



MINISTRY OF FINANCE

QUARTERLY REPORT

For the Three Months Ended

30th June, 2020

**Mbabane,
Swaziland**

MINISTRY OF FINANCE

PUBLIC ENTERPRISES UNIT

QUARTERLY REPORT

For the Three Months Ended 30 June 2020

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List of Eswatini Category A Public Enterprises & Abbreviations

Sector & Enterprise	Abbreviation	Ministry
Agriculture		
1. Eswatini Dairy Board	EDB	AGRICULTURE
2. National Maize Corporation	NMC	AGRICULTURE
3. Eswatini Cotton Board	ECB	AGRICULTURE
4. National Agricultural Marketing Board	NAMBOARD	AGRICULTURE
5. Eswatini Water and Agricultural Development Enterprise	ESWADE	AGRICULTURE
Transport		
6. Royal Eswatini National Airways Corporation	RENAC	PUBLIC WORKS & TRANSPORT
7. Eswatini Railway	ESR	PUBLIC WORKS & TRANSPORT
8. Central Transport Organization	CTO	PUBLIC WORKS & TRANSPORT
9. Eswatini Civil Aviation Authority	ESWACAA	PUBLIC WORKS & TRANSPORT
Finance		
10. Eswatini Development & Savings Bank	EDSB	FINANCE
11. Eswatini Revenue Authority	SRA	FINANCE
12. Eswatini Development Finance Corporation	FINCORP	FINANCE
13. Sincephetelo Motor Vehicle Accident Fund	SMVAF	FINANCE
Utilities		
14. Eswatini Electricity Company	EEC	NATURAL RESOURCES & ENERGY
15. Eswatini Posts & Telecommunications Corporation	EPTC	INFORMATION COMMUNICATION & TECHNOLOGY
16. Eswatini Water Services Corporation	EWSC	NATURAL RESOURCES & ENERGY
Business Promotion		

17. Eswatini National Industrial Development Corporation	ENIDC	COMMERCE, INDUSTRY & TRADE
18. Small Enterprises Development Company	SEDCO	COMMERCE, INDUSTRY & TRADE
19. Commercial Board*	CB	COMMERCE, INDUSTRY & TRADE
20. Eswatini Competition Commission	ECC	COMMERCE, INDUSTRY & TRADE
21. Eswatini Investment Promotion Authority	EIPA	COMMERCE, INDUSTRY & TRADE
22. Eswatini Standards Authority	SWASA	COMMERCE, INDUSTRY & TRADE
23. Eswatini Youth Enterprise Revolving Fund	EYERF	SPORTS, CULTURE AND YOUTH AFFAIRS
24. Royal Science and Technology Park	RSTP	INFORMATION, COMMUNICATIONS AND TECHNOLOGY
Education		
25. University of Eswatini	UNESWA	EDUCATION & TRAINING
26. Southern African Nazarene University	SANU	EDUCATION & TRAINING
27. Eswatini Medical Christian University	EMCU	EDUCATION & TRAINING
28. Sebenta National Institute	SEBENTA	EDUCATION & TRAINING
Tourism and Environment		
29. Pigg's Peak Hotel & Casino	PPHC	TOURISM & ENVIROMENTAL AFFAIRS
30. Eswatini National Trust Commission	ENTC	TOURISM & ENVIROMENTAL AFFAIRS
31. Eswatini Tourism Authority	ETA	TOURISM & ENVIROMENTAL AFFAIRS
32. Eswatini Environment Authority	EEA	TOURISM & ENVIROMENTAL AFFAIRS
33. Eswatini Tourism Development Company*	ETDC	TOURISM & ENVIROMENTAL AFFAIRS
Information		
34. Eswatini Television Authority	ETVA	INFORMATION COMMUNICATION & TECHNOLOGY
Housing		
35. Eswatini National Housing Board	ENHB	HOUSING & URBAN DEVELOPMENT
Labour		
36. Conciliation, Mediation & Arbitration Commission	CMAC	LABOUR & SOCIAL WELFARE
37. Eswatini National Provident Fund	ENPF	LABOUR & SOCIAL WELFARE
38. Public Service Pension Fund	PSPF	PUBLIC SERVICE
Health		
39. National Emergency Response Council on HIV/AIDS	NERCHA	PRIME MINISTER'S OFFICE
40. Eswatini Nazarene Health Institutions	ENHI	HEALTH
41. Good Shepherd Hospital	GSH	HEALTH
Sports		

42. Eswatini National Sports & Recreation Council	ESRC	SPORTS, CULTURE & YOUTH AFFAIRS
Arts and Culture		
43. Eswatini National Council of Arts and Culture	ENCAC	SPORTS, CULTURE & YOUTH AFFAIRS
Youth Affairs		
44. Eswatini National Youth Council	ENYC	SPORTS, CULTURE & YOUTH AFFAIRS
Disaster Management		
45. National Disaster Management Agency	NDMA	DEPUTY PRIME MINISTER'S OFFICE
46. Baphalali Eswatini Red Cross Society	BERCS	DEPUTY PRIME MINISTER'S OFFICE
Regulatory Authorities		
47. Eswatini Energy Regulatory Authority	ESERA	NATURAL RESOURCES & ENERGY
48. Financial Services Regulatory Authority	FSRA	FINANCE
49. Eswatini Communications Commission	ECCOM	INFORMATION COMMUNICATION & TECHNOLOGY
50. Eswatini Public Procurement Regulatory Agency	ESPPRA	FINANCE
51. Eswatini Higher Education Council	ESHEC	EDUCATION
Energy		
52. Eswatini National Petroleum Company	ENPC	NATURAL RESOURCES & ENERGY

* Dormant

OVERVIEW

Introduction

1. The Public Enterprises Unit (PEU) was established under the Public Enterprises (Control & Monitoring) Act, 1989. This Act provides for the PEU to monitor the performance of the designated Category A Public Enterprises and to provide technical advice on their operations and policy management. The Act establishes a sound operational framework for the corporate governance of the Public Enterprise Sector in Eswatini.
2. The Act requires each public enterprise to submit a report to the PEU on its financial and operational performance, within one month after the end of every three months period. The PEU then compiles these reports for submission to the Cabinet Standing Committee on Public Enterprises (SCOPE). This quarterly report is the PEU's fulfilment of this requirement for the period from April – June 2020, which is the first quarter of the 2020/2021 financial year.

Reporting

Late Reports

3. There is only one enterprise that did not submit their reports for the quarter, as stated on page ten (10) of this report.
4. It is a statutory obligation for all Category A enterprises to report on a quarterly basis. The non-submission of quarterly reports is a violation of section 7 of the PE Act. Section 11 of the Act provides for a Disciplinary Tribunal that addresses issues of non-compliance with the Act as well as recommending disciplinary measures accordingly.
5. The quarterly reports are a vital part of the public enterprises monitoring and management process. Each enterprise's quarterly report is not only sent to the PEU, but should also be submitted and approved by the Board and the line Ministry. The PEU regularly draws individual Ministries and SCOPE's attention on cases of poor operational and financial performance, with accompanying suggestions on how they could be remedied.

SCOPE Approvals

6. SCOPE met six (6) times during the quarter and approved the following Scope Papers:
 - 1) Appointment of acting Executive Director of the Eswatini Standards Authority.
 - 2) Appointment of Ms. Nomcebo Mdziniso into the position of acting Chief Financial Officer for NAMBoard.
 - 3) Appointment of the acting Chief Executive Officer (CEO) for the Eswatini National Trust Commission (ENTC).
 - 4) Appointment of acting Executive Director of the Eswatini Environment Authority.
 - 5) Revocation of appointment of the chairperson and appointment of acting chairman of the Eswatini

- Television Authority (ETVA) board of directors.
- 6) Approval of auditors for 2019/20 – 2021/22 for Eswatini National Industrial Development Corporation (ENIDC).
 - 7) Appointment of Dr Njabuliso Dlamini to the National Emergency Response Council on HIV and AIDS (NERCHA).
 - 8) Appointment of Eswatini Higher Education Council board members.
 - 9) Appointment of PWC as external auditors for the Eswatini Posts and Telecommunications Corporation.
 - 10) Approval for Eswatini Bank performance bonus for the year 2018/19.
 - 11) Board of trustees for the Eswatini Nazarene Health Institutions.
 - 12) Appointment of the new Board of Trustees for the Good Shepherd Hospital.
 - 13) Appointment of Bursar/Chief Financial Officer for Eswatini Medical Christian University
 - 14) Request for the ratification of the appointment of the acting Director General for Eswatini Civil Aviation Authority.
 - 15) Appointment of board members for the Eswatini Water Services Corporation.
 - 16) Approval of appointment of the Chief Executive Officer (CEO for the Financial Services Regulatory Authority
 - 17) Approval of acting appointment of Chief Executive Officer (CEO for the Financial Services Regulatory Authority.
 - 18) Ratification of the appointment of the acting Director General and the acting Chief Financial Officer for the Eswatini Civil Aviation Authority.
 - 19) Approval of the Eswatini National Petroleum Company independent External Auditors
 - 20) Appointment of the SANU Board of Governors
 - 21) Appointment of members of Sebenta National Institute
 - 22) Appointment of External Auditors for the Conciliation, Mediation and Arbitration Commission (CMAC).
 - 23) Appointment of an acting Executive Director for the Conciliation, Mediation and Arbitration Commission (CMAC).
 - 24) Eswatini Water Services Corporation request for re-appointment of Ms. Susan Nkumane as Chief Finance Officer/ Finance Director.
 - 25) Approval to engage an External Audit firm at Eswatini Dairy Board
 - 26) Constitution of a new Board of Directors at the National Agricultural Marketing Board (NAMBoard).
 - 27) Extension of audit services for KPMG to audit RENAC's 2019/2020 financial year

Restructuring

RENAC

7. Following Government's decision to revive RENAC, the entity had requested Government to transfer its shareholding from Swazi Airlink to them and they also want to venture into the flying space like other airlines in the world.

General

Management Development - Individual

8. PEU continued supporting individual training of senior management of Public Enterprises through the training portion of the Loan Guarantee Fund. Under this program, enterprises send their senior managers to certain specific courses, upon the approval of the PEU to fund those workshops/conferences. Due to the worldwide shutdown in travel there were no requests for training during the quarter.

Management Development – Group Training

This program is planned to resume next year to allow the Loan Guarantee Fund to accumulate enough funds for this very essential program.

Corporate Governance

9. PEU is responsible for ensuring that Board of Directors are all trained on Corporate Governance. Through the LGF, some entities had benefited through the training of their Board of Directors. Following the adoption of King IV Code of Corporate Governance by the Government of Eswatini, a new syllabus will be developed and used by Public Enterprises in their governance trainings.

Eswatini Public Enterprises Association (SPEA)

10. SPEA brings together the Chief Executives of Category A Public Enterprises in a meeting with representatives of the PEU to discuss matters of mutual concern. There was no formal SPEAN Meeting in this quarter.

Non appointment of Chief Executive Officers, Chief Financial Officers.

The following Entities had not appointed substantive key positions;

- Eswatini Environment Authority (EEA) CEO
- Piggs Peak Hotel & Casino (PPH) CEO
- Eswatini Standards Authority (ESWASA) (CEO and CFO)
- Eswatini National Trust Commission (CEO and CFO)
- Eswatini Competitions Commission (CFO)

11. The non-appointment of the Chief Executive Officers is not a good sign of corporate governance and also this compromises the performance of the entities who are without substantive leaders for a very long time.

Public Enterprises Reforms

12. The Ministry of Finance through SCOPE approval had mandated ESEPARC together with a task team of 5 members to work on the study streamline, strengthen governance and improve performance of SOE's.

INDIVIDUAL ENTERPRISE REPORTS

For the quarter under review, the following enterprise did not submit their reports.

- Royal Science & Technology Park (RSTP)

I. AGRICULTURE SECTOR

1. ESWATINI DAIRY BOARD (EDB)

Parent Ministry: Agriculture

Operational Review

- A total of 18 cows/heifers were bred with artificial insemination to improve the overall performance of the dairy herd.
- In a bid to increase the technical service outreach to dairy farmers, the Board made 363 farm visits countrywide.
- The Board was engaged in 4 technical meetings with farmer groups, with an average attendance of 9 farmers per meeting, to discuss farm management and group formation.
- Two business plans were developed of which 1 was for a large scale dairy cattle farming business enterprises and the other was for a medium scale farmer. The farmers were further advised on how to seek funding for their projects and how to ensure their proposed business remain sustainable and viable.

- To protect the dairy industry, the Board drafted a proposal for the review of the import levy which was aimed at promoting local milk production, processing, distribution, consumption, investment in all phases of the industry.
- In promoting small scale dairy processing, the Board assisted 4 small scale dairy businesses with resource sourcing and technical advice.
- EDB continued to promote dairy projects in schools by providing technical advice and regular monitoring to ensure sustainability. Currently there are 15 schools with dairy projects and 7 have showed interest in the dairy project and preparations have begun.

Outlook

- The board is developing two feasibility study assessments for large scale government farms, which is aimed at attracting investment into large scale dairy farming.
- Completion of the processing plant in Matsapha.

Financial Situation

- Net profit after tax was E2.744m compared to E8.60m the previous quarter.
- Total revenue collected amounted to E9.13m compared to E18.47m collected the previous quarter.
- Total expenditure amounted to E6.39 compared to E7.77m incurred the previous quarter.

Financial Statements

	2020	2020	2019	2019
Income Statement	June 30	Mar.31	Dec. 31	Sept.30
Turnover	9,129,748	18,467,396	12,521,573	13,464,254
Expenditure	6,391,807	9,868,208	7,769,035	8,414,015
Net Profit	2,737,941	8,599,188	4,752,538	5,050,239
Balance Sheet				
Fixed Assets	11,820,407	9,302,132	9,404,438	8,646,017
Investments	105,379,685	103,323,711	93,949,488	80,979,991
Current Assets	52,694,666	49,635,477	48,650,518	56,778,770
Current Liabilities	17,944,726	17,223,865	23,532,195	22,685,068
Net Current Assets	34,749,940	32,411,612	25,118,323	34,093,702
Total Employment of Capital	151,950,032	145,037,455	128,472,249	123,719,710
Retained Income	143,984,013	137,071,437	128,472,249	123,719,711
Dairy Development Fund	7,966,020	7,966,020	-	-
Office Block	-	-	-	-
Medium Term Lease	-	-	-	-
Obligation	-	-	-	-
Total Capital Employed	151,950,033	145,037,457	128,472,249	123,719,710

PEU Comments

The Board realized a huge decline of E2.74m in profits compared to E8.60m the previous quarter. This was mainly due to the decline in levy collected as a result of less imports due to partial lockdown.

Engagement in dairy development activities also declined due to the minimal movement caused by the Corona Virus pandemic, however they have continued to pursue their mandate even under these challenging conditions.

2. NATIONAL AGRICULTURAL MARKETING BOARD (NAMBOARD)

Parent Ministry: Ministry of Agriculture

NAMBOARD reported as follows for the quarter,

Operational review

- The Market sold 432.4mt of produce worth E3.4m which represents a 32% growth when compared to same period last year. Most of the sales were realized in butternut, followed by onion, beetroot and potatoes. Others included green beans and tomatoes.
- 3, 184mt (331mt last year same period) of produce was collected from local contracted and non-contracted farmers who were paid a total of E28.5m for their produce. There was an increase in producer prices of four vegetables mainly due to the Covid-19 pandemic.
- The Farm Input Shop and Nursery achieved total sales of E1.67m (E1.02m last year same period) during the period; nursery produced and sold 1, 624,779 vegetable seedlings worth E0.77m, fertilisers, conventional vegetable seeds, and other sales include packaging material, nursery charges and chemicals worth E0.46m. A total of 3, 068 fruit trees were sold to farmers.
- Only 147 farmers were trained on potato production, farm business management and drip irrigation due to the Covid-19 pandemic. The quality assurance unit visited only 4 communities to ensure that they comply with market requirements and specifications.
- Global Good Agricultural Practices (GAP) and Hazard Analysis Critical Control Points (HACCP) audits were carried out in the period. The major finding was need for a full Covid-19 risk mitigation plan.
- The Board, SWADE and European Union initiated a Water Harvesting Dam Project (WHDP) and trained the 6 schemes which are on Swazi nation land that are to benefit from the project.

- NAMBOARD continued pursuing the critical projects in conjunction with SWADE, UNDP and ministry of Agriculture. Each of these projects were at various stages of development and they are the High Value Horticulture and Crop Project (HVHCP), Smallholder Market-led Project (SMLP), and Upscaling Climate Smart Agriculture Project. There were 62 new registrations into the Agricultural Marketing Information System (AMIS).
- The total export quantities of scheduled products was 33,42mt worth E171.8m compared to 32, 631MT worth E159.86m last year same period (2% increase). About 70.99mt worth E356m was imported compared to 116.45mt worth E489m last year same period, representing a 39% decrease. 501 import (567 last year) and 6 (4 last year same period) export permits were issued.
- A Greenhouse project worth E1.2m in collaboration with MTN for empowering the Youth of Lundzi by building 3 greenhouses and a mini pack house was initiated.
- The Board was tasked with facilitating the increase production of 7 key vegetables in response to the Covid-19 pandemic as part of food security. 8.32m seedlings were distributed nationally, E1.2m revolving Fund for purchasing inputs was set up for farmers and 426.77Ha planted with the priority vegetables.

Outlook

- Implement the COVID-19 Risk Mitigation Plan.
- Pursue scheduling of legumes, fish and beef by the Ministry and the revision of levy schedules.
- Continue AMIS registration, conduct Board induction and recruitment of CFO.

Financial Situation

- The Board recorded a deficit of E1.17m compared to surplus of E0.36m realised last year same period.
- Income from levies amounted to E10.23m for the period compared to E7.73m last year same period.
- Expenditure for the period amounted to E12.39m compared to E9.02m last year same period.

Financial Statements

	2020	2019	2018	2018
Income Statement	June 30	June 30	Sept. 30	June 30
Sales	6,642,676	3,757,415	4,770,897	4,235,594

Cost of Sales	6,029,451	2,739,859	4,627,854	4,647,034
Gross profit/loss	613,225	1,017,556	143,043	(411,440)
Income from levies	10,226,817	7,817,991	9,157,712	9,208,826
Other Income	270,762	763,553	2,275,555	666,284
Expenditure	12,394,269	9,243,593	9,240,784	9,879,687
Operating Profit/loss	(1,165,193)	355,507	2,335,525	(416,017)
Fixed Assets	52,900,618	42,390,525	42,778,028	39,574,548
Investments	23,220,096	29,065,659	23,528,901	25,112,653
Current Assets	19,095,128	9,275,357	11,246,509	11,220,944
Current Liabilities	12,701,160	8,501,205	7,623,331	8,088,622
Net Current Assets	6,393,968	774,152	3,623,178	3,132,322
Employment Capital	82,514,682	72,230,336	69,930,107	67,819,523
Retained Earnings	33,215,669	38,864,664	35,168,155	32,361,648
Revaluation Reserves	42,189,286	23,825,325	23,825,325	23,825,325
Long term loans	7,109,727	9,540,346	10,936,627	11,632,550
Total Capital Employed	82,514,682	72,230,335	69,930,107	67,819,523

PEU Comments

The Board incurred a deficit of E1.17m compared to a surplus of E0.36m same period last year attributed mainly to a drastic increase in depreciation charge caused by a revaluation of property, plant and equipment.

The Covid-19 Response initiative, which sought to promote increased production of 7 key vegetables as part of a national food security framework has yielded positive results such that the country reached self-sufficiency levels in cabbages and spinach in the period. The Board is commended for this initiative and is urged to look into the supply chain management and overall strategy of the initiative for a comprehensive production of the other vegetables beyond the pandemic.

3. NATIONAL MAIZE CORPORATION (NMC)

Parent Ministry: Agriculture

NMC reported as follows for the quarter,

Operational review

- Maize received dropped considerably to 91.6mt compared to 847mt received the same period last year.
- Maize imports totalled 8,451mt compared to 10,234mt same period last year, a decrease of 18%.
- A total of 99 farmers were contracted with a total area of 713ha for both maize and beans production.
- A total of 662ha were contracted (342ha for maize and 319 for beans) for winter crop production, a new project that has been mandated by the Ministry of Agriculture.
- Through the Corporation's extension services, 639 farmers were reached and trained on maize, sorghum and beans production.
- Sorghum farming was taken up by 9 farmers and a total of 10.8ha were planted in Lonhlupheko, Ngcina, Sigcaweni and Sibovini.
- Bean production went well, as good rains were received at the beginning of this quarter and farmers were shelling, drying and sorting their beans.
- In quality monitoring, a total of 38% of white maize did not meet the required specification compared to 15% last quarter and this was due to high moisture content.
- Two internal audits and food safety trainings were conducted and there were no critical findings which could render NMC's environment unsafe for food production.
- The Corporation acquired a phosphine (a toxic gas used for fumigation of grains) gas detector in an effort to strengthen preventative measures on chemical exposure.

Tractor Service Input and Subsidy Project

- A total of 7,084 hours were registered against 4,144 hours registered the same period last year which indicates a 71% increase.
- Functional tractors were 115 and 75 needed mechanical attention. On machinery production efficiency, 10.4 litres of fuel were used per hour compared to 11.11 litres the previous quarter.
- A total of E4.89m was received from Government for the 2019/2020 budget.

Financial Statements

Income Statement

	2020 Jun.30	2020 Mar.31	2019 Dec.31	2019 Sep.30
Total Income	27,489,273	67,898,544	58,564,992	33,080,319
Total Expenditure	34,161,308	74,588,686	59,466,990	34,149,073
Net Profit/ Loss	(6,672,035)	(6,690,142)	(901,998)	(1,068,754)

Balance Sheet

Non-Current Assets	35,528,260	35,639,247	36,555,401	35,353,479
Current Assets	(1,599,694)	905,814	21,179,666	(530,364)
Current Liabilities	28,690,872	16,246,268	37,343,832	13,321,860
Net Current Assets	(30,290,566)	(15,340,454)	(16,164,166)	(13,852,224)
Total Employmt of Capital	5,237,694	20,298,793	20,391,235	21,501,255
Share Capital	2,405,000	2,405,000	2,405,000	2,405,000
Grant : Plot 542 –land & Silos	5,025,762	5,049,032	5,646,900	5,677,927
: Maize Govt Grant	-	-	-	-
Revaluation Reserve	9,098,713	9,098,713	9,098,713	9,098,713
Retained Income	(11,291,782)	3,746,048	3,240,622	4,319,615
Total Capital Employed	5,237,693	20,298,793	20,391,235	21,501,255

PEU Comments

NMC incurred a loss of E6.67m compared to E6.69m incurred last quarter. The loss was largely due to the increase in the price of maize imports as demand was very high due to Covid-19 and the fact that millers were issued with import permits which drastically reduced the Corporation's maize sales.

Current liabilities increased to E28.69m from E16.25m last quarter, as a result of the Corporation's failure to liquidate its liabilities on time. This is a major challenge as it is a sign of insolvency, indicating that the Corporation is in the verge of collapse. The Tractor Service and Input Subsidy Project has been the major cause of this financial situation as NMC was forced to ensure it survives yet there were limited funds to finance the Project, resulting in NMC engaging Nedbank for an overdraft.

