



**OPENING REMARKS BY THE CHAIRPERSON OF THE ESWATINI ECONOMIC
CONFERENCE, THE GOVERNOR OF THE CENTRAL BANK OF ESWATINI, MR.
MAJOZI SITHOLE**

**FOR THE OFFICIATION OF THE ESWATINI ECONOMIC CONFERENCE OPENING,
AT THE ROYAL SWAZI SPA, ZULWINI
23 OCTOBER 2019**

Programme Director,
Your Excellency the Right Honourable Prime Minister,
Honourable Cabinet Ministers present here,
Members of the Diplomatico,
Members of both houses of Parliament,
CEO's and Captains of Industry,
Senior Government Officials,
Private Sector Representatives,
Representatives of the Academia,
Our esteemed Panel of Experts,
Members of the Media,
Distinguished Guests,
Ladies and Gentlemen

Good Afternoon,

1. Your Excellency, I am very honored to have this opportunity to say a few words in relation to the second issue of the Eswatini Economic Conference, which was first lunched in 2017. On behalf of the tripartite, namely; the Central Bank of Eswatini (CBE), the Eswatini Economic Policy Research and Analysis Centre (ESEPARC) and the University of Eswatini (UNESWA), I would



like to express our great pleasure in welcoming you all to the second Eswatini Economic Conference. Your Excellency, please allow me to also extend our sincere gratitude to the institutions that agreed to partner with the tripartite to make this conference a success and these are Eswatini Revenue Authority (SRA), Royal Science & Technology Park (RSTP), Eswatini Communications Commission (ESCCOM), First National Bank (FNB) and United Nations Development Program (UNDP).

2. Through convening such conferences, the tripartite has set out to create a platform for innovative ideas that would positively impact the country's development to be put on the table for policy makers to consider.
3. Your Excellency, in 2017 our goal was mainly to undertake a simple diagnosis of the economic issues confronting the Kingdom of Eswatini in an effort to provide evidence based policy solutions to the different economic challenges facing the country. Deliberations from the previous conference culminated in a conference report which was submitted to cabinet to inform Government policy. We believe that the policy recommendations which emanated from that conference played a crucial role to inform policy decisions by government. This conference therefore builds on the previous recommendations whilst at the same time it is intended to provide new recommendations based on the current developments and future prospects.
4. Informed by the outcomes of the previous conference and in line with current innovative developments we have themed this year's conference 'KNOWLEDGE, INNOVATION AND DEVELOPMENT IN ESWATINI: CURRENT AND FUTURE PROSPECTS'. Technological advancements are redefining the way we do things. While we are only beginning to see how new technologies have transformed payments, lending, remittances, trade finance and correspondent banking, newer innovations are poised to cause more disruption to the way we live, produce goods and services, and relate to one another as individuals and countries, and the global economy at large.



5. Your Excellency, one must hasten to note that His Majesty's Government under your leadership recognizes the importance of knowledge and innovation in creating jobs for the country's citizens. Indeed, high levels of unemployment, skills exodus and low levels of innovation are some of the impeding factors to economic prosperity. Many have also argued that the major cause of the foregoing issues is that there is limited exploitation of the scientific enterprise in Eswatini. Studies have shown that there is currently under-investment in research and development (R&D) and higher education, as well as limited support for entrepreneurship and entrepreneurial activities, which are restricting the country's ability to master knowledge and innovation and have greater control of the economy.
6. In that regard your Excellency, we would like to applaud His Majesty's Government, for the establishment of the Royal Science and Technology Park (RSTP) whose objective is to cultivate innovation and entrepreneurship and thereby contribute to job creation and wealth creation in the Kingdom. We have no doubt that through such initiatives the country will reach greater heights by harnessing new technologies to its advantage.
7. Economic growth for the Kingdom of Eswatini in recent years has fallen below the desired SADC level of 7 per cent with high indications of slow recovery expected going forward. Preliminary estimates indicate that domestic output for the year 2018 grew by 2.4 per cent against the 2.0 per cent recorded in 2017. Significant growth in manufacturing and mining are expected to drive overall growth to 1.4 per cent in 2019 before increasing to 2.9 per cent and 1.7 per cent in 2020 and 2021, respectively. In spite these positive numbers, downside risks remain elevated. In an effort to address any imbalances and to buffer our economy against risks that may have significant effects on the performance of the economy, government developed the National Development Strategy which guides the formulation of development plans and the equitable allocation of resources.
8. To achieve the country's national objectives as outlined in the National Development Strategy and to implement the Strategic Roadmap, as well as to



gain a competitive edge in the region and globally, we need to embrace innovation regardless of our limited resources. While Eswatini, as indicated in the Global Competitive Index of 2017, ranks among the least innovative economies, Government's investment in the Science and Technology Park is a positive move towards improving the country's innovative capacity and competitiveness. It is one of the major decisive steps towards transforming Eswatini into a knowledge economy, that is, an economy anchored on knowledge to sustain long-term growth.

9. This conference, by bringing together captains of industries, policy makers and support agencies of government, provides an opportunity for everyone to bring new ideas towards the developmental path of the country, especially now that we are gearing towards the fifth industrial revolution from which we, as a country, should not be left behind. In order to attain full benefits from the new wave of ideas, we need to properly develop a long term sustainable innovation eco-system which betters the way we conduct business, but most importantly accept the new ways of conducting business that can be beneficial to our economy.
10. Your Excellency, over the next two days, we will be addressed by various distinguished speakers comprising domestic and international experts who have vast knowledge on the subject matter of today. We are also privileged to have in our midst a panel of experts from key domestic institutions deemed to be at the forefront in driving innovation initiatives in the country and they will share their industry experience pointing to the key challenges and prospects for the domestic economy. At the center of this conference are the various studies that have been conducted by researchers from within and outside the tripartite.
11. At this point, it is important to note that this conference takes place under six key broad thematic areas, which are;
 - i) Knowledge generation and management for structural transformation, 10



- ii) The role of new technologies in strengthening productive capacities,
- iii) Building a competitive industrial base,
- iv) Human capital development and building capacities for the new economy in Eswatini,
- v) Structural and macroeconomic reforms to boost competitiveness and growth, and,
- vi) Financial innovation and macroeconomic stability.

12. In this regard, we wish to take this opportunity to encourage all stakeholders to take advantage of this conference as we endeavor to provide valuable insights for improved economic policy making and better positioning towards the attainment of the country's goal of first world status. As a country we cannot underestimate the importance of researchers and their recommendations to better develop our public policy. Such policies will ensure that our economy functions in a responsive manner that takes a leading role to discover new ideas to the economic challenges we continue to face.

13. Finally, we would like to thank you Your Excellency, the Right Honorable Prime Minister, for taking time out of your busy schedule to grace this gathering. Indeed, your presence guarantees the support of government in carrying out the policy advice that will stem out of the discussions and research findings from this conference. We strongly believe that programme of actions for the country comes through such gatherings, which enable us to identify the policy gaps and hence recommend suitable remedial measures to mitigate against any deficiency of our macroeconomic policies. Our special gratitude is also extended to the Hon. Minister for Economic Planning and Development, as well as the Hon. Minister for Finance for their unwavering support towards this conference.

14. Your Excellency, allow me to end by wishing us all fruitful deliberations in this conference and hope we will discover new opportunities in the growing area of innovation across the various sectors of the country's economy.

I thank you!

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