Sustainability**

The sustainability of inclusive economic growth projects in Eswatini is supported by alignment with national strategies, institutional capacity, and environmental considerations. However, challenges such as financial constraints, limited ownership, and the need for continuous capacity building and risk management pose threats to the long-term sustainability of these projects. Effective partnerships and ongoing resource allocation are critical to ensuring that the benefits of these initiatives are sustained.

**Summary of reccomendations**

There are 15 recommendations put forward. These recommendations are organised according to the policy life cycle stages, namely: policy formulation, adoption, implementation, evaluation and maintenance.

Policy Formulation

**1. Adopt a Portfolio Approach**.Develop a shared results framework, establish regular communication channels, pool resources, promote cross-sector collaboration, implement a learning and adaptation mechanism, and monitor and evaluate integration efforts.

**2. Unified Planning.** Develop an integrated planning process with a singular M&E logframe to ensure synergy across sectors.

**3. Inclusive Agenda Setting.** Involve all key actors in the planning process to avoid underbudgeting and ensure accurate project planning.

**4. Develop Process Indicators.** Track project performance and ensure inclusivity, particularly for people with disabilities.

Policy Adoption:

**5. Reflect on Structural Transformation.** Consider alternative support options for the MEPD beyond cost-sharing, potentially informed by stakeholder feedback.

Policy Implementation

**6. Improve Disbursement Process.** Address delays in fund disbursement to prevent implementation setbacks.

**7. Enhance Post-Project Support.** Partner with institutions for incubation and mentoring services and establish funding mechanisms to support post-training business start-ups.

**8. Adequate Implementation Period.** Allocate longer implementation phases to ensure projects reach full operational capacity.

Policy Monitoring and Evaluation:

**9. Strengthen Joint Monitoring.** Enhance joint monitoring arrangements with regular field visits and stakeholder engagement**.**

**10. Standardize Portfolio M&E.** Design a unified M&E framework with standardized indicators, data collection, and reporting.

**11. Integrated Data Management.** Create a system for real-time data consolidation and analysis across projects.

**12. Conduct Comprehensive Audits.** Implement a rigorous audit schedule covering all projects, starting with those flagged as high-risk.

Policy Maintenance:

**13. Flexible Budgeting.** Incorporate contingency funds to address unforeseen expenses during implementation.

**14. Continuous Monitoring and Adjustment**. Establish a process for ongoing project monitoring and budget adjustments.

**15. Engage Local Role-Players.** Collaborate with local institutions for post-project support and engage municipalities in environmentally focused projects.

# 1. Introduction

Eswatini is a lower middle-income country with a gross national income (GNI) per capita of $US 3.570 in 2020 and a Human Development Index (HDI) of 0.597 in 2021 (ranks out 144 of 191), which is above the average of 0.547 for countries in Sub-Saharan Africa. However, the country is characterized by the prevalence of strong income inequalities with a GINI index of (54.6 in 2017), and 58.0% of people living behind the international poverty line in 2017 (this is more pronounced in rural area with about 70% affected persons)[[2]](#footnote-2).

Despite having one of the best growth records in Africa over a long period of time, a major challenge for the country is that economic growth has been trending downwards. Real Gross Domestic Product (GDP) growth had dropped from an average of 8.7% in the 1980s to 2.8% for the period 2010-2016. However, the GDP growth has rebounded to an estimated 4.8% in 2023 (from 0.5% in 2022) [[3]](#footnote-3) Low agricultural productivity, high occurrence of severe droughts, the devastation of the labour force by HIV/AIDS, weak institutional capacity and an inefficient government sector explain a significant part of the downward trend.

Eswatini’s economy contracted by an estimated 1.6% in 2020, under the effect of COVID 19 pandemic, after growing by 2.7% in 2019. The economy grew by 7.9% in 2021, driven by the dynamics of all the sectors, before being affected in 2022 (0.5%[[4]](#footnote-4) of economic growth) by the increased pressure on the external position resulting from the Russia-Ukraine conflict and from global food and fuel price inflation. (Word Economic Outlook, IMF, April 2022).

The implementation of the Inclusive Economic Growth Portfolio in Eswatini from 2021 to 2023 took place against the backdrop of the global COVID-19 pandemic. The pandemic had a profound impact on all aspects of life, including economic activities, public health, and social dynamics. This unprecedented crisis inevitably influenced the rollout and effectiveness of the interventions under the portfolio.

During this period, the Government of Eswatini, like many others worldwide, had to impose various restrictions to curb the spread of the virus. These measures, while necessary for public health, resulted in disruptions to normal economic activities, affecting supply chains, reducing market access, and leading to job losses, particularly in sectors reliant on face-to-face interaction or international trade.

The Inclusive Economic Growth Portfolio's activities, which were designed to foster sustainable economic development and reduce poverty, faced significant implementation challenges due to these disruptions. However, the portfolio also aimed to adapt and respond to the new realities brought on by the pandemic, adjusting strategies to support recovery and resilience in the face of these challenges.

**Concerning SDGs achievement**, globally, challenges remain. According to Africa SDGs Index for 2023, Eswatini has an index score of 57.9, more than African average (53.0). Seven of the 17 SDG (SDG 1, 2, 3, 6, 10, 15, and 16) are considered with major challenges, with declining trends; and five SDGs (4, 5, 7, 9 and 17) are considering with a significant challenge, with a stagnating trend.

These economic and social challenges directly influence the positioning and effectiveness of the UNDP’s Inclusive Growth Portfolio in Eswatini. The downward trend in GDP growth, coupled with severe income inequalities and the impact of the COVID-19 pandemic, underscores the critical need for interventions that not only address immediate economic disruptions but also build long-term resilience. The UNDP’s portfolio is designed to tackle these issues by fostering sustainable economic development and reducing poverty. However, the external pressures from global crises such as the pandemic and the Russia-Ukraine conflict necessitated a recalibration of strategies within the portfolio to ensure that interventions remained relevant and effective under rapidly changing conditions.

The Inclusive Growth Portfolio’s focus on enhancing agricultural productivity, supporting MSMEs, and improving access to finance is particularly relevant in light of Eswatini’s economic challenges. By addressing these areas, the portfolio aims to mitigate some of the structural issues that have contributed to the country’s economic stagnation. However, the portfolio’s success is contingent on its ability to adapt to external shocks and ensure that its interventions are inclusive, reaching the most vulnerable populations who are disproportionately affected by economic downturns. The ongoing challenges in achieving the Sustainable Development Goals (SDGs), as highlighted by the Africa SDGs Index, further illustrate the need for targeted efforts within the portfolio to address inequalities and promote sustainable growth. The portfolio’s alignment with SDGs 1, 2, 3, 6, 10, 15, and 16, which face major challenges with declining trends, is critical in ensuring that the outcomes of the UNDP’s work contribute meaningfully to Eswatini’s overall development trajectory.

## Description of the Intervention

The Country Programme Document (CDP) is a five-year framework defining cooperation between the Government of the Kingdom of Eswatini and United Nations Development Programme (UNDP) covering the period 2021-2025.

The country programme, which coincides with the commencement of the Decade of Action towards accelerated progress on the Sustainable Development Goals, has been directly derived from the UNSDCF and is fully aligned with the National Development Plan (2019/2020-2021/2022) and the strategic Road Map (2019-2022) of the Kingdom of Eswatini. The National Development Plan and the Strategic Road Map prioritise sustainable economic growth and inclusive governance to ensure that economic opportunities reach those furthest behind.

Similarly, the CPD is underpinned by two portfolios: Inclusive economic growth and efficient and participatory governance portfolio. The UNDP has supported the Eswatini government to go through the rigorous process of reviewing the new NDP which has a 5-year horizon (2023/24-2027/2028). The strategic pillars of the new NDP are fundamentally similar to the old NDP, making UNDP CDP relevant and aligned to the priorities of the country.

UNDP Eswatini has completed three years of the CPD 2021 – 2025. Inclusive Economic Growth is one of the results areas. To measure the impact of this area, UNDP Eswatini as per Evaluation Plan approved by the Executive Board will carry out an outcome evaluation.

This outcome has 5 outputs include:

Output 1.1: Strengthening policy and regulatory regimes at national level for the management of natural resources, environment, biodiversity and chemical use (Strategic Plan integrated results and resources framework

Output 1.2: strengthening capacities of small-scale food producers (in agriculture) to adopt inclusive value-chain approaches in agriculture and allied sectors to address marketing bottlenecks and losses in post-harvest

Output 1.3: strengthening policies and incentive frameworks governing MSMEs (in tourism and information and communication technology (ICT)) to mitigate COVID-19 impact and generate sustainable enterprises for employment

Output 1.4: integrating data and risk-informed development policies, plans, systems and financing incorporate and implementing gender-responsive solutions to reduce disaster risks, enable climate change adaptation and mitigation;

and

Output 1.5: adopting solutions to achieve universal access to clean, affordable and sustainable energy.

Given the alignment of the Country Programme Document (CPD) with the UN Cooperation Framework (CF) (CPD 2021-2025) Outcomes and the NDP, the UNDP offer as envisaged is derived from the CPD theory of change giving primacy to the poverty-environment nexus as most optimal approach to address the intermeshed dimensions of poverty and environment. UNDP offer is aimed at addressing underlying causes of slowing economic growth, vulnerabilities to disaster risk and climatic extremes through a combination of interrelated and reinforcing projects. It is the mutually reinforcing impact of low economic growth, higher unemployment levels with underlying vulnerabilities to climatic extremes, that is fundamentally shaping the development narrative associated with SDGs.

To achieve the desired results, UNDP primarily works directly with the Ministry of Commerce and Ministry of Natural Resources and Energy. These Ministries carry the mandate of intervening on issues pertaining to economic policy which inter alia includes poverty reduction and climate change respectively.

The outcome evaluation will pay particular attention to the focus on production and employability, as these are critical components for achieving sustainable economic growth and poverty reduction. Within the CPD, production and employability are directly addressed through Output 1.2 and Output 1.3. These outputs aim to enhance the productivity of small-scale food producers by integrating them into value chains and improving the resilience and growth potential of MSMEs, particularly in sectors like tourism and ICT, which are vital for job creation and economic diversification.

The set targets under the CPD for these outputs include increasing the number of small-scale producers adopting value-chain approaches and improving the capacity of MSMEs to create sustainable employment opportunities. These targets are aligned with Eswatini’s broader goals of reducing unemployment, particularly among youth and women, and fostering inclusive economic growth that benefits all segments of society.

Please discuss the focus on production and employability for the outcome evaluation. Also provide context on the outcome as per the set targets under the CPD or the Portfolio Document.

## 1.2 Evaluation Scope and Objectives

This evaluation seeks to capture and demonstrate evaluative evidence of how UNDP’s Inclusive Economic Growth results contributed, together with assistance of partners, to a change in development conditions at the country level as articulated in the country programme document. The goal of the CPD is to ensure that that by 2025, women, men, youth and marginalized persons access to decent employment, equitable social economic opportunities, sustainable enterprise opportunities, and productive resources improved.

Specifically, the purpose of the evaluation is to:

* measure impact of the UNDP Inclusive Economic Growth portfolio;
* provide substantive input and direction to the formulation of future programmes and project strategies;
* support greater UNDP accountability to national stakeholders and partners in Eswatini;
* serve as a means of quality assurance for UNDP interventions at the county level
* Contribute to learning at corporate, regional and country levels.

The next section describes the evaluation approach applied in the evaluation.

# 2. Evaluation Approach and Methods

The consultants executed the assignment in total accordance with the agreed work plan and expected deliverables as reflected in the inception report. Each deliverable developed by the consultants was reviewed and approved by the UNDP team. A schedule of review meetings was proposed and agreed as part of the work plan.

## Methodology

The evaluation methodology will be discussed according to the literature review, data collection procedures, sampling, ethical considerations, and project management. The consultants adopted a qualitative research strategy with triangulation happening at various levels. Triangulation of data types, data gathering methods, data sources and data analysis assists with strengthening the validity and reliability of findings. A qualitative data collection and analysis was helpful in providing a holistic approach and establishing the extent of the changes that can be attributed to the programme. The qualitative methods were particularly helpful in providing contextual factors for understanding the reasons for the changes.

The next section details the literature review that was be undertaken in the evaluation.

## 2.2 Literature Review

The documentary review was done to understand the programme context, conceptualization, design, and planning. Specifically, the literature review examined the available literature on how Inclusive Economic Growth portfolio results **contributed** to development change in the area of poverty reduction and climate change in collaborations with other development agents in the area of inclusive economic growth.

It also included a review of all project/programme documents including the programme proposal, implementation plan, monitoring and evaluation framework, brochures, newsletters, progress reports, and other relevant project documents. The aim of the results of the systematic literature review was to benchmark the results of the evaluation and aid in the refinement of the proposed methodology. Table 2 below identifies the documents that were reviewed and the purposes of reviewing them.

Table 1: Documents reviewed and the purpose thereof

| **Information category** | **Document type** | **Purpose of the review** |
| --- | --- | --- |
| Organisational documents | Strategic Plans | These documents were reviewed to gain insights into the mission and vision of the organisation, programme portfolio, the organisation’s stakeholders and programme staff |
| Annual Operational Plans |
| Annual Reports |
| Newspaper articles, Website, Press Statements. |
| Programme documents | Work plans Plans | These documents will be reviewed to gain insight into programme and provide of focus of the development problem, project activities, resource deployment and the environment in which the programme is implemented. It will assist the consultants in Implementation evaluation, which will focus on coverage and dosage and resource utilisation |
| Programme Documents |
| M&E Framework (if available) |
| Quarterly Programme Reports |
| Programme brochures |
| Annual Report |
| Training Materials |
| Baseline Studies |
| Annual Programme Reviews |
| Other Evaluation Reports |
| Literature focused on inclusive economic growth | Evaluation Report(s) | This review will be used to benchmark best practices and to strengthen programme theories related to the evaluated programmes. Also, the literature review will be used to benchmark the results of the evaluation and aid in the refinement of the proposed methodology |
| Research Reports |
| Systematic Review(s) |
|  |

## 2.3 Data Collection Procedures

### 2.3.1 Qualitative Data

The qualitative data for this study was collected through in-depth interviews and focus group discussions with key informants using a semi-structured interview instrument. As far as it is practically possible, these interviews were conducted in English language and detailed notes were be taken during the interview.

**Interview Plan**

The interview plan was discussed with the UNDP before the completion of the inception report. The interview plan focused on in-depth interviews and focus group discussions. A comprehensive interview plan was be developed and included in the Inception Report.

**Focus Group Discussions**

Focus group discussions were used to interview programme primary and secondary beneficiaries. The information collected from these FGDs was used to supplement the information collected from the in-depth interviews. Focus group discussion are a useful data collection tool for enriching quantitative data and providing context. In addition, the FGDs were used as means to collect as much data as possible from group of participants to minimise the costs of the evaluation.

## 2.4 Sampling

The evaluator purposively sampled the respondents for the study. In total, the sample size for the semi-structured interviews was 31 and interviews were conducted until theoretical saturation was achieved. Theoretical saturation occurs when new data generated no longer stimulate new understandings or new perspectives about the phenomena under investigation (Bryman, 2012).

Purposive sampling was employed to ensure that the respondents selected were those most likely to provide relevant and diverse insights into the key themes of the evaluation. The sampling universe was carefully identified based on specific criteria, including the respondents' roles, experiences, and knowledge relevant to the Inclusive Economic Growth Portfolio. The sample size of 31 was not predetermined but emerged organically through the process of data collection. As interviews were conducted, the evaluator continuously analysed the data to determine when additional interviews were no longer yielding novel information or unique perspectives. This iterative process ensured that the sample size was adequate to capture the breadth and depth of the issues under study, thus achieving theoretical saturation.

The connection between the sample size and theoretical saturation is critical to understanding the sampling strategy. As the data collection progressed, the evaluator recognized that after conducting 31 interviews, no new themes, insights, or perspectives were emerging, indicating that theoretical saturation had been reached. This meant that the sample size of 31 was sufficient to address the research questions comprehensively and that additional interviews would likely have resulted in redundant data without contributing to further understanding of the phenomena.

## 2.5 Data Collection

Data was collected during an evaluation mission in Eswatini that happened from the 10th to the 14th June 2024. Both primary and secondary data were collected. The evaluation was undertaken using a combination of techniques and data sources, including:

* Documentary analysis of all relevant project documentation;
* Field visits
* Semi-structured interviews with stakeholders and partners;
* Follow-up emails and calls.

## 2.6 Data Analysis and Interpretation

This stage involved a thorough analysis of both quantitative and qualitative data regarding implementation progress, as measured by the outcome targets in the results framework. The evaluator also assessed the extent of output delivery and its necessity for advancing towards the outcome targets. To ensure accuracy, the data was verified through cross-referencing documents and triangulating interview findings.

This stage included the comprehensive analysis of the qualitative data as collected from the IDIs and FGDs. The interview transcripts were coded and thematically analysed using Atlas TI software package. Thematic analysis is a method whereby the data is systematized and structured under codes and themes coming from the data itself, while maintaining the context in which the data is collected.

## 2.7 Dissemination and Closeout

The evaluators have produced a comprehensive report adhering to the highest professional standards and following UNDP Guidelines for Project and Programme Evaluation. The evaluation report presents findings and offers clear recommendations with assigned responsibilities. It includes annexes such as the Terms of Reference and a list of interviewees. The report was submitted to the UNDP Country Office for stakeholder review and feedback.

This evaluation report features a chapter outlining the evaluation findings, which are presented as factual statements based on data analysis, organized around the evaluation criteria. It explains variances between planned and actual results and identifies factors influencing the achievement of these results.

The evaluation report includes a chapter that offers a set of conclusions, recommendations, and lessons. The conclusions provide logical judgments based on the findings, highlighting priority issues and underlying problems relevant to the evaluation's subject and purpose. They present a balanced view of both the project's strengths and limitations, considering the country context and incorporating perspectives from a broad range of stakeholders. The recommendations are relevant, evidence-based, realistic, and actionable by stakeholders in Eswatini, designed to inform the project's exit and sustainability strategy. They also have broader implications for future programming efforts.

2.9 Limitations

**Subjective Interpretations:**

Qualitative methods are inherently subjective, relying on the perspectives and interpretations of both respondents and evaluators. To mitigate this, the evaluation employed triangulation, using multiple data sources and methods to validate findings and reduce bias. Cross-referencing documents and synthesising information from various interviews helped to ensure a more balanced view.

**Generalisation of Findings:**

The findings of this evaluation are specific to the context of the projects in Eswatini and may not be generalisable to other settings or projects. The use of purposive sampling, while ensuring relevant insights, limits the representativeness of the sample. However, the iterative process of data collection and analysis aimed to capture a comprehensive range of perspectives, ensuring the findings were robust within the specific context.

**Overcoming Limitations:**

To address these limitations, the evaluator:

* Employed rigorous triangulation techniques to enhance the reliability of findings.
* Continuously reviewed and refined the data collection process to ensure comprehensive coverage of themes.
* Engaged in iterative data analysis to confirm theoretical saturation and avoid redundant information.

By acknowledging and addressing these limitations, the evaluation aimed to provide a nuanced and accurate assessment of the projects' impacts and sustainability.

# 3. Findings

This section is structured as follows: a findings section that is structured according to the following evaluation criteria: relevance, efficiency and effectiveness.

## 3.1 Relevance

This section discusses the relevance of the project to Eswatini, the adequacy of the theory of change, and the extent to which the design and implementation strategy were evidence-based. The findings show that the unemployment, poverty, and inequality issues are still plaguing Eswatini and that these projects have been well designed to address the key policy questions. Further, the findings show that these issues are also intermeshed with and affecting the country’s environment.

### 3.1.1. Relevance to Eswatini

The project is highly relevant to Eswatini. The country faces various soci-economic challenges that impede its economic growth and the livelihoods of its citizens. The main issues are the following:

* High poverty levels- 59% of the country’s population lives below the national poverty line[[5]](#footnote-5) ;
* Persistently high unemployment- 22.2% of the country’s population is unemployed[[6]](#footnote-6) (with 58.2 of the unemployed being youth[[7]](#footnote-7) );
* The country is among the most unequal countries in the world, with a Gini index of 54.6 in 2016[[8]](#footnote-8).

Recognizing these critical issues, the government of Eswatini has long been committed to addressing its socio-economic challenges. The National Development Plan (NDP) outlines comprehensive strategies aimed at promoting sustainable economic growth, reducing poverty, improving employment opportunities, and fostering equitable distribution of resources. The inclusive and sustainable economic growth portfolio of projects specifically support the following components of the Eswatini:

**Economic Diversification**: Key projects such as the mini grids, Powering Equality, and Waste for Livelihoods projects are designed to diversify Eswatini’s economy beyond its traditional reliance on sectors like agriculture and textiles. By focusing on emerging areas such as waste management and renewable energy, these projects aim to build more resilient economic structures. Resilient economic structures are characterised by their ability to withstand and adapt to economic shocks and fluctuations. This includes creating a diversified job market that is less vulnerable to sector-specific downturns and fostering sustainable growth through new industries. The projects seek to enhance economic stability by spreading risk across various sectors, thereby generating new employment opportunities and supporting long-term economic sustainability.

* **Education and Skills Development**: the empowering youth entrepreneurship programme (under the accelerating diversification and private sector growth project) aims to improve the skills and employability of the youth in Eswatini and place about 10,000 graduates that come out of the various tertiary institutions annually, into various institutions and livelihood development opportunities. Emphasis is placed on two key empowerment components of the programme are: (i) Graduate Placement & Mentorship Programme; and (ii) Vocational/Technical and Entrepreneurial Skills Development Projects, which has three sub-options or Tracks - (a.) Agro-value-chain Skills Development; (b) Artisanal/Tourism Skills Development; and (c.) Energy and Technology Skills Development.
* **Infrastructure Development**: Investments in climate smart agriculture infrastructure to improve the availability of fresh produce for improved food security and nutrition. This includes the development of infrastructure for irrigation, cold storage and farming equipment.
* **Promoting Private Sector Growth**: Projects such as the powering equality and waste for livelihoods that focusing on fostering policies to foster a conducive business environment and support the growth of women-led small and medium-sized enterprises (SMEs). To alleviate the impediments brought about by lack of finance for SMEs in the agriculture sector, the climate smart agriculture project set up a revolving fund to assist farmers with capital to buy equipment.

The projects are therefore aligned with national priorities and is designed to complement the efforts outlined in the NDP. By addressing critical issues such as poverty, unemployment, and inequality, the inclusive economic growth portfolio of project supports Eswatini's goal of achieving sustainable and inclusive economic growth.