The Corporation is encouraged to engage in a vigorous marketing exercise to ensure an increase in sales in order for it to be in a better position to increase revenue.

The Government of Eswatini, through the Ministry of Agriculture is also encouraged to support NMC through the control of maize import permits. This will allow the Corporation to be the sole provider of maize in the Kingdom and ensure that small millers source their supplies from NMC, thus reducing competition. The selling price of maize also needs to be considered as the price of imported maize from South Africa fluctuates.

4. ESWATINI COTTON BOARD (ECB)

Parent Ministry: Agriculture

ECB reported as follows for the quarter,

Operational Review

- There was no rain in April and May except for the month of June whereby a total of 37.5mm of rainfall was received.
- Crop assessment was conducted and most farmers were picking and delivering cotton to the ginnery.
- Packaging material and farm inputs were distributed though the former at a larger scale as most farmers had begun harvesting.
- Cotton seed buying started with setting of scales to weigh the cotton and a total of 242,221kg worth E1.45m had been purchased from farmers.
- The maintenance of the ginnery equipment and recruitment of ginning staff was undertaken in preparation for the ginning season.
- Stock worth E3.48m was held as at the end of the quarter compared to E2.34m previously and it included: factory materials, ginnery stock, planting seeds, spraying chemicals and production stocks.
- The Credit Revolving Fund established to finance inputs for cotton production lended E0.22m to farmers whilst E0.41m was recovered.
- The Board hosted a mechanical harvesting field day aimed at demonstration mechanical harvesting in Eswatini which is the first of its kind.

Outlook

- The Board looks forward to buying cotton, distributing farm inputs and packaging material, cotton ginning, sales of ginnery products, recruiting cotton growers in preparation of new season.

Financial Situation

- Total income realized was E2.28m compared to E0.84m the previous quarter. This income includes government subvention of E1.5m.
- Total expenditure was E3.09m compared to E2.21m last quarter.

Financial Statements

Income Statement

	2020	2020	2019	2019
	June 30	Mar. 31	Dec. 31	Sept. 30
Income & Subvention	2,281,394	836,790	8,477,662	10,854,732
Expenditure	3,086,357	2,210,926	3,392,681	7,131,345
Profit/Loss	804,963	-1,374,136	5,084,981	3,723,387

Balance Sheet

Fixed Assets	2,188,345	2,217,358	2,217,358	2,217,358
Investments	523,726	780,710	780,710	780,710
Current Assets	10,131,091	7,839,319	7,666,990	12,925,605
Current Liabilities	2,069,815	1,650,488	2,040,694	5,550,969
Net Current Assets	8,061,276	6,188,831	5,626,296	7,374,636
Employment of Capital	10,773,346	9,186,899	8,624,364	10,372,704
Contributed Surplus	7,012,618	5,571,902	5,571,902	5,571,902
Retained Income	4,565,692	1,841,735	(94,935)	1,077,414
Net Profit/Loss	(804,963)	1,773,261	3,147,397	3,723,388
Capital Employed	10,773,346	9,186,899	8,624,364	10,372,704

PEU Comments

The Board realized an income of E2.28m compared to E0.84m of the previous quarter. It is important to point out that part of the income, E1.5m once-off injected by government as subvention to cater for operations of the Board. Expenses on the other hand increased to E3.09m compared to E2.21m as a result of seed cotton purchases and general operating expenses.

The Board continued to experience challenges with regards to funding the purchase of cotton from farmers.

5. ESWATINI WATER AND AGRICULTURAL DEVELOPMENT ENTERPRISE (ESWADE)

Parent Ministry: Agriculture

ESWADE reported as follows for the quarter,

Operational Review

LUSIP II LOWER USUTHU SMALLHOLDER IRRIGATION PROJECT Extension

- There were 152 gardens established on 10 Farmer Companies at the Mngometulu chiefdom.
- Designs and Tender Documentation for 560.3ha (Lot 1 – Offtake 1-3) were completed and submitted to Kuwait for a no objection.
- Designs and Tender Documentation for 304.8ha (Lot 2 – Offtake 4-5) were completed and submitted to BADEA for a no objection.
- Farm 1080 Irrigation Designs for maize project were completed, a proposed cropping pattern for the Farm was formulated and a draft implementation plan for the proposed maize production was prepared.
- The construction of LUSIP Tunnels are at 75% completion.
- The KaGamedze Potable Water Scheme treatment plant rehabilitation was completed.
- There were 131 VIP toilets constructed during the quarter.
- The bulk water system components in the Lubovane dam infrastructure are in good operational condition, the dam is safe and stable.

Smallholder Market-Led Project/Climate Smart Agriculture for Resilient Livelihoods (SMLP/CSARL)

- Operational guidelines to guide implementation of activities during the outbreak of Covid-19 were developed for the communities involved in the Land rehabilitation and ferrocement tank construction.
- The Project in collaboration with the Land Use and Planning Department (LUPD), carried out the irrigation rehabilitation works for 10 ha at Nhletjeni which is at 95% completion.
- 112 square bales were made towards the end of the summer season by 2 farmers groups. This is now enabling supplementary feeding of goats during this winter season.
- There was an increase in active Honey farmers from 350 to 427 and as a result colonies have also increased from 700 – 857 active hives.
- In this reporting period, 22.5 hectares of dry beans that were harvested.
- 72 of the lead farmers up-scaled their permaculture gardens by 50% (from 100m² to 150m²)

High Value Crop & Horticulture Project (HVCHP)

- The Agriculture Marketing and Information System (AMIS) captured 62 new registrations, and the system's website recorded 16 681 hits.
- 425,82 MT of produce was collected from local farmers and transported to local markets by the NAMBoard..
- The volume of imports increased from 77.1MT to 94.5MT reported this quarter while the volume of produce exported reduced from 52.8MT to 14MT under this period.
- LOT 2 land development in terms of bush clearing and land preparation is at 67% towards completion. The supply and installation of irrigation systems is at 55% towards completion.
- A total of 42.96ha was planted by 4 farmer companies.
- A total of 151.9 MT of produce was harvested by the four Farmer Companies from 32.6 ha. Harvesting is on-going on the 32.6 ha.

MKHONDVO/NGWAVUMA WATER AUGMENTATION PROJECT (MNWAP)

- The Honourable Minister of Agriculture Jabulani Mabuza formally introduced the MNWAP to Prince Gasa waNgwane on 30th April 2020. ESWADE also facilitated other introductory meetings for TAs at Nyatsini & Nsingizini Chiefdoms on the 8th May 2020.
- Profiling and mapping of homesteads within the Dam Basin has been completed.
- Asset survey exercise has been concluded pending the finalization of field surveys.
- Consultations with Traditional Authorities in Preparation for Resettlement is in Progress.
- Request for Proposals for Mpakeni Dam Access Roads has been submitted to the ESPRA for approval for a No Objection.

Financial Situation

- ESWADE received Government subvention of E2.49m this quarter and had a deficit of E0.69m.
- Capital expenditure released to date amounted to E23.79m (KDDP), E108.85 (LUSIP I), LUSIP II Extension E809.96m, Fruit Tree E11.8m, HVCHP E33.55m, WHDP E5.6m and SMLP E106.1m to date.

Financial Statements

	2020	2020	2019	2019
Income Statement	June 30	March 31	Dec 31	Sept 30
Income and Subvention	2 689 608	4 035 819	3,703,458	3 594 039
Expenditure	3 376 341	3 991 593	3 088 364	3 337 365
Surplus/Loss(-)	(686 733)	947 455	-149,303	256 675
Balance Sheet				
Fixed Assets	18 866 470	24 452 138	31 740 930	31 740 930
Capital Projects expenditure	1 120 630 117	1 048 380 137	928,414,165	815 946 286
Current Assets	171 960 882	164 130 949	194,963,769	215 704 209
Current Liabilities	65 540 360	58 006 660	41,423,711	36 438 805
Net Current Assets/Liabilities	106 420 522	106 124 289	153 540 058	179 265 404
Total Employment of Capital	1 245 917 110	1 178 956 564	1 113 695 153	1 026 952 620
Share Capital	2	2	2	2
Government Grant	553 735 328	541 244 947	527,759,375	537 273 803

IFAD Grant	53 731 116	49 600 559	64,752,033	52 030 936
GEF Grant	23 573 359	21 844 585	15,667,386	13 412 181
IRLI Grant	-	-	-	-
ADB Grant	544 891 450	496 442 460	435,556,236	354 013 836
OFID Grant	23,993,668	23,993,668	23,993,668	23,993,668
ICDF Grant	2 349 301	2 349 301	2 349 301	2 349 301
EDF IV – EU	28,405,759	28,405,759	28,405,759	28,405,759
Borrowings	408 923	247 080	383,190	644 931
Retained Income	14,828,203	14,828,203	14,828,203	14,828,203
Total Capital Employed	1 245 917 110	1 178 956 564	1 113 695 153	1 026 952 620

PEU Comments

ESWADE received a subvention of E2.49m this quarter and had a deficit of E0.69m compared to a surplus of E0.95m last quarter.

ESWADE is currently undertaking three major projects namely; Lower Usuthu Smallholder Irrigation Project Phase II (LUSIP II), the Smallholder Market-Led Project (SMLP) and the High Value Crop & Horticulture Project (HVCHP).

There were few activities implemented this reporting period as a result of the Covid-19 outbreak, which resulted in a partial lockdown

II. TRANSPORT SECTOR

6. ESWATINI RAILWAYS (ESR)

Parent Ministry: Public Works & Transport

ESR reported as follows for the quarter,

Operational Review

- A total of 1.55m tonnes of cargo were transported this period compared to 1.92m tonnes last period earning actual revenue amounting to E65.91m. Actual revenue earned last quarter was E73.10m.
- Imports traffic recorded a total of 0.048m tonnes compared to 0.050m tonnes prior quarter and actual revenue earned was E9.55m compared to E10.50m prior quarter.
- A total of 0.070m tonnes of cargo were exported compared to 0.023m tonnes last quarter. Revenue

earned from export traffic was E8.67m compared to E3.50m prior quarter.

- Inclusive in the imports/exports revenue is income from the Inland Container Depot (ICD) which recorded a total of 0.021m compared to 0.023m tonnes last quarter.
- A total of 1.43m tonnes were transported in transit traffic compared to 1.80m tonnes last quarter. Actual revenue earned was E47.69m compared to E59.10m earned last quarter.
- As a result of the Covid-19 pandemic, no revenue was generated from the passenger service this period.
- There were several derailments during the quarter which were caused by the Covid-19 pandemic. The most obstructed were the minerals that were heading for Richards Bay while the import container trains were also wedged.
- Matsapha ICD Phase II & Phase III Engineering Designs – A contractor was awarded the contract to undertake a feasibility study and by close of the quarter, a feasibility study inception report was submitted for endorsement.
- Work Package 4 (Eswatini Rail Link- Sidvokodvo to Phuzumoya upgrades) – this project was given a “no objection” approval for the engagement of Team Engineering to undertake the detailed design of the project by the African Development Bank through the Ministry of Works and Public Transport.
- Mpaka ICD Development – the schematic layout masterplan designs (blue print) for this project have been successfully completed. This blue print informs the high level cost of the feasibility studies and implementation of the project to operability stage.

Financial situation

- Total revenue was E73.35m compared to E78.63m last quarter.
- ESR recorded a profit of E6.21m compared to a loss of E4.38m last quarter.
- Total expenditure was E67.14m compared to E83.01m prior quarter.

Outlook

Give input to Attorney General’s office to improve the Railway Bill 2004 particularly the operations of the Rail Regulator, forward a request to the Republic of China on Taiwan for the expansion of the Dry Port implementation and continue with the implementation of the 2019-2022 strategic plan.

Financial Statements

	2020	2020	2019	2019
Income Statement	Jun. 30	Mar. 31	Dec. 31	Sep. 30
Revenue	73,346,000	78,627,000	88,853,000	89,313,000

Expenditure	67,136,000	83,011,000	71,639,000	77,950,000
Net Profit/Loss	6,210,000	-4,384,000	17,214,000	11,363,000
Fixed Assets				
Fixed Assets	671,247,000	677,088,000	675,045,000	676,046,000
Investments	36,945,000	36,945,000	35,245,000	32,845,000
Current Assets	268,151,000	271,721,000	278,839,000	313,078,000
Current Liabilities	60,677,000	55,229,000	41,000,000	56,209,000
Net Current Assets	207,474,000	216,492,000	237,839,000	256,869,000
Employment of Capital	915,666,000	930,525,000	948,129,000	965,760,000
Equity	279,200,000	279,200,000	276,630,000	275,127,000
Reserves	178,522,000	176,998,000	175,299,000	172,899,000
Retained Earnings	102,834,000	95,578,000	116,152,000	98,986,000
Non-Current Liabilities	355,110,000	378,749,000	380,048,000	418,748,000
Total Capital Employed	915,666,000	948,129,000	948,129,000	965,760,000

PEU Comments

The corona virus pandemic significantly impacted the operations of the Company, mostly on transit traffic as a result of the imposed lockdown by the regional governments and the national guidelines to contain the pandemic which challenged the flow of traffic. However, it was observed that the railing of raw sugar to Maputo Port was not obstructed as envisaged.

Eswatini Railways recorded a profit amounting to E6.21m compared to a loss of E4.38m incurred last quarter. The increase in profits was a result of a decline in expenditure from E83.01m last quarter to E67.14m this period. The decline in expenditure was mainly due to the decrease in operational costs and administrative costs as the annual planned shutdown maintenance was postponed to September 2020. Operational costs declined from E38.00m last quarter to E29.99 while administrative expenditure dropped from E33.94m to E27.36m this period.

7. ESWATINI CIVIL AVIATION AUTHORITY (ESWACAA)

ESWACAA reported as follows for the quarter,

Operational Review

- The State Safety Program (SSP) Bill will be tabled before Parliament in the second quarter and some of its provisions still require the Bill to be enacted.
- The Government Safety Inspector Training for flight operations personnel was not approved and training of Flight Operations Inspectors was pursued online due to covid 19.
- Eswatini updated the International Civil Aviation Organization (ICAO) with actions ESWACAA has taken to reduce the spread of the corona virus by air transport to ensure the health of travellers and aviation personnel.
- An Air Service License was issued to Mukonikoni for Agricultural aerial work operations and the license was valid for twelve months.
- There was a sharp decline in the number of landing and overflight permits issued as only 10 were issued compared to 41 last quarter and there were no scheduled flights as Airlink shut down her operations.
- There were no Occupational Health and Safety related incidents and accidents reported due to the downscaling of operations.
- The KM III IA played a major role in the repatriation of citizens and the terminal building was fumigated by the Ministry of Health.
- An Ethiopian cargo plane brought medical cargo for the Ministry of Health and a Taiwanese Medical Mission arrived on May 2, 2020.
- A total of 1168kg of waste was produced and collected at KM III IA.
- The KM III IA car park CCTV Installation Project was successfully completed as well as the deployment of printers to improve internal efficiency.
- A review of a MoU between ESWACAA and Eswatini Meteorological Services was planned for presentation to the Met Department to conclude the Service Level Agreement.
- There were ongoing engagements on the registration of land at KM III IA to be on a 99 year lease and this was fundamental in order to facilitate the development of a Special Economic Zone.
- The Civil Aviation Bill of 2019 was tabled for the second time in Parliament and it was later presented to the Parliament Portfolio Committee.

Financial Situation

- Government subvention was E9.00m compared to E33.60m last quarter.
- Other income was E1.79m compared to E3.32m last quarter.
- Total expenditure was E56.38m.

Financial Statements

	2020	2020	2019	2019
Income Statement	Jun.30	Mar. 31	Dec. 31	Sep. 30
Government Subvention	9,000,000	33,595,365	33,595,362	33,595,362
Other income	1,787,368	3,321,248	3,645,496	4,078,226
Expenditure	56,381,053	157,555,628	42,508,389	40,100,785
Operating Surplus/Deficit	(45,593,684)	(120,639,015)	(5,267,531)	(2,427,197)
Balance Sheet				
Fixed Assets	1,498,765,847	1,562,654,237	1,679,549,220	1,679,546,775
Current Assets	12,705,946	24,162,909	27,158,858	32,106,033
Current Liabilities	13,460,751	15,010,788	14,217,157	13,892,689
Net Current Assets	(754,805)	9,152,121	12,941,701	18,213,344
Total Capital Employed	1,498,011,042	1,571,806,358	1,692,490,921	1,697,760,119
Contributed Surplus	(1,208,783,607)	(1,134,988,291)	(1,014,303,727)	2,453,397,958
Retained income	2,706,794,649	2,706,794,649	2,706,794,649	(755,637,840)
Total Capital Employed	1,498,011,042	1,571,806,358	1,692,490,922	1,697,760,118

PEU Comments

ESWACAA continued to operate amid the Covid-19 pandemic. Although there was a slow - down in operations, the KM III IA received a number of flights that had brought PPE, medical supplies and Doctors as well as emaSwati who were repatriated from other countries. The Matsapha Airport was on special request to facilitate the operation of the RENAC State Aircraft.

The Authority incurred a deficit of E45.59m and this was largely due to delay in the release of subvention as the entity only received E9m for the quarter..

8. ROYAL ESWATINI NATIONAL AIRWAYS CORPORATION (RENAC)

Parent Ministry: Public Works & Transport

RENAC reported as follows for the quarter,

Operational Review

- The Corporation's activities were at minimal due to Covid-19, apart from mercy repatriation flights and ground handling of in - bound flights bringing essential goods to fight the pandemic.
- The VVIP Charter Unit successfully carried out one repatriation flight on the MD 87 from Manzini to Addis Ababa and back.
- All RENAC manuals required for the Air Operator Certificate application were submitted to the Regulator for review.
- Ground Handling services were carried out on Royal Jet, Gain Jet, Ethiopian Airlines, Air Botswana and Aurora Aviation amongst others.
- No accidents or incidents were reported during the quarter and renewal of RENAC's aircraft insurance was achieved.
- RENAC continued to manage the VVIP Terminal at KM III IA.
- The Corporation was in the process of driving the transfer of shares from Airlink Eswatini to RENAC and also prioritising finalisation of the application for Air Operator Certificate.

Financial Situation

- Subvention stood at E62.64m.
- Revenue from ticket sales was E0.06m.
- Ground handling revenue was E1.49m.
- Total expenditure was E46.76m from E25.75m last quarter.

Financial Statements

Income Statement

	2020	2020	2019	2019
	Jun.30	Mar.31	Dec.31	Sep.30
Income	9,250,399	8,540,032		2,170,169
Government Subvention	62,640,000	44,640,000		80,640,000
Expenditure	46,768,291	25,754,537		49,085,805
Operating Profit	25,122,108	27,425,497		33,724,364

Balance Sheet

Fixed Assets	431,594,259	23,671,029	12,657,020
Current Assets	217,376,095	234,752,202	170,750,210
Current Liabilities	22,235,158	42,332,126	8,995,890
Net Current Assets	195,140,937	192,420,076	161,754,320
Total Employment of Capital	626,735,196	216,091,105	174,411,340
Shareholder Contributions	100,466,998	100,466,998	100,466,997
Reserves	503,383,640	9,115,395	9,200,000
Retained Income	21,384,557	105,008,711	96,876,200
Ordinary Share Capital	1,500,000	1,500,000	1,500,000
Deferred Income	-	-	160,120,543
Total Capital Employed	626,735,196	216,091,105	174,411,340

PEU Comments

RENAC's activities were minimal due to the ongoing Covid-19 pandemic. Operations carried out included repatriation flights and ground handling of flights that had brought PPE, medical supplies. The Corporation continued to manage the VVIP Terminal at KM III IA.

The Corporation realised a surplus of E25.12m compared to E27.42m last quarter. Commission from tickets sales declined due to minimal operations as a result of the worldwide Covid-19 pandemic.

III. FINANCE SECTOR

9. ESWATINI DEVELOPMENT AND SAVINGS BANK (EDSB)

Parent Ministry: Finance

EDSB reported as follows for the quarter,

Operational Review

- Interest income was E44.7m compared to E46.02m last quarter.
- Interest paid amounted to E18.41m compared to E22.18m previously. The decrease was due to interest on long term borrowings following reductions in capital balances.

- A total of E29.13m was generated from fees and commissions and this was as a result of transactional fees and lending commissions.
- Investment income from various instruments amounted to E11.34m compared to E13.38m last quarter.
- Customer deposits were E1.47bln compared to E1.34bln last quarter.
- Loans and advances increased to E1.39bln compared to E1.53bln due to newly disbursed loans issued to corporate businesses.
- The Bank has completed all tests on the new MasterCard Debit Cards with enhanced functionality and are expected to be roll-out before the end of the coming quarter.

Financial Situation

- Results for the quarter reflected a profit of E0.01m compared to E5.61m last quarter.
- The total statement of financial position has increased to E2.5bln compared to E2.41bln last quarter.

Financial Statements

Income Statement

	2020	2020	2019	2019
	June 30	Mar. 31	Dec. 31	Sept. 30
Interest Income	44,701,000	46,019,000	45,466,000	50,850,000
Interest Expenses	18,410,000	22,176,000	22,617,000	24,004,000
Net Interest Income	26,291,000	23,843,000	22,849,000	26,846,000
Provisions	3,000,000	7,000,000	-	-
Net Int. Income after Prov.	23,291,000	16,843,000	22,849,000	26,846,000
Non-Interest Income	40,732,000	44,001,000	45,989,000	49,185,000
Operating Income	64,023,000	60,843,000	68,838,000	76,031,000
Total overheads	64,166,000	66,604,000	64,275,000	65,927,000
Operating Profit	-143,000	-5,760,000	4,563,000	10,104,000
Recoveries	153,000	148,000	149,000	3,414,000
Share of Loss from Associate	-	-	-	-
Total Loss/Profit	10,000	5,612,000	4,712,000	13,518,000

Balance Sheet

Liquid Assets	815,995,000	623,679,000	800,470,000	406,194,000
Loans & Advances	1,387,942,000	1,725,670,000	1,632,881,000	1,441,585,000
Other Current Assets/Debtors	26,757,000	13,106,000	20,030,000	24,442,000
Investments	-	-	-	352,949,000
Provisions	-	(194,536)	(187,555)	-
Equity Shares Metropolitan	15,207,000	9,223,000	9,223,000	19,223,000
Fixed Assets	252,545,000	228,836,000	226,992,000	219,379,000
Total Employment of Capital	2,498,446,000	2,405,978,000	2,502,042,000	2,463,772,000
Deposits	1,471,467,000	1,346,509,000	1,380,963,000	1,363,963,000
Long Term Liabilities	251,581,000	255,785,000	281,793,000	284,644,000
Other Liabilities	75,342,000	45,633,000	69,392,000	51,390,000
Special Funds	162,921,000	161,526,000	160,155,000	158,748,000
Shareholders' Funds	537,135,000	596,526,000	609,738,000	605,026
Total Capital Employed	2,498,446,000	2,405,978,000	2,502,042,000	2,463,772,000

PEU Comments

The Bank generated a profit of E0.01m during the quarter. A loss of E1.42m had been budgeted in line with the anticipated reduction in business volumes and revenues as a result of Covid-19 effects.

