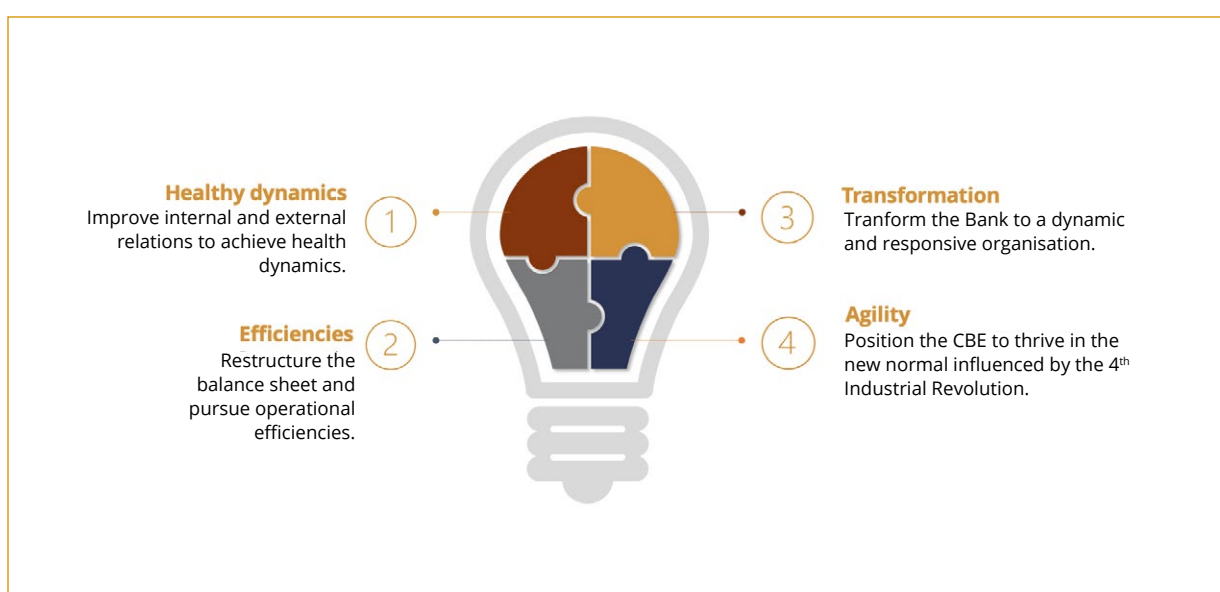


Our Strategy

The year under review marked the second year of the implementation of our 2021-2024 Strategic plan whose mission is “To foster price and financial stability that is conducive to the economic development of Eswatini”.

Our vision, which is “To have a stable price and self-regulating financial system to foster economic development”, defines the desired future state that enables the Bank to continue and deliver on its mandate. Our strategy is anchored on four key areas, below



From these focus areas, we derived our strategic objectives and action programmes, each with a detailed action plan.

In order to assess the current health status of the Bank and its ability to deliver on its objectives, periodic reviews were undertaken. Our major drive is operational efficiency and strategic relevance. Throughout the year, monthly and quarterly monitoring as well as evaluations to ensure the successful implementation of the strategy were done. We measured our operational targets in terms of achievement and performance outcomes for the period as outlined in the next page.



Operational Targets and Performance Outcomes

	Performance Measure	Unit of Measure	2022/23 Target	2022/23 Actual	Comments
1	Adequate supply of high-quality currency.	%	99.0	100	All cash withdrawal requirements from commercial banks were met.
2	Maintain annual import cover within approved target.	Months	4.00	2.5	- The country's reserves position remained strained throughout 2022/23 on account of lower Southern African Customs Union (SACU) inflows, alongside rising Government budgetary obligations and persistent net Rand outflows to commercial banks. At the end of 2022/23, reserve holdings were sufficient to finance 2.5 months of goods and services, slightly weaker than the 2.6 months recorded at the end of 2021/22. - The outlook remains weak despite the doubling of SACU receipts in 2023/24. Downside risks to the reserves outlook could emanate from the relentless net Rand outflows from trades with commercial banks, sustained Government fiscal challenges, as well as external debt repayment strains, particularly the commencement of the repayment of the IMF loan.
3	Maintain average inflation within target range.	%	3 - 7	5.3	- The average inflation outcome for the financial year 2022/23 was 5.3% after slowing down to an average low of 3.6% recorded in the financial year 2021/22. Inflation rose in the financial year 2022/23 mainly due to pressures emanating from food and oil prices as a result of the outbreak of the Russia-Ukraine war. - Projections indicate that inflation is expected to remain at the same level of 5.3% in 2023/24. - Inflation has trended within the target band and is envisaged to remain within the target range in the short to medium-term.
4	Effective external stakeholder management.	%	75	74	The results show a stable rating of 74%. Areas where the Bank performed well were provision of quality information to stakeholders, timeliness, clarity, ease of understanding, adequacy and relevance of information. Moreover, a majority of our stakeholders have a positive image of the CBE. They believe that the Bank is trustworthy and ethical in the implementation of our mandate. The area of concern was customer service with the understanding and registration of complaints through the Ombudsman office scoring lowest.



5	Improved employee engagements.	%	90	81	This reflects a 5% increase compared to the survey outcomes of the previous year. The highest scoring drivers of engagement were Organisational Environment and Team Relations. Other drivers which fell above the Organisational average of seven (7) are Strategic Alignment, Manager Intent and Resilience. The lowest scoring drivers were Recognition as well as Praise and Change Readiness.
6	Operational expenditure within budget.	%	98	100.045	Actual expenses exceeded budget by 0.045% due to unanticipated staff terminal benefits paid out, litigation and forensic audit costs.
7	Personnel cost to income ratio.	%	41	33	Below projection due to favourable revenue.
8	Personnel cost to total expenses.	%	53	49	As projected and below threshold due to prudent expenditure controls.
9	Cost to income ratio.	%	77	68	Below projection and below threshold due to prudent expenditure controls and favourable revenue.
10	Improve Enterprise Risk Management (ERM) Maturity level.	Level	4.5	5	The 2022 ERM Maturity results indicate a momentous achievement of the level 5 maturity level with 97.9% points attained in the self-assessment tool prescribed by the International Operational Risk Working Group. This is beyond the expected outcome of level 4 having remained in level 3 for the past three years. Significant progress was recorded in 4 of the aspects considered for the maturity assessment being risk management process (with the highest weight), risk reporting, risk culture as well as scope and outcome.