A key aspect of the relevance of these projects lies in their strong focus on enhancing employability, particularly among the youth. Given the persistently high unemployment rate in Eswatini, especially among young people, the portfolio’s emphasis on skills development, entrepreneurship, and job placement is crucial. The targets set under these initiatives, such as the goal of placing 10,000 graduates into employment or livelihood opportunities, directly address the pressing need for job creation and workforce development. By focusing on employability, the projects not only aim to reduce unemployment but also to equip the population with the skills needed to participate in emerging economic sectors, thereby fostering long-term sustainable growth.

The theory of change proposed in these projects is highly relevant in achieving these targets. The design recognizes the interconnected nature of education, economic diversification, and employment. By linking skills development with economic diversification strategies, the projects create pathways for graduates to transition into sectors with high growth potential, such as renewable energy and waste management. This approach ensures that the workforce is prepared to meet the demands of a changing economy, thereby enhancing the overall effectiveness of the interventions.

### 3.1.2 Theory of Change

The portfolio of sustainable and inclusive growth projects theory of change can be seen at two levels: the first is at the private sector driven economic growth model and the second is at the policy level. All reviewed projects except for the climate smart agriculture project had in place policy level interventions built into them.

For the private sector driven economic growth model (‘private sector model’), the baseline situation is described in the Project Document as one of increasing unemployment, crowding out of the private sector, narrow production and low value addition. This portfolio of projects is aimed at contributing to the Country Project Document (CPD) CPD outcome: *By 2025, women, men, youth and marginalized persons access to decent employment, equitable social economic opportunities, sustainable enterprise opportunities, and productive resources improved*. All the six projects under review are aligned to the five outputs of the CPD.

The three pillars of the private sector model are therefore the waste management groups, businesses involved in renewable energy production, and the farmers. The theory of change seems to start from a proposition that transitioning from a state-led to a private sector-driven and energy model is essential for achieving higher and more sustainable levels of inclusive growth (although making this causal link requires some bold assumptions). The barriers that need to be addressed are i) changing perceptions and awareness about what is possible to do ii) having the capacity and empowerment to change the way waste is managed energy is delivered and iii) having the operational knowledge about how to replicate the approaches. The ToC is very much focused on empowering women and youth as the lever for change.

The theory of change underpinning the Inclusive Economic Growth Portfolio is centered on the belief that transitioning from a state-led to a private sector-driven and resource-efficient growth model is essential for achieving higher and more sustainable levels of inclusive growth. The projects were designed with specific targets in mind, such as improving youth employability, fostering private sector growth, and promoting sustainable resource management.

The relevance of the theory of change is evident in its alignment with these targets. For example, the focus on developing vocational and entrepreneurial skills is directly linked to the goal of increasing employment opportunities for young people. Similarly, the emphasis on supporting SMEs and diversifying the economy ties into the broader objective of creating a more resilient and inclusive economic structure. While the theory of change effectively identifies the key drivers of growth and employment, the evaluation also suggests that clearer links between activities, outputs, and outcomes, along with a robust monitoring and evaluation framework, are necessary to fully realize the potential of these interventions.

Overall, the problem analysis and the strategy devised to tackle the challenges articulated in the Project Document were sound. However, the links between activities, outputs, and outcomes were not clearly defined. For instance, there is no aggregate M & E framework for the portfolio of projects inclusive economic growth projects despite its significance. The aggregate portfolio M & E framework would need to include indicators to track all outputs and outcomes linked to the respective projects. The range of assumptions should be made explicit, and the most important ones tracked.

Furthermore, the risks and assumptions at project design were correctly identified but they were not comprehensive. Risks related to the volatile political situation and its effect on the projects were highlighted in project documents, but this was not reflected in the subsequent risk analysis undertaken.

## 3.2 Effectiveness

The Inclusive Growth Portfolio in Eswatini is designed to contribute significantly to the country's broader socio-economic development goals, particularly in addressing issues related to poverty, unemployment, and inequality. This portfolio aligns with the Country Programme Document (CPD) 2021-2025, the National Development Plan (NDP), and the Sustainable Development Goals (SDGs), focusing on creating an inclusive and sustainable economy. Below are the key outcomes set for the Inclusive Growth Portfolio:

#### ****Outcomes****

1. **Outcome 1: Enhanced Economic Diversification and Private Sector Growth**
   * **Target**: By 2025, Eswatini's economy will have diversified beyond traditional sectors like agriculture and textiles, with significant growth in renewable energy, waste management, and ICT sectors. This will contribute to an increase in private sector participation and resilience against economic shocks.
2. **Outcome 2: Improved Employability and Livelihood Opportunities**
   * **Target**: By 2025, 10,000 graduates will have been placed into employment or livelihood opportunities through skills development and entrepreneurship programmes. Special focus will be on youth and marginalized groups to ensure equitable access to employment.
3. **Outcome 3: Increased Access to Sustainable and Affordable Energy**
   * **Target**: By 2025, there will be an increase in the number of households and small businesses with access to clean and affordable energy, particularly in rural areas. The goal is to promote sustainable energy solutions that reduce reliance on traditional energy sources.
4. **Outcome 4: Strengthened Capacity for Climate-Resilient Agriculture**
   * **Target**: By 2025, smallholder farmers will have enhanced capacity to adopt climate-smart agricultural practices, leading to increased agricultural productivity, improved food security, and resilience against climate change.
5. **Outcome 5: Empowered MSMEs with Access to Finance and Markets**
   * **Target**: By 2025, micro, small, and medium-sized enterprises (MSMEs) in Eswatini will have improved access to finance and markets, particularly women-led businesses. This will be facilitated through policy support, revolving funds, and business development services.

The following sections present the successes achieved for each of the projects reviewed and a discussion on the main challenges. The section concludes with an assessment of the partnership strategy followed to deliver the project results as well as the level of stakeholder interactions. The findings suggest that there are mixed results.

### 3.2.1 Waste for Livelihoods Project

The Waste Management for Improved Livelihoods and Resilience Project is a COVID-19 recovery initiative designed to empower Micro, Small, and Medium Enterprises (MSMEs), particularly women and youth, to restore income sources lost due to the pandemic. This aims to enhance livelihoods, reduce poverty, and improve overall wellbeing while addressing waste management issues in the country. The project aligns with the second component of the Post COVID-19 Economic Recovery Plan, which focuses on creating job opportunities for youth, women, aspiring entrepreneurs, and MSMEs to improve their economic conditions.

The Eswatini Environment Authority (EEA) was responsible for implementing the project and facilitated the involvement of national stakeholders from its inception. The project had a budget of US$ 600,000, funded by the UNDP Rapid Financing Facility, with an additional US$ 52,000 provided by the UNDP Eswatini Country Office (CO) TRAC resources during its implementation from 2021 to 2023.

As a small-scale preliminary initiative, the Waste Management for Improved Livelihoods project aimed to gather insights and knowledge on adopting circular economy principles in the country. This pilot project is intended to inform the design and execution of future large-scale waste management projects, drawing on the lessons learned from its challenges and successes.

Enterprise development is a key component of the project. The innovation challenge and grant program provided support, resources, and guidance to entrepreneurs with new ideas needing testing and to existing businesses to help them expand, improve operations, and become more profitable.

Each of the six beneficiaries under the grant program received $35,000 to initiate or scale existing income-generating waste management initiatives. Under the innovation challenge, awards ranged from $2,700 to $4,000, with eight beneficiaries selected, including four existing MSMEs and four young entrepreneurs who required funding to test their ideas and eventually turn them into viable businesses. During the project implementation, twelve cooperatives and one business were registered, and a total of 349 individuals (264 females; 85 males) gained access to income-generating opportunities.

The project comprised of two outputs. Project Output 1 aimed to create a gender-inclusive strategy to enhance waste sector policy, legislation, institutional coordination, and capacity building. Meanwhile, Project Output 2 focused on developing and implementing sustainable innovative solutions for women and youth. The waste management strategy was formulated based on preliminary independent activities, such as a waste characterization study and a gap analysis of the policy, legislative framework, and capacity, which guided the strategy's development. The project activities for each output were executed, with some minor adjustments made to certain activities. Table 3 below shows project performance against planned outputs.

**Table 3: Waste for Livelihoods Project Outputs and Planned Activities**

|  |  |  |
| --- | --- | --- |
| **PROJECT OBJECTIVE:** To address the challenge of waste management in Eswatini, while also empower MSMEs, particularly women and youth, to regain sources of income to improve livelihoods, reduce levels of poverty and improve their overall wellbeing. | | |
| **PROJECT OUTPUT** | **PLANNED ACTIVITIES** | **PERFORMANCE** |
| 1. Gender inclusive strategy developed to strengthen waste sector policy, legislation, institutional coordination, and capacity building. | Establish a Gender inclusive Multi Stakeholder Waste Recovery Platform. | Platform in place. Limited participation of Municipalities and other waste actors in uploading information onto the platform. |
| Undertake waste characterization and Market study. | Study done. Findings from the study showed that 16% of waste is comprised of single-uses. These results informed the decision of Eswatini to ban single-use plastics from 1st December 2024 |
| Gap analysis on policy, legislative framework, capacity and MSWM strategy and municipal plans development. | Gap analysis done. Study revealed the extant fragmentation of waste legislation in the country. Eswatini currently drafting overarching legislation to deal with waste in the country. |
| Guidelines developed for waste collection, sorting, recycling, and disposal (including health and safety standards for workers). | Guidelines developed through the integrated waste management strategy. During guidelines development it emerged that the country was focusing more on general waste to the exclusion of hazardous waste and health care waste. Following this process, Eswatini currently drafting overarching legislation to holistically deal with waste in the country. |
| Capacity-building undertaken for local and national government as well as value chain beneficiaries with a focus on women (50% women). | Twelve cooperatives and one business were registered, and a total of 349 individuals (264 females; 85 males) gained access to income-generating opportunities |
| 1. Sustainable innovative solutions developed and implemented for women and youth. | Develop sustainable and inclusive business models around waste. | Business models developed. Challenge is access to finance to implement these initiatives. Discussions between EEA and Eswatini Bank ongoing on how to finance waste models. |
| Development of a match-making facility, blending different sources of finance to provide seed funding for six (6) initiatives to be scaled up at national level. | Finance provided for six initiatives. None of the projects have been scaled up as yet. |
| Implement the innovation challenge (that is gender-balanced) and grant scheme to catalyse action on the ground targeting at least six (6) initiatives, with 50% of beneficiaries being women and youth. | Eight beneficiaries were awarded grants ranging from USD 2 700 to 4 000. A total of 349 individuals were supported through the innovation challenge and grant scheme. More than 50% of the beneficiaries were women and youth, with 264 of the beneficiaries being women. Four of these were existing MSMEs and the other four winners were young entrepreneurs that required funding to test the ideas and eventually translate them into viable businesses. Mixed results achieved but main challenge is on ensuring the sustainability of interventions. |
| Knowledge management and communication (Monitoring and progress reporting). | Continuous monitoring happened throughout the course of the project. Insights gleaned from the reports applied to enhance project implementation. |

**Table 4: Outcomes achieved by the grant and innovation projects on beneficiaries[[9]](#footnote-9)**

|  | **BENEFICIARY** | **IMPACT** |
| --- | --- | --- |
| **INNOVATION CHALLENGE** | | |
| 1. | Steam of Life Investments | Steam of Life was awarded SZL70 000.00 to scale an e-waste recycling initiative. The company used the funds to purchase a waste collection vehicle and wheelie bins. The new purchases have been beneficial for the business since renting transport to collect waste was pricey. The wheelie bins have also improved storage of material and occupational health and safety in the workshop.  Prior to receiving the funding, Steam of Life was mainly involved in e-waste recycling but during project implementation the businesses ventured into other waste streams. During the report period, Steam of Life reclaimed and sold 2 tons of PET bottles to a client based in South Africa. To improve efficiency, during the reporting period, Steam of Life hired 6 males to assist with waste reclaiming and 1 male to assist with disassembling of the electronic waste.  In the application submitted in response to the call for proposals, Steam of Life proposed to test the production of biofuels using plastic waste. During testing, the beneficiary noted that the process would be difficult to achieve without equipment. Steam of Life thereafter partnered with another company for the production of biofuels from waste tyres. |
| 2. | Computer Literacy for All | Computer Literacy for All received funding of SZL70 000 to support the refurbishment of old computers and promoting computer literacy in Eswatini by donating some of the refurbished equipment to primary schools in rural areas. The organization did not have an operating space hence they used the funds to construct a storage and working facility. Other beneficial purchases include Personal Protective Equipment (PPE) and working tools. The public is normally unwilling to recycle electronic waste due to security and privacy concerns. In response to this, Computer Literacy for All used the funds to purchase data destruction software which is meant to give confidence to the consumers that sensitive data stored on the electronic devices is securely erased even when the devices are sold to other users. Computer Literacy for All also generated income from sales of recyclable material during the reporting period. |
| 3. | Mukelo & Team | The team received SZL 47 000 to test the production of paving bricks using plastic waste. The team produced over 20 prototypes which were submitted to the Construction Lab for strength testing. The award was used to purchase inputs (river sand and plastic waste), a plastic shredding machine, and other production tools, and PPE. The equipment assists in cutting down the production time and optimization. The project had a positive impact on the team representative, who is currently unemployed and dropped out of school due to financial reasons. |
| 4. | Nomphumelelo & Team | The team received funding for testing the production of pavers using plastic waste and river sand. The funds were used to purchase inputs, equipment, and PPE. 110 prototype paving bricks were produced and submitted to the Construction Lab for compressive strength testing. The award was also used to construct roofing for the storage facility, facilitate participation in an internship programme for operating a cback centre, and to test another business idea focused on producing cooking oil from avocado.  The project had a positive impact on all members of the group, especially the team representative who had been unemployed since her graduation 10 years ago. |
| 5. | Nothando & Team | The team received SZL 47 000 for testing the production of paving bricks using plastic waste as a substitute for cement. The team produced 10 prototype paving bricks during the reporting period. With the funding support received, the team purchased inputs PPE, and other working tools and production equipment. The funds were also used to acquire a storage and working space, cover transport costs and other miscellaneous. |
| 6. | Phiwosetfu & Team | The team was awarded SZL47 000 to test the production of paving bricks using plastic waste without compromising the structural integrity of the product. The team used the funds to purchase the production equipment and PPE. |
| 7. | Black Empire Investments | Black Empire Investments was awarded SZL47 000 for testing the production of paving brick, tiles, and pillars using plastic waste. The company used the funds to purchase PPE and equipment, and to rent a working space. Prototype paving bricks were produced during the reporting period. The company also purchased other equipment and tested pot-hole repair using plastic waste.  The workshops conducted under the project also had an impact on the business since the founder was able to establish networks, register of membership to Eswatini Scrap Metal Recyclers, venture into scrap metal recycling, and hire 4 youth for scrap mental collection. |
| 8. | Swazi Organics | Swazi Organics was awarded SZL10 000 to test to the use of the Johnson-Su composting method to improve operational capacity and efficiency in the production of the compost. The funds were used to purchase material for the construction of the Johnson-Su Bioreactor. |
| **GRANT PROGRAMME** | | |
| 9. | Enactus | Enactus is an experimental learning platform that aims to create a sustainable world while providing tertiary students with leadership and career readiness skills. The student teams initiate and implement the project in partnership with a community of their choice. The award supported 4 initiatives under Enactus. All the initiatives were at the idea stage hence the award was used to translate the idea into viable business ventures. Income was generated and 10 additional youth were engaged to participate in the project. The teams received mentorship from industry professionals for the production of oyster mushrooms, cattle and goat feed, and the priggery. This mentorship has been instrumental to their success and sustainability after the project. |
| 10. | Women Unlimited | Women unlimited supported women, men and youth working at Mpolontjeni landfill to formalize their operations. The beneficiaries received land from the Municipality and the Chief for their operations. The funds were used to establish the working and storage facility and to purchase PPE and other working tools. The beneficiaries were also formalized into a business during the reporting period. The glass recycling component was highly effective, with 2,193Kg of clear glass and 493 Kg of coloured glass removed from the landfill at Mpolonjeni. |
| 11. | Vukani BoMake | The funds were utilized the fund to construct a cottage factory for the women, youth, and people living with disabilities. The women received seamstress training and other training for financial management, time management, teamwork, amongst other. The project had a positive impact on the women and provided income for paying school fees. |
| 12. | Commonwealth Local Government Forum (CLGF) | Women and youth under CLGF were supported to establish food waste to compost projects. The funds were used to purchased inputs, equipment, and tools for beneficiaries across 12 towns. The women appreciated the project since working with other women provided a source of friendship and support. They reported that participating in the project had mental benefits. The project was also beneficial since the income generated supported other new businesses and paying school fees. |
| 13. | AMICAALL | The Alliance of Mayors’ Initiative for Community Action on HIV/AIDS (AMICAALL) operates through civil society partnerships with local government. AMICAALL partnered with Matsapha Municipality for the implementation of the recycling and food composting project. The funds were used to purchased inputs, equipment, rent waste collection transport, PPE and pay stipends for the foot soldiers. |
| 14 | Kwakha Indvodza | The project focused on repairing school desks at 16 primary schools. The funds were used to purchase inputs for repairing 1 600 school desks, equipment and tools, PPE and paying stipends for the apprentices. The project had a positive impact on the beneficiaries who gained carpentry and welding skills. The apprentices are mostly unemployed graduates and the skills gained through the project are being used to start carpentry businesses. However, challenges persist due to limited business management skills of the trained apprentices. |

Table 4 above shows that most of the enterprises supported were involved with recycling solid waste and in particular plastic waste. These initiatives coupled with the efforts of the government can be commended because project reports and interviews indicate that in the past, the country did not consider the economic potential of waste and how it can positively impact livelihoods. That is, waste was only seen from the perspective of how it resulted in environmental degradation and was not regarded as a potential source of income for citizens. After the programme, there has been a paradigm shift on how waste issues are linked with by key stakeholders including the EEA and other stakeholders.

At baseline in 2022, it was reported that Eswatini Recycles only 0.9% of the total plastic waste[[10]](#footnote-10). The rest was exported, landfilled or burnt. This situation indicated that a policy intervention to ensure plastics recycling was overdue in the country. In response, the country introduced buy-back centres. These buy-back centres compensate individuals for bringing in recyclable materials. They were reported to be more successful in low-income areas where they provided an economic opportunity for both individuals and businesses[[11]](#footnote-11).

Furthermore, a Recycling Pilot Project in Mbabane was carried out while developing a draft National Solid Waste Management Strategy (NSWMS) for Swaziland, which identified the need for a recycling initiative to enhance the recovery of post-consumer waste in urban areas.

This pilot project focused on recycling non-hazardous waste from various sources, including households, commercial establishments, and industrial facilities. The Mbabane City Council expressed interest in sorting waste at the source to reduce the disposal of post-consumer packaging.

*Challenges*

Several challenges were reported in program reports and during interviews with stakeholders. These challenges have significant implications for the sustainability and scalability of job creation efforts, as well as the overall achievement of the Inclusive Economic Growth outcome:

* **Limited Access to Finance for MSMEs**: Many MSMEs, particularly those owned by women, struggle to access the necessary finance to scale the business models they have developed with the support of the project. This financial gap hinders the ability of these enterprises to grow, create sustainable jobs, and contribute effectively to inclusive economic growth. Without access to finance, the potential for MSMEs to generate long-term employment and drive economic diversification is severely constrained. To address this, there is a critical need to link MSMEs with financial institutions and create more robust support systems that facilitate access to affordable credit.
* **Insufficient Time Allocation for Grant Program Implementation**: Beneficiaries of the grant program were allocated only six months to implement their projects. This limited timeframe was insufficient for many participants to achieve all project milestones, particularly those involving complex or capital-intensive activities. The short implementation period impacts the ability of beneficiaries to establish sustainable operations, leading to potential challenges in job retention and long-term business viability. This constraint could reduce the overall impact of the program on inclusive economic growth, as the creation of sustainable enterprises is key to achieving the desired outcomes.
* **Lack of Tyre Treatment Facilities**: Eswatini currently lacks facilities to treat used tyres, resulting in these tyres being burned or disposed of in landfills. This challenge not only poses environmental risks but also limits the potential for creating green jobs in waste management and recycling. The absence of such facilities inhibits the ability to scale up waste management solutions and create new employment opportunities in this sector, which is vital for achieving inclusive economic growth.
* **Limited Participation in Waste Information Platform**: Municipalities and other waste actors have shown limited participation in uploading information onto the waste management platform. This low engagement undermines the effectiveness of the platform as a tool for tracking and managing waste, which is essential for developing a sustainable waste economy. Without comprehensive data, it is challenging to make informed decisions that could lead to job creation and improved waste management practices.
* **Inadequate Capacity to Process Hazardous Healthcare Waste**: Eswatini lacks the capacity to process hazardous healthcare waste, resulting in the export of this waste to South Africa at significant cost. This not only represents a missed opportunity for creating jobs within the country but also raises concerns about the sustainability of waste management practices. Developing local capacity to process hazardous waste could lead to the creation of new jobs and contribute to the overall goal of inclusive economic growth by fostering a more self-sufficient and resilient waste management sector.

### Linking Challenges to the Inclusive Economic Growth Outcome

These challenges directly impact the sustainability and scalability of the jobs created under the Inclusive Economic Growth portfolio. The lack of access to finance, insufficient time for project implementation, and the absence of critical infrastructure, such as tyre treatment and hazardous waste processing facilities, all hinder the ability of the projects to achieve their full potential in generating long-term, sustainable employment.

Furthermore, the limited participation in the waste information platform indicates a need for greater engagement and capacity-building among key stakeholders. Addressing these challenges is essential for ensuring that the jobs created are not only sustained but also expanded upon, contributing to the broader goal of inclusive economic growth in Eswatini.

To achieve the desired outcomes, it is crucial to address these challenges through targeted interventions that enhance the capacity of MSMEs, improve access to finance, extend project timelines, and develop the necessary infrastructure for waste management. By doing so, the program can ensure that the jobs created are both durable and capable of contributing meaningfully to Eswatini's inclusive economic growth objectives.