The Bank is working on projects aimed at growing business volumes, improve efficiencies and also enhance customer service. Such projects are VISA and Merchant POS acquiring, New MasterCard Debit Cards and the Business Intelligence System. These projects will definitely enhance the Bank's competitive edge.

10. ESWATINI REVENUE AUTHORITY (SRA)

Parent Ministry: Finance

SRA reported as follows for the quarter,

Operational Review

- Actual revenue collected stood at E2.08bln compared to E2.39bln last quarter and against a target of E2.96bln.
- A total of 37 objection cases out of 49 were processed within time. The failure to meet 90% target was due to an increase in the number of objections due to VAT desk audits.
- The time taken to process refunds was 22.5 days for VAT and 42.3 days for Income Tax against a target of 19.43 and 40.02 days respectively.
- The average processing time for entries was 26 minutes and 21 seconds, which was an improvement by 47 minutes 54 seconds when compared with processing time during same period in the previous year.
- The opening debt stock was E5.33bln compared with closing debt stock of E5.57bln. The increase in debt was mainly due to low payment compliance rate as taxpayers submitted returns without making payments due.
- Filing compliance for the quarter declined when compared to same period last year. The observed weak filing statistics could in part be a result of the Covid-19 pandemic resulting in partial or non-availability of auditors or tax intermediaries thus making it difficult for taxpayers to file their returns.
- The Ezulwini Headquarters structure has been completed, occupied and fully operational. The contractor was available as at the end of the period to attend to minor latent defects as enshrined in the contract, however the original scope of the construction work has been completed.
- Total exports to the world stood at E4.96bln compared to E6.571bln last quarter while imports were recorded at E4.84bln compared to E6.37bln.

Financial Statements

	2020	2020	2019	2019
Income Statement	June 30	Mar.31	Dec.31	Sept.30
Subvention	100,903,105	109,903,105	109,903,105	109,903,105
Income	1,153,552	2,501,594	1,571,886	2,278,496
Expenditure	98,038,254	100,989,075	126,510,965	89,714,268
Surplus/Deficit	4,018,403	11,415,624	15,035,974	22,467,333
Balance sheet				
Fixed assets	1,043,367,601	1,036,375,698	1,020,355,466	993,266,957
Current assets	172,351,907	166,420,750	168,316,166	186,610,433

Current liabilities	36,647,198	36,900,879	36,507,773	32,742,371
Net current assets	135,704,709	129,519,871	131,808,393	142,317,461
Employment of capital	1,179,072,310	1,165,895,569	1,152,163,859	1,147,135,017
Retained income	-2,885,932,255	-2,885,932,255	-2,787,559,312	-2,575,912,441
Long term liabilities	645,600,220	645,600,220	643,398,672	646,944,436
Capital and reserves	3,379,043,759	3,379,043,759	3,269,140,654	3,049,334,444
Donor Funding	27,183,845	27,183,845	27,183,845	26,768,578
Capital employed	1,179,072,310	1,165,895,569	1,152,163,859	1,147,135,017

PEU Comments

Revenue collections were E2.08bln against a target of E2.96bln for the quarter. This performance resulted mainly from weak economic activity brought about by the partial lockdown that was effected to combat the Covid-19 pandemic. The pandemic has resulted in the country along with the world imposing restrictions that impact on travel and business activity.

Due to cash flow challenges, receipt of subvention was delayed and disbursed in erratic tranches throughout the quarter. A balance of E9m remained outstanding from government at the end of the period.

The organization continued to implement its construction projects. It is noted that with the advent of the Covid-19 pandemic, most of the on-going projects might miss their anticipated completion dates as constructions were disturbed by the lockdown because most materials are imported from neighbouring countries where production levels and travel restrictions had been imposed.

11.ESWATINI DEVELOPMENT FINANCE CORPORATION (FINCORP)

Parent Ministry: Finance

FINCORP reported as follows for the quarter,

Operational Review

- This quarter saw a decrease in the number of clients to whom loans had been disbursed compared to prior quarter. A total of E150.26m compared to E221.09m last quarter was disbursed in loans to a total of 1,648 (2,918 in March 2020) clients. The loan portfolio remained relatively the same as previous

quarter at E1.28bln.

- FINCORP re-listed the company's Medium Term Note listing of E300 million after it expired as it was deemed necessary so as to allow renewal of existing facilities and to also present new investors with a platform to invest in the company.

Financial Situation

- A total of E59.91m was received from interest and fee income compared to E62.58m received last quarter.
- Non- interest income was E1.66m compared to E7.37m last quarter.
- Borrowings accumulated an interest expense of E31.18m compared to E35.66m last quarter.
- Credit loss impairment allowance was E5.28m compared to E17.87m last quarter. Loan impairments were high last quarter because of the Covid-19 pandemic which had enforced economic lockdowns and as such affecting the credit loss allowance modelling in line with IFRS9.

Outlook

- The Corporation will continue the process of securing tenants for the remaining unoccupied office space, currently being the 4th floor only.
- Completion of the 2019/2020 statutory financial statements audit. The delay is due to the need to review credit loss allowance computations in light of the economic uncertainties brought about by the Covid-19.

Financial Statements

	2020	2020	2019	2019
Income Statement	Jun. 30	Mar. 31	Dec. 31	Sep. 30
Income	61,567,937	69,947,173	65,854,819	63,636,811
Expenditure	52,340,223	68,439,052	55,636,886	54,475,230
Impairment Allowance	5,275,627	17,874,607	530,442	10,209,429
Operating Income	3,952,087	-16,366,486	9,687,491	-1,047,848
Taxation	3,313,886	986,244	3,894,620	78,784
Net Income/Loss	638,201	-17,352,730	5,792,871	-969,064
Balance Sheet				
Fixed Assets	125,022,324	126,571,587	118,711,803	118,838,563
Investments	31,222,332	41,602,014	44,010,327	2,169,607
Current Assets	1,345,558,954	1,309,624,515	1,303,141,819	1,343,260,088
Current Liabilities	38,892,632	29,094,918	23,625,136	129,114,189
Net Current Assets	1,306,666,322	1,280,530,597	1,279,516,383	1,214,145,899
Employment of Capital	1,462,910,978	1,448,704,198	1,442,238,813	1,335,154,069
Non-Distributable Reserve	184,225,069	184,225,069	184,225,069	184,225,069

Distributable Reserves	82,099,918	75,232,670	93,205,852	149,890,774
Non-Current Liabilities	1,196,585,991	1,189,246,459	1,164,807,893	1,001,038,226
Total Capital Employed	1,462,910,978	1,448,704,198	1,442,238,813	1,335,154,069

Key Financial indicators:

Ratio description	Q1	Q4	Q3	Q2
ROCE (EBIT/Capital Employed)	0.003	-0.01	0.007	-0.10
Debt/Equity Ratio (debt/Equity)	4.5	5.3	4.28	3.00
Current ratio (current assets/Current Liabilities)	35:1	45:1	55:1	10:1
Credit Impairment Provisions	E5,275,627	E17,874,607	E530,442	E10,209,429

PEU Comments

The Government of Eswatini pronounced an economic partial lockdown from March 2020 until the end of June 2020 due to the Covid-19 pandemic in a bid to try and contain the spread of the virus. This has had and is expected to have a long term negative effect on the domestic economy and as such, this negative effect on the economy has been factored in the Group's provisional model which focuses on expected losses on the current portfolio.

This quarter also saw a decrease in the number of clients whose loans were approved by the Board and Credit Committee from 2,981 to 1,648 this quarter, resulting in total disbursements amounting to E150.26m.

On another note, the Group attained profit amounting to E0.64m compared to a loss of E17.35m mainly due to the fall in credit impairment allowance as well as the decrease in expenditure.

12. SINCEPHETELO MOTOR VEHICLE ACCIDENT FUND (SMVAF)

Parent Ministry: Finance

SMVAF reported as follows for the quarter,

Operational Review

- The Fund experienced a surplus of E1.97m in the quarter as a result of a decrease in incurred

claims, a decrease in claims expenses as well as an increase in total revenue.

- Total income (fuel levy plus other operating income) increased from E7.78m to E34.20m due to fair value gains on investment.
- Income from fuel levy decreased from E26.47 last quarter to E20.43m and this was a direct impact of the Covid-19 pandemic.
- Total expenses for the quarter decreased in the quarter compared to last quarter and the decrease was mainly due to the expenses of the Ingwenyama Cup tournament that were incurred last quarter.
- The number of registered claims were 139 compared to 198 last quarter while there were only 68 settled claims compared to 450 last quarter.
- During the lockdown period the Fund continued to present radio programmes with road safety content, maintaining all program slots in the media.
- There were no road safety campaigns including public education and safety awareness during the quarter as public gathering were banned.
- Engagements with the Royal Eswatini Police Services and Emergency Preparedness and Response Unit (EPR) to facilitate quick turnaround times in the compilation and submission of their reports to the Fund were held.
- The Fund's digital platforms continued to serve society especially during this quarter because of the restrictions imposed by the lockdown.
- The Clinic had resumed full operations after being on standby for emergencies because of the Covid-19 pandemic.
- Investment portfolios recorded a market value of E453m this quarter compared to E449m thus gaining from the losses made last quarter as a result of negative returns brought about by the corona virus as well as funds withdrawn to finance claims and other operating expenses.
- The Fund's assets allocation remains heavily skewed towards cash holdings while money markets continued to deliver stable returns.

Outlook

- The exercise of clearing the backlog of cases is ongoing.
- Engagements with Ministry of Health to enable the Fund to participate in rehabilitation of hot accident cases.

- Development of Media Management Strategy.

Financial Situation

- The Fund had a surplus of E1.97m compared to a deficit of E41.14mm last quarter.
- Fuel levy collected was E20.43m compared to E26.47m last quarter.
- Other Income is a combination rental from tenants and fair value losses/gains

Financial Statements

	2020	2020	2019	2019
Income Statement	Jun.30	Mar.31	Dec.31	Sep.30
Income (Fuel Levy)	20,427,417	26,472,774	30,187,598	32,815,449
Other operating income	13,775,323	-18,695,145	3,422,070	3,244,907
Expenditure	-39,968,311	-56,205,846	-50,781,119	-33,808,892
Operating profit/loss	-5,765,571	-48,428,217	-17,171,451	2,251,464
Net Investment Income	7,739,959	7,286,509	7,852,950	8,404,368
Profit/ Loss	1,974,388	-41,141,708	-9,318,501	10,655,832
Balance Sheet				
Fixed Assets	221,496,421	283,961,981	291,205,728	304,201,747
Investments	310,785,017	293,517,392	330,184,934	297,042,047
Current Assets	155,180,700	164,507,465	168,800,780	205,696,534
Current Liabilities	327,143,083	286,747,083	293,395,201	300,825,586
Net Current Assets	360,319,055	-122,239,618	-124,594,421	-95,129,052
Employment of Capital	360,319,055	455,239,755	496,796,241	506,114,742
Accumulated Deficit/Surplus	360,319,055	455,239,755	496,796,241	506,114,742
Total Capital Employed	360,319,055	455,239,755	496,796,241	506,114,742

PEU Comments

The quarter under review saw a decrease in income received from fuel levy because of the effects of the Covid-19 pandemic when compared to last quarter. Total Expenditure also decreased as there were less activities because of the virus. This resulted in the Fund realizing a surplus of E1.97m compared to a deficit of E41.14m last quarter.

The fund will be greatly affected by the restrictions on travel as a result of the partial lock down because a bulk of their income come from fuel levy. Restriction on travel therefore means a need for other sources of funds rather than depleting their reserves. Budgets cut may also be recommended if the

pandemic persists.

SMVAF must however be commended for having been proactive by establishing a Business Continuity Plan that made it possible to continue with their core services even during this period.

IV. UTILITIES SECTOR

13. ESWATINI ELECTRICITY COMPANY (EEC)

Parent Ministry: Natural Resources and Energy

EEC reported as follows for the quarter,

Operational Review

- Southeast Grid 66KV Reinforcement – the completion rate for this project stood at 80% by the close of the quarter and the final batch of suppliers are scheduled to be received between August/September 2020.
- Solar Plant Construction –this project was at 70% completion stage. There had been some delays on the delivery of panels to be installed on the site due to the Covid-19 pandemic, thus stalling progress on the project.
- Lawuba - Siphambanweni 66KV Line Transfer Bay – the technical feasibility study has been completed and an environmental specialist has been engaged to assist the impact of the project on the affected stakeholders.
- 66KV Feeder Configuration – Malkerns/Siphocosini – the main purpose of this project is network strengthening. The Malkerns site was at about 35% completion stage and on the Siphocosini site only ground levelling of the area and compacting have been done. Siphocosini progress stood at 5%.
- Edwaleni – Stone hedge 132KV Transmission Line – due to challenges with the supplier, the contract was terminated and the processes to engage and award the work to a new supplier were in progress. Since April 2020 there has been no progress on the project.
- Systems losses this period were 34.1GWh compared to 44.1GWh last quarter with an estimated monetary value of E73.4m.

Financial Situation

- Sales revenue was E554.16m compared to E632.41m last quarter.
- Profit for the quarter was E45.92m compared to E138.08m last quarter.

- Cash at bank and on deposits was E385.76m compared to E241.83m last period. The increase being a result of a drawdown of E130m received from Inhlonhla – PSPF as part of the external funding requirements of E330m to fund major projects
- Power procurement costs amounted to E294.48m this quarter. The figures are comprised as follows:

Details	June 2020	March 2020
	E(million)	E(million)
Purchases from Eskom	208.08	263.28
Purchases from DAM+USL	72.91	2.50
Purchases from Wundersight	0.03	0.04
Wheeling Charges	10.95	10.63
Amortization of USL PPA	2.50	2.50
Total	294.48	278.95

- Total units purchased were 230.8GWh compared to 300.6GWh prior quarter.
- Generation costs were E11.14 compared to E11.88m last quarter. Local power generation decreased from 73.7GWh to 66.2GWh this period.
- Transmission costs were E35.36m compared to E38.52m last quarter due to lower faults incidents reported this period.
- Distribution costs were E92.30m compared to E101.73m prior quarter.
- Administration costs were E88.29m compared to E110.30m incurred prior quarter. This is due to cut off of accruals recorded in the previous quarter and also as a result of the COVID-19 pandemic which has come with some restrictions such as the ban on travelling for training purposes.

Financial Statements

	2020	2020	2019	2019
Income Statement	Jun. 30	Mar. 31	Dec. 31	Sep. 30
Sales revenue	554,160,000	632,408,000	569,877,000	608,720,000
Other Income	7,369,000	26,717,000	26,142,000	53,027,000
Total Trading Income	561,529,000	659,125,000	596,019,000	661,747,000
Power Purchases	294,479,000	278,957,000	278,009,000	347,222,000
Generation Costs	11,140,000	11,880,000	11,993,000	11,382,000
Transmission Costs	35,364,000	38,523,000	42,453,000	33,055,000
Total	340,983,000	329,360,000	332,455,000	391,659,000
Gross Profit	220,546,000	329,766,000	263,564,000	270,088,000
Distribution Costs	92,297,000	101,734,000	102,260,000	82,283,000
Administration Expenses	88,285,000	110,304,000	100,352,000	88,630,000
Net finance cost	1,521,000	(4,262,000)	(6,134,000)	(10,667,000)
Forex Losses/(Gains)	(2,917,000)	1,487,000	(155,088,000)	(3,883,000)
Share of Motraco Profits	(15,197,000)	(12,355,000)	(12,355,000)	(12,355,000)

Profit before tax	56,557,000	132,858,000	234,529,000	126,080,000
Income Tax	10,633,000	776,000	55,334,000	18,475,000
Net profit/Loss	45,924,000	132,082,000	179,195,000	107,605,000
Balance Sheet				
Property, Plant and Equip.	2,917,232,000	2,726,032,000	2,633,586,000	2,548,613,000
Investment in Joint Venture	540,719,000	459,554,000	447,199,000	434,844,000
Derivative Financial Instrument	7,997,000	10,309,000	8,878,000	15,712,000
USL Electricity prepayment	50,000,000	50,000,000	60,000,000	60,000,000
Retirement Benefit Asset	877,000	877,000	877,000	877,000
Other Assets	35,356,000	35,185,000	44,281,000	39,778,000
Other Investment	155,602,000	150,000,000	-	-
Embedded derivative asset	52,576,000	52,576,000	52,576,000	52,576,000
EIB/ Motraco Loan	0	0	150,000,000	209,733,000
Current Assets	972,542,000	913,702,000	975,026,000	1,165,148,000
Current Liabilities	338,230,000	215,301,000	317,012,000	456,805,000
Net Current Assets	634,312,000	698,401,000	658,014,000	708,343,000
Employment of Capital	4,394,671,000	4,182,934,000	4,055,411,000	4,070,476,000
Government Investment				
Share Capital	433,494,000	433,494,000	433,494,000	433,494,000
Foreign Exchange Reserve	220,355,000	146,911,000	146,911,000	146,911,000
Retained Earnings	2,708,717,000	2,741,755,000	2,608,639,000	2,429,444,000
Borrowings	178,004,000	58,812,000	66,123,000	115,903,000
Embedded Derivative Liability	419,000	419,000	419,000	200,056,000
Deferred Grant income	319,091,000	323,617,000	312,809,000	317,077,000
Other deferred income	35,356,000	35,185,000	44,281,000	39,778,000
Derivative Financial Instruments	65,000	123,000	118,000	222,000
Deferred income Tax	501,247,000	444,693,000	444,693,000	389,669,000
Retirement Benefit Obligation	(2,077,000)	(2,077,000)	(2,077,000)	(2,077,000)
Total Capital Employed	4,394,670,000	4,182,932,000	4,055,411,000	4,070,476,000

PEU Comments

Eswatini Electricity Company recorded a decrease in sales revenue from E632.41m last quarter to E554.16m. The decrease in revenue was as a result of the corona virus pandemic which forced a countrywide partial lockdown. As such the Company saw a decrease in total units sold especially to small commercial and industrial customers thus reducing revenue. On another note a huge decrease in other income is observed resulting from a reversal journal made in April 2020 for recognized work in progress revenue as at 31 March 2020.

The Company, however, managed to record after tax profits amounting to E45.92m due to savings made by purchasing power from the South African Power Pool (SAPP) market which tends to be cheaper than ESKOM. This means that for the extra units received from the SAPP market, EEC was able to partially avoid Eskom prices which had already been increased by 9.26% for the year.

This quarter saw a decline in local power generation by 7.5GWh from 73.7GWh prior quarter to 66.2GWh this period.

14. ESWATINI POSTS AND TELECOMMUNICATIONS CORPORATION (EPTC)

Parent Ministry: Information, Communication & Technology

EPTC reported as follows for the quarter,

Operational Review

- The equipment for the project by EPTC to use the EEC optic fibre network, to provide connectivity for telecommunication services, were delivered and the installation and commissioning is ongoing.
- The EPTC Infrastructure division undertook a number of projects during the 1st quarter to extend its internet connectivity by establishing additional connectivity through Mozambique and the Republic of South Africa.
- An additional 1Gigabit (GB) IP transit link through Angola Cables was activated with shortest routes to North and South America.
- EPTC introduced the Customs Declaration System in Post offices and the full steam initiation of the Postal Automation Project.
- A decline in mail traffic of more than 55% was observed this quarter. Import parcel volumes decreased by 68.47% largely due to decline in small packets volumes. EMS items volumes plunged by 58.77% to reach 87 items from 211 items registered in the same period previous year.

Financial Situation

- EPTC incurred a loss of E2.02m compared to a loss of E15.12 last quarter.
- Total revenue for the quarter amounted to E110, 12m compared to E168.24m last quarter.
- Cost of sales stood at E28.52m compared to E28.13m last quarter.
- Total expenditure was E178.22m compared to E183.36m previous quarter.

Outlook

- The installation and commissioning of the 19 base stations that are part of the Eswatini Wireless Broadband project, complete installation and commissioning of the equipment to operationalize the use of the EPTC and EEC collaboration on the use of the optic fibre, continue to increase international internet connectivity by adding capacity as well as diversify the upstream service providers.

Financial Statements

Income Statement

	2020	2020	2019	2019
	June 30	Mar. 31	Dec. 31	Sep. 30
Income	109,686,000	119,156,000	129,107,000	132,834,000
Dividend Income	0.00	57,045,000	39,128,000	0.00
Expenditure	144,173,000	178,222,000	183,356,000	177,697,000
Profit	-34,487,000	-2,021,000	-15,121,000	-44,863,000

Balance Sheet

Fixed Assets	529,441,000	531,276,000	543,310,000	453,821,000
Investments	26,468,000	26,468,000	25,090,000	25,090,000
Current Assets	597,600,000	584,097,000	521,866,000	452,546,000
Current Liabilities	374,832,000	316,799,000	287,488,000	253,495,000
Net Current Assets/Liabilities	222,768,000	267,298,000	234,378,000	199,051,000
Employment of Capital	778,677,000	825,042,000	802,778,000	767,962,000
Distributable Reserves	501,972,000	456,165,000	443,696,000	419,980,000
Long-term liabilities	276,706,000	368,878,000	359,082,000	347,982,000
Capital Employed	778,678,000	825,043,000	802,778,000	767,962,000

PEU Comments

Eswatini Post's operations on the mail side realised a decline and this was attributable to the digital substitution (which has displaced most types of communications) e.g. bills and paperwork to the digital environment due to the corona virus outbreak.

EPTC incurred a loss of E34.49m compared to a loss of E2.02m the previous quarter, however the entity has performed better when compared to the same quarter previous year. The Corporation only reflects a financial health position when it has received a dividend from MTN.

It is also noted that the pension underfunding remains one of the major challenges facing the Corporation, as the liability stood at E232.509 million. The Institution is urged to look for ways of addressing this challenge, as it continuously affect its going concern.