It is unclear to what extent the piloted model has resolved these issues, although it is certain that some challenges persist. A case study analysis at several sites could have investigated these issues and monitored progress using relevant indicators. The project reported the following challenges during its implementation:

* Delayed disbursement of funds thus affecting project implementation. The innovation challenge implementation period was originally planned to happen only between March to November 2022. Notwithstanding that this period was already too short for the projects to achieve lasting impact, the actual project implementation only happened between April to November 2022 for most of the projects supported The main reason cited by the beneficiaries for the late start was that there was a delay in receiving financial disbursements from the UNDP.
* Significant risks to ongoing business viability post project support: For example, Women Unlimited supported a glass recycling initiative in Mbabane through a cooperative owned by ten waste recyclers. Currently, the business generates revenue of around SZL 2 000 per month with operational expenses consuming approximately SZL 1 000 per month. These operational expenses are comprised of an amount of SZL 1 000 that the business has to pay as rent to the Municipality for the small portion of land where they house their glass recycling machine. Thus, the project makes a monthly profit of only SZL 1 000 per month that is supposed to be split between 10 members as a living wage. Clearly, this amount is too low to sustain the lives of ten individuals.
* Capacity of to sustain businesses lacking. Although it is commendable that beneficiaries received trainings in entrepreneurship and business management amongst other trainings, the are gaps still existing in how they undertake financial and operational management. The participants seem to be lacking business and acumen and operational management to sustain the initiatives post-business support. Kwakha Imboza is a case in point. Due to lack of financial literacy and business acumen, the apprentices engaged by Kwakha Indvodza and trained in classroom desk refurbishment were unable to sustain their business post project support. In this case, the apprentices have indicated that they require additional support, in the form of mentorship, to establish viable businesses after the project support has ended.

### Contribution to Inclusive Economic Growth Outcome

The Waste Management for Improved Livelihoods and Resilience Project has made significant strides towards achieving the inclusive economic growth outcome, particularly by fostering enterprise development, creating income-generating opportunities, and promoting sustainable waste management practices. The various activities undertaken under this project contribute directly to the broader economic growth agenda in several key ways:

1. **Enterprise Development and Job Creation**: The project has empowered MSMEs, particularly those owned by women and youth, through the innovation challenge and grant program. By providing financial support, capacity-building, and access to markets, the project has enabled these enterprises to scale up operations, explore new business models, and create jobs. This focus on enterprise development is critical for inclusive economic growth, as it not only increases employment opportunities but also drives economic diversification.
2. **Sustainable Waste Management Practices**: The project has introduced sustainable business models around waste management, which contribute to the development of a circular economy in Eswatini. By turning waste into a resource, these initiatives help to reduce environmental degradation while simultaneously creating economic opportunities. The establishment of waste buy-back centers and the promotion of recycling initiatives further support the growth of a green economy, which is essential for long-term, inclusive economic growth.
3. **Gender-Inclusive Strategies**: The development of a gender-inclusive strategy for waste management ensures that women, who are often marginalized in economic activities, are fully integrated into the sector. This not only promotes gender equality but also enhances the overall economic potential of the waste management sector by tapping into the skills and capacities of women. The participation of women in these initiatives directly contributes to the inclusive nature of the economic growth targeted by the project.
4. **Capacity Building and Institutional Strengthening**: The project has undertaken significant capacity-building efforts for local and national government institutions, as well as value chain beneficiaries. By strengthening the institutional framework and enhancing the skills of key stakeholders, the project ensures that the gains made are sustainable and scalable. A strong institutional foundation is essential for maintaining the momentum of inclusive economic growth beyond the project’s lifespan.
5. **Policy and Legislative Framework Development**: The project’s focus on developing guidelines and policies for waste management, including the drafting of overarching legislation, lays the groundwork for a more structured and coordinated approach to waste management in Eswatini. A supportive policy environment is crucial for fostering the growth of waste management enterprises and ensuring that they can operate effectively and contribute to the broader economy.

### Linkage to Inclusive Economic Growth Outcome

All these activities are aligned with the inclusive economic growth outcome by addressing both the economic and environmental dimensions of growth. The project’s efforts to create jobs, promote sustainable business practices, empower marginalized groups, and strengthen institutional capacities all contribute to a more resilient and inclusive economy.

The challenges encountered, such as limited access to finance and the short implementation timeframe, have implications for the sustainability of the interventions. However, the project has laid a strong foundation by demonstrating the economic potential of waste management and creating a shift in how waste is perceived in Eswatini. Moving forward, addressing these challenges will be key to ensuring that the benefits of the project are sustained and that the inclusive economic growth outcome is fully realised.

The next section explores the successes and challenges from the climate smart agriculture project.

### 3.2.2 Increasing Farmer Resilience to Climate Change-Upscaling Market Oriented Climate Smart Agriculture Project

The project on Increasing Farmer Resilience to Climate Change- Upscaling Market Oriented Climate Smart Agriculture Project was a three-year project that was implemented by the National Agricultural Marketing Board (NAMBoard) on behalf of the Ministry of Agriculture. The overall outcome of the intervention was to strengthen the capacities of the African Caribbean – Pacific Regions and countries to undertake regional and national adaptation and mitigation actions in response to the challenges caused by the effects of global climate change. In Eswatini, the project was meant to upscale market-led small-scale commercial agriculture to increase horticulture, vegetable and field crops outputs for farmers who have been affected by the climate change related weather patterns.

In 2017, prior to the project being implemented, the Ministry of Agriculture (MOA) working with the Common Market for East and Southern Africa (COMESA) undertook a feasibility review along water resource management for conservation agriculture production and sustainable livelihood schemes in the country. This included establishing the readiness of farmer groups to successfully implement and benefit from the action. From the schemes assessed, five (5) were identified for scale up, from all the four (4) regions of the country. These schemes are: Mavulandlela and Magagane in the Hhohho Region; Nkhungwini in the Shiselweni Region; Intamakuphila in the Manzini Region; and Nceka in the Lubombo Region. The project was financed by the UNDP (Eur 636 363. 64 and the Government (200 000) and focused on two (2) schemes, Intamakuphila and Mavulandlela.

The overall objective of the intervention was to increase income from commercial agricultural activities for 500 households in two (2) community-based schemes. This was to be achieved by the adoption of water-saving drip irrigation for high value crop production by the farmer schemes; improving cold chain management, linking farmers to sustainable local, regional and international markets; and providing CSA mechanization options to at least 1,500 farmers. The next section assesses the performance of the project against set targets.

**Result 1: *Improved management of water sources, including watershed protection for reduced irrigation infrastructure leakages in Intamakuphila and Mavulandlela.***

Effective management of water resources is increasingly crucial as global water crises, including those in Eswatini, intensify. Consequently, ensuring a dependable water supply and promoting efficient water use have been recognized as essential for the success of the climate-smart project. Through deploying the water saving drip irrigation, the project sought to ensure conservation and sustainable management of land and water resources within the two schemes.

Within six months of project inception, the project undertook a watershed and mapping assessment focusing on the two project sites (Intamakuphila and Mavulandlela) Farmer Irrigation Schemes. The main aim for the assessment was to ensure conservation and sustainable management of land and water resources within the two schemes. The Intamakuphila scheme was constituted of 47 members whilst the Mavulandlela scheme had 27 members.

There were mixed results achieved in this outcome. At Intamakuphila, the infrastructure in place was found to be inadequate. The dam downstream that supplied water to the scheme was found to have many leakages. To address this issue, it was proposed to use project funds to install irrigation systems. However, after developing designs and bills of quantities for both the Intamakuphila and Mavulandlela Farmer Irrigation Schemes, it became evident that the project budget was insufficient for installing drip irrigation systems for both. Consultation with the donor and the coordinating partner led to the decision to install a drip irrigation system for the Intamakuphila Farmer Irrigation Scheme. Meanwhile, partnerships were leveraged to convert the Mavulandlela Farmer Irrigation Scheme into a water-saving system through the Water Harvesting Development Project, funded by the European Union.

Notwithstanding, the dam leakages continued and caused constant blockages of the driplines resulting in farmers reverting to the old method of furrow irrigation.

Various challenges were also encountered at Mavulandlela. The dam intended to supply water for irrigation was silted due to overgrazing in the area. The project was unable to desilt the dam, but assistance was sought from the Water Harvesting Development Project, which resolved the issue. Additionally, the costs of installing the irrigation system were underestimated, preventing the system from being installed at Mavulandlela.

**Result 2: *Improved climate change techniques for water saving through ensuring that 60ha of land is converted to water-efficient drip irrigation in the two (2) community schemes: Intamakuphila and Mavulandlela.***

The project was to convert 60ha of land from furrow to water saving systems. Upon analysis of data from the baseline report it was discovered that the two schemes had a total of 48ha (Intamakuphila 25ha & Mavulandlela 23ha) instead of 60ha. At Intamakuphila, Upon further analysis, it was discovered that only 16ha of the land is irrigable and there were also hydromorphic soils in the area where drip could not be applied [[12]](#footnote-12).

Furthermore, At the initial stages of implementing the result, the bills of quantities reflected that the budget available was insufficient to cater for installation of water saving systems for both schemes. Approval from was sought and obtained to conduct the intervention only to Intamakuphila FIS while engagements with other partners harnessed linkages of Mavulandlela Farmer Irrigation Scheme to be converted to a water saving system through the Water Harvesting Development Project also funded by the European Union.

The design of the Intamakuphila Farmer Irrigation Scheme system was informed by the recommendations from the Watershed Assessment done at inception. As part of ensuring sustainability of the drip infrastructure, 47 farmers (22 females & 25 males) scheme members were trained on the operation and maintenance of the irrigation system, while four from the same scheme members were engaged as labourers for the installation of the drip irrigation system.

However, the irrigation system was reported to have not been properly installed due to the blockages in the dam. Farmers at Intamakuphila have eventually abandoned the drip irrigation system and resorted to their old method of furrow irrigation.

One key finding from this evaluation is that field assessments were conducted only after the project proposal was approved. As a result, the findings from these assessments, including more accurate cost estimations for project activities such as the bills of quantities for cold storage buildings, were not incorporated into the project design. This oversight led to the underestimation of many project activity costs, ultimately resulting in some activities not being completed due to budget constraints.

To prevent future budgetary shortfalls and ensure comprehensive project planning, it is crucial to conduct thorough field assessments prior to the approval of project proposals. For the Increasing Farmer Resilience to Climate Change-Upscaling Market Oriented Climate Smart Agriculture Project, the following steps are recommended:

1. **Pre-Approval Field Assessments:** Implement a mandatory pre-approval phase for field assessments to gather accurate data and insights. This phase should include detailed evaluations of project sites and the development of precise bills of quantities for all necessary activities and infrastructure, such as cold storage facilities.
2. **Accurate Cost Estimations:** Use the data collected from pre-approval assessments to generate accurate cost estimates for all project activities. This will ensure that the project budget adequately covers all anticipated expenses, reducing the risk of underfunding.
3. **Flexible Budgeting:** Incorporate contingency funds within the project budget to address unforeseen expenses that may arise during implementation. This flexibility will help mitigate the impact of any cost underestimations.
4. **Continuous Monitoring and Adjustment:** Establish a process for ongoing monitoring and periodic re-evaluation of project costs and activities. This process should allow for adjustments to the budget and project plan as needed, based on actual field conditions and emerging data.
5. **Stakeholder Involvement:** Engage all relevant stakeholders, including local communities, government agencies, and financial partners, in the field assessment and planning process. Their input can provide valuable insights and help ensure the accuracy and feasibility of the project plan.

**Result 3: *500 Farmers linked to formal value chains and generating an income from sustainable markets as provided by NAMBoard.***

In close collaboration with MOA extension officers, NAMBoard trained approximately 401 farmers (212 males and 189 females) on formal markets management. These trainings were targeted at farmers from Intamakuphila, Mavulandlela and farmers from other adjoining schemes. Table 5 below provides a more detailed breakdown of the farmers trained.

**Table 5: Farmers trained by climate smart agriculture project**

|  |  |  |  |
| --- | --- | --- | --- |
| **Scheme Name** | **Female** | **Male** | **Total** |
| **Intamakuphila** | 22 | 25 | 47 |
| **Mavulandlela** | 11 | 16 | 27 |
| **Nhletjeni** | 10 | 10 | 20 |
| **Nkhungwini** | 11 | 11 | 22 |
| **Mkhovu** | 19 | 17 | 36 |
| **Mswati** | 23 | 14 | 37 |
| **Tilimo** | 6 | 6 | 12 |
| **Mgomfelweni** | 7 | 7 | 14 |
| **Lundzi** | 23 | 10 | 33 |
| **Lubombo** | 15 | 27 | 42 |
| **Shiselweni** | 20 | 22 | 42 |
| **Hhohho** | 14 | 22 | 36 |
| **Manzini** | 8 | 25 | 33 |
| **Total** | **189** | **212** | **401** |

Farmers were mobilized, trained, and subsequently linked to formal value chains through collaboration with NAMBoard extension officers. A total of 401 off-take agreements were signed, allowing farmers to sell their produce to NAMBoard. These agreements have a lifespan of three years. Approximately 462.2 metric tons of both

conventional and baby vegetables have been produced and sold to the NAMBoard market. It is important to note that the actual amount of produce is most likely higher than reported, as farmers also supplied other formal and informal markets. Production gradually increased as beneficiaries were trained during the initial project stages, with a significant rise in production observed upon the roll-out of the Revolving Loan Facility (RLF).

This represents a monumental success for the project, as none of these agreements existed prior to the intervention. By the conclusion of the project, three years later, the farmers had generated sales totalling SZL 2,000,000. Consequently, the farmers were now able to earn a living from their sales to NAMBoard.

The success achieved under Result 3, where 500 farmers were linked to formal value chains and generated income through sustainable markets facilitated by NAMBoard, aligns directly with Eswatini's inclusive growth outcome targets, specifically those focusing on employability and production.

The inclusive economic growth outcome aims to enhance the employability of individuals and increase production within key sectors, contributing to overall economic resilience and poverty reduction. By training 401 farmers (212 males and 189 females) on formal market management and linking them to formal value chains, the project directly contributes to improving the employability of these farmers. This skill development enables them to better navigate and succeed in formal markets, thereby increasing their economic opportunities and stability.

Furthermore, the production of approximately 462.2 metric tons of vegetables, which were sold to NAMBoard, signifies a substantial increase in agricultural output. The off-take agreements, which facilitated guaranteed market access for these farmers, ensure sustained production and income generation over the three-year lifespan of the agreements. The fact that these agreements did not exist before the intervention

underscores the project's impact on enhancing production capabilities and market integration for smallholder farmers.

The SZL 2,000,000 generated in sales through these agreements reflects not only the increased production capacity but also the improved economic empowerment of the farmers involved. This success story demonstrates a significant contribution to the inclusive growth outcome by fostering employability through capacity building and increasing production through formal market linkages, ultimately contributing to the broader goals of economic diversification and poverty reduction in Eswatini.

***Result 4: Rehabilitated field-based cold storage facilities in the two sites.***

Field-based cold storage facilities are critically important for enhancing the agricultural sector in Eswatini. These facilities help reduce post-harvest losses by preserving the quality and freshness of produce, significantly extending its shelf life and allowing farmers to store their products for longer periods without degradation. This preservation is vital for ensuring a consistent supply of produce to the market, enabling farmers to meet demand throughout the year and time their sales for favourable market conditions, thus avoiding the need to sell at low prices immediately after harvest. Cold storage facilities also contribute to food security by making surplus produce available during off-peak times and supporting a more diverse and nutritious food supply. Economically, these facilities increase farmers’ income by reducing spoilage and enhancing market access, while also allowing for value addition through the creation of new products.

For perishable commodities, such as fruits and vegetables, cold storage is essential to maintain quality, especially for exports and high-end markets. This reduces the risk associated with perishable goods, encouraging farmers to expand their production. Additionally, cold storage helps mitigate the impacts of climate variability and extreme weather events, making agricultural practices more sustainable. It strengthens supply chains by improving logistics and maintaining produce quality during transit, facilitating better linkages between farmers, processors, and retailers. Smallholder farmers particularly benefit from collective use of cold storage facilities, which reduces individual costs and improves access to modern preservation technologies. The presence of these facilities often includes training and support on best practices in post-harvest handling and storage, further enhancing their utility.

At project inception, Mavulandlela FIS had an incomplete cold chain facility an Intamakuphila did not have one, but had a toolshed that was used to store the farmers’ produce. The project successfully rehabilitated the existing field-based cold storage facility in Mavulandlela. However, budget constraints prevented the construction of a new cold storage facility in Intamakuphila. Given these limitations, the project instead decided to establish a packhouse at Intamakuphila. At current market prices, building a cold storage facility would cost approximately E50,000. The lack of such a facility in Intamakuphila means that fresh produce must be sold immediately after harvest at lower prices, preventing farmers from maximizing their profits.

However, project financial data shared in section 3.2.3 of this report indicates that after project closure, an amount of USD 138 511,15 was left unspent. It is unclear why the funds were not utilised to build the storage facility at Intamakuphila.

The challenges for farmers in Intamakuphila are further exacerbated by summer rains that damage the roads, making farms inaccessible to buyers. This inaccessibility leads to additional income loss because farmers cannot store their perishable produce during adverse weather conditions. To mitigate these losses, farmers in Intamakuphila have stopped farming perishable vegetables, significantly reducing their income. In contrast, farmers in Mavulandlela, who have access to a cold storage facility, are able to produce perishable vegetables such as lettuce, spinach, and cabbage, generating 70% more revenue than the farmers in Intamakuphila. Therefore, it is imperative to build a cold storage facility in Intamakuphila to help farmers maximise their revenues and sustain their livelihoods.

***Result 5: Mechanized conservation agriculture equipment to upscale production.***

Mechanised conservation agriculture equipment (planters, slasher, ripper and boom sprayers) was procured and distributed to Ngwempisi and Ntfonjeni Rural Development Areas (RDA). This equipment was intended to upscale production for 1,500 farmers. A total of 396 farmers were trained on how to use the equipment and how to practice conservation agriculture using the equipment procured.

At Lushikishini under Ngwempisi RDA, 17 farmers have been able to supply the National Maize Cooperation (NMC) with maize. Most of the farmers cultivate between 1-2 ha that get sold to the NMC. The farmers were using conventional tools before the project procured the CA equipment but have adopted the use of the CA equipment which has increased their production. However, the equipment was constantly breaking down and being repaired during the life of the project. Subsequent to the closure of the project, the equipment could not be repaired due to lack of funds at both the RDAs.

However, project financial data shared in section 3.2.3 of this report indicates that after project closure, an amount of USD 138 511,15 was left unspent. It is unclear why the funds were not utilised to build the storage facility at Intamakuphila.

Thus, the farmers are currently unable to use the equipment and have seen a drastic reduction in production. The absence of a sustainability plan that includes an operations and maintenance budget has seen the equipment laying remaining unused post project closure. This is a serious area of concern that the project needs to address.

***Result 6: Improved access to resources through the establishment and management of a revolving loan fund to 200 farmers of whom 40% percent should fall in the category of female, disabled and youth.***

A revolving loan facility policy and fund was developed. Through the funding from the project, NAMBoard created a separate account where the funds would revolve from.

Key features of the RLF were[[13]](#footnote-13):

* The RLF shall target primarily the two main project schemes (Mavulandlela and Intamakuphila FIS). Other schemes and individual farmers that have a contract with NAMBoard are eligible.
* Farmers shall not be charged interest on the loan granted.
* The farmers/ schemes should have an existing contract with the NAMBoard, market.
* Farmers will be granted a loan in the form of farming inputs through the NAMBoard farm shop.
* A technical committee shall approve all RLF applications.
* The maximum loan disbursement shall be SZL 4 000.00.
* Applications are submitted to the CSMA RLF through the NAMBoard RL[[14]](#footnote-14).

The value of the fund was Eur 41 000 and it was administered by NAMBoard through its already existing loan application system. The funds were intended to be used by the farmers to buy farming inputs such as seeds and fertilisers. A total of 481 farmers accessed the loans.

However, there were no prudent repayment modalities put in place and as a result the loan repayment rate was very low. Thus, after project closure, there were no funds left in the fund and it was closed down. Due to the ongoing need for funds to buy inputs, the NAMBoard and Eswatini Bank established another fund in December 2022. This fund has a higher threshold of loan values and farmers are allowed to take up loans of up to SZL 30 000.

### 3.2.3 Africa Minigrids Programme

Implemented in 21 Africa countries including Eswatini, the Africa Minigrids Program (AMP) is a technical assistance program for minigrids, developed by UNDP with initial funding from the Global Environment Facility (GEF), and executed in partnership with the African Development Bank (AfDB) and Rocky Mountain Institute (RMI).

The AMP objective is to increase access to electricity by improving the financial viability and promoting scaled-up commercial investment in renewable energy minigrids (‘minigrids’). The objective of each national child project (hereafter, the “project”) is to provide technical support to improve energy access in rural areas through the introduction of renewable technologies. Each project consists of specific components to be implemented over the course of a 4‐year period[[15]](#footnote-15).

In Eswatini, the focus is on establishing a foundation for minigrids development, creating data and knowledge resources, and implementing 'proof of concept' business models. This aligns with the country's renewable energy targets and the goal of achieving universal energy access, as outlined in the National Energy Policy (2018) and the Kingdom of Eswatini Energy Masterplan, 2034[[16]](#footnote-16). The Project document was signed on 12 Jul 2022 and the project inception workshop took place on 12 Oct 2022. The project implementing partner is Eswatini Energy Regulatory Authority (ESERA)

The overall project budget administered by UNDP is USD 913,242, including USD 863,242 GEF grant and USD 50,000 UNDP TRAC resources. In addition, a total of USD 19,374,228 was mobilized as co-financing during project design.

The project is composed of three components namely: Policy and regulation; Business Model Innovation with Private Sector Engagement and Component 3: Digital, Knowledge Management and Monitoring and Evaluation. The next section assesses the performance of the project against set targets.

**Component 1: Policy and regulation**

This component aims to put in place a conducive policy and regulatory framework for minigrids in Eswatini. The project is planned to unfold in four years and began in earnest on the 12th October 2022. As at the undertaking of this outcome evaluation exercise, the AMP had only been in operation for 20 months. Currently, 82% of households in Eswatini have access to electricity with the remaining 18% still not yet connected. The high national electrification rate masks the variance between urban centres (90%) and rural areas (69%)[[17]](#footnote-17). Nonetheless, in comparison to other African countries, Eswatini has a relatively high electrification rate when viewed in light of the fact that only 43% of households in Sub Saharan Africa have access to electricity[[18]](#footnote-18).

The Kingdom of Eswatini Energy Masterplan 2034 notes that most households are within a kilometre of the national grid, but it is increasingly expensive to extend the network to remote areas. This is due to the lack of infrastructure such as bridges and roads in many rural areas of the country. The implication of these realities is that if the Eswatini Electricity Company (EEC) would connect all the remote households, the tariff that would be charged to rural households would be too high. Thus, it is economically inefficient for the EEC to connect all rural households hence the need for minigrids.

Minigrids are a more efficient source of energy and have the ability of connecting the most rural households. However, minigrids have been recognised as a more costlier alternative than connecting households via a traditional grid. A typical minigrid costs around SZL 3 million. The logic underpinning minigrids is that, in order to offset the costs of delivering electricity to rural households via minigrids, businesses would need to be signed up to also connect along the lines in order to spread the tariffs more widely.

Domestic and commercial use of wood fuel is unsustainable and associated with indoor pollution, which contributes to the burden of respiratory diseases as well as deforestation.

Minigrids are a fairly nascent innovation in Eswatini and consensus needs to be built on how they can be effectively rolled out in the country. In recognition of this fact, a national dialogue attended by key stakeholders, was facilitated to identify effective mini-grid delivery models, establish a vision, and create a roadmap for integrated off-grid electrification. This dialogue helped clarify priority interventions necessary for a cohesive approach to rural electrification. Furthermore, public officials, including those from the energy regulatory body and various government ministries, were trained in recognizing and incorporating cost-reduction strategies and innovative business models​.

With respect to addressing regulatory barriers, the programme has focused on identifying and addressing obstacles within the policy and regulatory environment that hinder cost-effective mini-grid development. This effort aims to create a more conducive environment for private sector participation in renewable energy projects. The project's location within the regulatory body is a sine qua non for successfully reducing barriers to cost-effective mini-grid development.

The project also seeks to develop and demonstrate innovative business models focused on cost reduction to encourage private sector investment in minigrids. These models are designed to improve the financial viability of minigrids and facilitate their scale-up. In this respect, ESARA has contracted an international consultant to provide options on how these minigrids can be derisked to increase private sector investment appetite.

One of the key challenges that the AMP should address concerns regarding ensuring effective gender mainstreaming in the Eswatini energy industry and specifically the low participation of women in the planning, implementation, and operation of mini-grids. While the Mini-Grid and Micro-Grid Guidelines of 2022 mention gender mainstreaming, they lack specific targets and indicators to measure progress. Setting clear, measurable goals for women’s participation and benefits would strengthen the guidelines and ensure accountability.

Nonetheless, Both the guidelines and AMP prioritize gender equality and recognize the importance of involving women in the energy sector. This alignment is crucial for ensuring that mini-grid projects contribute to broader gender equality goals.

This component focuses on establishing a conducive policy and regulatory framework for minigrid development in Eswatini, a critical factor in achieving the country’s inclusive growth targets. By addressing regulatory barriers that hinder cost-effective minigrid deployment, the AMP is creating an enabling environment for private sector participation in renewable energy projects, which is essential for sustainable economic growth. The focus on minigrids is particularly relevant for rural electrification, where extending the national grid is economically inefficient. By providing a more viable solution for connecting remote households, minigrids contribute to narrowing the urban-rural energy access gap, thereby promoting equitable economic opportunities.

Minigrids also offer a solution to the unsustainable reliance on wood fuel, reducing indoor pollution and deforestation, which are significant environmental and health concerns. The programme’s emphasis on stakeholder dialogue and capacity building ensures that the policy framework not only facilitates minigrid deployment but also integrates cost-reduction strategies and innovative business models that can be scaled up to meet Eswatini’s energy and inclusive growth targets.

**Component 2: Business Model Innovation with Private Sector Engagement**

Component 2 of the AMP focuses on business model innovation with private sector engagement. This component aims to develop and demonstrate innovative business models to encourage private sector investment in minigrids. Recognising the need to bring on board private sector players, and specifically women-owned businesses into the minigrids business, the project has signed an MoU with Small Enterprises

Development Company (SEDCO). The role of SEDCO is to do market research and small business development in project pilot sites.

Currently, the AMP is focusing on two pilot sites. The first site is located in Mvundla and involves a minigrid developed by the EEC. This minigrid is currently underperforming, supplying power to only 21 households. To ensure the continuation of electricity supply, the government subsidizes the tariffs for these households. The market-based tariff was supposed to be E 5 per kWh, but due to the subsidy, consumers are paying E 2 per kWh.

The intention of partnering with this site is to explore ways of enhancing the productive use of the grid by encouraging local businesses to connect. The rationale behind this strategy is that connecting anchor businesses to the grid will increase the demand for power, thereby improving the viability of the minigrid. Ensuring productive use through these business connections is essential for creating the necessary demand and supporting the long-term success of the minigrid.

The second pilot site of the Africa Minigrids Programme (AMP) in Eswatini is a greenfield project located in Bulimeni. This site has been selected for its potential to showcase the implementation of a mini-grid system from the ground up, providing a model for future projects in similar rural and underserved areas. Many households in Bulimeni lack access to reliable electricity, relying on traditional biomass for cooking and kerosene lamps for lighting. The area has a nascent but growing number of small businesses and agricultural enterprises that would benefit significantly from reliable power. The project aims to supply electricity to 80 households in the area and 6 businesses.

To promote women's participation in the Eswatini energy sector, the AMP has targeted women-owned enterprises in both Bulimeni and Mvundla. However, this focus has unintentionally led to a perception among communities that the AMP is exclusively for the benefit of women-owned businesses, to the detriment of male-owned enterprises.

As a result, male business owners have withdrawn from meetings and engagements related to the project, leading to a decrease in the number of potential businesses that could connect to the minigrids as customers.

To address the unintended negative consequence of perceived gender exclusivity and to ensure broader community support and participation, it is recommended to implement an inclusive engagement strategy that actively involves both male and female business owners. Key actions could include engaging SEDCO to conduct comprehensive community outreach campaigns to clarify that the AMP aims to benefit the entire community, including both male and female business owners. Also, the project should consider using various communication channels to disseminate this message effectively including radios and community fora.

There are several notable strengths associated with this component. Firstly, it effectively addresses the need for private sector engagement by developing business models that reduce costs and risks. This approach is crucial for attracting private investment and ensuring the scalability and sustainability of minigrid projects.

Secondly, by prioritizing cost reduction and financial viability, the component ensures that the business models developed are economically sustainable. This focus increases the likelihood of long-term success and reduces dependence on public funding. Lastly, the component encourages the exploration of innovative business models, which can lead to new and more efficient ways of operating minigrids. Innovation is key to overcoming existing challenges and enhancing the overall effectiveness of minigrid projects.

However, this component is not without challenges. Given that minigrids are a relatively new global phenomenon in household electrification, there are few qualified experts and consultants who can effectively address related issues. Consequently, the procurement of consultants with the requisite expertise and qualifications has been lengthy and challenging. For instance, a call for international experts had to be readvertised four times before a suitable expert was found. These procurement delays have, in turn, caused delays in some project activities.

To mitigate this issue, ESARA and UNDP should consider creating a pre-qualified pool of experts and consultants who can be quickly engaged for projects as needed.

Component 2 is crucial for driving inclusive economic growth by fostering private sector engagement and innovation in the energy sector. By developing and demonstrating innovative business models that reduce costs and enhance the financial viability of minigrids, the AMP is creating new opportunities for local businesses, including those owned by women, to participate in the energy economy. The project’s partnership with SEDCO is particularly significant in this regard, as it facilitates market research and small business development in pilot sites, thereby supporting local entrepreneurship and job creation.

The AMP’s focus on pilot sites, such as Mvundla and Bulimeni, not only addresses immediate energy access needs but also demonstrates the potential for minigrids to drive local economic development. In Mvundla, efforts to connect local businesses to the minigrid aim to increase demand and improve the grid’s viability, while in Bulimeni, the project is providing reliable power to both households and businesses, fostering economic activities that are essential for community development.

However, the project has encountered challenges related to gender inclusivity, particularly the perception that it favors women-owned businesses. To address this, the AMP must implement a more inclusive engagement strategy that involves both male and female business owners, ensuring that the benefits of minigrid development are widely shared across the community. This approach will help the project contribute more effectively to Eswatini’s inclusive growth goals by promoting gender equality and ensuring broad-based economic participation.

**Component 3: Digital, Knowledge Management and Monitoring and Evaluation**

This component focuses on leveraging digital solutions, knowledge management, and monitoring and evaluation (M&E) for effective delivery of the programme. Given the relatively nascent nature of minigrids in the continent and Eswatini, this component is critical for ensuring the efficient implementation, tracking, and learning from minigrids projects. The component is intended to assist the AMP in effectively leveraging digital tools to enhance project management, data collection, and analysis. This integration is expected to allow for real-time monitoring and more accurate tracking of project progress and outcomes. At the moment, the project has engaged a consultant to develop the digital strategy of the project.

The component also includes capacity-building initiatives to train local stakeholders in digital tools and M&E practices. This activity will be implemented once the digital strategy is in place. This approach of training stakeholders in the management of digital tools and M&E practices is likely to enhance local ownership and ensures the sustainability of M&E activities beyond the project duration.

As a further demonstration of commitment to effective knowledge management, in 2023, the project signed an MoU with the Renewable Energy Association Eswatini (REAESWA) for the purpose of establishing a knowledge network to promote minigrid development in the country. More efforts need to be made to fully include key stakeholders such as the Ministry of Natural Resources and Energy (MNRE) in the knowledge management activities. For example, the AMP project should invite the MNRE when attending strategic energy platforms such as the Energy Access Investment Forum (EAIF) to foster business and investor partnerships in the fight against climate change. The EAIF conference was held in early 2024 and is a global flagship event organized by the Alliance for Rural Electrification, ECOWAS, and supported by GET. Invest, a European program that mobilises investment in renewable energy.

The AMP utilized the conference as an opportunity to convene its Community of Practice (CoP), consisting of practitioners managing national projects across different AMP jurisdictions. This gathering aimed to accelerate skill and knowledge development related to mini-grid adoption and to establish a network of peers to strategize best practices for successful program implementation. This effort supports one of AMP’s primary objectives: to promote the benefits of energy access for diverse communities across the continent by encouraging productive energy uses. Hence, the joint participation of the AMP project and the MNRE will be critical for building the capacity of the MNRE and will bode well for the future sustainability of the intervention.

Given the nascent nature of minigrids in Eswatini, the development of a digital strategy and capacity-building initiatives in M&E practices are vital for ensuring the project’s long-term success and contribution to the country’s growth targets.

By establishing a knowledge network through an MoU with the Renewable Energy Association Eswatini (REAESWA), the AMP is promoting collaboration and the exchange of best practices, which are essential for scaling up minigrid projects and achieving broader development goals. The involvement of key stakeholders, such as the Ministry of Natural Resources and Energy (MNRE), in strategic energy platforms like the Energy Access Investment Forum (EAIF), further strengthens the project’s contribution to national capacity building and the sustainable development of the energy sector.

The AMP’s efforts to create a Community of Practice (CoP) for minigrid practitioners across Africa also support Eswatini’s inclusive growth objectives by fostering regional collaboration and the sharing of knowledge that can drive innovation and economic development.

Overall, the Africa Minigrids Programme (AMP) is a significant contributor to Eswatini’s inclusive growth outcomes. By improving energy access in rural areas, fostering private sector engagement, promoting gender equality, and building local capacity, the

AMP aligns with and advances the country’s targets for sustainable and equitable economic development. The programme’s focus on renewable energy and innovation not only addresses immediate energy needs but also lays the groundwork for long-term economic resilience and growth, ensuring that the benefits of development are shared across all segments of Eswatini’s population.

### 3.2.4 Powering Equality

UNDP’s Gender Equality Strategy 2022-2025 (GES) has elevated the ambition of the whole organization to help governments shift economic, social, political and environmental systems that generate and perpetuate gender inequality[[19]](#footnote-19). The GES priorities focus on closing gender gaps in access to modern clean energy. This involves ensuring that clean energy access, productive uses, and benefits drive transformative outcomes for gender equality, such as reducing women's time poverty and boosting their economic empowerment.

The "Powering Gender Equality" project in Eswatini aims to address the persistent gender disparities in the energy sector, which is predominantly male-dominated across various levels from decision-making to technical roles. This project, funded by the World Bank and in partnership with the UNDP, seeks to close the gender gap and promote women's participation in the sector through comprehensive strategies and targeted interventions. The project adopts a holistic approach by addressing policy gaps, providing capacity building, and supporting women entrepreneurs, which together promote gender equality in the energy sector.

The unequal participation of women in key decision-making processes, employment opportunities, and entrepreneurial activities in the energy sector perpetuates existing social and economic inequalities, leaving women behind in the energy transition. The Gender Audit report, covering six institutions in the sector, confirms that the sector is male dominated, with women making up only 24% of the staff and men comprising 76%[[20]](#footnote-20). The disparity is even more pronounced in technical fields, where women represent just 10% compared to 90% men. The next section examines the project performance.

**Project Initiatives and Implementation**

To address these disparities, the Ministry, with World Bank funding, initiated the Gender Mainstreaming in the Energy Sector project. This led to a gender audit that highlighted significant gaps in gender equality within the sector. The subsequent partnership with the UNDP through the Powering Equality project supported the Ministry in implementing the gender audit report's recommendations. The following interventions have been supported by the Powering Equality project.

1. **Policy Review and Reform**:

The energy sector's policy frameworks have historically lacked gender integration, resulting in gender-neutral and gender-blind policies. In order to drive systematic change and influence the energy The project engaged a consultant to develop a guiding tool for integrating gender equality into energy sector policies. An inception report has been submitted and approved, with the draft guiding tool and policy briefs currently under review. The following three policy briefs have been developed with support from the project: bridging the gap-enhancing women's leadership in the sustainable energy transition; empowering gender equality in the just energy transition: pathways to policy reform; institutionalising gender equality in energy sector: the need for policy review and reform.

Borrowing from Information Technology parlance, Laws can be considered as the hardware that enables the State to function, while policies are the software that ensures the delivery of public administration. Therefore, policies and laws need to be reviewed together to effect the desired changes in society. Reforming gender-discriminatory laws to ensure equal economic opportunities for both women and men in Eswatini is crucial. Gender inequality stems not only from social norms and cultural traits but is also reinforced by law in many countries. In Eswatini, women currently possess less than half of the economic rights that men have, highlighting the urgent need for legislative reforms. In Eswatini, women currently possess less than half of the economic rights that men have highlighting the need for legislative reforms[[21]](#footnote-21).

Specifically, existing laws do not provide equal opportunities for women to become entrepreneurs, ensure fair treatment as parents and spouses, guarantee equal pay, or prevent workplace discrimination[[22]](#footnote-22). On the positive side, addressing these legal gaps presents an opportunity for Eswatini, as legal changes can be achieved relatively quickly. Repealing laws that marginalize or discriminate against women can also promote changes in norms and traits, thereby furthering gender equality in the energy sector.

1. **Support for Women Entrepreneurs**:

The Africa Minigrids Programme (AMP) supports ten women by helping them develop enterprises that leverage the productive use of minigrids. The Powering Gender Equality Programme has enhanced these women's capacities through an Energy and Entrepreneurship training workshop, equipping them to manage their businesses sustainably. However, post-training, these women-led MSMEs face significant challenges in accessing funding to support their business initiatives, preventing them from fully capitalizing on opportunities presented by programs like AMP.

Interviews with stakeholders revealed that women-led MSMEs require capital to scale up their existing initiatives in the energy sector. Without adequate funding, these businesses struggle to grow and achieve long-term sustainability. The project should consider lobbying financial institutions, particularly the Eswatini Bank, to provide funding for these women-owned businesses. A dedicated fund, similar to the one established by the Climate Smart Agriculture project in collaboration with the Eswatini Bank, could be created to finance these businesses. Establishing such a fund would enable women-led MSMEs to access the necessary capital to scale up their operations, fostering economic growth and promoting gender equality in the energy sector.

The project has embarked on various capacity building and advocacy efforts. For instance, the project has built the capacity of women nominees on energy and policy advocacy, empowering women legislators and community leaders with the knowledge and tools to advocate for policy changes in the energy sector. Ultimately, the project aims to create a network of women who can influence renewable energy policy.

Similarly, energy and entrepreneurship workshops were convened by the project which benefited 50 women from various backgrounds and enterprises, including those with disabilities. These women received training on both energy and entrepreneurship, addressing gaps in their previous training.

Furthermore, an Energy Indaba was convened that targeted 100 women in politics for capacity building on gender, politics, and energy issues. These sessions cover a range of topics including energy policy, entrepreneurship, and technical aspects of renewable energy. The Indaba also aimed to provide women with tools and strategies to effectively advocate for policies that promote gender equality in the energy sector. This includes training on how to engage with policymakers, draft policy proposals, and build coalitions for change.

These training workshops and advocacy programs empower women with the necessary skills and knowledge to participate in and influence the energy sector. According to the project document, the participants were supposed receive starter packs to support them in their businesses and further training under the project. However, none of the participants received the starter packs because an assessment to inform what these starter packs should contain has not yet been done. It is imperative that the assessment is done urgently to maximise the gains of the project and ensure that the training beneficiaries can utilise the learnings to start sustainable businesses.

One of the main achievements of the project was that it led to the formation of a Gender Mainstreaming Technical Working Group (TWG) consisting of key stakeholders from the Ministry of Education, EEC and DPMO. It is commendable that the DPMO part of the TWG because the institution is the custodian of gender mainstreaming in the country. The TWG assists with joint planning amongst the respective institutions on gender issues in the energy sector.

Furthermore, the TWG also assists with the elimination of the silo approach to gender issues and eliminates duplication of efforts by stakeholders involved in mainstreaming gender in the country. For instance, the TWG fostered linkages between the Minigrids project and the World Bank supported Rural Electrification Project that is implemented by the MNRE. Thus, as a result of efforts by the TWG, gender focused projects are now complimenting each other and ensuring better coherence and improved effectiveness.

The "Powering Gender Equality" project in Eswatini demonstrates a strong commitment to promoting gender equality in the energy sector through targeted interventions and capacity-building initiatives. By addressing policy gaps, empowering women entrepreneurs, and building advocacy capacity, the project is making significant strides towards closing the gender gap. However, ensuring sustainable impact and broad community support requires ongoing resource allocation, follow-up, and inclusive engagement strategies.

**Contribution to Inclusive Economic Growth Outcome Targets**

**1. Enhancing Women’s Economic Empowerment:** The project’s initiatives, such as policy reform, support for women entrepreneurs, and capacity-building efforts, are directly aligned with the goal of increasing women’s participation in the economy. By addressing the gender gap in the energy sector, the project contributes to expanding economic opportunities for women, particularly in non-traditional fields such as energy. This, in turn, supports Eswatini's target of increasing women's involvement in economic activities and ensuring equitable access to resources and opportunities.

**2. Supporting MSME Development and Access to Finance:** The emphasis on supporting women-led MSMEs, particularly in leveraging minigrid projects, is crucial for fostering inclusive economic growth. MSMEs are key drivers of economic diversification and job creation, and by empowering women entrepreneurs in this sector, the project contributes to Eswatini's targets related to MSME growth, innovation, and sustainability. The recommendation to establish a dedicated fund to support women-led MSMEs further enhances this contribution by addressing one of the major barriers to growth—access to finance.

**3. Building Human Capital and Promoting Skills Development:** The training and capacity-building workshops provided by the project are essential for enhancing the skills and knowledge of women in the energy sector. These efforts not only empower women to take on leadership roles but also contribute to the broader goal of building human capital, which is a cornerstone of inclusive economic growth. By equipping women with the skills needed to succeed in a traditionally male-dominated sector, the project supports the development of a more diverse and skilled workforce.

**4. Fostering Policy Coherence and Institutional Collaboration:** The formation of the Gender Mainstreaming Technical Working Group (TWG) is a significant achievement that contributes to more coherent and effective policy implementation. By fostering collaboration among key stakeholders, the TWG ensures that gender-focused initiatives in the energy sector are aligned and mutually reinforcing, thereby avoiding duplication of efforts and maximizing impact. This alignment with Eswatini’s inclusive growth strategy is critical for ensuring that gender equality is integrated into all aspects of economic planning and policy.

**5. Addressing Systemic Barriers to Gender Equality:** The project’s focus on policy review and reform addresses systemic barriers that have historically limited women’s economic participation. By advocating for changes in gender-discriminatory laws and policies, the project contributes to creating an enabling environment where women can participate fully and equally in the economy. This aligns with Eswatini’s commitment to promoting gender equality as a key driver of inclusive growth, recognizing that sustainable development cannot be achieved without addressing gender disparities.

The "Powering Gender Equality" project in Eswatini is a critical initiative that not only addresses gender disparities in the energy sector but also contributes significantly to the country's inclusive economic growth targets. By promoting women’s economic empowerment, supporting MSME development, enhancing skills, fostering policy coherence, and addressing systemic barriers, the project plays a pivotal role in ensuring that Eswatini’s growth is inclusive, sustainable, and equitable. However, to fully realize these outcomes, continued resource allocation, follow-up, and engagement with all stakeholders are essential.

### 3.2.5 Accelerating Private Sector-Led Diversification

The overall objective of this project is to empower youth and women in Eswatini through providing “green skills” (including in climate smart agriculture, waste management and renewable energy). Green job skills development is not only reactive but can be an important driver of change itself and contributes to Eswatini’s goals of economic growth and climate action. This project supports the implementation of Eswatini’s revised Nationally Determined Contributions (NDC). The revised NDC submitted to the UNFCCC in October 2021 has a special focus on youth and gender as well as articulates that providing green skills to youth and women will contribute towards the transition to a climate resilient future[[23]](#footnote-23). The next section explores the project performance against set indicators.

**Indicator 1.3.2:** # of locally developed innovations/solutions identified and tested towards enhancing employment of women, youth, and persons with disabilities

The project has successfully identified and tested several locally developed innovations aimed at enhancing employment opportunities for women, youth, and persons with disabilities. These innovations span across multiple sectors and industries.

**Examples of Innovations**:

* **Agricultural Technologies**: Introduction of small-scale agricultural technologies that are more accessible and manageable for women and youth. As articulated in section These innovations are prominent in the climate smart agriculture project and the waste for livelihoods project as articulated in sections 3.2.1 and 3.2.2 of this report.
* **Inclusive Enterprises**: Support for enterprises that specifically employ persons with disabilities, such as crafts and manufacturing businesses. The project supported unemployed youth through the Eswatini Youth Empowerment Programme (EYEP). The program offered curated multidimensional solutions to improve the employability of young people aged 18 to 35. The Artisanal Skills Training and Mentorship component is one of five conceptualized for the program. Its aim is to equip out-of-school youth with vocational skills, enhancing their capacities to start youth-led enterprises for a livelihood. These youth received trainings in electrical installation, building and construction, plumbing, upholstery, welding and sewing. The training duration lasted three months in contact sessions, covering technical skills, quality control, and safety.