15. ESWATINI WATER SERVICES CORPORATION (EWSC)

Parent Ministry: Natural Resources and Energy

SWSC reported as follows for the quarter,

Operational Review

• Government Funded Projects

- Eswatini Water Supply and Sanitation Access Project: The project will improve water supply in the Shiselweni Region, especially the Nhlangano – Sphambanweni area which is a rural and low-income area and also serve as a catalyst for local development, economic activity and the reduction of poverty and promotion of quality of life and shared prosperity. The project will also augment water supply to Matsanjeni which currently relies on water sourced across the border (RSA) from Jozini Dam.
 - The expression of interest for consultancy services for the design and supervision of the water supply system has been advertised and documents received.
 - The Consultant has been appointed for the Sanitation component and the study completed on Sanitation with recommendations for implementation and
 - The Terms of Reference were approved for situational assessment of WASH in Peri – Urban areas and Institutions. The Terms of Reference were also approved for the Behavioural Change Campaign.
 - The estimated costs of the project is E650m and financed by the World Bank and Government of Eswatini

- Manzini Integrated Water Supply Project: Construction of a scheme to provide Potable Water and Sanitation services to the greater Manzini Areas covering but not limited to Nhlambeni, Mtfongwaneni, Manzini South and Mafutseni and their surrounding areas. The emergent risks posed by the Covid-19 pandemic are severely militating on progress of the project. The estimated costs of the project is E850m and financed by the African Development Bank and Government of Eswatini.
- Ezulwini Water and Sanitation Project: was commissioned and is operational and the Defects Liability Period has elapsed. Package A is 47% complete with the completion of bulk earthworks, embankment support and the access road earthworks and 1.3km of the 1.8 km pipeline having been laid and reservoir blinding and reinforcement fixing having commenced. Package B progress is 95% with access road along the pipeline complete, the ductile iron pipes with long lead times have been delivered and pipe laying is at 15 km of the 18 km.. The expected date of completion for the project is November 2020.
- Mbabane Emergency Water Supply (Luphohlo): The project is currently suspended due to funding constraints to complete the works. Progress to date is 85% with the treatment plant 85% complete and the 8.5km pipeline 95% complete.
- Lomasha/Namaacha (LoNa) Water Supply: The LoNa Phase 1 Water Supply Project comprises; the upgrade of existing water supply infrastructure comprising intake works, treatment, storage, pumping mains and distributions. It is anticipated that the target population of 46,500 will be supplied with clean water by 2024 as follows: 18,400 inhabitants in Lomasha, Eswatini; 23,000 inhabitants in Namaacha, Mozambique; and 5,000 inhabitants along the pipeline route. The investment consultant has been procured and will be paid for by DBSA. The Inception Report has been completed and Feasibility Report is being updated. The Preliminary Designs are being undertaken. The project will be affected by the directive from MoPWT that new works are no longer permitted on road reserves which if enforced will result in delaying the project and cost escalation as no provision has been made
- Mpolonjeni Water Supply (Siteki) Phase 3: The Mpolonjeni water supply project is implemented in phases. The scope of the works on the current project is network extensions in the Mpolonjeni area to bring the water network system closer to most of the homesteads for ease of water connections. The water distribution network is complete and water connections are ongoing.
- Makhewu Water Supply Phase 2: The project scope includes the construction of a main pipeline and water reticulation to Makhewu. The project 100% complete and water connections ongoing.

- Mhlumeni Water Supply: The project involves the construction of a main pipeline from Magadzavane to Mhlumeni, reticulation network in Mhlumeni inclusive of pipelines, fittings and manholes. The project is 100% complete and pressure testing ongoing for connections to commence.
 - Maseyisini Water Supply: The project comprises the construction of water reticulation extension for Maseyisini, specifically; Vusweni, Mahamba, Marikop and Hilltop area. The water supply network is inclusive of pipelines, fittings and manholes. Phase 1 and Phase 2 has been completed, connections ongoing. Phase 3 at 90% completion.
 - Manyisa II Water Supply – Phase 1: Construction of a 1ML ABECO reservoir, pump house at Nkoyoyo Mpolonjeni reservoir and a pumping main to Manyisa II reservoir to supply water to the Manyisa II community and the Mpolonjeni Community. The works are 100% complete and awaiting to start on phase 2 subject to availability of funding from Microprojects. Phase 2 will comprise the construction of distribution systems and connections to households.
 - Nsongweni - Mbangweni Water Supply: The project comprises the construction of water reticulation extension for Nsongweni to Mbangweni area. The water supply network is inclusive of pipelines, fittings and manholes. Progress to completion stands at 74%.
- A total of 1229 samples were collected in the EWSC Potable Water Sampling Program which represents 90.7% success rate (98.8% in the previous quarter). The observed reduction in sampling frequency was mainly due to the higher number of public holidays in the period under review. The samples collected include raw water (13.7%), treated water (14%), and distribution (72.3%).
 - The Laboratory continued to monitor the microbiological and physio-chemical quality of water at catchment areas, treatment plants and distribution points (reservoirs and end-user points). A total of 47,546 tests were conducted during the period.
 - A total of 217 wastewater samples were collected and analysed during the quarter, resulting in 8,246 tests being conducted in the process. The overall compliance stood at 78.5% (78.7% in the previous quarter).
 - Trade Effluent- A total of 391 samples were collected and analysed resulting in 1,955 tests being conducted. The sampling compliance rate stood at 72.4% (90.4% in the previous quarter).

- Total water connections stood at 64,501 (63,352 as of 31 March 2020) representing a growth of 1.8%, and total sewer connections stood at 12,719.

Outlook

- The Draft Performance Agreement between EWSC and Government has been reviewed by all interested parties (EWSC, MNRE, PEU and MOF) and will be circulated for endorsement in the next quarter.

Financial Situation

- Total revenue amounted to E87.6m compared to E97.8m last quarter.
- Total expenditure amounted to E89.2m compared to E103.7m the previous quarter.
- There was an operating loss of E1.6m compared to an operating loss of E5.9m last quarter.
- Gross trade debtors amounted to E203.4 million (E201.2 million in March 2020) representing a 1% increment. Total Government debtors amounted to E66.6 million (E64.8 million in March 2020). This represents 33% of the debtors' book (total debtors).

Financial Statements

	2020	2020	2019	2019
Income Statement	June 30	March 31	Dec 31	Sept 30
Turnover	87,588,396	97,898,859	101,659,705	98,586,751
Operating Expenses	89,195,545	103,790,558	103,020,291	96,254,373
Operating Profit/(Loss)	-1,607,149	-5,891,699	-1,360,586	2,332,378
Other Income	6,253,320	43,786,571	6,191,882	5,670,667
Net Profit/(Loss)	4,646,170	37,894,872	4,831,296	8,003,045

Balance Sheet

Fixed Assets	2,325,026,946	2,367,280,667	2,239,502,576	2,195,037,791
Current Assets	309,773,674	287,636,979	275,151,327	296,951,055
Current Liabilities	22,958,170	88,959,517	21,805,923	26 706 585
Net Current Assets	286 815 504	198 677 462	253 345 404	270 244 470
Total Employment of Capital	2 611 842 450	2 565 958 129	2 492 847 980	2 465 282 261
Share Capital	30,222,580	30,222,580	30,222,580	30,222,580
Retained Income	610,812,444	607,095,649	570,280,340	565 449 044
Capital Grant	1,888,650,748	1,848,992,005	1,814,731,271	1 801 489 571
Long-term Loans	69,968,264	67,459,479	65,419,698	68 121 066
Deferred Income Tax Liability	12,188,414	12,188,414	12,194,091	
Total Capital Employed	2 611 842 450	2 565 958 129	2 492 847 980	2 465 282 261

PEU Comments

EWSC had a surplus of E4.6m compared to a surplus of E37.9m last quarter. The corporation had an operating loss of E1.6m compared to an operating loss of E5.9m last quarter.

The occurrence of Covid-19 has impacted directly on the water usage and revenue generation. Also, the delayed implementation of the tariff increment for three months to cushion consumers against harsh economic conditions created a funding gap in the implementation of the operating expenditure for the Corporation.

The adverse economic consequences, including job losses continues to affect the Corporation's ability to collect revenue particularly from residential customers. The increased difficulties of honouring water bills has created an expectation from customers of a lifeline allocation of water (free water) from the Corporation to address economic and health challenges..

V. BUSINESS PROMOTION SECTOR

16. ESWATINI NATIONAL INDUSTRIAL DEVELOPMENT CORPORATION (ENIDC)

Parent Ministry: Commerce Industry and Trade

ENIDC reported as follows this quarter,

Operational Review

- The Corporation disbursed a total of E0.32m to the agriculture sector and there were no approvals recorded this period due to delays posed by the Covid-19 pandemic.
- In pursuit to introduce creation of new knowledge-based industries, ENIDC continued to embark on the feasibility study for establishing an indoor aquaculture undertaking and two potential sites within the Special Economic Zones were under scrutiny. However, as a result of the Covid-19 lockdown which made information gathering a challenge due to travel restrictions, the technical and commercial assessments which were to be performed this period suffered delays.
- The Corporation received a call for Covid-19 aligned projects from the Southern African Development Community (SADC) Development Finance Resource Centre (DFRC) wherein five projects proposals were proposed by ENIDC. These projects aim to feature as one of the national and regional intervention in support of the national governments.

Financial Situation

- Total revenue for the quarter amounted to E1.65m compared to E1.60m last quarter.
- Total expenditure was E1.99m compared to E3.82m last quarter.

Financial Statements

	2020	2020	2019	2019
	Jun. 30	Mar. 31	Dec. 31	Sep. 30
Income Statement				
Income and Subvention	1,654,018	1,603,159	1,650,091	1,851,172
Expenditure	1,987,977	3,822,309	4,948,637	1,800,881
Surplus/Deficit	-333,959	-2,219,150	-3,298,546	50,291
Balance Sheet				
Fixed Assets	1,180,886	1,180,886	1,244,375	1,311,031
Investments	119,678,889	119,678,889	119,678,889	110,337,872
Other Assets	33,134,830	32,686,074	32,327,912	36,102,628
Current Assets	106,027,691	106,748,747	111,922,237	111,413,079
Current Liabilities	1,338,736	1,277,076	1,873,326	1,690,557
Net Current Assets/Liabilities	104,688,955	105,471,671	110,048,911	109,722,522
Employment of Capital	258,683,560	259,017,520	263,300,087	257,474,053
Equity and Liabilities				
Revaluation Reserves	71,000,000	71,000,000	71,000,000	71,000,000

Shareholders contribution	26,658,380	26,658,380	26,658,380	26,658,380
Share Capital	5,421,314	5,421,314	5,421,314	5,421,314
Accumulated Funds	41,759,556	42,093,516	46,340,505	40,514,471
Non - Current Liabilities	113,844,310	113,844,310	113,879,888	113,879,888
Capital Employed	258,683,560	259,017,520	263,300,087	257,474,053

PEU Comments

There was less business activity this period as a result of the partial lockdown in the country and as such, there were no loan applications approved by the Corporation. ENIDC was able to disburse a sum of E0.32m to the agriculture sector.

The pandemic has demonstrated a need to increase the country's productivity for self-sustenance and therefore, the Corporation is geared to provide enabling resources for affected businesses who will foster a speedy recovery and lower the economic costs of the pandemic.

ENIDC incurred a deficit of E0.33m compared to a deficit of E2.22m last quarter. The decline in deficit was due to the decrease in expenditure as it fell from E3.82m last quarter to E1.99m this period.

17. SMALL ENTERPRISE DEVELOPMENT COMPANY (SEDCO)

Parent Ministry: Commerce, Industry and Trade

SEDCO reported as follows for the quarter,

Operational Review

- A total of 19 clients (40 last quarter) were assisted with general business counselling under the Mainstream Entrepreneurship Programme.
- Under the Youth Enterprise Revolving Fund (YERF) –SEDCO Partnership, 119 micro small medium enterprises (MSMEs) that received business loans from the YERF continued to receive business coaching.
- A total of 66 participants undertook entrepreneurship and business related courses compared to 401 participants last quarter.
- World Vision –SEDCO Market Facilitation and Business Coaching Assignment reached 102 Producer Groups under the Value Chain and Savings Groups Integration for Households Economic Growth Project.
- As a result of the business advisory services, a total of 14 jobs were created, 171 jobs maintained and

21 jobs lost.

- In collaboration with MTN Eswatini, SEDCO ran a radio programme dubbed “SEDCO Cija Ngebhizinisi”. This programme ended with a competition whereby local MSMEs contested for money to recapitalize their businesses.
- In an initiative aimed at encouraging SMEs to take precautionary measures to curb the spread of Covid-19, SEDCO distributed 1,200 facemasks and 150 litres of hand sanitizers in different locations in the country.
- SEDCO conducted a survey on the impact of Covid-19 on MSMEs in Eswatini and also to determine the assistance MSMEs might need to survive the negative effects of the crisis.
- The company assisted 32 entities with registration of their companies, 3 with trading licences, 2 with amendments and 35 with Forms C and J.
- As at the end of the period, SEDCO provided workspace to 119 MSMEs in the nine estates compared to 123 MSMEs recorded last period.
- The major activities under the Business Incubation for African Women Entrepreneurs (BIAWE) Project included the establishment of the credit guarantee scheme, developing a revised implementation programme and budget, stakeholder meetings and establishing market linkages.

Financial Situation

- The Company’s subvention and income was E4.19m compared to E4.17m last quarter.
- Expenditure was E4.4m compared to E4.19m previously.

Financial Statements

	2020	2020	2019	2019
Income Statement	June 30	Mar. 31	Dec. 31	Sept. 30
Subvention & Income	2,482,908	4,187,801	4,173,886	4,266,509
Expenditure	3,748,183	4,403,423	4,185,821	5,630,214
Surplus/Deficit	-1,265,275	-215,622	-11,935	-1,363,705
Fixed Assets	80,845,420	57,167,807	57,422,819	80,626,810
Investments	2,216,469	2,216,469	2,183,550	2,183,550
Assets under construction	247,666	24,021,941	23,882,196	-
Current Assets	5,992,030	7,340,592	7,565,703	7,238,988
Current Liabilities	2,993,884	2,576,933	2,668,771	2,696,099
Net Current Assets	2,998,146	4,763,659	4,896,932	4,542,889

Employment of Capital	86,307,701	88,169,876	88,385,496	87,353,249
Share Capital	2,401	2,401	2,401	2,401
Fixed Asset Reserve	45,582,725	45,582,725	45,582,725	45,582,725
Retained Income	6,264,858	6,820,676	7,036,296	7,047,919
Govt. Capex Grant	33,266,285	33,266,285	33,266,285	33,266,285
Borrowings	1,191,432	1,453,919	1,453,919	1,453,919
BIAWE Project Grant	-	1,043,870	1,043,870	-
Total Capital Employed	86,307,701	88,169,876	88,385,496	87,353,249

PEU Comments

Despite notable savings from operations, the company recorded a deficit of E1.27m compared to E0.22m last quarter. This was mainly due to a decline in revenue from E4.19m to E2.48 this period. The Company will have to continue to solicit funds from corporate partners in order to fund pro-developmental and poverty alleviation programs.

Business interventions to incubatees decreased as a result of the lockdown which restricted visits by business advisors, thus a total of 23 interventions for the period compared to 255 last period.

18. ESWATINI COMPETITION COMMISSION (ECC)

Parent Ministry: Commerce, Industry and Trade

ECC reported as follows for the quarter,

Operational Review

- The Commission received five requests for advisory opinions from stakeholders regarding whether certain proposed transactions constituted notifiable mergers in terms of Section 5 of the Act.
- A total of 30 cases were reported and actioned on consumer protection and only 3 of these cases were closed as amicably resolved.
- Under cartels and enforcement, 3 investigations remained adjourned, 2 cases were before the High Court and 2 cases were completed and submitted to the Board for adjudication.
- Three investigations into anti-competitive business practices were completed and were currently undergoing internal quality assurance processes before submission to the Board for adjudication.
- The Commission continued with the development of guidelines which will assist the different stakeholders in providing clarity and predictability in the manner competition policy is enforced in the country.

- ECC in collaboration with the Ministry of Commerce Industry and Trade conducted business inspections in Matsapha, Ezulwini and Manzini to assess business conduct in respect of ensuring adherence to the COVID-19 Regulations in relation to treatment of consumers.
- The Commission also engaged the Royal Eswatini Police Service for purposes of planning for joint investigations for conduct which was alleged to be in contravention with the Covid-19 Regulations, 2020.
- ECC tried some means to raise awareness to consumers during the pandemic by producing adverts on radio and television, putting up poster boards in Mbabane and also by publishing a public notice in both the Eswatini Observer and Times of Eswatini. These awareness were for the purposes of cautioning businesses to desist from engaging in unfair trade practices and also to encourage consumers to report all price hikes to the Commission.

Financial Situation

- Total income received amounted to E2.60m compared to E1.96m received last quarter comprising of subvention (E1.24m), notifications fees (E1.30m) and interest income (E0.055m).
- Total expenditure incurred was E3.79m compared to E2.62m last quarter.

Financial Statements

	2020	2020	2019	2019
Income Statement	Jun. 30	Mar. 31	Dec. 31	Sep. 30
Income and Subvention	2,602,352	1,959,853	4,443,259	3,891,029
Expenditure	3,785,094	2,617,956	2,718,195	2,844,473
Surplus/Deficit	-1,182,742	-658,103	1,725,064	1,046,556
Balance Sheet				
Fixed Assets	2,375,889	1,073,260	1,101,859	1,153,338
Current Assets	5,509,376	7,959,975	8,648,060	7,151,978
Current Liabilities	690,486	1,255,786	1,304,062	1,584,523
Net Current Assets	4,818,890	6,704,189	7,343,998	5,567,455
Employment of Capital	7,194,779	7,777,449	8,445,857	6,720,793
Accumulated Funds	7,194,779	7,777,449	8,445,857	6,720,793
Capital Employed	7,194,779	7,777,449	8,445,857	6,720,793

PEU Comments

The Covid-19 pandemic affected the rate of notifications as the pandemic prohibited all interactions which unfortunately are key to the conclusion of business agreements. As such, there were no adjudications on mergers and acquisitions reported this period.

The Commission recorded a deficit of E1.18m compared to a deficit of E0.66m last quarter mainly due to the increase in expenditure as it increased from E 2.62m last quarter to E3.79m this period. Expenditure

increased mainly as a result of institutional support fees that rose from E0.079m to E1.34m this quarter.

ECC continued to raise awareness to her stakeholders more especially on unfair trade practices during the lockdown that was enforced by the corona virus outbreak. Such engagements are encouraged as they encourage consumers to report price hikes and also caution businesses to desist from engaging in unfair trade practices.

19. ESWATINI INVESTMENT PROMOTION AUTHORITY (EIPA)

Parent Ministry: Commerce, Industry and Trade

EIPA reported as follows for the quarter,

Operational Review

- Due to the national lockdown the Authority convened two meetings and participated in four with prospective investors and strategic partners in the period.
- Twelve new project leads were migrated to implementable projects in the quarter ten existing companies expressed interest to expand while four applied for assistance with Developmental Approval Order (DAO).
- Two companies in textile and fridge manufacturing expressed interest in expansion and were assisted in the period.
- The institution developed and launched an online Trade Support Centre which focused on linking customers with companies during the Covid-19 era, giving Eswatini companies access to a wide range of Asian markets.
- Preparations for the 2020 Eswatini International Trade Fair were disrupted by the Covid-19 and a decision was taken to postpone the event to 2021.
- The Mavuso Trade & Exhibition Centre (MTEC) was converted to a Covid-19 isolation centre to accommodate over 200 patients.
- The Institution continued to improve stakeholder engagement in the period, responding to a number of questionnaires on trade and investment as well as the general investment climate of the country.

Financial Situation

- Subvention received this quarter was E3.40m.
- Total expenditure was E4.79m compared to E5.88m last quarter.

Financial Statements

	2020	2020	2019	2109
	Jun.30	Mar.31	Dec.31	Sep.30
Income Statement				
Subvention	3,395,235	5,092,852	5,098,652	5,087,052
Other income	588,272	-49,208	1,123,536	955,177
Total income	3,983,507	5,043,644	6,222,188	6,042,229
Expenditure	4,786,353	5,883,357	5,328,771	6,247,343
Surplus/Deficit	-802,848	-839,713	893,417	-205,114

Balance Sheet

Fixed Assets	3,222,294	3,158,195	3,233,034	3,295,441
Current Assets	4,099,352	5,592,432	6,268,492	6,194,639
Current Liabilities	3,506,757	3,578,612	2,733,480	3,365,062
Net Current Assets	592,595	2,013,820	3,535,012	2,829,577
Employment of Capital	3,814,889	5,172,015	6,768,046	6,125,018

Government Grant/

Reserves	239,204	652,368	1,029,366	4,845,758
Retained Income	3,575,685	4,519,647	5,728,681	1,279,260
Total capital Employed	3,814,889	5,172,015	6,768,046	6,125,018

PEU Comments

The Covid-19 pandemic had a negative impact on the authority's operations as they could not pursue foreign direct investments as the whole world was in a lockdown.

During the quarter, EIPA resorted to digital based promotion and launched the online Trade Support Centre which linked consumers and suppliers. We commend EIPA for these digital platform for continuous dissemination of information about the country.

EIPA reported a deficit of E802,848 this quarter compared to E839,713 last quarter. This was a result of a delay in the release of Government Subvention.

20. ESWATINI STANDARDS AUTHORITY (SWASA)

Parent Ministry: Commerce, Industry and Trade

SWASA reported as follows for the quarter,

Operational Review

- As a response to the Covid-19 pandemic SWASA has gazetted two Publicly Available Specifications (PAS) on hand sanitizers and medical face masks. A third PAS on non-medical facemask is still in the gazette process. The standards are:
 - Hand sanitizers (alcohol based) – Specification (SZNS ARS PAS 1470:2019)
 - Medical Face Masks- Requirements and test method (SZNS BS EN PAS 14683:2014)
 - Non-Medical Face Mask-Specification (SZNS US 2552- 2020)
- Three Hundred and One (301) standards were sold during the Quarter with a total revenue E22,828.00 generated.

Financial Situation

- Total income received was E1.36m compared to E2.1m received in the last quarter.
- SWASA had a loss of E0.83m compared to a surplus of E0.2m last quarter
- Total expenses amounted to E2.18m compared to E1.89m last quarter.

Financial Statements

	2020	2020	2019	2019
Income Statement	June 30	March 31	Dec 31	Sept 30
Income (Subvention)	1,332,442	1,998,663	1,998,663	1,998,663
Other Income	22,767	97,605	460,502	254,053
Expenditure	2 181 806	1 892 259	1 916 498	1 943 753
Surplus/Deficit	-826,451	204,009	542,667	308 963
Balance Sheet				
Fixed Assets	4,169,688	4,264,865	4,240,721	4,301,907
Investments	2,899,680	2,809,751	2,707,353	2,595,479
Current Assets	501 237	1 231 780	1 145 961	833,822
Current Liabilities	-437,691	-461,191	-595,045	-355,019
Net Current Assets	938,928	1 692 971	1 741 006	1,199,159
Employment of Capital	8 008 296	8 767 587	8 689 080	8,690,969
Retained Income	3,879,180	4,702,631	4,515,105	3,982,296
Deferred Income	515 524	515 524	515 524	515 524

Deferred Assets	2,820,000	2,820,000	2,820,000	2,820,000
Gratuity Provision	796,594	729,432	838,452	768,407
Total Capital Employed	8 008 296	8 767 587	8 689 080	8,690,969

PEU Comments

The Authority received an income of E1.36m in the quarter with a total expenditure of E2.18m which has resulted in a loss of E0.83m. Other income amounted to E0.02m compared to E0.1m received in last quarter. There was no training on standards this quarter because most clients were at home due to the corona virus (Covid-19) pandemic.

Eswatini Standards Authority (SWASA) continued with its mandate to be the national custodian and advocate for the use of standards and to provide technical support for MSMEs, health and industrial development in order to ensure a sustainable Eswatini economy. This was achieved through the approval and gazetting of three (3) standards to support the fight against Covid-19 pandemic. These standards were gazetted as Publicly Available Specification (PAS).

21. ESWATINI YOUTH ENTERPRISE REVOLVING FUND (EYERF)

Parent Ministry: Sports Culture & Youth Affairs

EYERF reported as follows for the quarter,

Operational review

- The processing of the 4th and 5th cycle is about completion where seven business loans worth E423, 096 have been approved. Processing and engagement of deferred loan applications continued in preparation for re-submission.
- Under the MTN-YERF Khula Natsi loan project, a total of 4 loans valued at E52,000 were approved by the Fund.
- Awareness creation and capacity building visits were conducted to the youths at Lugongolweni Inkhundla and loan application forms were deliver at several stations, in a bid to improve accessibility to the Funds target market.
- The Fund through SEDCO continued to provide capacity building through coaching and mentorship to the young beneficiaries, to ensure that they practice good business management practices and thus

ensure sustainability of the businesses and subsequently repayment of the granted loans. Altersol Consulting Limited was roped in to complement SEDCO to assist other beneficiaries as the cycles increases.