These innovations have been piloted in various communities with promising results. Feedback from these pilots has been used to refine the solutions for broader application.

The project has surpassed its target by identifying and testing 15 innovations/solutions that directly enhance employment for the targeted groups. This exceeds the initial goal of 10 innovations/solutions. However, the main challenge confronting these innovations developed by the programme is lack of business mentorship and follow-up. There is a strong demand for more structured business mentorship and follow-up activities to help participants start their own businesses or secure employment after training. This applies to the EYPP, waste for livelihoods, and minigrids projects.

**Indicator 1.3.3:** # of regulations adopted in relation to Ease of Doing Business in the country

The project has actively engaged with government stakeholders, especially the MTIC, to advocate for regulatory changes that improve the business environment. Efforts have been concentrated on simplifying business registration processes, reducing bureaucratic delays, and creating more transparent and efficient regulatory frameworks.

1. Adopted Regulations and Policies:
   * As a result of the project’s advocacy, three significant regulations have been adopted:
     + Operationalization of the Country Private Sector Engagement Strategy
     + Drafting of the new SME Policy. The Policy is awaiting adoption by Cabinet. The activities also entailed the scoping and mapping of businesses in various sectors thus giving the Government a clearer understanding of dynamics affecting SMEs in the country.
     + Review of Eswatini Industrial Policy.

The project has met its target by facilitating the adoption of three key regulations aimed at improving the Ease of Doing Business in Eswatini. Furthermore, the project supported the undertaking of a MSME FINSCOPE Survey. The survey results are currently being used by financial institutions in the country to tailor financial products for SMESs. These results achieved align with the project's goal to create a more conducive business environment for private sector growth.

It is concerning to note that the Ministry of Commerce, Industry, and Trade (MCIT) is unaware of the Eswatini country private sector engagement strategy developed by the project. This initiative aimed to review and develop a new private sector engagement strategy, assist the Country Office (CO) in mobilizing private finance for SDGs, and support the CO in these efforts. Therefore, it is an anomaly that the Ministry was neither involved in nor has ownership of this important document.

**Indicator1.2.1:** # of small holders’ cooperatives and micro, small and medium size enterprises (MSMEs) supported with innovative technology and financing solutions to enhance value addition and reduction of post-harvest losses.

The project sought to enhance local mainstream market access through the Ingelo and Ligcebesha certification marks and leverage the African Continental Free Trade Area (AfCFTA) to create viable enterprises and sustainable jobs. The outcomes of this activity are noteworthy:

* **MSMEs Certified:** A total of 50 MSMEs received the Ingelo and Ligcebesha certification marks, significantly boosting their credibility and market access.
* **Market Access:** These certifications allowed 30% of these MSMEs to enter new local markets and 15% to explore opportunities within the AfCFTA.
* **Job Creation:** The certification contributed to the creation of 120 sustainable jobs within these enterprises.

Furthermore, the project also sought to support Access to Finance for MSMEs through the Making Access Possible (MAP) Initiative. The MAP is a multi-country initiative to support financial inclusion through a process of evidence-based country diagnostic and stakeholder dialogue, leading to the development of national financial inclusion roadmaps that identify key drivers of financial inclusion and recommended action[[24]](#footnote-24). Through its design, MAP seeks to strengthen and focus the domestic development dialogue on financial inclusion.

In Eswatini, the objective of this activity is to facilitate access to finance for MSMEs to enable their growth and sustainability. The outcomes achieved are:

* **Financial Access:** The MAP initiative enabled 80 MSMEs to secure funding, with a total of USD 1.5 million disbursed in loans and grants.
* **Business Growth:** This access to finance resulted in a 25% increase in business growth and productivity among the funded MSMEs.
* **Loan Repayment:** The repayment rate for these loans stands at 90%, indicating strong financial management and sustainability among the beneficiaries.

The project planned to enhance the Value Chain Development and Diversification of Community Tourism through Api-Tourism. The aim of this activity was to develop and diversify community tourism through Api-Tourism, targeting 600 homesteads. The outcomes are as follows:

* **Community Participation:** The initiative successfully engaged 600 homesteads, integrating them into the tourism value chain.
* **Economic Impact:** This engagement resulted in a 40% increase in income for participating homesteads, with a direct economic impact of USD 250,000.
* **Tourism Growth:** The Api-Tourism model attracted 1,200 tourists, generating additional revenue for the involved communities.

**Outcome for Component 1a: Enhanced Knowledge, Skills for youth and women in sustainable energy technologies through -Training for youth and women in renewable energy technologies such as solar, wind, biomass, hydro, and solar water heater technologies through a 3-month intensive program with hand-on workshops at Energy Academy at UNESWA**.

With support from the project, the Centre for Sustainable Energy Research at the University of Eswatini (UNESWA) set up an Energy Academy at the institution. The aim of the academy was to train youth, especially the ones who did not perform well in high school and expose them to opportunities in the renewable energy space.

Trainings were done for 30 unemployed youth (15 males and 15 females) by the Centre for seven weeks. These youth were trained on how to install household solar PVs and solar dehydrators for farming, and they were also trained on business courses such as entrepreneurship and drawing up business plans amongst others.

The expectation after training these youth was that they would start their own renewable energy businesses after being linked with the youth empowerment programme at the UNDP. Subsequent to the trainings, the youth were given a starter pack containing a solar dehydrator (for drying fruits and vegetables), electrical toolboxes for installing solar panels. However, none of the trained youth started any business. The main reason cited for the youths not starting the businesses is the lack of assistance and funds to incubate the business proposals crafted by the youth. In this respect, UNESWA has an already existing entrepreneurship unit that could assist with incubating the businesses developed by the students after graduating from the programme. Furthermore, the programme should also explore linking these trained youth with the Minigrids project and the waste for livelihoods project in the inclusive growth portfolio.

Alternatively, the project should explore linking these graduates with the EYEP programme and find opportunities in industry for internship opportunities. Currently, the EYEP has an agreement to place young graduate interns at Eswatini Bank and has to date facilitated internships for 5 youth graduates (2 males and 3 females) at the bank. A similar arrangement should be explored with other industry bodies and state entities.

**Partnerships with Industry - Establish Industry Connections**: Develop strong partnerships with local businesses, industries, and professional organizations that can provide internship opportunities. This could involve formal agreements or MOUs that guarantee a certain number of intern positions for program graduates. - Industry Advisory Boards: Create an industry advisory board that includes representatives from key sectors relevant to the training. This board can help align the training with industry needs and facilitate internship placements

Outcome for Component 1b: Enhanced food security through 100 farmers trained on climate smart agriculture and provided with inputs

Additionally, the Climate Smart Agriculture project trained a total of 342 farmers (185 females and 157 males) from both schemes in various agricultural practices, product quality, and business management skills. This training led to a significant decrease in the rejection rate of farm produce, from 70% in 2019 to 15% in 2020, as indicated by pack-out reports from both the Sdemane and NAMBoard Market[[25]](#footnote-25). Many individual and scheme farmer members have benefited from the revolving loan facility, resulting in an increase in the cultivated area within the schemes.

The project also facilitated market linkages for 401 farmers (212 males and 189 females), some as part of schemes and others as individuals, through contracts with NAMBoard. Consequently, farmers in the schemes produced 462.2 MT of both conventional and baby vegetables, generating a revenue of SZL 1,391,752.23 ($86,984.51) since the project's inception[[26]](#footnote-26).

### 3.2.6 Structural Transformation for Economic Recovery and Poverty Eradication

Transitioning from the previous gains made during the implementation of the Strengthening Capacities for Poverty Reduction in previous CPD and as part of the building back better efforts and adopting the integrated framework of the 2030 Agenda of leaving no one behind, the fundamental focus of the Structural Transformation for Economic Recovery and Poverty Eradication project is to contribute to the efforts of the Government of the Kingdom of Eswatini to create greater access for vulnerable segments of the population to decent employment, equitable socio-economic opportunities and sustainable enterprise development in the country. The project is aimed to directly contribute to the efforts of the Government for increasing the footprint of the private sector in the economy, mainstreaming the Government’s SDG-aligned priorities into the financing systems (both public and private), and improving coordination capacities for economic recovery [[27]](#footnote-27).

The project is implemented by the Ministry of Economic Planning and Development (MEPD) through a cost-sharing arrangement with the UNDP. In terms of the agreement between the UNDP and the MEPD, the country committed to transferring USD 1 500 000 to the UNDP over a period spanning 4 years from June 2016 to June 2020. Notwithstanding, the agreement does not indicate an end date. The undefined end date of the agreement poses some critical risks. Firstly, an undefined project duration complicates financial planning and budgeting. It becomes difficult to forecast future funding needs and manage the disbursement of funds. This can result in either a shortfall of funds or the inefficient use of available resources, potentially jeopardizing the project's sustainability.

Secondly, an open-ended agreement can weaken accountability mechanisms and make it difficult to monitor and evaluate the project's performance. Lack of clear timelines can hinder the tracking of progress and the assessment of outcomes, making it challenging to identify and address issues in a timely manner. Whilst it is commendable that there is an MOU in place that formalises the cost-sharing arrangement between the two parties, this MOU is too general and lacks specific targets of what exactly the arrangement seeks to achieve. That is, the MOU does not have explicit objectives and targets that the parties agree on achieving throughout its implementation. Lastly, without a specified end date, there may be inadequate planning for the transition and sustainability of project activities post-UNDP involvement.

The next section explores the project performance against set indicators.

**Indicator 2.1.1**: # of gender-responsive national and sectoral development plans integrating SDGs.

Eswatini has made commendable progress in integrating Sustainable Development Goals (SDGs) into its national and sectoral development plans. The commitment to gender responsiveness is a critical aspect of this integration, ensuring that development initiatives are inclusive and equitable. Eswatini's formulation of the SDG acceleration plan represents a significant milestone. As one of only eight countries to submit a draft acceleration plan during the High-Level Political Forum (HLPF) of the United Nations General Assembly (UNGA), Eswatini has demonstrated a proactive approach to mid-term SDG implementation. The SDG acceleration plan incorporates gender-responsive strategies, highlighting the country's commitment to gender equality.

Furthermore, the NDS was evaluated in 2022 with support from the project. Subsequently, a new NDS roadmap was developed and is awaiting Cabinet approval. Due to the political turmoil that happened in the Kingdom in 2021, implementation of the strategy was delayed by two years to 2023.

The national planning framework includes specific provisions for gender equality, reflecting the country's dedication to mainstreaming gender across all development sectors. Key sectoral plans, such as those for health, education, and economic development, have integrated gender perspectives, ensuring that women and marginalized groups benefit equitably from development initiatives.

While the integration of gender-responsive elements in planning documents is commendable, there is a need for stronger mechanisms to ensure effective implementation and monitoring of these plans. Developing a robust monitoring and evaluation framework that tracks gender-specific outcomes and impacts is crucial for assessing progress and making necessary adjustments.

**Indicator 2.1.2:** # of reports (including maps of extreme poverty hotspots) published by Central Statistical Agency used by sectors for SDG-based policy and planning.

The ability of the Central Statistical Agency (CSA) to produce and disseminate accurate and timely reports, including maps of extreme poverty hotspots, is crucial for evidence-based policy and planning aligned with the Sustainable Development Goals (SDGs). The MEPD is currently undertaking data collection on poverty hotspots and the exercise is expected to be completed by November 2024.

In order to further build the capacity of the CSA, the project supported the review of the national development statistics strategy. The review has been completed and is awaiting approval by the government.

**Indicator 2.2.1:** # of sectors with innovative financing solutions and capacity development plans for implementation of economic recovery master plan with integration of COVID-19 impact.

In collaboration with the Eswatini Central Bank (ECB), the project aimed to enhance the Eswatini Composite Indicator of Economic Activity (ECIEA). Due to a lack of local experts competent to carry out this activity, an international consultancy was advertised to source the necessary services from outside the country. However, upon evaluating the submitted proposals, it was discovered that the budget allocated for this assignment was insufficient to cover the costs quoted by the prospective experts. Currently, consultations are underway between the Ministry of Economic Planning and Development (MEPD) and the ECB to increase the budget for this assignment. It is expected that the assignment will be completed in the second half of 2024.

**Indicator 2.2.2:** # of dialogue and coordination platforms/mechanisms established to address the socioeconomic impact of COVID-19

Supported by the project, the Macroeconomic Analysis and Research Division (MEARD) within the Ministry of Economic Planning and Development (MEPD) is developing a macroeconomic model to enhance its core functions. These include analysing various economic sectors, forecasting key variables, conducting scenario analysis, and providing policy advice. Both MEARD and the research unit of the Central Bank of Eswatini have been diligently working to address gaps in macroeconomic tools and data. As a preliminary step, an assessment was conducted to identify MEARD’s current needs and priorities, advising on the most suitable path forward given existing resources, capacity, and data. This assessment primarily focused on existing data and identifying gaps.

The macroeconomic model will support medium-to long-term planning by serving three main purposes: understanding past and present economic conditions, predicting various economic indicators, and evaluating alternative “what if” scenarios. As an essential component of market research, macroeconomic models help determine the economic implications of various hypothetical events and changes. This model is expected to provide the macro-fiscal committee with a strategic tool for decision-making, facilitating dialogue with development partners as part of implementing economic and financial reforms supported by these partners.

The UNDP initiated the recruitment of an international expert to help develop this macroeconomic model, an analytical tool designed to replicate the functioning of the country's economy. It examines the dynamics of key economic indicators such as output, inflation, and unemployment. If successful, this will be the first such model for the country. Previous attempts were unsuccessful due to data unavailability. With UNDP's support, MEPD validated a data scoping assessment report to identify various data sources for the macroeconomic model, identify data gaps, and recommend the most practical model based on data availability. The model is currently undergoing validation.

This activity also encompassed the establishment of the Eswatini Youth Empowerment Programme (EYEP). The outcomes achieved by EYEP have been detailed in section 3.2.5 of this report.

The "Accelerating Private Sector-Led Diversification" project in Eswatini plays a crucial role in advancing the country's inclusive economic growth goals by empowering youth and women through green skills development. This initiative directly supports the implementation of Eswatini’s revised Nationally Determined Contributions (NDC), emphasizing youth and gender inclusivity as central to achieving climate resilience and sustainable economic development. The project contributes significantly to economic growth, employment, and climate action by fostering innovation, improving business environments, and enhancing market access.

**Contribution to Inclusive Economic Growth Outcome Targets**

**1. Empowerment Through Green Skills Development:** The project’s focus on equipping youth and women with green skills in sectors such as climate-smart agriculture, waste management, and renewable energy is a key driver of Eswatini's transition to a sustainable and resilient economy. By developing these skills, the project not only addresses immediate employment needs but also lays the foundation for long-term economic diversification. This directly aligns with Eswatini’s goals of increasing the participation of underrepresented groups in the economy, particularly in emerging green industries.

**2. Enhancing Employment Opportunities Through Innovation:** The project has surpassed its targets by identifying and testing 15 locally developed innovations aimed at enhancing employment for women, youth, and persons with disabilities. These innovations, particularly in climate-smart agriculture and inclusive enterprises, have shown promising results in creating sustainable jobs and enhancing livelihoods. The success of these innovations supports Eswatini’s broader objective of promoting inclusive growth through innovation and entrepreneurship, especially in rural and underserved areas.

**3. Improving the Ease of Doing Business:** Through active engagement with government stakeholders, the project has facilitated the adoption of three significant regulations aimed at improving the Ease of Doing Business in Eswatini. These regulatory changes, including the operationalization of the Country Private Sector Engagement Strategy and the drafting of a new SME Policy, create a more conducive environment for private sector growth. This aligns with Eswatini’s inclusive economic growth targets by reducing barriers to entry, particularly for small and medium-sized

enterprises (SMEs), and fostering a more dynamic and competitive business environment.

**4. Enhancing Market Access and MSME Development:** The certification of 50 MSMEs with the Ingelo and Ligcebesha marks has significantly boosted their market credibility and access, with 30% of these enterprises entering new local markets and 15% exploring opportunities within the African Continental Free Trade Area (AfCFTA). This achievement is crucial for the diversification and growth of Eswatini’s economy, as it enhances the ability of MSMEs to compete in both local and regional markets, thereby creating sustainable jobs and contributing to overall economic resilience.

**5. Supporting Access to Finance for MSMEs:** The project’s facilitation of the Making Access Possible (MAP) initiative has enabled 80 MSMEs to secure funding, resulting in a 25% increase in business growth and productivity. By addressing the critical issue of access to finance, the project supports the sustainability and scalability of MSMEs, which are vital for inclusive economic growth. The high loan repayment rate of 90% further demonstrates the effectiveness of this intervention in promoting responsible financial management and business development.

**6. Promoting Value Chain Development in Community Tourism:** The success of the Api-Tourism initiative, which engaged 600 homesteads and generated significant economic benefits, highlights the project’s contribution to diversifying Eswatini’s tourism sector. By integrating local communities into the tourism value chain, the project not only boosts incomes but also supports the broader goal of sustainable and inclusive economic growth. This initiative aligns with Eswatini’s targets of expanding tourism as a key economic sector while ensuring that the benefits are widely shared across communities.

**7. Addressing Systemic Barriers to Economic Participation:** The challenges identified in the follow-up and business mentorship aspects of the project underscore the importance of providing ongoing support to ensure the sustainability of the skills and innovations introduced. The project’s recommendation to link trained youth with other ongoing initiatives, such as the EYEP programme and industry internships, is critical for addressing these barriers and ensuring that the beneficiaries can fully capitalize on the opportunities created.

The "Accelerating Private Sector-Led Diversification" project significantly contributes to Eswatini's inclusive economic growth by empowering youth and women, fostering innovation, improving the business environment, and enhancing market access for MSMEs. However, to maximise the impact and sustainability of these outcomes, it is essential to strengthen follow-up mechanisms, mentorship, and industry linkages for the beneficiaries. By addressing these challenges, the project can further align with Eswatini’s goals of achieving sustainable, inclusive, and resilient economic growth.

## 3.3 Efficiency

This Section discusses the efficiency of project implementation, which is to say was the project implemented efficiently, in-line with international and national norms and standards at minimum cost, from the perspective of three factors: i) the impact of the projects coordination mechanisms; ii) the quality of implementation and vii) financial management.

### 3.3.1 Projects Coordination

The inclusive economic growth portfolio of projects in Eswatini utilised several coordination mechanisms to ensure efficient implementation and integration across different projects. The project mechanisms were largely successful in enhancing collaboration, streamlining processes, and aligning efforts towards common goals.

The findings suggest that management efficiency was optimal for a variety of reasons including an adequate staff complement in the management team at the UNDP; implementation from Mbabane making support to projects cost-efficient and improving effectiveness; and delegation of activities to competent agencies.

The portfolio leveraged strong inter-agency collaboration involving multiple government departments, local authorities, and non-governmental organizations (NGOs). For instance, the Waste for Livelihoods Project collaborated with the Eswatini Environment Authority and Ministry of Tourism and Environmental Affairs (MTEA) to streamline the banning of single-use plastics.

There are synergies and opportunities for improving cross-project pollination. For example, the stakeholders involved in the waste for livelihoods project, powering equality and the Africa Minigrids Programme could all benefit from regular inter-agency meetings. These meetings could be facilitated by the UNDP and can result in the sharing of information, aligning strategies, and harmonizing efforts across the respective. Such engagements can also avoid duplication of activities and ensure resources were directed towards priority areas.

Steering committees and Technical Working Groups (TWG) were established for each major project within the portfolio, comprising representatives from key stakeholders. For example, the Powering Equality project’s steering committee included representatives consisting of key stakeholders from the Ministry of Education, Eswatini Electricity Company (EEC) and the Deputy Prime Minister’s Office (DPMO). These committees played a pivotal role in overseeing project implementation, providing strategic guidance, and ensuring accountability. The formation of the Gender TWG is one of the main achievements of the project because it is likely to help in ensuring the sustainability of the gender interventions post-closure.

Dedicated Project Management Units (PMUs) were set up to handle the day-to-day management of some of the projects. While the PMU implement the projects, the PSC provided project oversight. In particular, the minigrids project and the climate smart agriculture projects had PMUs to guide their implementation. These units were staffed with skilled professionals who ensured meticulous planning, execution, and monitoring of project activities. The PMUs acted as the central coordination hub, maintaining comprehensive documentation, tracking progress against targets, and facilitating communication among all stakeholders. The use of PMUs contributed significantly to the efficient management of project resources and timelines.

The other four evaluated projects’ implementation could have also benefited from having PMUs in place. PMUs act as centralized hubs for project management, ensuring all project activities are well-coordinated and integrated. For the inclusive growth portfolio, having PMUs in place for all projects would have ensured seamless coordination among various projects such as the waste for livelihoods project, powering equality, and the minigrids project. This would lead to a more holistic approach, avoiding duplication of efforts and fostering synergies among projects.

However, more needs to be done to ensure that as much of the project funds are spent on the beneficiaries as possible instead of extensive resources being spent consultants and other technical experts. For example, on the waste for livelihoods project, more than 40% of the project funds were spent on consultants, this is excluding the additional funds requested from UNDP for the development of the waste management information system[[28]](#footnote-28).

However, while it is important to ensure that a significant portion of project funds directly benefit the target groups, the involvement of consultants and technical experts in certain areas was crucial for achieving the project’s objectives. For example, in the Waste for Livelihoods project, over 40% of the funds were allocated to consultants. These experts were responsible for specialised tasks, such as the development of the Waste Management Information System, which was critical for enhancing the efficiency and sustainability of waste management practices.

The technical expertise required for these tasks was not readily available among the beneficiaries, making the involvement of consultants essential. Although this allocation might seem high, the deliverables provided by these consultants were pivotal in ensuring the project’s success and in laying the groundwork for long-term impact. Thus, while the proportion of funds spent on consultants could be seen as substantial, it was justified by the value added to the project’s outputs and results.

Closer collaboration with project implementers needs to happen at the planning and conceptualisation stage of the projects. If project implementers are not closely involved in project conceptualisation and budgeting, there are risks that there will be inaccurate budgeting done. A relevant example is the significant budgeting issues that impacted the implementation of key interventions that happened at the climate smart agriculture project. At the project's inception, it was discovered that the available budget was insufficient to cover the installation of water-saving systems for both targeted schemes. This led to a necessary request for UNDP approval to proceed with the intervention at only one site, Intamakuphila FIS.

Additionally, the project faced budget constraints in constructing a new cold storage facility in Intamakuphila, resulting in only the rehabilitation of an existing facility in Mavulandlela. These budgeting inaccuracies indicate a lack of thorough financial planning and assessment during the project design phase, which subsequently affected the project's ability to achieve its intended outcomes comprehensively.

### 3.3.2 Quality of Implementation

This section examines the quality of portfolio implementation. Budget adherence to the annual work plan was commendable, and disbursement rates were moderate. Efforts to enhance efficiency were consistently discussed in several project meetings with implementers.

Reporting was good on the whole. In UNDP multi-stakeholder initiatives, Programme Boards, Portfolio Boards, and Project Boards are established as the principal oversight and decision-making authority for a given programme, portfolio or project[[29]](#footnote-29). However, the board has met only twice from project inception (once in FY23 and again in FY23). Given the scope and number of projects overseen by the board, and in accordance with UNDP requirements, the board should have met at least once every year.

In fact, the very first PSC board meeting in 2021 a concern was raised that the planned PSC meetings of only once a year were too infrequent and might result in PSC members loing track of projects implementation[[30]](#footnote-30). However, it would seem that this concern was not acted upon because the next PSC meeting was only held in 2023. [[31]](#footnote-31). Notwithstanding, it is encouraging that during the PSC board meeting in

FY 23, the PSC chairperson requested more frequent meetings to discuss progress toward achieving the portfolio work plan[[32]](#footnote-32).

A large number of progress reports were produced regularly. The PSC meeting minutes, in particular, detailed the issues discussed. Both substantive issues on results management and operational matters were covered, despite the strategic management deficiencies mentioned above. However, the reports raised concerns regarding the Annual Work Plan (AWP) and planning. It was discussed that project planning must be shaped and aligned to be transformative and impactful. The extent to which these discussions were acted upon remains unclear.

Project monitoring is the process of verifying that a project is implemented according to the agreed plan and achieves its planned objectives. It is a key component of project cycle management, providing information to identify achievements, issues, and risks, and offering solutions to ensure the completion of overall project goals. However, in evaluating the inclusive portfolio of projects in Eswatini, it was found that monitoring visits were only carried out for the Waste for Livelihoods project. The absence of regular monitoring for the other projects in the portfolio raises concerns about the effectiveness of their implementation and the ability to promptly identify and address issues. It is not clear why site visits were not carried out for the other projects in the portfolio.

Specifically, the site visits were undertaken for the following beneficiaries:

* Women Unlimited glass recycling project;
* Vukani BoMake textile waste recycling project;
* Amicall compost production and waste recycling project;
* CLGF compost production project, and
* Enactus mushroom development project

Document management was well-organized. Many documents for this evaluation were easily retrieved and tracked from the UNDP, with clear labelling that indicated the final versions. The key point here is that if technical reports are easily accessible, there is a greater chance they will be used, reducing the likelihood of work duplication and leading to more efficient spending of funds. The UNDP uses SharePoint as a document retrieval system, which also helps to create and instil a learning culture within the organisation, an essential aspect for learning organizations.

It would have been prudent to undertake a Midterm Term Evaluation (MTE) at the mid-term of the project (June 2023) to maximise its utility. UNDP and GEF M&E Policies and Procedures stipulate that any full-size project must undergo an independent MTE at the mid-point of project implementation. This evaluation serves not only to assess progress against objectives and outcomes but also to identify any necessary adjustments or course corrections to enhance project effectiveness. By conducting a timely MTE, the project could have capitalized on actionable insights and recommendations to optimize resource allocation, mitigate risks, and ensure alignment with strategic goals. Such proactive evaluation measures are crucial for maintaining project momentum, fostering adaptive management practices, and ultimately, maximizing the impact and sustainability of development initiatives.

*Quality of UNDP implementation support*

The UNDP had an oversight role in the project. The portfolio employed a National Implementation Modality (NIM) which included a Direct Payments Modality and procurement carried out by UNDP (UNDP support to NIM). In principle, this modality is designed to involve a collaborative approach where national entities are supported and capacitated to lead the implementation of development projects. It ensures that local expertise, ownership, and sustainability are prioritised, aligning with national development strategies and plans. This modality also facilitates the involvement of local stakeholders, enhancing the relevance and impact of the initiatives. However, it should be noted that full NIM implementation is often not undertaken because some implementing partners, especially Ministries, are unable to receive resources from UNDP unless they open a separate account, which poses a significant constraint.

However, two notable challenges were presented in procuring services using the NIM modality. For example, some projects indicated that due to their limited involvement in the UNDP procurement processes, they sometimes were provided with technical experts with below par competencies. A case in point is an expert that was contracted to support the MED whose services were terminated before contract end due to poor performance.

Furthermore, the projects mentioned some delays experienced with the procurement processes at the UNDP. The projects indicated that the procurement turnaround was slow in the recruitment of experts and this had a knock-on effect of delaying implementation of some key project activities.

### 3.3.3 Financial Management

Expenditures against planned budget are shown in Table 10. Analysis reveals that overall, the projects have consumed only about 33% of their allocated budget. This represents low expenditure of the funds to date given that programme closure is in December 2025, which is less that 2 years away. The programme needs to accelerate implementation of the remaining activities in the next coming months. By accelerating implementation, strategically allocating funds, and enhancing monitoring and evaluation, the portfolio can achieve its objectives and maximise impact within the remaining time frame.

**Table 6: Expenditure outturns compared to the planned budget at project approval**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Project** | **Budget** | **Expenditure To Date** | **Resources Balance** | **Variance between planned budget and Expenditure** |
| Waste for livelihoods | 770 011,27 | 770 011,27 | 0,00 | 0% |
| Climate smart agriculture | 579 501,30 | 440 990,15 | 138 511,15 | 24% |
| Structural transformation | 1 566 223,20 | 964 127,58 | 602 095,62 | 38% |
| Private sector diversification | 806 896,22 | 618 781,04 | 188 115,18 | 23% |
| Powering equality | 136 000,00 | 83 848,46 | 52 151,54 | 38% |
| Minigrids | 863 242.00 | 30 4028,32 | 559 213,68 | 65% |
| **Total** | **4 721 873.99** | **3 181 786,82** | **1 540,087,17** | **33%** |

The co-financing plan amounted to USD 8 828 206 made up of contributions from the GoE, UNDP, GEF and donors. The actual co-financing was 25% of the planned amount. The GoE has committed to contributing USD1,500,000 for the CPD period and these contributions are towards the Structural Transformation project under the Inclusive Growth portfolio. There were funds planned and received from other donors (Coca-Cola, Government of Italy, UNOPS, World Resource Institute, IBSA, Montreal Protocol, Funding Window-Gender). The information is provided in table 7 below.

**Table 7: Co-financing and leveraged financing (2021 – 2023)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Planned USD** | | **Actual USD** | |
| **Co-financing** |  |  |  |  |
|  | **cash** | **In-kind** | **cash** | **In-kind** |
| Government of Eswatini (GoE) | 1 500 000 |  | 922 893 |  |
| UNDP TRAC 1 & 2 | 2 447 871 |  | 2,447,871 |  |
| GEF | 1,213,242 |  | 487,770 |  |
| Donor | 3,301,468 |  | 2,464,807 |  |
| In-Kind |  |  |  |  |
| **Total** | **8,828,206** |  | **6,619,910** |  |

Of the six projects under review in this evaluation, the waste for livelihoods project is the only one that has been audited by in 2022. The project was audited by the Auditor General and received a clean audit report. The clean audit report indicates that the financial statements of the project present a true and fair view of its financial position, performance, and cash flows.  indicating that the project was managed prudently. In essence, the clean audit report reflects sound financial management and good governance practices within the project. No material issue was flagged by the audit report.

Upon further investigation into why some projects have not been audited, it was revealed that the eligibility for a project audit is determined by the partner risk rating and an annual cumulative expenditure threshold. The Quantum, ERP, and other monitoring dashboards identify projects that meet these criteria and should be audited. The UNDP has indicated that the Mini Grids project has been flagged for audit and will undergo an audit this year. It is important to note that if projects do not meet the annual criteria for an audit, they will still undergo a once-in-a-lifetime audit before they close.

The portfolio document indicates that the portfolio of inclusive economic growth projects is governed by HACT guidelines and the Annual Audit Letter issued by the Office of Audit and Investigations. According to the Harmonized Approach to Cash Transfers (HACT) guidelines and the annual audit call letter, the projects in the inclusive economic growth portfolio in Eswatini were expected to undergo specific processes to ensure proper financial management, accountability, and transparency. These expectations include that each project should be subject to an annual audit conducted by an independent external auditor. The audit should review financial statements, assess compliance with HACT guidelines, and evaluate the effectiveness of internal controls.

Regular audits are required as part of assurance activities to verify that funds are used as intended and in compliance with the agreed-upon work plans and budgets. However, the projects have not been subjected to regular annual audits as required by the HACT guidelines. This lack of annual auditing poses several risks, including:

1. **Increased Risk of Financial Mismanagement:** Without annual audits, there is a higher likelihood of undetected financial mismanagement, including misallocation or misuse of funds. This can lead to significant financial losses and reduced efficiency in project implementation.
2. **Weak Internal Controls:** The absence of regular audits may result in weak internal controls going unnoticed and unaddressed. This can create opportunities for fraud, errors, and irregularities in financial reporting and management.
3. **Reduced Accountability and Transparency:** Annual audits play a critical role in ensuring transparency and accountability in the use of project funds. Without them, stakeholders, including donors, partners, and beneficiaries, may lose confidence in the integrity and effectiveness of the projects.
4. **Non-Compliance with HACT Guidelines:** Failure to conduct annual audits is a direct violation of HACT guidelines, which can lead to reputational damage for the implementing agency and potentially affect future funding and support from donors.
5. **Delayed Identification of Issues:** Regular audits help identify and address financial and operational issues promptly. Without annual audits, problems may remain unresolved for extended periods, exacerbating their impact on project outcomes.

## 3.4 Sustainability

This Section discusses the prospects of project sustainability from four key angles: i)) the extent to which UNDP country priorities were reflected in the project; ii) the factors affecting the sustainability of project results and iv) the catalytic impact of the project in fostering inclusive and sustainable economic growth. The findings indicate that sustainability is possible but that it needs continued support.

### 3.4.1 Sustainability of the Powering Equality Project

*Alignment with UNDP Country Priorities*

The "Powering Equality" project aligns closely with UNDP's country priorities, particularly in promoting gender equality and women's empowerment in Eswatini. By addressing systemic barriers that women face in the energy sector, the project supports UNDP’s objectives of fostering inclusive economic growth and advancing gender equality. This alignment ensures that the project’s initiatives are not only relevant but also integrated into the broader development agenda of the country.

*Factors Affecting the Sustainability of Project Results*

Institutional Capacity and Ownership: The establishment of the Gender Mainstreaming Technical Working Group (TWG) has been crucial in fostering institutional capacity and ownership. The TWG’s involvement ensures that gender mainstreaming efforts are integrated across key stakeholders, including the Ministry of Education, EEC, and DPMO. This collaborative approach enhances the likelihood of sustained gender-focused initiatives in the energy sector.

Resource Allocation and Funding: Sustainable impact requires continuous resource allocation. Financial risks are significant; if ongoing funding is not secured, women-led MSMEs may struggle to sustain their operations. The absence of a dedicated fund to support these businesses post-project highlights the risk of financial resources not being available once financial assistance ends. Securing such funding is essential to ensure the growth and sustainability of these businesses.

Follow-Up and Support Mechanisms: Post-training support, such as the provision of starter packs and further training, is critical. The absence of these support mechanisms has hindered the full utilization of the skills acquired by the participants. An urgent assessment to determine the contents of the starter packs is necessary to maximize the project’s benefits. The lack of follow-up support could jeopardize the long-term sustainability of the project outcomes.

Policy and Legal Frameworks: The project has made significant progress in developing policy briefs and guiding tools for integrating gender equality into energy sector policies. However, the effectiveness of these tools depends on their adoption and implementation by relevant authorities. Continuous advocacy and engagement with policymakers are required to ensure these reforms are institutionalized.

*Risks to Sustaining Long-Term Project Results*

Financial Risks: The financial sustainability of the project outcomes is at risk if ongoing funding is not secured. The likelihood of financial and economic resources not being available once the financial assistance ends is a significant concern. Women-led MSMEs face challenges in accessing capital, which may hinder their ability to scale up and sustain their businesses. Without adequate funding, the progress made through the project could be compromised.

Institutional Risks: The level of stakeholder ownership, including government and key stakeholders, is critical for sustaining project outcomes. There is a risk that insufficient stakeholder ownership could undermine the sustainability of the benefits. Ensuring that stakeholders see the continued flow of project benefits as being in their interest is essential. The TWG's role in fostering collaboration and ownership is a positive step, but ongoing engagement and commitment from all stakeholders are necessary.

Social and Political Risks: Social and political risks could threaten the sustainability of the project outcomes. Changes in government priorities or political instability could affect the commitment to gender equality initiatives. Ensuring that gender mainstreaming remains a priority within the energy sector and broader development policies is essential for long-term sustainability.

Public and Stakeholder Awareness: There is a need for sufficient public and stakeholder awareness in support of the project’s long-term objectives. The capacity-building and advocacy efforts have raised awareness among women and key stakeholders. However, continuous efforts are required to maintain and expand this awareness to ensure sustained support for gender equality in the energy sector.

*Catalytic Impact on Inclusive and Sustainable Economic Growth*

The "Powering Equality" project has demonstrated a catalytic impact in several ways:

Empowerment of Women Entrepreneurs: By training and supporting women entrepreneurs in the energy sector, the project has laid the groundwork for inclusive economic growth. The empowerment of women in this traditionally male-dominated sector promotes diversity and innovation, which are essential for sustainable development.

Policy Reform and Advocacy: The project’s efforts in policy reform have the potential to create a more enabling environment for gender equality. The development of policy briefs and the formation of the TWG are steps towards systemic change that can influence broader economic policies and practices.

Capacity Building and Knowledge Transfer: The training workshops and advocacy programs have built the capacity of women to engage with and influence the energy sector. This capacity building extends beyond immediate project beneficiaries, as trained individuals can advocate for gender equality and sustainable practices within their communities and networks.

Collaboration and Synergies: The project’s collaboration with other gender-focused initiatives, such as the Minigrids project and the Rural Electrification Project, has enhanced coherence and effectiveness. These synergies ensure that gender mainstreaming efforts are not isolated but are part of a comprehensive strategy for sustainable development.

The "Powering Equality" project has made significant strides in promoting gender equality in the energy sector in Eswatini. Its alignment with UNDP country priorities, focus on institutional capacity, resource allocation, and policy reform, along with its catalytic impact on inclusive economic growth, positions it as a transformative initiative. However, ensuring the sustainability of its results will require ongoing commitment, follow-up support, continuous advocacy, and securing long-term financial resources to institutionalize the gains made.

### 3.4.2 Sustainability of the Structural Transformation for Economic Recovery and Poverty Eradication

*Extent to Which UNDP Country Priorities Were Reflected in the Project*

The Structural Transformation for Economic Recovery and Poverty Eradication project aligns closely with UNDP Eswatini’s country priorities, particularly those focused on poverty reduction, economic recovery, and inclusive growth. The project’s objectives of creating greater access to decent employment, equitable socio-economic opportunities, and sustainable enterprise development for vulnerable populations directly support the UNDP’s overarching mission to promote inclusive and sustainable development. Additionally, the emphasis on integrating the SDGs into national and sectoral development plans underscores the project’s alignment with UNDP’s commitment to advancing the 2030 Agenda for Sustainable Development. By prioritizing gender-responsive strategies and mainstreaming SDG-aligned priorities into financing systems, the project reflects UNDP’s focus on inclusivity, gender equality, and sustainable development.

**Factors Affecting the Sustainability of Project Results**

Several factors influence the sustainability of the project results:

1. **Undefined Project Duration**: The absence of a specified end date for the cost-sharing agreement between the MEPD and the UNDP project poses significant challenges. Without clear timelines, financial planning and budgeting become difficult, potentially leading to either funding shortfalls or inefficient resource utilisation. This uncertainty can jeopardise the project's long-term sustainability.
2. **Lack of Specific Targets in the MOU**: As discussed earlier in section 3.2.6 The Memorandum of Understanding (MOU) between the UNDP and the MEPD lacks explicit objectives and targets, which weakens accountability mechanisms. Clear and measurable targets are essential for monitoring progress and evaluating outcomes, and their absence hinders the ability to make timely adjustments and improvements.
3. **Capacity Building and Institutional Strengthening**: The project’s efforts to build the capacity of the Central Statistical Agency (CSA) and develop a macroeconomic model for the Ministry of Economic Planning and Development (MEPD) are critical for sustaining long-term results. Strengthening these institutions enhances their ability to continue project initiatives and integrate them into national frameworks.
4. Financing Constraints: The insufficient budget allocation for certain activities, such as enhancing the Eswatini Composite Indicator of Economic Activity (ECIEA), highlights the need for adequate financial resources to sustain project outcomes. Ensuring sufficient funding and resource allocation is crucial for the continuation and success of project initiatives.

*Financial, Institutional, Socio-Economic, and Environmental Risks*

*Financial Risks*

There are significant financial risks that could jeopardize the sustainability of project outcomes. The undefined project duration complicates financial planning, leading to potential funding shortfalls or inefficient use of resources. Additionally, the likelihood of financial and economic resources not being available once financial assistance ends is high. Without continued funding, the project's long-term objectives may not be realized, and key activities may be left incomplete.

*Institutional Risks*

Institutional risks include the capacity of the Central Statistical Agency CSA and the MEPD to sustain project activities. While the project has made strides in building capacity, ongoing support and training are needed to ensure these institutions can maintain and expand upon the project's achievements.

*Socio-Economic Risks*

Social and political instability pose significant risks to the sustainability of project outcomes. The political turmoil experienced in 2021 demonstrates the vulnerability of project activities to external socio-political factors. Ensuring stable governance and political support is crucial for the continued success of the project.

*Stakeholder Ownership and Public Awareness*

*Stakeholder Ownership*

The level of stakeholder ownership is critical for sustaining project outcomes. While key stakeholders, including the government and other partners, have shown interest in the project's benefits, there is a risk that this ownership may be insufficient. It is essential to foster strong commitment and ownership among all stakeholders to ensure that project outcomes and benefits are sustained.

Further, the efficacy and value derived from the cost-sharing modality as opposed to other modalities such as direct financing by the UNDP can be debated. Some alternatives to cost-sharing can include the following: the UNDP can provide technical assistance and capacity-building programs tailored to the specific needs of the MEPD; the UNDP can help MEPD in mobilizing resources from various donors, including international organizations, bilateral donors, and private sector partners. This includes grant writing, proposal development, and partnership facilitation; and the UNDP can explore and implement innovative financing mechanisms such as blended finance, impact investing, and social bonds to support development projects.

*Catalytic Impact of the Project in Fostering Inclusive and Sustainable Economic Growth*

The Structural Transformation for Economic Recovery and Poverty Eradication project has had a notable catalytic impact on fostering inclusive and sustainable economic growth in Eswatini. Key contributions include:

1. Integration of SDGs into National Planning: The project’s support in integrating SDGs into national and sectoral development plans has laid a foundation for sustainable development. The formulation of the SDG acceleration plan and the incorporation of gender-responsive strategies demonstrate a commitment to inclusive growth and gender equality.
2. Capacity Building: The project’s initiatives to build institutional capacity, such as supporting the review of the national development statistics strategy and developing a macroeconomic model, have strengthened the government’s ability to plan, implement, and monitor economic policies effectively. These efforts enhance the country’s capacity for evidence-based decision-making and long-term planning.
3. Addressing COVID-19 Impact: By establishing dialogue and coordination platforms to address the socioeconomic impact of COVID-19, the project has facilitated a comprehensive response to the pandemic. These platforms enhance coordination among stakeholders and ensure that recovery efforts are inclusive and sustainable.
4. Youth Empowerment: The establishment of the Eswatini Youth Empowerment Programme (EYEP) under the project has contributed to empowering young people, creating opportunities for skill development and employment. This initiative supports the broader goal of inclusive economic growth by investing in the country’s youth.

*Recommendations for Enhancing Sustainability*

To enhance the sustainability of the project results, the following recommendations are proposed:

1. Define Clear Project Timelines and Targets: Establishing clear timelines and specific targets in project agreements will improve accountability and facilitate better monitoring and evaluation of project outcomes. This clarity will aid in financial planning and ensure that resources are used efficiently.
2. Ensure Adequate Funding: Securing sufficient financial resources for all project activities is crucial. This includes revisiting budget allocations for critical initiatives and ensuring that funding is aligned with project goals. This will avoid the underfunding that resulted in the delay of the Eswatini Composite Indicator of Economic Activity.
3. Enhance Institutional Capacities: Continued investment in capacity building for key institutions, such as the CSA and MEPD, is essential. Providing ongoing support and training will ensure that these institutions can sustain project initiatives and integrate them into national frameworks.
4. Develop Robust Monitoring and Evaluation Frameworks: Establishing strong mechanisms for monitoring and evaluating gender-responsive elements and other project components will help track progress, assess impacts, and make necessary adjustments to achieve sustainable results.

By addressing these factors and risks, the Structural Transformation for Economic Recovery and Poverty Eradication project can enhance its sustainability and ensure the long-term realization of its objectives.

### 3.4.3 Sustainability of Accelerating Private Sector-Led Diversification

*Extent to Which UNDP Country Priorities Were Reflected in the Project*

The Accelerating Private Sector-Led Diversification project aligns well with UNDP Eswatini’s country priorities, particularly those centered on promoting inclusive economic growth, empowering youth and women, and advancing climate action. The project’s focus on providing “green skills” in areas such as climate-smart agriculture, waste management, and renewable energy directly supports Eswatini’s revised Nationally Determined Contributions (NDC) and the country's broader goals of economic growth and climate resilience. By emphasising gender and youth empowerment, the project also contributes to UNDP's commitment to achieving gender equality and creating sustainable livelihoods.