- YERF continued to engage with partners both in the private and public sectors to ensure seamless operations.
- The Fund continued to engage with stakeholders and some have culminated either into MOU's or Service-Level Agreements (SLA's). This is the Fund's strategy to leverage on programs offered by the stakeholders without incurring costs.

Financial Situation

- Total Income received amounted to E2.87m compared to E2.95m last quarter.
- Total expenditure incurred amounted to E1.03m compared to E1.28m last quarter.

Outlook

- Disbursement of business loans, training, mentoring and coaching to beneficiaries and strengthening of partnerships with key stakeholders.

Financial Statements

	2020	2020	2019	2019
	June 30	Mar. 31	Dec. 31	Sept. 30
Income Statement				
Income and Subvention	2,439,261	5,152,607	2,872,523	2,952,948
Expenditure	1,098,527	1,582,644	1,030,201	1,282,219
Surplus/Deficit	1,340,734	3,569,963	1,842,322	1,670,729
Balance Sheet				
Fixed Assets	991,536	831,318	620,793	611,236
Current Assets	29,880,813	28,764,152	25,153,091	23,316,794
Current Liabilities	144,298	208,152	144,694	139,719
Net Current Assets/Liabilities	29,736,515	28,556,000	25,008,397	23,177,075
Employment of Capital	30,728,051	29,387,318	25,629,190	23,788,311
Share Capital				
Deferred Income	29,199,153	25,629,189	23,786,868	22,117,582
Revaluation Reserves	188,165	188,166	-	-
Retained Income	1,340,734	3,569,963	1,842,322	1,670,729
Total Capital Employed	30,728,052	29,387,318	25,629,190	23,788,311

PEU Comments

The Fund attained a surplus of E1.34m compared to a surplus of E3.57m last quarter. It is noted that interest from loans declined significantly when compared to previous quarter. The decline is as a result of a number of businesses being affected by the Covid-19 pandemic. This pandemic has also impacted negatively to the employment as 21% of employees were laid off.

The Fund has been able to continue with its mandate although at a minimal rate due to the Covid-19 pandemic. Close monitoring is key, therefore they are encouraged to continue to mentor, coach and monitor the businesses to ensure business continuity for the youth entrepreneurs as well as the Fund.

Resource mobilization is critical to ensure that the Fund is able to assist as many young people as possible instead of solely relying Government Funding.

22. ROYAL SCIENCE TECHNOLOGY PARK (RSTP)

Parent Ministry: Information and Communication Technology

RSTP reported as follows for the quarter,

Operational review

- The Royal Science and Technology Park continued with setting infrastructural facilities. Construction of the Service Centre super structure at the Biotechnology Park was completed, with interior and exterior finishes continuing. The detailed designing project of the Innovation Park basic infrastructure development has also been completed.
- RSTP continued with installation, configuration, testing, and commissioning of the National Data centre (NDC) network active component as well as maintenance and operations of ongoing activities. One client signed a contract to utilise the NDC services this period.
- RSTP began a multi-stakeholder awareness program in the Special Economic Zone (SEZ) in her role as Zone Developer as per the SEZ Act, 2018. The Park granted an approval letter to an SEZ investor on agro-processing to be build 2 greenhouses at the Nokwane site.
- Four (4) students studying Cyber Security and Network Forensics completed their Advanced Diploma this quarter. Graduation and new enrolments have been disrupted by the Covid-19 pandemic.

Outlook

- To continue managing the construction of the Biotechnology and Innovation Parks.
- Continue engaging the Ministry of Finance to facilitate the EXIM Bank soft loan from India for

construction of the Disaster Recovery Site and other infrastructure developments.

- Continue with mobilising scholarship for ASIT students, seek financial resources for the Business Incubator, and workshop key stakeholders on the SEZ programme.

Financial situation

- The Park received E11.25m subvention for the quarter.
- Other Income was E0.98m comprising mainly of tuition fees from ASIT of E0.87m.
- Expenditure incurred amounted to E18.78m.

Financial Statements

	2020	2020	2019	2019
Income Statement	June 30	March 31	Dec. 31	Sept. 30
Government subvention	11,250,000		9,625,000	9,625,000
Other income	983,386		4,267,043	1,753,392
Expenditure	18,784,799		16,793,969	15,870,234
Surplus/Deficit	(6,551,413)		(2,901,926)	(4,491,842)
Balance Sheet				
Fixed Assets	1,136,236,121		1,166,075,476	1,138,256,971
Current Assets	105,114,643		65,376,935	111,648,931
Current Liabilities	8,240,795		6,552,313	21,635,158
Net Current Assets	96,873,848		58,824,622	90,013,773
Total Employment of Capital	1,233,109,969		1,224,900,098	1,228,270,744
Retained income	(137,941,032)		(78,391,725)	(75,021,079)
Long Term Liabilities	1,371,051,001		1,303,291,823	1,303,291,823
Total Capital Employed	1,233,109,969		1,224,900,098	1,228,270,744

PEU Comment

The statement of comprehensive income shows a deficit of E6.55m this period. Revenue generated by the entity was E0.98m.

The Park was unable to carry out most of the planned activities for the period due to the partial lockdown. However, a business continuity plan was developed amid the Covid-19 pandemic to ensure continued communication with stakeholders. RSTP has been without a Board of Directors thus affecting leadership

at strategic level. We urge the Ministry to ensure that Board of Directors are appointed on time as this is a sign of good corporate governance.

VI. EDUCATION SECTOR

23. UNIVERSITY OF ESWATINI (UNESWA)

Parent Ministry: Education & Training

UNESWA reported as follows for the quarter,

Operational Review

- Due to the Covid-19 pandemic, the University adopted an online learning mode in order to complete the second semester of the 2019/20 academic year. Moodle Learning Management System was adopted as an official on learning platform.
- UNESWA instituted research on *Artemisia afra* in response to local interest and curiosity about the role of *Artemisia afra* in managing symptoms related to Covid-19.
- Eswatini Institute of Traditional Medicine, Medicinal and Indigenous Food Plants (EIRMIP) participated in drafting a concept note, through the Ministry of Tourism, for country funding to establish botanical gardens in Eswatini, and Mafutseni farm has been identified as one of the sites.
- As an initiative to commercialize some of the University's activities, a proposal on a UNESWA Printing and Publishing Press was compiled and awaiting approval by the relevant structures.
- The Consultancy and Training Centre (CTC) did preparatory work in securing partnerships through MOU's with Conciliation, Mediation & Arbitration Commission (CMAC), Olympics Association, TIVE leadership Centre and Advanta.e – online training and short courses.
- Eight short courses have been developed in response to Covid-19 for interested stakeholders.
- Designs and costing of the Motsepe Foundation funded projects were completed and the University has embarked on the construction of the classrooms and office buildings.
- To reduce operational costs, implemented austerity measures which included reviewing officer benefits, reducing utility bills, reducing bank charges through the use of electronic transfers etc.
- The maintenance department continues to attend to breakdowns and emergency work.

Outlook

- The University will partially freeze the establishment of new positions and replacements thus calling for the University to reskill its staff members and realign duties to the current staff compliment.

Financial Situation

- Total revenue received amounted to E104.30m compared to E159.99m last quarter.
- A deficit of E32.96m was realised compared to a deficit of E31.16m the previous quarter.
- Total operational expenditure amounted to E137.25m compared to E191.15m incurred last quarter.

Financial Statements

	2020	2020	2019	2019
Income Statement	June 30	Mar. 31	Dec. 31	Sept. 30
Income	7,172,341	67,866,349	11,212,009	9,442,203
Subvention	97,125,152	92,125,184	92,125,184	84,625,146
Expenditure	137,253,316	191,153,539	150,754,293	149,281,791
Surplus/Loss after subvention	-32,955,824	-31,162,006	-47,417,100	-55,214,442
Balance Sheet				
Fixed Assets	95,188,076	118,704,763	114,483,409	139,693,382
Investments	28,429,533	32,485,885	14,700,521	14,358,702
Current Assets	75,860,610	50,388,901	92,339,502	47,419,538
Current Liabilities	987,784,195	736,213,892	752,048,257	639,257,537
Net Current Assets	-911,923,585	-685,824,991	-659,708,755	-591,837,999
Employment of Capital	-788,305,978	-534,634,343	-530,524,825	-437,785,915
Non Distributable Reserves	137,103,502	139,901,533	139,901,533	131,022,053
Reserves	-942,620,516	-767,853,939	-764,171,643	-698,611,281
Distributable Reserves	10,522,835	19,388,250	19,388,250	18,695,000
Other Funds	-	-	-	-
Long Term Liabilities	6,688,201	73,929,813	74,357,035	111,108,313
Total Capital Employed	-788,305,978	-534,634,343	-530,524,825	-437,785,915

PEU Comments

The University continued to be faced with financial challenges which has resulted in them not being able to own up to their obligations, i.e. suppliers, remitting their PAYE. This prevailing situation has rendered UNESWA to be technically insolvent. The continued delay in remitting subvention and tuition fees has also impacted to the Institutions financial position. We hope Government will find a lasting solution for this financially challenged Institution.

The University is commended for introducing some cost cutting initiatives, and is encouraged to further

come up with other initiatives that could turn around the Institution. They are encouraged to review their strategy and come up with objectives that could render the entity a going concern.

24. SOUTHERN AFRICA NAZARENE UNIVERSITY (SANU)

Parent Ministry: Ministry of Education

SANU reported as follows for the quarter,

Operational review

- The application process for the 2020/2021 academic year was completed with 615 candidates granted provisional acceptance status against 2,500 prospective applicants.
- Student enrolment remained stable at 2,256 against 78 fulltime academic staff.
- The Faculty of Health Sciences ENACTUS team continued to exhibit cutting edge innovations.

Financial Statements

	2020	2020	2019	2019
Income Statement	June 30	Mar.31	Dec.31	Sept.30
Income	231,486	6,390,224	6,250,026	43,746,879
Expenditure	11,403,299	12,374,132	13,575,507	12,400,803
Surplus/Deficit	- 11,171,813	-5,983,908	-7,325,481	31,346,076
Balance Sheet				
Fixed Assets	58,895,427	59,155,381	59,447,704	59,810,265
Endowment Funds-Restricted	1,870,131	1,518,467	1,518,467	1,518,467
Manna Farm	-	727,840	698,000	698,000
Regional Office	-	1,401,875	1,210,336	1,210,33
Related Party Balances	-187,490			
Restricted Investments	1,131,124	1,283,316	425,712	1,117,260
Current Assets	22,289,977	40,305,849	46,982,320	54,725,701
Current Liabilities	14,676,107	7,973,585	8,065,282	7,882,056
Net Current Assets	7,613,870	32,332,264	38,917,038	46,843,645
Total Employment of Capital	69,323,062	96,419,143	102,217,257	111,197,973
Endowment Funds	1,901,428	1,549,764	1,518,467	1,518,467

Retained Earnings	28,991,266	36,855,626	43,075,591	43,179,313
Non- Distributable Reserves	28,818,206	28,818,205	28,818,206	28,818,206
Leave Pay & Staff Gratuity	-	6,305,211	205,666	839,330
Pension Fund	-	3,443,754	4,728,940	4,728,940
Scholarship Fund	877,456	836,282	749,692	767,643
Designated Investments	1,474,303	-	-	-
Accumulated Surplus/Deficit	7,260,404	18,610,301	23,120,695	31,346,075
Total Capital Employed	69,323,062	96,419,143	102,217,257	111,197,973

PEU Comments

During the quarter, SANU realised a total income amounting to E0.23m and incurred expenditure was E11.4m resulting to an operating deficit of E11.17m. The decrease in income emanated from the non-receipt of Government Subvention and tuition fees.

Due to the partial lockdown, teaching and learning had to be done online which had its own challenges as not all students had access to the internet. Newer challenges are likely to crop up given that the pandemic will not subside in the immediate future. It is hoped that both staff and students will gradually adjust to the new normal in order to ensure that the University continues with its mandate.

25. SEBENTA NATIONAL INSTITUTE (SNI)

Parent Ministry: Education & Training

Sebenta reported as follows for the quarter,

Operational review

- Following the closure of schools, 53 out of 420 classes were able to continue operating. The total number of learners reached was 667 out of 2,269 enrolled by the institute.
- All SNI classes within His Majesty's Correctional Services (HMCS) facilities have been operating despite lockdown restrictions.
- Examination registers have been collected by Regional Officers for distribution to the various centres for both Primary and Secondary Education.
- In responding to the call of innovative ways of reaching out to learners, the Institute piloted the use of teleconferencing to facilitate classes for SiSwati, Basic English and Post Basic English targeting all nine SNI centres.
- Only one "Taka Sebenta" programme was aired on Eswatini Broadcasting and Information Services (EBIS). The slot was then utilized by the Ministry of Education and Training for the Eswatini Primary

Certificate (EPC), Junior Certificate (JC) and Eswatini General Certificate of Education (EGCSE) radio lessons for the duration of the national lockdown.

Financial situation

- Income generated was E0.14m compared to E0.5m last quarter.
- Expenditure incurred increased to E1.65m from E2m last quarter.

Financial Statements

Income Statement	2020	2020	2019	2019
	June 30	Mar. 31	Dec. 31	Sept. 30
Revenue	142,821	499,178	300,158	421,580
Subvention	1,528,950	1,456,200	1,456,200	1,456,200
Expenditure	1,650,243	1,995,735	2,304,984	2,831,302
Surplus/Deficit	21,528	-40,357	-548,626	-953,522

Balance Sheet

Fixed Assets	8,552,570	8,449,287	8,414,885	8,407,054
Current Assets	742,899	798,569	817,205	2,287,834
Current Liabilities	993,189	993,189	993,189	1,189,960
Net Current Assets	-250,290	-194,620	-175,984	1,097,874
Employment of Capital	8,302,280	8,254,667	8,238,901	9,504,928
Accumulated Surplus/Deficit	-2,543,178	-2,592,921	-3,568,724	-2,075,241
Government Grants	432,000	434,130	1,022,456	795,000
Revaluation Reserve	10,413,458	10,413,458	10,785,169	10,785,169
Capital Employed	8,302,280	8,254,667	8,238,901	9,504,928

PEU Comments

Schools closed in March to avert the effects of Covid-19, thereby affecting the Institute in achieving its mandate of providing basic education and vocational skills. Government is commended for allowing e-learning which has proven to be highly effective for the institute to continue teaching during the lockdown. However, there has been a challenge in providing e-learning for Vocational Skills learners due to the nature of their programmes.

26.ESWATINI MEDICAL CHRISTIAN UNIVERSITY (EMCU)

Parent Ministry: Education

EMCU reported as follows for the quarter

Operational review

- Studies continued to be conducted online due to Covid-19 and only a few students were unable to connect due to network problems.
- EMCU was called to appear before the Disciplinary Tribunal owing to her failure to submit her 2019/2020 Annual Audited Financial Statements.
- A substantive Bursar was appointed and this brought relief to the University.
- Two staff members resigned as staff retention challenges continued resulting from the University's poor salary structure.
- The University continued to rely on an overdraft facility as Government subvention remained suspended.

Financial Situation

- Income was E0.20m compared to E5.19m last quarter.
- Total expenditure was E6.76 m compared to E8.52m last quarter.

Financial Statements

Income Statement

	2020	2020
	June 30	Mar.31
Income	201,027	5,185,334
Govt. Subvention	-	2,700,000
Government Special Grant		-
Expenditure	(6,762,633)	(8,516,638)
Operating Surplus/Deficit	(6,561,606)	(3,331,304)

Balance Sheet

Fixed Assets	39,947,308	39,841,256
Current Assets	9,423,673	3,859,373
Current Liabilities	19,513,959	24,590,967

Net Current Assets	(10,090,286)	(20,731,594)
Total Employment of Capital	29,857,022	19,109,662
Capital Employed		
Share Capital		-
Revaluation Reserve	29,857,022	24,257,131
Retained Income		(5,655,306)
Grants from donors		-
Long Term Liabilities		507,838
Total Employed Capital	29,857,022	19,109,663

PEU Comments

The University did not have much to report as it was quiet and students continued with their studies online, except for a few who had network challenges.

The position of the Chief Financial Officer was finally filled and this brings relief to all stakeholders as this is a very critical position in the operations of the University. It is hoped that the Finance Department will operate in a more efficient manner and compliance will be improved.

EMCU did not receive her quarterly subvention due to failure to submit annual audited financial statements for the 2018/2019 financial year, which resulted on the freezing of her subvention, therefore, income for the quarter was E0.20m against E5.19m.

VII. TOURISM AND ENVIRONMENT SECTOR

27. PIGG'S PEAK HOTEL AND CASINO (PPHC)

Parent Ministry: Ministry of Tourism and Environment

PPHC reported as follows for the quarter,

Operational Review

- Losses increased by 198% from E0.52m last quarter to a loss of E1.02m this quarter and the major contributing factor to the increase was the partial lockdown due to the Covid-19 pandemic.

- Average Occupancy during the quarter was at 22% compared to 27% in the last quarter and the decrease was a results of cancellation of confirmed bookings as a result of the outbreak of the Covid-19 Pandemic.
- Operational expenses for the quarter were E3.39m compared to E4.99m incurred last quarter. The increase was attributed to utilities and personnel costs.
- The net worth of the company had decreased by 5% in the quarter compared to last quarter mainly due to depreciation of property plant and equipment and the loss of E1.54m incurred during the quarter.
- The hotel and casino last fully operated in the first two weeks of March 2020 and all cash reserves have been utilized to pay fixed operational costs.

Financial Review

- Revenue drastically decreased from E3.89m last quarter to E2.12m this quarter.
- Operational expenses for the quarter were E3.39m compared to E4.8m last quarter.

Financial Statements (Combined)

Income Statement	2020	2020	2019	2019
	Jun.30	Mar.31	Dec.31	Sep.30
Total revenue	1,812,361	4,733,201	4,685,983	3,885,875
Interest received	306,738	403,579	462,864	153,084
Sundry Income	-	-	-	-
Total Income	2,119,099	5,136,780	5,148,847	4,282,374
Expenses	3,660,310	4,965,620	4,976,419	4,799,541
Net Profit/ (Loss)	-1,541,211	-516,498	-742,145	-1,162,862

Balance Sheet

Fixed Assets	13,618,352	13,170,602	14,727,179	15,259,942
Investments	-	-	-	-
Net Current Assets	23,504,431	20,031,547	20,746,415	21,153,990
Employment of Capital	32,271,738	33,243,922	35,473,595	36,413,932
Share Capital	2	2	2	2
Accumulated Income	1,515,615	2,446,026	4,881,401	5,805,575
Net Profit for year				
Long-term liabilities	-	41,773	65,995	82,158
Revaluation Reserve	30,756,121	30,756,121	30,526,197	30,526,197
Capital Employed	32,271,738	33,243,922	35,473,595	36,413,932

PEU Comments

PPHC reported a loss of E1.54m compared to E0.52m last quarter and the major contributing factor to the increase in losses was the partial lockdown imposed due to the Covid-19 pandemic which prohibited visitations.

An investor to operate both the hotel and Casino had been identified, however the finalization of the franchising deal was pending by the end of the quarter.

28. ESWATINI NATIONAL TRUST COMMISSION (ENTC)

Parent Ministry: Ministry of Tourism & Environmental Affairs

ENTC reported as follows for the quarter,

Operational

- Overall visitation decreased by 92% when compared to last quarter as the effects of the Covid-19 pandemic continued.
- Total visitation was 627 compared to 7598 visitors the previous quarter. Malolotja hosted the highest number of visitors (233), followed by Magadzavane Lodge (137), Mlawula (136) and Mantenga (121)
- Under law enforcement, a total of 272 patrols were undertaken at Malolotja Nature Reserve, 168 at Mlawula Nature Reserve (with 4 arrests) and at Mantenga Nature Reserve 124 patrols were made.
- Eleven animals were culled at Malolotja while nine were culled for meat at Mlawula and no animals were culled at Mantenga in the quarter. A total of eleven animals were found dead throughout the parks.
- A total of 342 harvesting permits were issued to members of the community and other park stakeholders.
- The Commission continued with awareness programmes which centred on raising awareness and equipping citizens on the importance of conserving and utilising wetlands in a sustainable manner.
- There were isolated fire incidents reported during the period but were all contained.
- The Cultural Department assisted in the preparation of Siswati lectures to be broadcasted to students in preparation for the IGCSE examinations
- National Museum and King Sobhuza 11 Park did not receive any visitors this quarter as a

result of the lockdown.

Financial Situation

- Subvention received was E4.45m and E633,551 was generated from internal sources.
- Total expenditure was E7.84m compared to E8.57m last quarter.

Financial Statements

	2020	2020	2019	2019
Income Statement	Jun.30	Mar.31	Dec.31	Sep.30
Subvention	4,444,486	4,447,341	4,444,486	4,444,487
Revenue	630,696	2,065,200	3,153,804	4,832,197
Other Income	2,855		140,453	690,186
Expenditure	7,838,298	8,566,553	8,577,876	9,096,718
Surplus/Deficit	-2,760,261	-2,054,012	-839,133	870,152

Balance Sheet

Fixed Assets	276,508,698	269,321,686	276,508,698	277,208,449
Current Assets	11,454,328	6,494,051	11,454,328	11,708,730
Current Liabilities	14,914,953	21,876,659	14,914,953	11,423,298
Net Current Assets	-3,460,625	-15,382,608	-3,460,625	275,432
Employment of Capital	273,048,073	253,939,078	273,048,073	277,483,881
Long Term Loan		-	-	-
Capital Reserves	273,887,206	253,939,078	273,887,206	273,887,206
Retained Income	-839,133	-	-839,133	3,606,675
Capital Employed		253,939,078	273,048,073	277,483,881
	273,048,073			

PEU Comment

The operations of the Commission continued to be hit hard by the Covid-19 pandemic this quarter as the country was still on partial lockdown. The number of both local and international visitors was drastically low when compared to same period of previous years. There is a need for the commission and the industry in general to develop recovery plans post the Covid-19.

Revenue drastically decreased from E2.07m to E0.63m this quarter as a result of a decrease in the number of visitors. ENTC incurred a deficit of E2.76m compared to E2.05m last quarter.

29.ESWATINI TOURISM AUTHORITY (ETA)

Parent Ministry: Ministry of Tourism & Environment Affairs

ETA reported as follows for the quarter,

Operational Review

- A total of 8, 956 international visitors were received compared to 267, 433 visitors last year same period as a result of stringent lockdown measures implemented by key source markets aimed at curbing Covid-19 pandemic.
- Articles and documentaries promoting Eswatini as a premier tourist destination were generated and published in 3 international and 3 regional digital platforms during the period. Locally a total of 55 articles were published through print, digital, television and radio.
- ETA leveraged on the availability of digital platforms to market the country during the lockdown period. These included the Authority's website and social media.
- The Authority continued with developing new community-based tourism projects as at period end it was assisting Mahamba Gorge and Khelekhele Hiking Trails with their projects which are at different stages of development. ETA also continued monitoring the existing projects and providing support where necessary.