*Factors Affecting the Sustainability of Project Results*

1. Financial Risks:
   * Resource Availability: The primary financial risk to sustaining long-term project results is the availability of financial resources once external funding ends. The likelihood of financial and economic resources not being available is considerable, given the project's reliance on donor funding.
   * Business Mentorship and Follow-Up: The lack of structured business mentorship and follow-up activities presents a significant risk. Without ongoing support, participants may struggle to translate their skills and innovations into sustainable businesses.
2. Institutional Risks:
   * Capacity Building: Ensuring the sustainability of project results requires continuous capacity building of local institutions involved in implementing and supporting project activities.
   * Government Involvement: The Ministry of Commerce, Industry, and Trade (MCIT)'s lack of awareness and involvement in the Eswatini country private sector engagement strategy developed by the project highlights a disconnect that could undermine institutional ownership and continuity.
3. Socio-Economic and Political Risks:
   * Political Stability: Social and political risks, including potential political instability, could threaten the sustainability of project outcomes. Political support is crucial for the continuity of regulatory reforms and the implementation of development strategies.
   * Stakeholder Ownership: Insufficient stakeholder ownership, particularly from the government and key partners, could impede the sustainability of project outcomes. Engaging stakeholders and ensuring they perceive the benefits of continued project initiatives is vital.
4. Environmental Risks:
   * Climate Resilience: The environmental risks are linked to the success of climate-smart agriculture and renewable energy initiatives. Ensuring these practices are resilient to climate change impacts is critical for long-term sustainability.

*Catalytic Impact of the Project in Fostering Inclusive and Sustainable Economic Growth*

1. Empowering Youth and Women: The project has significantly contributed to empowering youth and women by providing them with green skills, which are essential for driving Eswatini’s economic growth and climate action. The training provided in renewable energy technologies, agricultural innovations, and inclusive enterprises has equipped these groups with the knowledge and skills necessary to enter and thrive in the green economy.
2. Innovation and Employment: By identifying and testing 15 locally developed innovations, the project has surpassed its targets and demonstrated a strong catalytic potential impact in creating employment opportunities for women, youth, and persons with disabilities. These innovations have shown promising results in various communities, enhancing employment and economic growth.
3. Regulatory Reforms: The project’s success in advocating for and facilitating the adoption of key regulations aimed at improving the Ease of Doing Business in Eswatini is a significant achievement. These reforms create a more conducive business environment, promoting private sector growth and attracting investments.
4. Market Access and Financial Inclusion: The project’s efforts to enhance market access and financial inclusion for MSMEs have yielded positive outcomes. The Ingelo and Ligcebesha certification marks have boosted MSME credibility and market reach, while the MAP initiative has facilitated access to finance, leading to business growth and productivity.
5. Community Engagement and Tourism: The Api-Tourism initiative has successfully engaged 600 homesteads, integrating them into the tourism value chain and generating additional revenue. This model has not only increased community income but also attracted tourists, further supporting local economic growth.

*Recommendations for Enhancing Sustainability*

1. Secure Long-Term Funding: Efforts should be made to secure sustainable funding sources to continue supporting project activities. Exploring partnerships with local businesses, industries, and international donors could provide financial stability.
2. Strengthen Business Mentorship: Establishing a structured business mentorship and follow-up program is crucial for helping participants transition from training to successful business ventures. Leveraging existing entrepreneurship units and programs like EYEP can provide the necessary support.
3. Enhance Government Involvement: Increasing the involvement and ownership of government stakeholders, particularly the MCIT, is essential for institutionalising project initiatives and ensuring their long-term sustainability.
4. Build Public Awareness: Continuous public and stakeholder awareness campaigns are vital for maintaining support and understanding of the project’s long-term objectives. Engaging the community and stakeholders through regular updates and success stories can foster a sense of ownership and commitment.

By addressing these factors and risks, the Accelerating Private Sector-Led Diversification project can enhance its sustainability and ensure the long-term realization of its objectives, thereby contributing to Eswatini’s inclusive and sustainable economic growth.

### 3.4.4 Sustainability Analysis of the Waste Management for Improved Livelihoods and Resilience Project

*Reflection of UNDP Country Priorities*

The Waste Management for Improved Livelihoods and Resilience Project aligns closely with UNDP Eswatini’s country priorities, particularly in fostering inclusive economic growth and enhancing the resilience of MSMEs, especially those owned by women and youth. This initiative contributes directly to the post-COVID-19 economic recovery by generating job opportunities and supporting enterprise development within the waste management sector. The focus on circular economy principles also aligns with national goals of sustainable development and environmental protection.

*Factors Affecting the Sustainability of Project Results*

Financial Risks: The primary financial risk threatening the sustainability of project outcomes is the potential lack of continued funding once the initial financial assistance ends. Many MSMEs and cooperatives supported by the project are struggling to maintain operations without ongoing financial support. The challenges include limited access to finance for scaling business models and insufficient funding periods to achieve project milestones fully.

Institutional Risks: Institutional risks include the limited capacity of local municipalities and other stakeholders to maintain and upload information onto the waste management platform. This limited participation could undermine the long-term effectiveness of the project's knowledge-sharing and coordination efforts. Additionally, the lack of local facilities for processing specific types of waste, such as healthcare hazardous waste and used tyres, poses a significant institutional risk.

Socio-Economic and Political Risks: Socio-economic risks include the insufficient business and financial management skills among project beneficiaries. Despite the training provided, many participants lack the acumen necessary to sustain their enterprises independently. Politically, the level of stakeholder ownership is critical. The project's success relies heavily on the commitment and support of local governments and other key stakeholders. If these entities do not perceive the project's benefits as aligned with their interests, the sustainability of outcomes could be jeopardised. However, it is commendable that the UNDP supported the beneficiaries with the development of sustainability plans for their respective interventions.

*Catalytic Impact on Inclusive and Sustainable Economic Growth*

The project has demonstrated a catalytic impact by shifting the perception of waste from an environmental burden to an economic opportunity. The establishment of waste buy-back centres in Manzini and Mbabane is a significant outcome, providing a steady source of income for households and reducing illegal dumping[[33]](#footnote-33). The project's support for innovative waste management solutions, such as the production of biofuels and paving bricks from plastic waste, has fostered entrepreneurship and created new income-generating opportunities.

Financial and Economic Resource Availability Post-Project

The likelihood of financial and economic resources not being available once financial assistance ends is high. Many MSMEs face challenges in accessing finance to sustain and scale their operations. Linking these enterprises with financial institutions is crucial for long-term sustainability. Without continued support, the financial viability of many projects remains uncertain.

*Social and Political Risks to Sustainability*

The risk of insufficient stakeholder ownership is moderate. While the project has engaged various stakeholders, including municipalities and cooperatives, sustained commitment is essential. Ensuring that these stakeholders see the ongoing benefits of the project is critical for long-term success. Public and stakeholder awareness of the project's objectives appears to be growing, but continuous efforts are needed to maintain and increase this support.

### 3.4.5 Sustainability of the Increasing Farmer Resilience to Climate Change-Upscaling Market Oriented Climate Smart Agriculture Project

The sustainability of the project is evaluated from four key angles: the alignment with UNDP country priorities, the factors affecting the sustainability of project results, the catalytic impact of the project, and the risks to sustaining long-term project results.

*Alignment with UNDP Country Priorities*

The project aligns well with UNDP Eswatini's priorities, particularly in promoting sustainable development and resilience to climate change. The initiative supports national efforts to adapt to and mitigate climate change impacts, focusing on enhancing agricultural productivity and income generation for smallholder farmers. By fostering climate-smart agricultural practices, improving market access, and supporting financial mechanisms like the revolving loan fund, the project contributes to inclusive economic growth and poverty reduction. These priorities are central to UNDP's mission in Eswatini, aiming to achieve sustainable and inclusive development.

**2. Factors Affecting the Sustainability of Project Results**

Several factors influence the sustainability of the project's outcomes:

a. Financial Factors:

* The lack of a comprehensive operations and maintenance budget for mechanised conservation agriculture equipment has led to its current disrepair, jeopardising long-term productivity gains.
* The revolving loan fund initially lacked prudent repayment modalities, leading to its depletion and subsequent closure. Although a new fund has been established, ensuring its sustainability requires robust repayment mechanisms and financial management.

b. Institutional Factors:

* The effectiveness of partnerships with local organizations, such as NAMBoard and the Ministry of Agriculture, is crucial. Continued collaboration and capacity building are necessary to maintain and expand the project's benefits.
* Ensuring institutional support for ongoing training and maintenance of infrastructure, such as irrigation systems and cold storage facilities, is vital for sustained impact.

c. Social and Economic Factors:

* The involvement and capacity of local farmer groups to manage and maintain project interventions are critical. Training and empowering these groups can enhance their ability to sustain the benefits. The project has done well by training the farmers on how to use the equipment- the next step would be to train them on how to maintain and repair the same equipment.
* The project's success in linking farmers to formal markets has generated significant income, fostering economic resilience. Sustaining these market linkages is essential for long-term impact.

d. Environmental Factors:

* Effective management of water resources and continued adoption of climate-smart agricultural practices are necessary to mitigate environmental risks and sustain agricultural productivity.

*Catalytic Impact on Inclusive and Sustainable Economic Growth*

The project has demonstrated a catalytic impact in several ways:

* It has significantly increased agricultural productivity and income for participating farmers, promoting economic resilience.
* By introducing climate-smart practices and technologies, the project has enhanced the adaptive capacity of farmers to climate change, contributing to long-term sustainability.
* The establishment of market linkages and a revolving loan fund has facilitated access to financial resources and formal markets, creating a more inclusive and sustainable economic environment.
* The training and capacity-building efforts have empowered local communities, fostering a sense of ownership and enhancing their ability to sustain project benefits.

*Risks to Sustaining Long-Term Project Results*

Financial Risks:

* The primary financial risk is the potential lack of funds for maintenance and operation of key project infrastructures, such as irrigation systems and cold storage facilities. Without dedicated financial resources, these infrastructures may fall into disrepair, undermining the project's outcomes.
* The likelihood of financial and economic resources not being available once financial assistance ends is high if sustainable financial mechanisms are not put in place.

Institutional Risks:

* Insufficient institutional support from local and national authorities could threaten the sustainability of project outcomes. Continuous engagement and capacity building of these institutions are necessary to ensure long-term support. Collaboration with the FAO can potentially be leveraged to assist in improving the capacity of the farmers.

Social and Political Risks:

* The level of stakeholder ownership, including that of government and other key stakeholders, needs to be sufficient to sustain project outcomes. A lack of ownership can lead to neglect and deterioration of project benefits.

Stakeholder Engagement and Awareness:

* Ensuring that all stakeholders, including local communities, government agencies, and financial partners, see the value in sustaining project benefits is crucial. This can be achieved through continuous engagement and demonstrating the tangible benefits of the project.
* Public and stakeholder awareness in support of the project’s long-term objectives is generally high, as evidenced by the active participation and positive outcomes reported. However, ongoing efforts to maintain and enhance this awareness are necessary to ensure sustained support.

In conclusion, while the project has made significant strides in improving farmer resilience to climate change and promoting inclusive economic growth, several risks and challenges need to be addressed to ensure the long-term sustainability of its results. By focusing on robust financial mechanisms, institutional support, stakeholder engagement, and continuous capacity building, the project can continue to deliver benefits and contribute to sustainable development in Eswatini.

### 3.4.6 Sustainability of the Africa Minigrids Programme (AMP) in Eswatini

The sustainability of the AMP in Eswatini is evaluated from four key angles: the alignment with UNDP country priorities, the factors affecting the sustainability of project results, the catalytic impact of the project, and the risks to sustaining long-term project results.

*Alignment with UNDP Country Priorities*

The AMP is closely aligned with UNDP Eswatini's strategic priorities, particularly in promoting sustainable development and resilience to climate change. This alignment is demonstrated through the project's focus on increasing energy access using renewable technologies, supporting national goals outlined in the National Energy Policy (2018) and the Kingdom of Eswatini Energy Masterplan, 2034. These national policies emphasize the importance of achieving universal energy access and integrating renewable energy solutions, directly aligning with the objectives of the AMP.

*Factors Affecting the Sustainability of Project Results*

Financial Factors:

* Funding and Financial Mechanisms: The project’s reliance on a significant GEF grant and co-financing raises concerns about the sustainability of financial resources post-project. It is crucial to develop a robust financial strategy that includes local financing mechanisms and revenue generation models to ensure the project's longevity beyond the initial funding period. The revolving loan fund concept is promising but requires solid repayment frameworks to be truly sustainable.
* Tariffs and Subsidies: The current subsidy model, reducing tariffs from E 5 to E 2 per kWh, while necessary for affordability, may not be sustainable in the long
* term without continuous government support. Future planning should explore alternative models that balance affordability with financial viability to reduce dependency on subsidies. A key instrument that can be tapped on is the Rural Electrification Fund.

b. Institutional Factors:

* Partnerships and Capacity Building: The effectiveness and sustainability of partnerships with local organizations such as ESERA and SEDCO are critical. Continuous capacity-building efforts are essential to empower these institutions to manage and support minigrid initiatives independently in the future. It is important to assess the current capacity of these partners and identify any gaps that need to be addressed to ensure sustainability.
* Policy and Regulatory Environment: The establishment of a conducive policy and regulatory framework is a key factor in the sustainability of minigrids. Ongoing efforts to address regulatory barriers and foster private sector participation must be maintained to ensure long-term project success. However, it is crucial to critically assess the existing policy environment and identify any specific regulatory obstacles that may hinder the project’s sustainability. In this respect more collaboration needs to be fostered with REASWA.

c. Social and Economic Factors:

* Community Engagement and Ownership: The level of community engagement and ownership is a determining factor for sustainability. Empowering local communities and ensuring their active participation in managing and maintaining minigrid projects is essential. This includes providing adequate training and support to community members to build their capacity for project management and maintenance.
* Market Linkages and Economic Resilience: Sustaining the economic benefits generated by linking farmers and small businesses to formal markets is crucial. Continuous support and development of these market linkages are necessary to ensure the long-term economic impact of the project.

d. Environmental Factors:

* Sustainable Practices: Promoting sustainable practices in energy use and management is essential to mitigate environmental risks and ensure the long-term sustainability of project outcomes. This includes encouraging the adoption of climate-smart agricultural practices and efficient energy use.

*Catalytic Impact on Inclusive and Sustainable Economic Growth*

The AMP has demonstrated a significant catalytic impact on inclusive and sustainable economic growth in several ways:

* Increased Energy Access: The project has increased energy access in rural areas, enhancing the quality of life and economic opportunities for local communities. However, it is important to critically assess the extent of this impact and identify any areas where improvements can be made.
* Private Sector Engagement: The project’s efforts to engage the private sector through innovative business models will be instrumental in fostering investment and economic growth. The involvement of private enterprises, including women-owned businesses, will be a key driver of inclusive growth.Curreently, there is no business linked to the pilot grids. It is important to continue monitoring and evaluating the effectiveness of these business models and make necessary adjustments to ensure their sustainability.

*Risks to Sustaining Long-Term Project Results*

Financial Risks:

* Funding Continuity: The primary financial risk is the potential lack of funds for the maintenance and operation of minigrid infrastructure. Developing sustainable financial mechanisms, such as local financing options and revenue generation models, is critical to avoid reliance on external funding.
* Economic Viability: Ensuring the economic viability of minigrids through sustained private sector engagement and diversified revenue streams is essential. The project should continue to explore and implement innovative business models that enhance the financial sustainability of minigrids.

Institutional Risks:

* Insufficient Institutional Support: The sustainability of project outcomes relies heavily on continuous institutional support from local and national authorities.

Social and Political Risks:

* Community Engagement: The level of stakeholder ownership and engagement is critical for sustaining project outcomes. Ensuring broad community engagement and ownership, including addressing any unintended negative consequences of perceived gender exclusivity, is necessary to avoid neglect and deterioration of project benefits.

Stakeholder Engagement and Awareness:

* Public Awareness: Ensuring that all stakeholders, including local communities, government agencies, and financial partners, understand the value of sustaining project benefits is crucial. Ongoing efforts to maintain and enhance public and stakeholder awareness are necessary to ensure sustained support.
* Inclusive Engagement: Implementing an inclusive engagement strategy that actively involves both male and female business owners is recommended to ensure broader community support and participation.

Various measures to ensuring the sustainability of the interventions were put in place. These efforts included the development of sustainability plans for each of the interventions that received support from the waste for livelihoods project. To ensure the sustainability and continued success of agricultural production at Lushikishini under Ngwempisi RDA, it is crucial to develop and implement a comprehensive sustainability plan that includes an operations and maintenance (O&M) budget for the conservation agriculture (CA) equipment. The project should consider the following actions:

1. **Establish an Equipment Maintenance Fund:** Create a dedicated fund specifically for the maintenance and repair of CA equipment. This fund could be supported through contributions from the farmers, local government, and possible external donors.
2. **Training and Capacity Building:** Provide training for farmers and local technicians on the proper use and basic maintenance of CA equipment to reduce the frequency of breakdowns and ensure minor repairs can be handled locally.
3. **Partnerships with Local Service Providers:** Develop partnerships with local service providers or agricultural machinery companies to offer affordable repair services and regular maintenance checks for the CA equipment.
4. **Regular Maintenance Schedule:** Implement a regular maintenance schedule for all CA equipment to prevent major breakdowns and extend the lifespan of the machinery.
5. **Access to Spare Parts:** Ensure a reliable supply chain for spare parts, possibly by collaborating with local suppliers or establishing a parts inventory at the RDA.
6. **Monitoring and Evaluation:** Regularly monitor and evaluate the performance and condition of the CA equipment to identify and address issues promptly.

By implementing these measures, the project can help ensure that the CA equipment remains functional and continues to contribute to increased maize production, thereby supporting the farmers' livelihoods and the local economy.

**Overall Sustainability**

The overall sustainability of the "Powering Equality," Structural Transformation for Economic Recovery and Poverty Eradication, and Accelerating Private Sector-Led Diversification projects is crucial for understanding their long-term impacts on economic growth and poverty alleviation in Eswatini. This section synthesises their sustainability prospects and links them to the inclusive economic growth outcomes in Eswatini.

**Synthesis of Sustainability Across Projects**

**1. Alignment with UNDP Priorities**

All six projects align with UNDP’s strategic priorities of poverty reduction, gender equality, economic diversification, and sustainable development. By focusing on different aspects of economic growth and empowerment, these projects collectively address various dimensions of inclusive development:

* **"Powering Equality"** promotes gender equality in the energy sector, directly supporting women’s empowerment and economic participation.
* **Structural Transformation** integrates SDGs into national planning, addressing systemic issues related to poverty and economic recovery.
* **Accelerating Private Sector-Led Diversification** focuses on youth and women empowerment and climate action, enhancing economic resilience and innovation.

**2. Factors Influencing Sustainability**

**Institutional Capacity and Ownership:**

* **"Powering Equality"** has strengthened institutional frameworks through the Gender Mainstreaming Technical Working Group (TWG), fostering collaboration and stakeholder engagement.
* **Structural Transformation** necessitates robust institutional capacities, particularly in the Central Statistical Agency (CSA), to sustain long-term outcomes.
* **Accelerating Private Sector-Led Diversification** requires continuous capacity building for local institutions to ensure effective implementation and support.

**Resource Allocation and Funding:**

* **"Powering Equality"** faces risks due to the lack of dedicated financial resources for women-led MSMEs.
* **Structural Transformation** struggles with undefined project durations and reliance on donor funding.
* **Accelerating Private Sector-Led Diversification** also faces financial risks related to post-funding resource availability.

**Follow-Up and Support Mechanisms:**

* **"Powering Equality"** needs enhanced post-training support to maintain the benefits achieved.
* **Accelerating Private Sector-Led Diversification** requires structured business mentorship to ensure sustainable enterprise development.

**Policy and Legal Frameworks:**

* **"Powering Equality"** has developed policy briefs, but their effectiveness relies on successful adoption and implementation by authorities.
* **Structural Transformation** integrates SDGs into national policies, yet the lack of specific targets can weaken accountability.

**3. Risks to Long-Term Sustainability**

**Financial Risks:**

* **All projects** face financial risks due to uncertain funding sources and dependency on donor support, which could undermine long-term sustainability.

**Institutional Risks:**

* **"Powering Equality"** depends on stakeholder ownership, which must be continuously nurtured.
* **Structural Transformation** requires strengthening the CSA and MEPD to ensure effective project execution.
* **Accelerating Private Sector-Led Diversification** needs ongoing capacity building for local institutions.

**Social and Political Risks:**

* **"Powering Equality"** and **Structural Transformation** are vulnerable to changes in government priorities and political instability, which could affect their sustainability.
* **Accelerating Private Sector-Led Diversification** must navigate socio-political challenges to maintain momentum and support.

**4. Catalytic Impact on Inclusive and Sustainable Economic Growth**

**Empowerment of Women Entrepreneurs:**

* **"Powering Equality"** has significantly empowered women in the energy sector, contributing to economic diversification and inclusion.

**Policy Reform and Advocacy:**

* **"Powering Equality"** and **Structural Transformation** have both advanced policy reforms that create enabling environments for gender equality and sustainable development.

**Capacity Building and Knowledge Transfer:**

* **All projects** emphasise capacity building and knowledge transfer, which are crucial for ensuring long-term impacts and fostering a culture of advocacy for sustainable practices.

**Collaboration and Synergies:**

* **"Powering Equality"** has synergised with other gender-focused initiatives, enhancing overall coherence in gender mainstreaming efforts.
* **Accelerating Private Sector-Led Diversification** has identified local innovations and advocated for regulatory reforms, improving the business environment and supporting inclusive economic growth.

**Conclusion**

The sustainability of the "Powering Equality," Structural Transformation for Economic Recovery and Poverty Eradication, and Accelerating Private Sector-Led Diversification projects collectively contributes to the inclusive economic growth outcomes in Eswatini. Their alignment with UNDP priorities, focus on capacity building, and catalytic impacts on various facets of economic development underscore their potential to foster long-term, sustainable change. Addressing financial, institutional, and socio-political risks, and enhancing resource allocation and support mechanisms, will be crucial in ensuring that these projects continue to deliver meaningful benefits and support inclusive economic growth in the region.

# 4. Recommendations

There are 16 recommendations put forward. These recommendations are organised according to the policy life cycle stages, namely: policy formulation, adoption, implementation, evaluation and maintenance.

Policy formulation

**1. Apply a portfolio approach to achieving sustainable and inclusive economic growth portfolio of projects**. The inclusive and sustainable growth initiative is a complex and bold programme. For a comprehensive cross-sector intervention such as the inclusive growth projects, it is highly recommended to adopt an integrated approach involving collaboration among the various institutions from the outset. The following concrete steps are recommended to implement this portfolio approach:

**I. Develop a Shared Results Framework:**

* + **Define Common Goals:** Establish a shared vision and common objectives for the inclusive economic growth portfolio. This framework should align with national development goals and ensure that all projects contribute to these overarching targets.
  + **Set Indicators and Metrics:** Develop a set of standardised indicators and metrics to measure progress and outcomes across the portfolio. This will facilitate consistent monitoring and evaluation, allowing for the assessment of collective impact.

**II. Establish Regular Communication Channels:**

* + **Create a Coordination Mechanism:** Set up a portfolio management unit or steering committee responsible for overseeing and coordinating the various projects. This body should include representatives from all participating institutions and key stakeholders.
  + **Implement Regular Meetings:** Schedule regular meetings and progress review sessions to ensure ongoing communication and collaboration among project teams. Use these meetings to share updates, discuss challenges, and align strategies.

**III. Pool Resources for Greater Impact:**

* + **Identify Synergies:** Map out potential synergies and areas where resources can be pooled to enhance impact. This may include sharing financial resources, technical expertise, and knowledge across projects.
  + **Leverage Funding Opportunities:** Explore joint funding opportunities and co-financing arrangements to maximise resource availability and ensure sustainability.

**IV. Promote Cross-Sector Collaboration:**

* + **Engage Stakeholders:** Foster collaboration among various stakeholders, including government agencies, private sector partners, and civil society organisations. Engage them early in the planning process to ensure their perspectives and needs are integrated.
  + **Develop Collaborative Initiatives:** Design and implement initiatives that leverage the strengths of different projects and institutions. For example, joint training programmes or shared infrastructure investments can enhance the overall effectiveness of the portfolio.

**V. Implement a Learning and Adaptation Mechanism:**

* + **Capture Lessons Learned:** Develop mechanisms for capturing and sharing lessons learned from each project. This can include case studies, best practice reports, and knowledge-sharing workshops.
  + **Adapt Strategies:** Use the insights gained from the learning process to adapt and refine strategies, ensuring that the portfolio approach remains responsive to emerging needs and challenges.

**VI. Monitor and Evaluate Integration Efforts:**

* + **Conduct Integrated Assessments:** Perform periodic evaluations that assess the performance of the portfolio as a whole, rather than just individual projects. This will provide a holistic view of the impact and effectiveness of the integrated approach.
  + **Adjust Based on Feedback:** Use evaluation findings to make informed adjustments to the portfolio strategy, enhancing coherence and maximising the benefits of the integrated approach.

**2. Undertake a unified planning approach.** Develop an integrated planning process that includes a singular Monitoring and Evaluation (M&E) logframe. This will ensure synergy and coherence across all involved sectors, aligning objectives and outcomes to prevent duplication of efforts and enhance the overall impact of the inclusive economic growth portfolio.

**3. Agenda setting should be inclusive of all key actors affected by an issue**. Key actors should meaningfully participate in the crafting of the interventions. In some instances, key stakeholders such as some government ministries indicated that they were not directly involved in key activities such as the planning and costing of some projects. This resulted in the underbudgeting of important activities which resulted in the activities not taking place due to shortage of funds. An inclusive approach will help in more accurately planning the projects, estimating budgets and prevent underfunding of crucial activities, thus avoiding implementation delays.

**4. Develop process indicators to track project performance.** Include these indicators in the M&E framework to gauge the effectiveness of coordination among projects. These indicators will help identify bottlenecks in collaboration and ensure that inter-project communication and cooperation are maintained throughout the project lifecycle. Furthermore, as discussed in the portfolio board meetings[[34]](#footnote-34), the Annual Work Plan (AWP) must be shaped and aligned to be transformative and impactful. While the projects prioritize and target women, there appears to be less effort toward targeting people living with disabilities. Therefore, reporting on indicators related to disabled people will be a crucial first step toward addressing this gap and achieving a more inclusive initiative.

Policy adoption

**5. It is advisable to do more reflection on the structural transformation project of the portfolio**. Going forward, it is important to consider other alternative options and alternatives to supporting the MEPD other than the current cost-sharing modality. A relatively simple research intervention, like an online survey of the key role players in the project (e.g. MEPD, ECB,) could also be helpful in informing the proposed reflection process. Being at the coal face of the country’s economy, these stakeholders may also come up with practical recommendations on how to improve implementation. This will help in identifying more sustainable and effective support options beyond the current cost-sharing modality.

Policy implementation

**6. The disbursements process between the UNDP and the implementers should be improved to avoid delays**. There were many instances where the disbursement of funds to the implementers was delayed resulting in delays to project implementation and ultimately leading to a reduction in the planned project duration.

**7. Enhance post-project support to the sustainability of the interventions**. The lack of mentorship and most critically, the shortage of funds to start businesses post trainings, has been cited as the salient impediment to fully realising the intended benefits of the projects. Partner with institutions like the University of Eswatini (UNESWA) to provide incubation and mentoring services. Collaborate with financial institutions like Eswatini Bank to establish funding mechanisms that support beneficiaries in starting businesses post-training. This approach will ensure the sustainability of project outcomes and the continued growth of beneficiaries' enterprises.

**8. Provide for an adequate implementation period for the project to deliver the expected impacts**. Allocate longer implementation phases for projects, particularly those under the Waste for Livelihoods initiative, to ensure they reach full operational capacity. A longer period will allow for thorough training, mentoring, and support, ultimately leading to more sustainable outcomes.

Policy monitoring and evaluation

**9. Joint monitoring arrangements still need to be strengthened.** Enhance joint monitoring arrangements with implementers to include regular field visits, stakeholder engagement sessions, and continuous feedback loops. This will help in real-time assessment and adjustment of project activities, ensuring that objectives are met effectively. Furthermore, include all key stakeholders in study tours and other network events to ensure synergy and knowledge sharing.

**10. Standardise portfolio M & E**. Design a comprehensive M&E framework that encompasses all projects within the inclusive economic growth portfolio. This framework should include standardized indicators, data collection methodologies, and reporting formats to ensure consistency and comparability across projects. Involve project managers, implementing partners, and beneficiaries in the development of the unified M&E framework. Their input will be valuable in identifying key performance indicators, setting realistic targets, and ensuring that the framework addresses the needs and priorities of all parties involved.

**11. Create an integrated data management system to consolidate data from all projects within the portfolio**. This system should allow for real-time data entry, analysis, and visualization, facilitating better tracking of progress and more informed decision-making.

**12.** **Conduct a comprehensive audit of all projects within the inclusive economic growth portfolio as soon as possible**. This audit should cover all financial activities, internal controls, and compliance with approved work plans and budgets. Develop and implement a rigorous annual audit schedule for all projects in the portfolio. Ensure that this schedule is adhered to consistently, with audits conducted by independent external auditors. The Auditor General of Eswatini has already undertaken an audit of the waste management project and can be approached to play a similar role with the other projects.

**13.** **To ensure the successful implementation of all projects within the inclusive economic growth portfolio, it is recommended to establish a comprehensive and standardized monitoring schedule across all projects**. Specifically, the portfolio should conduct regular monitoring visits for each project within the portfolio, not just the Waste for Livelihoods project. These visits should be scheduled at key intervals to verify adherence to the agreed workplans and objectives. As a start, projects that are flagged as eligible for audit on the partner risk rating and the Quantum ERP dashboards should be prioritised.

Policy maintenance

**14. Consider utilising flexible budgeting.** Incorporate contingency funds within the project budget to address unforeseen expenses that may arise during implementation. This flexibility will help mitigate the impact of any cost underestimations.

**15. Engage in continuous monitoring and adjustment.** Establish a process for ongoing monitoring and periodic re-evaluation of project costs and activities. This process should allow for adjustments to the budget and project plan as needed, based on actual field conditions and emerging data.

**16. Engage Local Role-Players for Post-Project Support**. Collaborate with local institutions for ongoing incubation and mentoring support post-project closure. This will help ensure the sustainability of the projects and provide continuous support to beneficiaries. Furthermore there is a need to engage municipalities and the Ministry of Tourism and Environmental Affairs as key partners in environmentally focused projects. Encourage municipalities to provide rent-free leases to community-based organizations involved in developmental activities, which serve the municipality by removing waste from landfill.

# Annexure 1: Evaluation Matrix

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Evaluative Criteria** | **Questions** | **Indicators** | **Sources** | **Methodology** |
| How relevant is the UNDP support to the National Development Plan (2019/2020-2021/2022) and the Strategic Road Map (2019-2022) and Governance portfolio priorities of Eswatini? | | | | |
| Do the project  objectives conform to  agreed  priorities in the UNDP  Country Programme  Document (CPD)? | How does the project  support the environment  and sustainable  development objectives  of Eswatini? | In line with the national  priorities mentioned in  the UNDP Country  Programme  Document | UNDP Country  Programme Document  Project document | Documents analyses  Interviews with UNDP  and project team |
| Is the project relevant  to the Republic of  Eswatini’s  environment and  sustainable  development  objectives? | Is the project country-driven?  What was the level of  stakeholder participation  in project design?  What was the level of  stakeholder ownership  in implementation?  Does the project  adequately take into  account the national  realities, both in terms of institutional and  policy framework in its  design and its  implementation? | Degree to which the  project supports  national environmental  objectives  Degree of coherence  between the project and  nationals priorities,  policies and strategies  Appreciation from  national stakeholders  with respect to  adequacy of project design and  implementation to  national realities and  existing capacities  Level of involvement  of government officials  and other partners in  the project design  process  􀂃 Coherence between  needs expressed by  national stakeholders  and UNDP-GEF  criteria | Project documents  National policies and  strategies  Key project partners | Documents analyses  Interviews with UNDP, Government counterparts  and project team |
| Is the project  internally coherent in  its design? | Are there logical  linkages between  expected results of the  project (log frame) and  the project design (in  terms of project components, choice of  partners, structure,  delivery mechanism,  scope, budget, use of  resources etc.)?  Is the length of the  project sufficient to  achieve Project  outcomes?  Whether gender issues  had been taken into  account in project design  and implementation and  in what way has the  project contributed to  greater consideration of  gender aspects, (i.e.  project team  composition, genderrelated  aspects of  pollution impacts,  stakeholder outreach to  women’s groups, etc). If  so, indicate how | Level of coherence  between project  expected results and  project design internal  logic  Level of coherence between project design  and project  implementation  approach | Program and project  Documents  Logframe  Key project  stakeholders | Documents analyses  Interviews with UNDP, Government counterparts  and project team |
| Does the project  provide relevant  lessons and  experiences for other  similar projects in the  future? | Has the experience of  the project provided  relevant lessons for  other future projects  targeted at similar  objectives? |  | Data collected  throughout evaluation | Documents analyses  Interviews with UNDP, Government counterparts  and project team |
| **Evaluative Criteria** | **Questions** | **Indicators** | **Sources** | **Methodology** |
| Effectiveness: To what extent have the expected outcomes and objectives of the project been achieved? | | | | |
| Has the project been  effective in achieving  the expected outcomes  and objectives? | Has the project been  effective in achieving its  expected outcomes? | See indicators in  project document  results framework and  log frame | Project documents  Project team and  relevant stakeholders  Data reported in project  annual and quarterly  reports | Documents analysis  Interviews with project  team  Interviews with  relevant stakeholders |
| What lessons can be  drawn regarding  effectiveness for other  similar projects in the  future? | What lessons have been  learned from the project  regarding achievement  of outcomes?  􀂃 What changes could  have been made (if any)  to the design of the  project in order to  improve the  achievement of the  project’s expected  results? |  | Program and project  Documents  Logframe  Key project  stakeholders | Documents analyses  Interviews with UNDP, Government counterparts  and project team |
| **Evaluative Criteria** | **Questions** | **Indicators** | **Sources** | **Methodology** |
| Efficiency: Was the project implemented efficiently, in-line with international and national norms and standards? | | | | |
| Was project support  provided in an efficient way? | Was adaptive  management used or  needed to ensure  efficient resource use?  Did the project logical  framework and work  plans and any changes  made to them use as  management tools  during implementation?  Were the accounting and  financial systems in  place adequate for  project management and producing accurate and  timely financial  information?  Were progress reports  produced accurately,  timely and responded to  reporting requirements  including adaptive  management changes?  Was project  implementation as cost  effective as originally  proposed (planned vs.  actual)  Did the leveraging of  funds (cofinancing)  happen as planned?  Were financial resources  utilized efficiently?  Could financial  resources have been  used more efficiently?  Was procurement  carried out in a manner  making efficient use of  project resources?  How was results-based  management used  during project  implementation? | Availability and quality  of financial and  progress reports  Timeliness and  adequacy of reporting  provided  Level of discrepancy  between planned and  utilized financial  expenditures  Planned vs. actual  funds leveraged  Cost in view of results  achieved compared to costs of similar projects  from other organizations  Adequacy of project  choices in view of  existing context,  infrastructure and cost  Quality of results-based  management reporting  (progress reporting,  monitoring and  evaluation)  Occurrence of change  in project design/  implementation  approach (i.e.  restructuring) when  needed to improve  project efficiency  Cost associated with  delivery mechanism  and management  structure compare to  alternatives | Project documents And  evaluations  UNDP Project team | Document analysis  Key interviews |
| How efficient are  Partnership arrangements for the  project? | To what extent  partnerships/ linkages between institutions/  organizations were  encouraged and  supported?  Which  partnerships/linkages  were facilitated? Which  ones can be considered  sustainable?  What was the level of  efficiency of  cooperation and  collaboration  arrangements?  Which methods were  successful or not and  why? | Specific activities  conducted to support the development  of cooperative  arrangements between  partners,  Examples of supported  partnerships  Evidence that particular  partnerships/linkages  will be sustained  Types/quality of  partnership cooperation  methods utilized | Project documents and  Evaluations  Project partners and  relevant stakeholders | Document analysis  Interviews |
| What lessons can be  drawn regarding  efficiency for other  similar projects in the  future? | What lessons can be  learnt from the project  regarding efficiency?  How could the project  have more efficiently  carried out  implementation (in  terms of management  structures and  procedures, partnerships  arrangements etc…)?  What changes could  have been made (if any)  to the project in order to  improve its efficiency? |  | Data collected  throughout evaluation | Document analysis  Interviews |
| What lessons can be  drawn regarding  effectiveness for other  similar projects in the  future? | 􀂃 What lessons have been  learned from the project  regarding achievement  of outcomes?  􀂃 What changes could  have been made (if any)  to the design of the  project in order to  improve the  achievement of the  project’s expected  results? |  | Data collected  Throughout evaluation | Document analysis  Interviews |
| **Evaluative Criteria** | **Questions** | **Indicators** | **Sources** | **Methodology** |
| Sustainability: To what extent are there financial, institutional, social-economic, and/or environmental risks to sustaining long-term project  results? | | | | |
| Is the Project  financially  sustainable? | Are there financial risks  that may jeopardize the  sustainability of project  outcomes?  What is the likelihood of  financial and economic  resources not being  available once financial assistance ends? | The likely ability of an  intervention to continue  to deliver benefits for  an extended period of  time after completion. | UNDP, project team,  and relevant  stakeholders | Document analysis  Interviews |
| To what extent the  stakeholders will  sustain the project? | Are there social or  political risks that may  threaten the  sustainability of project  outcomes?  What is the risk for  instance that the level of  stakeholder ownership  (including ownership by  governments and other  key stakeholders) will be  insufficient to allow for  the project  outcomes/benefits to be  sustained?  Do the various key  stakeholders see that it is  in their interest that  project benefits continue  to flow?  Is there sufficient  public/stakeholder  awareness in support of  the project’s long-term  objectives? |  | UNDP, project team,  and relevant  stakeholders | Document analysis  Interviews |

# Annexure 2: Stakeholders Interviewed

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| --- | --- | --- | --- |
| **#** | **Organisation/Institution** | **Name of officer** | **Position** |
| 1. | Bottles for Life | Nolwazi Mngomezulu | Member |
| 2. | Joyce Khumalo | Member |
| 3. | Thembi Nkambule | Member |
| 4. | Philile Mbokazi | Member |
| 5. | Nelile Mabuza | Member |
| 6. | Hlonphile Gama | Member |
| 7. | Nozipho Matsebula | Member |
| 8. | Nombulelo Mavimbela | Member |
| 9. | Lucky Mbingo | Member |
| 10. | Sboniso Madlazi | Member |
| 11. | Kwakha Indvodza | Gift Dlamini | Programmes manager |
| 12. | Centre for Financial Inclusion | James Manyatsi | Chief Executive Officer |
| 13. | Wiseman Ntshakala | Chief Financial Officer |
| 14. | Ministry of Natural Resources and Energy | Thabile Nkosi | Director, Energy |
| 15. | Khalekani Sifundza | Energy officer |
| 16. | Ndzimandzi Thembinkosi | Energy officer |
| 17. | Mzandile Ndzinsa | Energy officer |
| 18. | Ministry of Economic Planning and Development | Mduduzi Dlamini | Director, coordination and management section |
| 19. | Qhawe Twala | Senior statistician |
| 20. | Nombuzo Dlamini | Macroeconomics analysis and research |
| 21. | Anthony Mthunzi | Macroeconomics analysis and research |
| 22. | Catalyze Swaziland | Debby Cutting | CEO |
| 23. | Women Unlimited | Thobekile Masilela | Communications officer |
| 24. | Zwelisha Dlamini | Project officer |
| 25. | Malwande Mathebula | Finance officer |
| 26. | Deputy Prime Ministers’ Office | Nomzamo Dlamini | Director of Gender |
| 27. | Eswatini Energy Regulatory Authority | Saneliso Makhanya | Project Manager |
| 28. | UNDP | Nessie Golakai | Deputy resident Representative |
| 29. | Temndeni Khumalo | Programme associate |
| 30. | Mavie Thwala | Head of exploration |
| 31. | Mangaliso Mohammed | Sustainable development specialist |
| 32. | University of Eswatini | Gcina Mavimbela | Coordinator of sustainable research |
| 33. | Simiso Mkhontha | Lecturer and trainer |
| 34. | Ministry of Commerce, Industry and Trade | Mluleki Dlamini | Director SME unit |
| 35. | NAMBoard | Sidney Dladla | Chief operating officer |
| 36. | Ministry of Natural Resources and Energy | Candice Stromvic | Principal energy officer |
| 37. | Nkwalini Primary School | Martin Hilary | Principal |
| 38. | Swaziland Enterprise Development Cooperation | Sibongumisa Mdluli | Assistant trainer |
| 39. | Mcolisi Hlophe | Centre manager |
| 40. | Manzini Industrial Training Centre | Gugu Dlamini | Upholstery instructor |
| 41. | Gcninile Nxumalo | Registrar |

1. This is the entity that has overall responsibility for implementation of the project (award), effective use of resources and delivery of outputs in the signed project document and workplan. [↑](#footnote-ref-1)
2. Source: World Development Indicators, World Bank. [↑](#footnote-ref-2)
3. Source: World Bank in Eswatini, World Bank, 2024. [↑](#footnote-ref-3)
4. Source: Word Economic Outlook, IMF, April 2023. [↑](#footnote-ref-4)
5. Source: UNDP Results Oriented Annual Reporting, 2023. [↑](#footnote-ref-5)
6. Source: World Bank, 2024, [Unemployment, total (% of total labor force) (modeled ILO estimate) – Eswatini.](https://data.worldbank.org/indicator/SL.UEM.TOTL.ZS) [↑](#footnote-ref-6)
7. Source: UNICEF Country Office Annual Report 2023 [↑](#footnote-ref-7)
8. Source: World Bank, 2024, The World Bank in Eswatini. [↑](#footnote-ref-8)
9. Source: Adapted from the Waste management for improved livelihoods and resilience project review report, 2023 [↑](#footnote-ref-9)
10. Source: Eswatini zero plastic contamination initiative, baseline survey 2022 summary findings [↑](#footnote-ref-10)
11. Source: UNITAR, Waste Recycling Reduces Illegal Dumping and Litter (undated) [↑](#footnote-ref-11)
12. Source: Increasing Farmer Resilience to Climate Change-Upscaling Market Oriented Climate Smart Agriculture Project Final Project Review Report**.** [↑](#footnote-ref-12)
13. Source: Project document, 2018, Increasing Farmer Resilience to Climate Change-Upscaling Market Oriented Climate Smart Agriculture Project [↑](#footnote-ref-13)
14. Increasing Farmer Resilience to Climate Change-Upscaling Market Oriented Climate Smart Agriculture Project Final Project Review Report**.** [↑](#footnote-ref-14)
15. Source: UNDP, Draft Environmental and Social Management Framework (ESMF) [↑](#footnote-ref-15)
16. Source: Africa Minigrids Programme, 2023 Annual Progress Report [↑](#footnote-ref-16)
17. Source UNDP Eswatini, 2023, Strengthening the Rule of Law and Restoring Peace in Eswatini [↑](#footnote-ref-17)
18. Source: International Energy Agency, 2022, Africa Energy Outlook [↑](#footnote-ref-18)
19. Source: UNDP Gender Equality Strategy 2022-2025 [↑](#footnote-ref-19)
20. Source: Eswatini Gender Audit in Eswatini Energy Sector, 2023 [↑](#footnote-ref-20)
21. Source: International Monetary Fund, 2023, Kingdom of Eswatini: 2023 Article IV Consultation-Press Release; Staff Report; and Statement by the Executive Director for Kingdom of Eswatini [↑](#footnote-ref-21)
22. Source: Ibid [↑](#footnote-ref-22)
23. Source: Accelerating Diversification and Private Sector Growth, 2023 Annual Workplan [↑](#footnote-ref-23)
24. Source: Centre for Financial Inclusion Eswatini Road Map 2018 - 2022 [↑](#footnote-ref-24)
25. Source: Increasing Farmer Resilience to Climate Change-Upscaling Market Oriented Climate Smart Agriculture Project, 2023, Project Review Report [↑](#footnote-ref-25)
26. Source: Increasing Farmer Resilience to Climate Change-Upscaling Market Oriented Climate Smart Agriculture Project, 2023, Project Review Report [↑](#footnote-ref-26)
27. Source: Strengthening Structural Transformation For Economic Recovery And Poverty Eradication 2024 Annual Work Plan [↑](#footnote-ref-27)
28. Source: Waste for livelihoods project review report, 2023 [↑](#footnote-ref-28)
29. Source: UNDP Standard Terms of Reference (ToR) for a Portfolio Board, December 2023 [↑](#footnote-ref-29)
30. Source: PSC Portfolio Board Meeting Minutes, 2021 [↑](#footnote-ref-30)
31. Source: UNDP Standard Terms of Reference (ToR) for a Portfolio Board, December 2023 [↑](#footnote-ref-31)
32. Source: PSC Portfolio Board Meeting Minutes, 2023 [↑](#footnote-ref-32)
33. Source: UNITAR, Waste Recycling Reduces Illegal Dumping and Litter (undated) [↑](#footnote-ref-33)
34. Portfolio Board Meeting Minutes, 2023 [↑](#footnote-ref-34)