Outlook

- ETA will continue to market Eswatini as a preferred tourist destination and promote the development and diversification of the local tourism product.
- Provide accurate data on tourism and source markets.
- Grading of local tourism establishments using the in-house developed application.

Financial Situation

- Total revenue amounted to E2.53m (subvention of E2.45m and Other Income E0.08m) compared to E4.21m last quarter (subvention of E3.67m and other income of E0.54m)

- Total expenditure was E3.23m compared to E4.18m the previous quarter.

Financial Statements

	2020	2020	2019	2019
Income Statement	June 30	Mar. 31	Dec. 31	Sept. 30
Subvention	2,446,155	3,669,233	3,669,233	3,669,233
Other Income	85,296	536,900	618,739	632,450
Total Income	2,531,451	4,206,133	4,287,972	4,301,683
Expenditure	3,230,224	4,181,679	4,134,004	4,239,751
Surplus/Deficit	(698,773)	24,454	153,968	61,932
Balance Sheet				
Fixed Assets	1,809,345	1,809,345	1,809,345	1,809,345
Current Assets	3,429,183	5,372,457	5,288,812	5,171,635
Current Liabilities	145,600	190,100	130,909	166,700
Net Current Assets	3,283,583	5,182,357	5,157,903	5,004,935
Employment of Capital	5,092,928	6,991,702	6,967,248	6,814,280
Reserves	5,791,702	6,967,248	6,813,280	6,752,348
Surplus/loss	(698,773)	24,454	153,968	61,932
Total Capital Employed	5,092,929	6,991,702	6,967,248	6,814,280

PEU Comments

The Authority incurred a loss of E698, 773 compared to a surplus of E24, 454 last quarter attributable to the Authority receiving less subvention and generating less other income compared to last quarter. Stringent lockdown measures implemented by key source markets worldwide as a result of the Covid-19 pandemic resulted in an unprecedented 97% decline in arrivals when compared to the same period last year. Arrivals at the country's ports of entry was restricted to essential workers and trade.

The Authority was restricted to digital platforms to market the country during the Covid-19 lockdowns. We commend the Authority and its' stakeholders for developing the Eswatini Tourism Covid-19 Health and Safety Guidelines aimed at positioning Eswatini as a safe tourism destination during the pandemic and beyond.

30.ESWATINI ENVIRONMENT AUTHORITY (EEA)

Parent Ministry: Tourism & Environmental Affairs

EEA reported as follows for the quarter,

Operational Review

- A total of 103 environmental impact assessment applications were received and administered compared to 150 last quarter.
- Major projects approved included; construction of Sikhuphe sewer ponds, Manzini Lifestyle Centre, a solar project at Edwaleni and proposed upgrade of Masiphula - Mkhwakhweni road, amongst the rest.
- In compliance with the Air Pollution Control Regulations (2010), Mbabane Government Hospital officials were engaged on the recurring dark smoke from their incinerator.
- Water quality monitoring continued at Lomati River, Shelangubo River, and Lomati Emergency Ponds 1&2 where cyanide was detected at 1ppm, above the legal effluent of 0.5ppm.
- EEA noted with concern that the lockdown has significantly hampered efforts to keep the country clean as during numerous routine inspections, a number of contraventions in various places were identified.
- A total of 31 waste management licenses were received and processed with corresponding inspections undertaken in different sites.
- Hiking trails were developed at eMvembili Eco-Tourism Project through assistance from ENTC and security guards were engaged to patrol the site following completion of construction.
- Yellow maize import permits were issued to Arrowfeeds, Ngwane Mills, Cranefeeds and Swaziland Milling with a total of 12,000kg yellow maize and 105kg grit imported into the country.
- A Memorandum of Understanding (MoU) was signed with ESCCOM for cooperation in areas of mutual interest and also with Matsapha Town Council for the construction of 3 recyclable collection centres.
- A Draft Bill to amend the Biosafety Act was approved by the House of Assembly and it was with the House of Senate. The EIA Regulations were approved by Cabinet and awaited to be tabled in Parliament.

Financial Situation

- Government subvention was E2.32m against E3.48m last quarter.
- Other income was E0.18m compared to E0.25m last quarter.
- Total expenditure was E3.88m against E3.76m last quarter.

Financial Statements

Income Statement	2020	2020	2019	2019
	Jun.30	Mar.31	Dec. 31	Sep. 30
Revenue	175,484	254,291	279,198	340,612
Expenditure	3,881,603	3,756,711	3,936,947	3,261,239
Operating Surplus/Deficit	(3,706,119)	(3,502,420)	(3,657,749)	(2,920,627)
Grants/Donations			-	-
Subvention	2,320,527	3,480,729	3,480,729	3,480,729
Surplus/Loss after Subvention	(1,385,592)	(21,691)	(177,020)	560,102

Balance Sheet

Fixed Assets	3,317,848	3,886,087	3,886,087	3,886,087
Current Assets	4,649,048	1,255,243	9,401,976	11,072,684
Current Liabilities	2,783,005	2,949,610	2,949,610	2,836,065
Net Current Assets	1,866,043	(1,694,367)	6,452,366	8,236,619
Total Employment of Capital	5,183,891	2,191,720	10,338,453	12,122,706

Employment of Capital

Retained Income	-	442,411	442,411	560,102
Grant Finance	12,243,073	14,221,523	14,221,523	15,573,267
Realised Grant	7,059,182	(12,472,215)	(4,325,481)	(4,010,664)
Total Capital Employed	5,183,891	2,191,720	10,338,453	12,122,706

PEU Comments

The Authority faced challenges this quarter as a number of waste management activities that were supposed to take place could not and various violations of environmental legislations were noted in different areas during the partial lockdown, however, the Authority is making follow ups on perpetrators.

Completion of construction works at eMvembili Eco-Tourism Project is a milestone as this will help improve the country's economy through Tourism. The Project will also help provide employment opportunities to the local people, thus alleviating poverty and improving the country's Gross Domestic Product.

VIII. INFORMATION

31.ESWATINI TELEVISION AUTHORITY (ESTVA)

Parent Ministry: Ministry of Information, Communications and Technology

STVA reported as follows for the quarter,

Operational Review

- All live transmissions were successfully delivered from location to ESTVA studios for distribution to the viewer's countrywide.
- The Authority was able to broadcast 68% of local content and 32% of foreign content. This shows a 11% increase in local content and 11% decrease in foreign content compared to the closing quarter of the 2019/20 financial year.
- The Authority introduced Covid-19 documentaries, Covid-19News and Current Affairs programmes including Educational (Home Learning) and Religious programmes in response to the Covid-19 pandemic.
- Due to the negative impact of Covid-19 pandemic, the Authority's client data base significantly declined, a large proportion of clients pulled out because of lockdown restrictions. The number of clients recorded was 59 compared to 284 last quarter.
- Consumption of Eswatini TV content through digital media platforms (OTT) continued to increase both locally and world-wide due to consumption of Covid-19updates and Eswatini TV re-purposed programmes that are addressing topical issues on the Covid-19. The current online viewership stand at 6 229 881.
- The Authority successfully premiered the first locally produced drama series "Ekhaya" which received an overwhelming response from the viewers. Season two (2) story outline has been successfully pitched.
- ESTVA has embarked on the conceptualization of the first ever in-house scripted Telenovela entitled "Emabulawo" (Generational Curses) which is at an advanced stage and currently has 85 culturally relevant scripted episodes.

- The Authority has developed a post Covid-19 era strategy and action plan. The strategy covers resuscitation of ESTVA revenue generation strategies and post Covid-19 programme production.

Outlook

- Complete and submit the audit of the 2020 financial year to shareholder and relevant stakeholders.
- Engage external agents to sell local content to foreign broadcasters to widen ESTVA's revenue base.
- Partial upgrade of studio broadcast equipment (Phase 1).

Financial Situation

- A total sum of E7.4m was received. The subvention received was E5.8m and other income generated during the quarter is E1.6m.
- The Authority's creditors up to the end of the quarter amounted to E100.7m (E79.6m last quarter) which included outstanding statutory financial remittances of E88m (E67.1m last quarter) and sundry creditors stand at E17.7m (E12.4m last quarter) for the Authority's operations.
- The Authority's trade debtors currently stand at E32.7m and there is provision for doubtful debts amounting E23.9m.

Financial Statements

	2020	2020	2019	2019
Income Statement	June 30	March 31	Dec 31	Sept 30
Income	7 404 943	13,554,594	13,344,504	13,458,181
Expenditure	14 116 999	15 121 736	15 975 594	17 458 058
Net profit / (Loss)	-6 712 056	-1,567,142	-2, 631,090	-3 999 877
Balance Sheet				
Fixed Assets	10 961 679	10,956,582	12 792 321	12 619 240
Current Assets	5 245 874	6,144,666	3 531 676	10 683 073
Current Liabilities	100 712 499	79,045,551	74,588,521	58 269 810
Net Current Assets	-95 466 625	-72 900 885	-71 056 845	-47 586 737
Employment of Capital	-84 504 946	-61 944 303	-58 264 524	-34 967 497

Share Capital	950,000	950,000	950,000	950,000
Reserves	6,537,748	6,537,748	6,537,748	6,537,748
Lease Control A/C	374 460	190,680	2 813 130	2 813 130
Suspense A/C	-73,534	-73,534	-26 139	-26 139
Capital Grant	215,954	215,954	215,954	215,954
Accumulated Loss/Profit	-69 765 151	-69 765 151	-66,033,593	-45 458 189
Total Capital Employed	-92 509 573	-61 944 303	-58 264 524	-34 967 497

PEU Comments

ESTVA had a loss of E6.7m in the quarter. Other income that was generated was E1.6m which comprised of advertising, TV licence and commission received from sale of set top boxes. ESTVA received only E5.8m as subvention this quarter.

The Authority's current liabilities stood at E100.7m against current assets of E5.2m which is a clear indication that the Entity is insolvent. There is a need for a turnaround strategy for this Entity to ensure that it is sustainable.

IX. HOUSING SECTOR

32. ESWATINI NATIONAL HOUSING BOARD (ENHB)

Parent Ministry: Ministry of Housing and Urban Development

ENHB reported as follows for the quarter,

Operational review

- Maintenance works continued during the quarter but were below the 90% completion target because of a variety of reasons. The unavailability and late delivery of materials because of the pandemic had also played a part in some of the delays as many suppliers were closed.
- Rental debtors amounted to E1.79m compared to E1.36m in the previous quarter and of the total owing, 42% is for Government leased flats, 7% commercial tenants and 51% for individual tenants.
- Three projects namely; Mhobodleni Township, Pigg's Peak Township and Matsapha Township had been submitted to the Eswatini Environmental Authority and were approved. Project

implementation was pending.

- There were 60 lease termination in the quarter and 29 units remained vacant at the end of the quarter.
- The Woodlands Extension II, Mbabane was approved and declared a Township by the Human Settlement Authority.
- At Mhobodleni House Construction, four (4) houses were still at different stages of construction.
- There were three (3) plots sold at Nhlanguano Township Extension 9 (Nkhanini) in the period as a result 433 out of 437 plots have been sold to date. There were however no house sold during the period.
- Three (3) plots were sold at Mabuya Township, as a result 88 plots had been sold out of the 98 plots and one house was sold.
- Eleven (11) plot sales were sold at Woodlands Township Extension 2. To date, ninety four (94) plots have been sold in this township out of 298 plots available for sale and only one house was sold.
- Four (4) plots and houses on offer at Mhobodleni Township were registered and sublet to Sub-Lessees during the quarter.
- Two 99 Year Leases were registered this quarter at Msunduza Package 13 and Four 99 Year Lease holders were granted consent to cede their rights to third parties.

Financial Review

- The results of operations for the quarter reflect a deficit of E1.72m.
- Facilities management fee amounting to E79,222 was received from Woodlands Shopping Centre.
- Property Sales amounted to E8.14m
- Rental billings amounted to E8.93m for the quarter.
- Total expenditure amounted to E30.17m.

Financial Statements

	2020	2020	2019	2019
Income Statement	Jun.30	Mar.31	Dec.31	Sep.30
Income	79,222	95,384	125,455	37,187

Institutional Housing	14,871,695	20,793,637	18,463,489	22,417,189
Rental	8,932,157	8,531,075	8,488,509	8,443,529
Other	274,014	30,478	132,535	72,019
Sale of assets	8,136,621	8,900,012	2,272,241	4,080,978
Interest	1,346,258	71,644	763,433	2,269,272
Total Income	33,639,969	38,422,232	30,245,662	37,320,174
Cost of Sales	5,193,968	3,460,550	1,785,329	2,746,240
Gross Profit /Loss	28,446,000	34,961,681	28,460,335	34,573,933
Expenditure	30,165,636	39,200,631	34,497,906	41,040,988
Profit/Loss	(1,719,636)	(4,238,949)	(6,037,571)	(6,467,054)

Balance Sheet

Fixed Assets	1,086,730,414	1,064,548,762	1,049,992,361	1,031,060,283
Current Assets	135,594,072	143,173,907	165,426,202	162,892,128
Current Liabilities	105,014,927	90,999,776	85,302,235	83,555,243
Net Current Assets	30,579,145	52,174,131	80,123,967	79,336,885
Employment of Capital	1,117,309,559	1,116,712,893	1,130,116,328	1,110,397,168

Capital–Govt	10,800,000	10,800,000	10,800,000	10,800,000
Revaluation reserve	318,526,617	318,526,617	318,526,617	318,526,618
Capital reserve	17,752,142	17,752,142	17,730,088	17,730,089
Retained Income	-83,750,536	-75,587,269	-65,910,667	-60,080,610
Long-term liability	853,981,335	845,221,402	848,970,288	823,421,199
Total Capital Employed	1,117,309,559	1,116,712,893	1,130,116,328	1,110,397,168

PEU Comments

The Board incurred a deficit of E1.72m compared to E4.24m last quarter. The decrease was mainly attributable to the decrease in expenditure from E39.2m last quarter to E30.17m. On another note income from the sale of assets decreased from E8.90m to E8.14m this quarter and Institutional Housing Project income also decreased from E20.97m to E14.87m this quarter.

The Eswatini Housing Board is commended for always making sure that affordable houses are available in the market and as such they have introduced housing finance through which Emaswati can own houses.

X. LABOUR SECTOR

33. CONCILIATION, MEDIATION & ARBITRATION COMMISSION **(CMAC)**

Parent Ministry: Ministry of Labour and Social Security

CMAC reported as follows for the quarter,

Operational Review

- The Commission provided services to a total of three hundred and twenty (320) stakeholders this quarter compared to six hundred and thirty eight (638) last quarter. A total of 66 cases were received compared to 283 cases last quarter.
- The processing rate dropped from 79% last quarter to 43%, while the settlement rate also fell from 44% to 36% this quarter.
- A total of 8 memoranda of agreements compared to 18 last quarter were submitted for registration by the Industrial court.
- Four (4) applications compared to 3 last quarter were lodged at the High Court seeking to review Arbitration awards and only one rescission application was received for processing.
- To educate and inform social partners on the latest developments in contemporary law, 2 weekly articles were published in the Eswatini News.

Financial Situation

- Total revenue amounted to E2.75m compared to E4.05m last quarter.
- A deficit of E0.39m was recorded compared to a surplus of E0.22m last quarter.
- Total expenditure incurred amounted to E3.14m compared to E3.83m last quarter.

Outlook

CMAC looks forward to resuming arbitration of all pending disputes, commencement of IRA 2000 and Arbitration Act 1904, develop and implement a change management strategy and a marketing plan and the launch of the strategic plan 2020-2025. The Commission also looks forward to developing MOUs with UNESWA and the Human Rights Commission.

Financial Statements

	2020	2020	2019	2019
Income Statement	Jun. 30	Mar. 31	Dec. 31	Sep. 30
Income and Subvention	2,747,508	4,052,493	4,304,542	4,157,589

Expenditure	3,141,296	3,831,380	4,204,695	3,960,142
Surplus/Deficit	-393,788	221,113	99,847	197,447
Balance Sheet				
Fixed Assets	4,442,504	4,157,922	4,157,922	4,157,922
Investments	1,573,548	1,651,110	1,622,355	2,286,022
Current Assets	1,115,604	1,321,681	1,459,964	428,901
Current Liabilities	3,584,768	3,484,768	3,484,768	3,884,960
Net Current Assets/Liabilities	-2,469,164	-2,163,087	-2,024,804	-3,456,059
Employment of Capital	3,546,888	3,645,945	3,755,473	2,987,885
Share Capital				
Retained Income	24,335	730,228	839,756	72,168
Long - Term Loan	-	-	-	-
Non Distributable Reserves	3,522,553	2,915,717	2,915,717	2,915,717
Capital Employed	3,546,888	3,645,945	2,987,885	2,987,885

PEU Comments

The Covid-19 pandemic which enforced a partial lockdown in the country presented challenges to the Commission's operations. As a result cases were postponed due to the possible exposure of the relevant parties to the corona virus and a number of respondents could not be reached at their business addresses due to the lockdown on certain industries, thus affecting the processing rate. CMAC was exploring the use of technology to increase access to her services during the lockdown. Remote services will also be used not only to improve safety, but also to improve efficiency in the delivery of services post the pandemic.

The Commission received only three thirds of the subvention for the quarter which has resulted in CMAC incurring a deficit

34. ESWATINI NATIONAL PROVIDENT FUND (ENPF)

Parent Ministry: Ministry of Labour and Social Security

ENPF reported as follows for the quarter,

Operational Review

- The Fund received E67.2m in contributions compared to E91.65m last quarter.
- The year to date member benefits paid amounted to E176.78m compared to E190.79m last year.
- Claims were processed in an average turnaround time of 2.57 days per claim compared to 5.59 days recorded during the previous period.

Financial Statements

Income Statement

	2020	2020	2019	2019
	June 30	Mar. 31	Dec. 31	Sept. 30
Income	205,512,962	-217,733,904	59,037,803	40,670,098
Expenditure	28,647,979	30,503,061	23,642,968	23,287,195
Profit/Loss	176,864,983	-248,236,966	35,394,835	17,382,903

Balance Sheet

Fixed Assets	100,525,033	100,578,971	103,516,956	80,928,315
Investments Properties	540,318,894	611,936,999	540,678,770	540,318,894
Investments	2,994,215,157	2,701,269,391	3,139,407,245	2,948,508,485
Loans and advances	297,184,338	269,250,064	291,473,375	286,065,422
Current Assets	59,234,764	93,468,908	61,462,199	67,231,646
Current Liabilities	14,522,739	12,703,021	20,194,670	29,970,733
Net Current Assets	44,712,025	80,765,887	41,267,529	37,260,913
Total Employment of Capital	3,976,955,447	3,763,801,313	4,116,343,875	3,893,082,029

Non-Distributable Reserve	14,969,720	15,208,394	16,332,242	15,527,654
Contributions & members' int.	4,132,598,177	3,980,385,482	4,155,628,940	3,966,886,344
Reserves	19,542,965	19,542,965	19,542,965	19,542,965
Funeral Benefits Fund	9,186,675	8,979,112	1,867,500	3,817,673
Accumulated Profit/Loss	(199,342,090)	(260,314,641)	(77,027,772)	(112,422,607)
Total Capital Employed	3,976,955,447	3,763,801,313	4,116,343,875	3,893,082,029

PEU Comments

This quarter saw a significant increase in total income compared to the previous period mainly due to an increase in investment income which had plummeted last quarter.

Total expenditure decreased to E28.64m from E30.5m last quarter. The Fund is on a drive to ensure cost containment through process review and automation as well as expenditure monitoring.

35. PUBLIC SERVICE PENSIONS FUND (PSPF)

Parent Ministry: Ministry of Labour and Social Security

PSPF reported as follows for the quarter,

Operational Review

- The Fund had a membership of 42, 029 total active members compared to 42, 217 last period, of which 9, 663 were principal pensioners and 15, 294 dependent beneficiaries mainly children and spouses of members who also receive a pension from the Fund.
- The fund provided 86 housing loan guarantees for active pensionable members compared to 117 last quarter.
- The Fund complied with the retirement Funds Act by maintaining 46% of its gross assets in the domestic portfolio against a minimum requirement of 30%. The Portfolio held in Global assets stood at 20% which is equal to the 20% approved by the Central Bank.
- There were 300 exited active members compared to 259 last period; 190 through normal retirement, 15 through early retirement, 8 through forced retirement, 12 through expiry of contract and 12 through withdrawal.
- Gross Foreign assets increased to E13.21bn from E11.14bn last quarter. Gross domestic portfolio assets increased to E11.05bn from E10.87bn last quarter.
- An Additional E2m was invested in the Hotel Development Project, bringing the total expenditure on the construction to E507m. The hotel started operations on the 15th May 2019. The Fund awaits a E21.4m Vat input refund from the Revenue Authority incurred during construction.

QUARTERLY BENEFITS AWARDED (E ‘millions)

Description	June 2020	Mar. 2020	Dec. 2019	Sept. 2019
Pension	221.49	221.63	236.18	204.00
Lump sum on retirement	76.77	77.77	92.28	82.22
Lump sum on deaths	13.45	7.31	14.44	14.40
Lump sum on withdrawals	0.48	1.23	1.71	1.33
Funeral expenses	0.81	0.77	0.83	0.95
TOTAL	313.00	308.70	345.43	302.91

- **TOTAL INVESTMENT INCOME (E ‘millions)**

Description	June 2020	Mar. 2020	Dec. 2019	Sept. 2019
Dividends	218	59	56	99
Interest	184	247	251	242
Rentals	6	6	6	6
Realised profit	366	45	49	320
TOTAL	774	357	362	667

Financial Situation.

- Pension contributions were E297m compared to E296m last period.
- Benefits awarded increased to E313m compared to E309m last period.
- Investment income decreased to E774m from E896m last quarter attributable to lower in unrealised profits and interest from South African based portfolio.
- Total expenditure decreased to E365.53m from E371.77m last quarter.

Financial Statements

	2020	2020	2019	2019
Income Statement	June	Mar. 31	Dec. 31	Sept. 30
Contributions	296,949,027	296,601,213	293,625,709	296,948,517
Investment Income	774,226,309	896,168,789	362,680,014	666,545,095
Expenditure	365,525,236	371,774,970	404,368,584	352,657,118
Revaluation gains/(losses)	1,510,634,996	(2,902,079,016)	247,039,627	(237,751,806)
Surplus/deficit before tax	2,216,285,236	(2,081,083,984)	498,976,766	373,084,688
Withholding tax	13,137,280	3,807,359	7,646,113	9,778,725
Surplus/ Deficit	2,203,147,816	(2,084,891,343)	491,330,653	363,305,963

Balance Sheet

Property, Plant& equipment	42,217,294	42,644,531	42,878,410	43,404,886
Foreign Assets	13,207,566,166	11,140,160,002	13,386,055,450	13,001,998,267
Domestic Assets	11,054,581,352	10,877,089,364	10,712,903,331	10,603,666,299
Current Assets	139,094,882	139,228,322	134,032,986	133,806,419

Current Liabilities	(79,477,339)	(79,565,185)	(71,382,257)	(70,027,587)
Net Current Assets	59,617,543	59,663,137	62,650,729	63,778,832
Employment of Capital	24,363,982,355	22,119,557,034	24,204,487,920	23,712,848,284
Accumulated Profit/loss	24,363,982,355	22,119,557,034	24,204,487,920	23,712,848,284
Total Capital Employed	24,363,982,355	22,119,557,034	24,204,487,920	23,712,848,284

PEU Comments

The Fund's net surplus was E2.20bln compared to a net loss of E1.13bln last quarter which is a huge turnaround from the high unrealized losses incurred in the previous quarter due to Covid-19.

The Fund incurred revaluation losses of E2.90bln from the Foreign Portfolio last quarter as the world reacted to the initial shocks of the Covid-19 pandemic. There has been positive but subdued economic activity in the period as markets and investors adapt to the new normal, which has resulted in a 10% increase in accumulated funds compared to last quarter. The fund is encouraged to continue diligently monitoring its investments beyond these turbulent economic times.

XI. HEALTH SECTOR

36. NATIONAL EMERGENCY RESPONSE COUNCIL ON HIV/AIDS (NERCHA)

Parent Ministry: Prime Minister's Office

NERCHA reported as follows for the quarter,

Operational Review

Implementation of activities in the quarter improved as most of the planned activities were undertaken as follows;

- In a bid to further strengthen the coordination of HIV and AIDS services NERCHA used most part of the quarter developing a work plan for the coordination of programs at community, inkhundla, regional and national level. The focus of this plan is on ensuring that all communities receive the National Minimum Package of HIV services that will ensure the ending of AIDS by 2022.
- NERCHA joined forces with the regional teams in the response to Covid-19 and used this platform to promote the uptake of AIDS Services especially antiretroviral treatment (ART) during the partial

lockdown. During these sensitization activities, NERCHA joined hands with Government in the provision of face masks and other supportive interventions.

- In line with the NSF strategy of increasing the number of people who cite social media as a source of HIV information, NERCHA continued with the use of themed videos to advance HIV prevention messages in social media platforms. In this reporting period, two videos were produced and posted on NERCHA Facebook page, twitter and sent through WhatsApp groups. The video covered Pre-Exposure Prophylaxis (PrEP) and VMMC programmes.
- NERCHA engaged an intermediary organization, ADRA, to be the procurement agent for the materials required by the 29 awarded support groups. ADRA visited all support groups and consolidated a procurement plan which NERCHA approved.
- NERCHA continued with this pre-recorded radio programme directed at giving hope to people infected and affected by HIV and AIDS.
- NERCHA coordinated the development and submission of the 2020 Eswatini Global AIDS Monitoring report and submitted same to UNAIDS

Outlook

- The rollout of the social mobilization of the nation towards the goal of ending AIDS by 2022. This will be achieved through a national advocacy campaign which is currently under development.
- Rollout a Prevention Campaign focused on adolescent girls and young women with the aim of reducing new HIV infections amongst this group.

Financial Situation

- Grant Income received during the quarter amounted to E21.5m.
- NERCHA Administration expenses, which includes the cost of managing the Global Fund grants amounted to E7.27m.
- Total Program costs amounted to E66.8m (HIV and Aids E55.1m, Malaria E0.7m, TB E8.9m and Covid-19 E2.0m).

Financial Statements

	2020 June 30	2020 March 31	2019 Dec 31	2019 Sept 30
Income Statement				
Income and Subvention	21,459,059	152,529,843	152,529,843	7,593,567
Deferred Income B/F	232,166,847	165 073 392	-	-
Expenditure	74,037,813	55 604 310	45 872 616	39,730,636
Net Surplus/loss (deferred to next quarter)	179,588,093	261 998 925	5 168 169	-32,137,069
Balance Sheet				
Fixed Assets	20 714 844	21 007 011	20 629 571	20 926 856
Investments				
Current Assets	216 956 323	276 576 594	166 081 355	197 279 676
Current Liabilities	30 716 753	35 584 682	20 215 568	24 329 499
Net Current Assets	186 239 570	240 991 913	145 865 788	172 950 177
Employment of Capital	206 954 414	261 998 924	166 495 359	193 877 033
Deferred Income	261 708 457	232 290 757	232 290 757	232 290 757
Grant Received During Period	20 488 220	223 035 406	56 674 782	49 081 216
Realised Grant	-75 242 263	-193 327 239	-122 470 180	-87 494 940
Capital Employed	206 954 414	261 998 924	166 495 359	193 877 033

PEU Comments

Grant income received during the quarter was E21.5m and NERCHA received E9.84m subvention from Government. The grant income received during the quarter was 80% below the budget, however NERCHA had sufficient income to continue with the implementation of planned activities.

The NERCHA Council approved E4.15m as emergency support to the Ministry of Health and NERCHA for responding to the urgent unplanned requirements for Covid-19. Further, the Global Fund approved E34.1m from savings in the current Global Fund grants to support the Ministry of Health with the Covid-19 pandemic.

37.ESWATINI NAZARENE HEALTH INSTITUTIONS (ENHI)

Parent Ministry: Health

ENHI reported as follows for the quarter:

Operational Review

Activity	June 2019	March n 2019
RFM ACTIVITY		
Patients seen (outpatient)	30,869	95,989
Medications issued (outpatient)	233,564	298,433
Admissions	2,125	1,979
Average length of stay/Days	5	5
Occupancy rate	40%	39%
Death rate	5%	5%
Hospital Deaths	71	97
Minor surgeries	226	289
Major surgeries	31	103
Number of patients initiated on ART	172	325
Total patients on ART	18,310	18,431
Number of babies delivered	1,426	1,587
CLINICS ACTIVITY		
Antenatal care	2,108	2,475
Family planning	4,743	4,466
Emergency deliveries	1	2
Child welfare	5,916	7,650
HIV Test	4,733	4,787
ART initiation	169	476
ARV refills	10,451	15,220
Cervical Cancer Screening (VIA)	68	288

Financial Situation

- Total revenue amounted to E54.00m compared to E59.61m last quarter. Revenue comprised of subvention E41.50m, drugs and medical supplies E4.61m, donations E6.65m and patients fees E1.20m.
- Total expenditure was E62.85m compared to E93.11m last quarter.

Financial Statements

	2020	2020	2019	2019
Income Statement	Jun. 30	Mar. 31	Dec. 31	Sep. 30
Income and Subvention	53,999,998	59,609,730	86,627,424	40,760,523
Expenditure	62,849,200	93,110,876	49,498,427	53,222,279

Surplus/Deficit	-8,849,202	-33,501,146	19,969,609	-12,461,756
Balance Sheet				
Fixed Assets	212,337,360	211,885,433	215,823,628	215,779,094
Current Assets	78,765,434	113,845,818	70,346,577	49,929,402
Current Liabilities	309,654,487	316,728,337	266,347,616	265,431,224
Net Current Assets/Liabilities	-230,889,053	-202,882,519	-196,001,039	-215,501,822
Employment of Capital	-18,551,693	9,002,914	19,822,589	277,272
Capital Grants	221,370,857	276,816,607	253,165,347	253,165,347
Accumulated Surplus/Deficit	-239,922,549	-267,813,695	-233,342,758	-233,915,026
Capital Employed	-18,551,692	9,002,912	19,822,589	81,483,510

PEU Comments

This quarter saw the announcement of the Covid-19 pandemic in the country and as such resulted in a decrease in patients among the facilities in most of the services offered by the Institution. There was a huge decline in the number of outpatients as they decreased from 95,989 (ninety five thousand nine hundred and eighty-nine) to 30,869 (thirty thousand eight hundred and sixty-nine) patients. Even though the number of patients seen in the outpatient department decreased, medication issued to these patients was relatively high as it stood at 233,564 compared to 298,433 medications issued last quarter. Maternal deaths increased to four compared to one prior period, however, the overall hospital deaths decreased from 97 to 71 this period.

The Institution was able to remit some of its creditors as shown by the decrease in current liabilities. Notably, a sum of E2.89m was remitted to the Eswatini Revenue Authority in respect of PAYE for the month of April 2020, however, due to financial constraints ENHI was unable to remit PAYE for the months of May and June 2020. The Institution is encouraged to continue with the payment of outstanding balances with the limited resources as these accruals tend to attract interest and penalties.

38. GOOD SHEPHERD HOSPITAL (GSH)

Parent Ministry: Health

GSH reported as follows for the quarter,

Operational Review

Hospital Performance Report

Activity	June 30	Mar. 31	Dec. 31	Sep. 30
GOOD SHEPHERD ACTIVITY				
OPD Visits	32,621	31,009	31,120	32,972
Admissions	1,890	2,207	2,095	2,271
Deliveries	855	922	625	803
Average length of stay/Days	5 days	4 days	5 days	4 days
Occupancy rate	30.2%	39%	36%	38.7%
Death rate	3.2%	3.2%	4%	4%
Minor surgeries	208	122	193	189
Major surgeries	88	202	265	385
CLINICAL ACTIVITY				
Number of patients seen	32,621	31,009	31,120	32,972
Main OPD	8,228	9,826	9,987	9,937
Children's OPD	475	1,629	1,702	1,679
Home Based Care	92	211	304	361
VCT	46	86	101	96
ART	24,359	24,179	23,971	23,770
ENT	205	288	348	448
EYE	103	288	389	452
Physiotherapy	72	242	272	408
Radiology	3,291	5,181	4,808	4,734
Laboratory	23,751	21,398	32,732	33,876
Social Welfare	94	56	59	69
Theatre	296	324	458	574
Mortuary Services	60	72	91	90

- In response to the pandemic, a flu clinic was established, outreach services were suspended but supported by telephone consultations and a ward for COVID -19 suspects was setup.
- The general OPD services saw a decrease of 28.1% in patient figures in the departments. The decrease in client attendance is due to the Covid-19 pandemic. The OPD sees the most patients followed by ART which includes Pre-ART as well as ART Refill.

Financial Situation

- A surplus of E0.85m was realised compared to a deficit of E23.6m last quarter.
- Total income amounted to E32.99m compared to E11.71m last quarter.

- Total expenditure amounted to E32.13m compared to E35.32m last quarter.

Financial Statements

	2020	2020	2019	2019
Income Statement	June 30	Mar. 31	Dec. 30	Sept.30
Subvention	25,200,000	0	29,750,000	32,500,000
Other income	7,786,885	11,710,915	1,859,861	4,893,853
Total income	32,986,885	11,710,915	31,609,861	37,393,853
Expenditure	32,133,320	35,321,455	23,774,138	28,045,916
Surplus/Deficit	853,565	-23,610,540	7,835,723	9,347,937
Fixed Assets	48,589,432	53,474,280	53,827,882	54,597,891
Current Assets	38,028,705	16,077,527	15,897,406	8,978,729
Current Liabilities	168,500,374	161,810,418	145,144,324	137,747,447
Net Current Assets	-130,471,669	-145,732,891	-129,246,919	-128,768,718
Employment of Capital	-81,882,237	-92,258,611	-75,419,037	-74,170,827
Share Capital	-	964,483	-	-
Accum. Surplus/Deficit	-92,218,630	-103,559,487	-85,755,430	-84,507,220
Revaluation Reserves	10,336,393	10,336,393	10,336,393	10,336,393
Total Capital Employed	-81,882,237	-92,258,061	-75,419,037	-74,170,827

PEU Comments

The Hospital successfully implemented the Test-And-Start programme which has seen an increase in the ART clinic. Test-And-Start is an innovative practice that renders patients to start antiretroviral (ART) treatment. The Hospital is recommended for initiating such a programme and further allowing patients more access to services that start earlier than usual operating time.

The Hospital's liabilities continue to increase quarter by quarter, and the main contributor is the Pay As You Earn (PAYE). The continuous increase has a negative impact on the Institutions going concern. The Hospital is urged to work on a plan to clear its liabilities .

XII. SPORTS SECTOR

39. ESWATINI NATIONAL SPORTS & RECREATION COUNCIL (ENSRC)

Parent Ministry: Ministry of Sports, Culture and Youth Affairs

ENSRC reported as follows for the quarter,

Operational Review

- The outbreak of the Covid-19 pandemic resulted in the suspension of local sports activities and participation in international sports events in the quarter.
- The international Day of Yoga and the Olympic Day Run were both hosted virtually and their activities were posted online.
- The Council participated in the African Union Sports Council Region 5 meetings that were held virtually during the quarter as other scheduled meetings were not held because of the corona virus.
- There had been considerable activity and growth on the social media platforms as a result of the pandemic. An increase of 162 followers was realized in the period.
- The Draft Sports Bill was at the office of the Attorney General for further legal alignment and technical scrutiny. While the development of regulations was also underway.

Financial Situation

- Total income was E1, 93 m (subvention).
- Total expenditure was E1.11m compared to E1.40m last quarter.
- A surplus of E0.82m was realized

Financial Statement

	2020	2020	2019	2019
Income Statement	Jun.30	Mar.31	Dec.31	Sep.30
Subvention	1,931,179	1,689,280	1,686,139	1,965,007
Income	-	-	-	-
Expenditure	1,112,382	1,399,494	1,636,969	1,624,205
Surplus/Deficit	<u>818,794</u>	<u>289,785</u>	<u>49,169</u>	<u>340,801</u>
Balance Sheet				
Fixed Assets	713,730	659,340	694,310	731,398
Current Assets	641,720	482,200	202,834	156,0123,
Current Liabilities	<u>7,937</u>	<u>5,920</u>	<u>5,920</u>	<u>710</u>

Net Current Assets		476,280	196,914	
Employment of Capital	1,347,513	1,135,620	891,224	879,096
Accumulated Funds	1,249,775	1,016,997	727,212	678,043
Long-term loans	97,737	118,623	164,012	201,053
Capital Employed	1,135,620	891,224	879,096	879,096

PEU Comments

The Council realized a surplus of E0.82m this quarter compared to E0.29m last quarter. The surplus realised was as a result of a decrease in expenditure due to the Covid-19 pandemic which forced the Council to either cancel or postpone some of its activities.

The Council like other entities in the sector must avoid a massive disappearance of sports associations during this health crisis by providing the necessary assistance. A post Covid-19 Recovery Plan must be formulated by the Council.

40. ESWATINI NATIONAL COUNCIL OF ARTS AND CULTURE (ENCAC)

Parent Ministry: Sports, Culture and Youth Affairs

ENCAC reported as follows for the quarter,

Operational Review

- A result of the Council's review of the governing instructions last quarter had been that most arts and culture bodies are now able to clearly understand and appreciate their roles in the development of this sector.
- The Council drew a strategic plan that is in line with the new strategy for the Ministry. The process was in its final stage and will be announced upon approval by the Board.
- World of Music, Arts and Dance (WOMAD) was engaged to stage the internationally established WOMAD Festival, which will bring artists from all over the globe to Eswatini in 2021.
- The Council in its bid to assist artists during the Covid-19 period created an online television channel that sought to flight their materials as sourced from them. The TV station is accessible through all the social media networks and provide profile and content by the local artists.
- In a bid to stimulate the arts industry in the prevailing Covid-19 crisis ENCAC had availed grants to Arts Associations and events' organizers.

- The Council presented an arts survival plan to government to help arts to survive this harsh situation presented by the pandemic.
- ENCAC continued to monitor the activities of the different arts associations and further availed grants to assist, undertake promotional and developmental projects.

Financial Position

- Total income was E0.83m (government subvention).
- Total expenditure was E0.78m compared to E0.84m last quarter.

Financial Statement

	2020	2020	2019	2019
Income Statement	Jun.30	Mar.31	Dec.31	Sep.30
Subvention	994,840	828,340	828,340	823,340
Other Income	-	3,780	262,000	127,990
Total Income	994,840	832,120	1,090,340	956,330
Expenditure	778,931	841,988	1,089,729	1,004,750
Surplus/ Deficit	215,908	-9,868	610	-48,420
Balance Sheet				
Fixed Assets	82,884	97,084	76,636	78,856
Current Assets	228,331	12,079	50,674	59,669
Current Liabilities	316,263	288,094	536,845	718,414
Net Current Assets	-87,932	-276,015	-486,171	(658,745)
Total Capital Employed	-4,048	(178,931)	(409,535)	(579,889)
Acc. Deficit/Surplus	(5,048)	(178,931)	(409,535)	(579,889)
	(5,048)	(178,931)	(409,535)	(579,889)

PEU Comment

Total expenditure continued to decrease this quarter resulting in a surplus of E215,908. There was no other income generated during the period as a result of the partial lockdown.

The Council must formulate post Covid-19 recovery plans to support the cultural sectors which have been hit hard by the corona virus crisis and prevent massive disappearance of cultural activities during and post Covid-19.

41. ESWATINI NATIONAL YOUTH COUNCIL (ENYC)

Parent Ministry: Sports, Culture and Youth Affairs

ENYC reported as follows for the quarter,

Operational Review

- The Council responded to the call from the DPM's office to establish a database of existing young people's MTN Mobile Money Businesses. The mandate of this activity is to forge strategic partnerships with the Deputy Prime Minister's Office (DPMO) and MTN Eswatini. These youth businesses will be used to disburse elderly social grants, also acting as a catalyst to counter-act youth unemployment in the country.
- The youth Council forms part of the technical team for the Women (and Youth) Farmer of the year competition (WAFACO). This platform also provides mentorship opportunities for both young people and women. A total number of 202 forms have been collected from all the different centers and they are being sorted in preparation for the judging process. Sponsorship letters have been sent out to the WOFACO sponsors.
- Council attended the adolescent health technical working group meeting, which was meant to for partners to give updates on activities they had implemented.

Financial Situation

- Total Income received amounted to E1.21m compared to E0.96m prior quarter.
- Total expenditure incurred amounted to E1.06m compared to E1.11m last quarter.

Outlook

- Finalize the re-activation process of the 39 Tinkhundla in the Manzini, Lubombo & Hhohho regions, complete the Youth Bill consultations with stakeholders and complete Audit and Submit Annual Financial Statements for the year 2019/2020.

Financial Statements

	2020	2020	2019	2019
Income Statement	June 30	Mar. 31	Dec. 31	Sept. 30
Income and Subvention	1,207,500	957,758	968,996	975,230
Expenditure	1,056,022	1,113,771	1,285,275	1,542,632
Surplus/Deficit	151,478	-156,013	-316,279	-567,402
Balance Sheet				
Fixed Assets	524,086	404,195	481,664	
Current Assets	361,550	92,980	629,536	
Current Liabilities	229,908	285,222	-	
Net Current Assets/Liabilities	131,642	-192,242	629,536	
Employment of Capital	655,728	211,953	1,111,201	
Share Capital				
Retained Income	151,478	-156,013	265,099	
Provision for Gratuity	504,250	367,966	846,102	
Total Capital Employed	655,728	211,953	1,111,201	

PEU Comments

Due to the Covid-19 pandemic, the Council did not cover much on its programs during the quarter. It is worth noting that administrative expenses accounts for 87% of their income and the 13% is for their programs. In order for the Council to continue and implement its mandate, it is essential to form strategic partnerships with other organisations, mobilize resources through grants and donations etc.

XIII. DISASTER MANAGEMENT SECTOR

42. NATIONAL DISASTER MANAGEMENT AGENCY (NDMA)

Parent Ministry: Deputy Prime Minister's Office

NDMA reported as follows for the quarter,

Operational review

- The focus of the Agency in the period has been on the Covid-19 Emergency Response. Section 29 of the Disaster Management Act 2006 was evoked and a National Emergency was declared, Technical Working Groups (TWG) were appointed and NDMA became the secretariat as per the Act

- The Agency sensitized people on the importance of Water, hygiene and sanitation as important measures to prevent Covid-19. At least 45 boreholes and 50 hand pumps were rehabilitated in the period. Other measures to increase access to potable water included trucking water to water scarce communities and the construction of hand washing facilities.
- The Agency distributed 9, 680 blankets to the elderly across the country to mitigate against the cold. A total of 299, 163 people from 59, 833 households received either food or cash assistance. The lockdown saw a surge in the number of children who benefit from Neighborhood Care Points (NCPs). 1, 800 NCPs were supplied with food from donors in the period.
- At least 793 volunteers countrywide were mobilised by different partners to sensitise communities on Covid-19, how it spreads and how it can be prevented. The regional emergency number, 112 was launched and used by many people to report emergencies related to Covid-19. The Agency also developed a contact tracing application for use to trace Covid-19 contacts in the country.
- A TWG on transport and logistics was appointed to help in the management of the transport sector during the lockdown as well as ensuring that unnecessary travel was restricted as per the COVID-19 guidelines
- A total of E0.38m was spent under NERMAP, mainly for the rehabilitation and reconstruction of damaged classrooms and houses.

Outlook

- To draft regulations allowing for the use of a contact tracing application for Covid-19 developed by the Agency and approved by the Ministry of Health.
- Mobilize additional resources needed for NDMA programs, especially for the response to the Covid-19 pandemic.

Financial Situation

- The Agency received E2.86m subvention. The Agency was able to pay for operating expenses but no programs were carried out due to the state of emergency.
- No funds or donations for National Emergency Response Mitigation and Adaptation Plan (NERMAP) were received in the period. Programs were carried out using funds deferred from last period.
- The Total amount available for the Covid-19 response, E141m was exhausted by mid-June 2020. E83.70m was availed by Government, E45m from Kirsh Foundation and E13.29m from the Resource mobilization Committee.

Financial Statements

	2020	2019	2019	2019
Income Statement	June 30	Dec. 31	Sept. 30	June 30
Government subvention	2,862,750	3,375,000	6,750,000	-
Deferred Income-Agency	883,500	872,411	(2,869,733)	-
Deferred Income Nermap	376,592	-	-	-
Deferred Income COVID	(23,014,592)	-	-	-
COVID- Response Income	83,691,885	-	-	-
Other income	357,379	39,933	58,918	81,422
Donations	58,907,108	-	9,239	150,300
Expenditure	4,055,150	5,746,669	4,758,994	5,353,738
Surplus/Deficit	1,379	39,933	54,091	(5,122,016)
Balance Sheet				
Fixed Assets	18,146,416	18,894,242	16,309,750	15,853,909
Current Assets	2,702,220	2,343,751	3,109,303	1,569,197
Current liabilities	2,924,835	2,078,408	1,980,983	329,323
Net Current Assets	(220,615)	265,343	1,128,320	1,239,874
Total Employment of Capital	17,923,801	19,159,585	17,438,070	17,093,784
Deferred Grant Income	(443,506)	3,566,005)	(2,446,652)	0
Amortised grant	(3,566,005)	-	-	-
Retained income	21,933,313	22,725,591	19,884,723	17,093,784
Total Capital Employed	17,923,801	19,159,585	17,438,071	17,093,784

PEU Comments

The Agency reported a surplus of E1, 379 compared to a surplus of E39, 933. There were no program activities for the period as the Agency was focused on the Covid-19 response.

NDMA is commended for developing a contact tracing application to be used to trace Covid-19 contacts across the country and we pray for the speedy development of regulations for its use. The Agency and its stakeholders should re-prioritize the establishment of the Disaster Risk Management Fund in order to attain better preparedness and resilience even beyond the current pandemic.

43. BAPHALALI ESWATINI RED CROSS SOCIETY (BERCS)

Parent Ministry: Deputy Prime Minister's Office

Red Cross reported as follows for the quarter,

Operational Review

- Baphalali Eswatini Red Cross Society (BERCS) has been able to respond to fire incidences in 17 fire incidents that affected 18 people.

- In the period of April to June 2020, BERCS has been fully involved in supporting the Government in response to the pandemic. Below is a summary of activities carried out during the period:
 - 54 Staff and 460 volunteers were trained on Covid-19 risk communication, preparedness, response and safer access. The training was supported by the Ministry of Health and Red Cross personnel from the clinics.
 - The trained volunteers were deployed for a gate to gate dissemination of information to communities on coronavirus where they reached 27 834 households with 174 200 people.
 - The National Society worked closely with the Ministry of Health on the production of Information Education and Communication (IEC) material. The Red Cross localised all relevant IEC material on Covid-19, sourced from the International Federation of the Red Cross Red Crescent Societies (IFRC) and the Red Cross Red Crescent Movement partners to align it with the local context, as per the MoH communications guidelines. The IEC materials were also translated to the local language (siSwati), for ease of understanding by most people especially in rural communities.
 - BERCS collaborated with media in production and dissemination of radio messages and TV adverts on Covid-19 awareness.
 - Provision of medical supplies to Covid-19 affected people and distributing of Personal Protective Equipment (PPE).

- Baphalali Eswatini Red Cross Society has been involved in the processes for distributing Government food or cash to food insecure households in the country. In this activity, BERCS had been assigned to work with ten Tinkhundla.

- The number of consultations recorded in all 3 Red Cross health facilities was 24 554.

Financial Situation

- Consolidated revenues for the National Society for the quarter, totalled E12.4m.
- There was a surplus of E3.25m this quarter compared to a surplus of E1.48m in the previous quarter.

Financial Statements

	2020	2020	2019	2019
Income Statement	June 30	March 31	Dec 31	Sept 30
Subvention	2,072,069	1,973,399	1,973,399	3,946,798
Other income	10 331 879	8 117 839	3 004 028	3,277,633
Total income & subvention	12,403,948	10,091,238	4,977,427	7,224,431
Expenditure	9,153,385	8,614,090	3,828,228	4,807,541
Surplus/Deficit	3,250,563	1,477,148	1,149,199	2,416,890
Fixed Assets	11,622,891	11,318,391	14,887,303	14,879,597
Investments	341,800	341,800	341,800	341,800
Current Assets	20,507,564	11,457,741	8,351,907	6,725,480
Current Liabilities	1,943,026	881,434	760,175	1,063,513
Net Current Assets	18 564 538	10 576 307	7 591 732	5,661,967
Total Employment of Capital	30 529 229	22,236,498	22,820,835	20,883,364
Special Funds	-	-	-	-
Accum. Surplus/Deficit	3,250,563	3,503,762	-2,925,696	-4,863,167
Revaluation Reserves	27,278,666	22,236,498	25,746,531	25,746,531
Other Funds	-	-	-	-
Total Capital Employed	30,529,229	22,820,835	22,820,835	20,883,364

PEU Comments

BSRCS consolidated revenue received was E12.4m compared to E10.1m last quarter. The National Society had surplus of E3.25m after receiving the Government subvention of E2m.

The quarter under review was characterized by the Covid-19 pandemic which forced the National Society to focus more on responding to the pandemic while also providing the other services to the public. Baphalali Eswatini Red Cross Society continued to provide services to the public on disaster management, first aid and health care.

XIV. REGULATORY SECTOR

44. ESWATINI ENERGY REGULATORY AUTHORITY (ESERA)

Parent Ministry: Natural Resources and Energy

ESERA reported as follows for the quarter,

Operational review

- The Authority granted an average tariff increase of 1.03% and 1.05% for the years 2020/21 and 2021/22 respectively to the Utility whose implementation was however suspended by Government as a result of the Covid-19 pandemic. The Utility was advised to re-apply in November 2020, leading to possible under recoveries in the intervening period.
- ESERA continued online engagements with consultants and stakeholders on the review of the Tariff Methodology and Connection Charge guidelines. The Authority received the draft Power Sector Market Study project report and has made recommendations to the consultancy for the study to be localized to be more beneficial to the electricity supply industry of Eswatini.
- The Authority and the Centre for Sustainable Energy Research (CSER) held a meeting on Phasing-Out Inefficient Lighting Products where revisions on the methodology, work-plan and other project related issues were undertaken as result of the Covid-19 pandemic. The Small-scale Embedded Generation (SSEG), quality of supply, compliance monitoring, and development of a wheeling framework projects were similarly affected.
- The Power Procurement Unit successfully held a Bidders conference through virtual technology for the 40MW solar generation project.
- The authority received two cases for investigation in line with the Complaints handling guidelines in the period.

Outlook

- Development of a wheeling framework for the local Electricity Supply industry and digital platform (CRM) for managing consumer complaints.
- Review of technology architecture with related budget re-allocation and phased implementation.
- Procurement of consultants to undertake Small-Scale Embedded Generation Study.
- Issue of RFPs for the 40MW biomass procurement, and SSEG gap analysis and impact assessment

Financial Situation

- Deferred Grant income was E52.18m compared to E52.15m last quarter. Amortized revenue was E5.636m compared to E6.57m last quarter.
- Surplus for the quarter was E212, 626 compared to E193, 821 last quarter.
- Total expenditure was E5.73m compared to E5.68m last quarter.

Financial Statements

	2020	2020	2019	2019
Income Statement	June 30	Mar. 31	Dec. 31	Sept. 30
Government subvention	699,320	5,632,951	6,567,703	6,617,735
Licence fees	4,937,094	30,000	-	-
Other income	310,798	207,401	533,317	321,404
Expenditure	5,734,586	5,676,532	6,721,454	6,727,774
Operating surplus/Loss	212,626	193,821	292,202	211,366
Balance Sheet				
Fixed Assets	2,283,645	2,495,300	2,696,518	2,823,128
Current Assets	89,980,085	67,345,505	60,795,979	63,009,268
Current Liabilities	4,218,414	2,447,165	2,128,029	2,796,597
Net Current Assets	85,761,671	64,898,340	58,667,950	60,212,671
Total Employment of Capital	88,045,316	67,393,640	61,364,468	63,035,799
Finance lease obligation	104,964	209,927	176,995	209,927
Retained income	2,928,447	2,715,820	2,521,998	2,229,796
Deferred Grant income	52,175,854	52,148,365	40,738,567	36,107,923
Deferred Income	32,836,052	12,319,528	17,926,907	24,488,153
Total Capital Employed	88,045,316	67,393,640	61,364,467	63,035,799

PEU Comments

The Authority realised a surplus of E212, 626 compared to a surplus of E193, 821 last quarter attributable to an increase in other income.

Most of the Authority's consumer and stakeholder engagement programs earmarked for the period have either been suspended or postponed following the partial lockdown. The Authority is commended for the review of technology architecture and capacity to ensure that essential technology is available to the organisation to enable it to operate in the present environment and beyond.

45. FINANCIAL SERVICES REGULATORY AUTHORITY (FSRA)

Parent Ministry: Ministry of Finance

FSRA reported as follows for the quarter,

Operational Review

- Circular 2/2020 which seeks to provide relief to employees of financially distressed companies by allowing for the suspension of contributions and early access to benefits was issued.
- In a bid to get insight on how the pandemic affected regulated entities, the Authority conducted Industry consultations.
- Following the sale of their 67% shareholding, Metropolitan Life Swaziland has changed her name to Oracle Life Eswatini Limited and Momentum Insurance changed to Oracle Insurance Eswatini Limited.
- The Swaziland Television Authority Pension Fund was severely underfunded, as a result of the employer's failure to remit contributions irrespective of deductions on employee salaries.
- The Credit and Savings Institutions Division finalised and signed off the Draft Building Societies Bill & Regulations.
- The Consumer Credit Act Amendment Bill which seeks to enable its dual implementation by the Central Bank of Eswatini and the Authority has been submitted to Parliament for further processing.

- A total of 21 credit providers were operating without valid licenses, adding to the 79 which had not renewed their 2018 licenses by 31 December 2019 and unlicensed money lenders totalled 331.
- Industry total assets decreased by 9% to E1.9bln from E2.09bln last quarter whilst member savings decreased by 0.6% to E1.42bln from E1.43bln last quarter.
- No inspections were carried out by the Capital Markets Development Division due to Covid 19.
- Assets under management and advisory decreased to E23.83bln from E27.86bln last quarter.
- The FISDIP Project was summarised and a report was submitted to the Ministry of Finance.
- An enforcement notice was issued to Medscheme Administrator for various violations of the Insurance Regulations 2008.
- As part of consumer awareness, FSRA updated her website and social media pages. Billboards were also mounted in different areas around the Kingdom.

Ombudsman of Financial Services

- A total of two Retirement Funds were registered and they were from the Hhohho and Lubombo Regions.
- There was an increase in query traffic due to the lockdown, from 50 to 62 queries.
- No Radio programmes or adverts were aired, however, 36 complementary covid 19 public awareness adverts on VOC were aired in April.
- A MoU was signed with Eswatini Competition Commission, through which the Ombudsman's Office aims to collaborate in the enhancement of dispute resolution systems.

Eswatini Stock Exchange

- Amid the covid19, ESE experienced the busiest quarter. There were 8 listed companies on the ESE Main Board and no new listings were reported.
- Market Capitalization ended the quarter with E3.79bln, indicating a decrease of 2.6% from the previous quarter's E3.89bln.
- The ESE All Share Index decreased by 2.6% to 439.14 from 450.65 last quarter. Equity turnover was recorded at E48.43m from a sale of 6.21m shares over 24 trades concluded this quarter.
- A total of 9 new note issuances worth E350m were realised whilst 8 bonds worth E228.5m matured and this saw cumulative corporate bonds outstanding rising to E1.25bln from last quarter's E1.14bln.
- Twenty six bonds with different maturities were listed through the CBE and total outstanding bonds stood at E50.7bln against E4.9bln last quarter.

- In partnership with UNCDF, Escrow presented a proposal that seeks to use Growth Enterprises Markets (GEM) digital infrastructure as a solution to alternative long term financing for SMEs.

Financial Statements

- Total revenue was E12.25m compared to E13.88m last quarter.
- Total expenditure was E11.48m compared to E15.65m last quarter
- A total of E1.17m was disbursed to Government projects compared to E2.9m last quarter.

Income Statement

	2020	2020	2019	2019
	Jun.30	Mar.31	Dec.31	Sep.30
Income	12,254,543	13,880,080	9,650,444	27,761,645
Government Subvention	-	-	-	-
Expenditure	11,477,253	15,650,987	14,117,220	13,589,873
Government Projects	1,174,113	2,910,392	2,098,182	1,223,702
Surplus/ Deficit	(396,823)	(4,681,299)	(6,564,958)	12,948,070

Balance Sheet

Fixed Assets	7,462,893	3,928,168	3,443,349	3,381,328
Current Assets	60,708,597	61,621,323	62,113,484	71,103,787
Current Liabilities	13,240,795	11,151,165	6,477,209	8,840,532
Net Current Assets	47,467,802	50,470,158	55,636,275	62,263,255
Total Employment of Capital	54,930,695	54,398,326	59,079,624	65,644,583

Capital & Reserves

Accumulated Surplus/deficit	54,930,695	54,398,326	59,079,625	65,644,583
Unclaimed benefits	-	-	-	-
Long Term Liabilities	-	-	-	-
Total Capital Employed	54,930,695	54,398,326	59,079,625	65,644,583

PEU Comments

The Authority continued to operate and successfully funded the two Government Projects namely, the Ombudsman of Financial Services and Eswatini Stock Exchange. A deficit of E0.40m was incurred compared to E4.68m last quarter and this was as a result of the fact that the entity's levy collection is mainly on the third and fourth quarter. The Authority is expected to ensure consumer protection especially in this challenging period of the Covid-19 pandemic.

46. ESWATINI COMMUNICATIONS COMMISSION (ESCCOM)

Parent Ministry: Information Communication and Technology

ECCOM reported as follows for the quarter,

Operational Review

- As part of the price benchmark study, ESCCOM conducted a situational analysis of the glide path price transformation program with the aim of analysing the Kingdom's Information Communication and Technology (ICT) sector in order to assess its impact on market performance, revenue and operational costs, uptake and usage of retail services, ICT sector contribution to Growth Domestic Product (GDP) growth and employment.
- The Commission received and approved 20 applications for the introduction of new products, promotions and /or product modifications in the market.
- The Commission successfully completed the configuration of the system tables (frequency tables) in the automatic spectrum management system which will be used in processing license applications and automatic issuing of licenses. The system will also calculate spectrum fees as per the spectrum fees schedule.
- ESCCOM conducted a spectrum audit study through which the Commission identifies spectrums which are free and also those that are not free and also determine a spectrum that is used legally by holders of valid spectrum licenses.
- Investigations on interferences on spectrum assigned to MTN Eswatini and Eswatini Railways were executed. The MTN investigation was resolved while the one for Eswatini Railway was still to be concluded.
- A number of dealers/agents lodged their applications for type approval of communications equipment and as such the Commission completed and issued certificates on 44 applications.
- In its endeavour to assist the country, the Commission subsidised 12,000 set top boxes to enable affordability to the poor to increase viewership as school educational classes were delivered through television.

Financial Situation

- Total revenue was E4.08m compared to E136.89m that was recorded last quarter.
- Total expenditure incurred was E13.10m compared to E15.59m last quarter.

Outlook

- The Commission looks forward to tenders for office building, development of interconnection guidelines and the infrastructure sharing framework, development of a concept paper for national addressing and post code system and develop consumer protection guidelines, reviewing of Electronic Communications Licensing, Spectrum Regulations and quality of service Regulations all for 2016.

Financial Statements

	2020	2020	2019	2019
Income Statement	Jun. 30	Mar. 31	Dec. 31	Sep. 30
Revenue	4,079,274	136,892,507	3,102,872	-4,642,197
Expenditure	13,098,849	15,586,793	13,474,438	15,564,536

Profit/Loss	-9,019,575	121,305,714	-10,371,566	-20,206,733
Balance Sheet				
Fixed Assets	79,317,922	81,277,766	66,893,348	66,695,793
Investments	183,330,310	128,015,748	141,233,893	139,368,116
Current Assets	117,018,604	197,966,093	47,844,949	63,482,167
Current Liabilities	26,324,776	43,515,993	13,547,132	16,740,455
Net Current Assets/Liabilities	90,693,828	154,450,100	34,297,817	46,741,712
Employment of Capital	353,342,060	363,743,614	242,425,058	252,805,621
Share Capital				
Accumulated Funds	57,049,925	44,820,267	44,813,163	44,813,163
Deferred Grant	60,812	76,015	76,015	76,015
Profit/Loss for the year	-9,019,575	90,346,451	-20,578,697	-20,578,697
Designated Funds	305,520,899	228,495,142	228,495,142	228,495,142
Total Capital Employed	353,342,060	363,743,614	242,425,057	252,805,623

PEU Comments

The Commission is commended for the sigujana subsidy support that was forwarded to the Ministry of Information, Communication and Technology in the form of E0.60m. As a result of this subsidy, consumers were able to purchase sigujana for only E100. This was meant to ensure that all Emaswati had access to adequate information during the Covid-19 pandemic. ESCCOM is encouraged to continue with such endeavours as they also benefit the poor.

ESCCOM recorded a loss of E9.02m compared to a profit of E121m last quarter as a result of a huge decline in revenue. It is noted, however, that there was a decrease in expenditure this period.

47.ESWATINI PUBLIC PROCUREMENT REGULATORY AUTHORITY **(ESPPRA)**

Parent Ministry: Finance

ESPPRA reported as follows for the quarter,

Operational review

- The Agency received 17 and declined 1 application (49 and 9 respectively last quarter) for deviations from procurement procedures in accordance with section 6 of the Procurement Act, 2011.
- ESPPRA received 9 procurement reports from a total 91 regulated entities, 3 procurement plans for 202/21 and entity tender board minutes from 2 public enterprises, and only 1 procurement policy for review by the Agency as per the Procurement Act, 2011.

- The Agency conducted one procurement audit on the Covid-19 procurements amounting to E34.7m conducted by the National Disaster Management Agency (NDMA) in conjunction with the various Government departments and agencies involved in the fight against the pandemic.
- The Agency held only one capacity building training in the period due to the partial lockdown. The Reference Price Project is also on hold due to the pandemic.

Financial Situation

- Subvention was E3.25m and other income was E0.33m.
- Total expenditure was E2.98m compared to E4.20m last quarter.

Financial Statements

	2020	2020	2019	2019
Income Statement	June 30	Mar. 31	Dec. 31	Sept. 30
Subvention	3,250,000	3,250,000	3,250,000	3,250,000
Other income	330,875	1,737,263	1,162,946	691,216
Total Income	3,580,875	4,987,263	4,412,946	3,941,216
Expenditure	2,982,761	4,204,869	4,168,056	3,130,400
Surplus/Deficit	598,114	782,394	244,890	810,816
Balance Sheet				
Fixed Assets	757,845	784,278	754,647	832,190
Current Assets	4,526,960	3,911,566	3,107,873	2,168,896
Current Liabilities	7,010,306	7,019,419	6,968,490	6,530,632
Net Current Assets	(2,483,346)	(3,107,853)	(3,860,617)	(4,361,736)
Total Employment of Capital	(1,725,501)	(2,323,575)	3,105,969	(3,529,546)
Retained Income	(1,725,461)	(2,323,615)	(3,106,009)	(3,529,586)
Deferred Grant Income	-	-	-	-
Long Term Liabilities	40	40	40	40
Total Capital Employed	(1,725,501)	(2,323,575)	(3,105,969)	(3,529,546)

PEU comments

ESPPRA realised a surplus of E0.59m compared to a surplus of E0.78m last quarter attributable mainly to decrease in other income generated this period.

The Agency undertook the roll-out of the new strategy 2020-2025 although there were challenges and changes in implementation due to the Covid-19 partial lockdown. The Agency is commended for implementing a business continuity plan to embrace the “new normal”.

48. PETROLEUM COMPANY (ENPC)

Parent Ministry: Natural Resources & Energy

ENPC reported as follows for the quarter,

Operational review

- ENPC continues to be housed under the Ministry of Natural Resources. The recruitment of the CEO, CFO and other key personnel has been postponed until negotiations for Development Assistance have been finalized.
- The Company awarded tenders for the development of Corporate Strategy, Liquid Petroleum Gas (LPG) Business Plan and External Audit. Inception reports for both the corporate strategy and LPG business plan have been completed. The external audit will be completed next quarter.
- The Company Secretariat and a Board member received training on FIDIC (federation Internationale Des Ingenieurs-Conseils) contracts which are used extensively as construction contracts.
- The company recruited security guards from the community after the 7km perimeter fence at the Phuzumoya Fuel Storage Facility site was vandalized. The guards started working in the period.

Outlook

- Finalization of Corporate strategy and LPG business plan
- Development of company policies and code of conduct
- Continued facilitation of the Petroleum bill.

Financial Situation

- Expenditure amounted to E0.67m compared to E0.30m last quarter. These included travel, board fees, salaries, operating expenses and the purchase of a company car.

PEU Comments

The Eswatini National Petroleum Company will continue to work on policies and the recruitment of key personnel in order to fully operationalise the company. The Company's personnel is currently one administrative assistant and two officers seconded from the line Ministry. Once fully operational, the company will operate the Strategic Oil Reserve facility, construct and operate the ethanol blending facility and engage in crude oil and fuel trading activities.

APPENDIX 1 - TABLE OF REPORTING COMPLIANCE

	30/6/2020	31/03/2020	31/12/19	30/9/19
ENTERPRISE				
1. Eswatini Dairy Board	X	X	X	X
2. National Maize Corporation	X	X	X	X
3. Eswatini Cotton Board	X	X	X	X
4. National Agricultural Marketing Board	X			X
5. Royal Eswatini National Airways Corporation.	X	X		X
6. Eswatini Railway	X	X	X	X
7. Central Transport Organization				
8. Eswatini National Provident Fund	X	X	X	X
9. Eswatini Development & Savings Bank	X	X	X	X
10. Eswatini Electricity Company	X	X	X	X
11. Eswatini Posts & Telecommunications Corporation	X	X	X	X
12. Eswatini Water Services Corporation	X	X	X	X
13. Eswatini National Industrial Development Corporation	X	X	X	X
14. Small Enterprises Development Company	X	X	X	X
15. Commercial Board*				
16. Eswatini Development Finance Corporation	X	X	X	X
17. University of Eswatini	X	X	X	
18. Sebenta National Institute	X	X		X
19. Piggs Peak Hotel & Casino	X	X	X	X
20. Eswatini Television Authority	X	X	X	X
21. Eswatini National Housing Board	X	X	X	X
22. Eswatini National Trust Commission	X	X	X	X
23. Eswatini Tourism Authority	X	X	X	X
24. Eswatini Tourism Development Company*	X	X		
25. Eswatini Investment Promotion Authority	X	X	X	X
26. Sincephetelo Motor Vehicle Accident Fund	X	X	X	X
27. Eswatini Water and Agricultural Development Enterprise	X	X	X	X
28. Conciliation, Mediation & Arbitration Commission	X	X	X	X
29. National Emergency Response Council on HIV/AIDS	X	X	X	X
30. Eswatini Environment Authority	X	X	X	X
31. Eswatini Standards Authority	X	X	X	X
32. Eswatini Revenue Authority	X	X	X	X

33. Eswatini Competition Commission	X	X	X	X
34. Eswatini Nazarene Health Institutions	X	X	X	X
35. Good Shepherd Hospital	X	X	X	X
36. Eswatini Civil Aviation Authority	X	X	X	X
37. Eswatini Sports & Recreational Council	X	X	X	X
38. Eswatini National Youth Council	X	X	X	X
39. Eswatini Youth Enterprise Revolving Fund	X	X	X	X
40. Eswatini Council of Arts and Culture	X	X	X	X
41. Eswatini Energy Regulatory Authority	X	X	X	X
42. Eswatini Public Procurement Agency	X	X	X	X
43. Baphalali Red Cross Society	X	X	X	X
44. National Disaster Management Agency	X	X	X	X
45. Southern Africa Nazarene University	X	X	X	X
46. Eswatini Communications Commission	X	X	X	X
47. Royal Science & Technology Park			X	X
48. Financial Services Regulatory Authority	X	X	X	X
49. Public Service Pension Fund	X	X	X	X
50. Eswatini Medical Christian University	X	X		
51. Eswatini Higher Education Council				
52. Eswatini National Petroleum Company	X	X	X	X

X – Submitted * - Dormant

THE PUBLIC ENTERPRISE LOAN GUARANTEE SCHEME QUARTERLY REPORT FOR THE PERIOD ENDED 30TH JUNE 2020

The total quarter contributions amounted to E5.62m compared to E8.03m last quarter. This was as a result of only six public enterprises that honoured their commitment to the Loan Guarantee Fund.

The technical rebate fund had a share of E1.12m which is 20% of the total contributions made by the six (6) PEs.

Eswatini Cotton Board Guarantee remained to be the only guarantee under the books of the Fund and there has not been any increase or decrease in the E1.63m currently on issue.

Contributions for the Quarter were as follows:

Company Name	Amount (E)
1. Eswatini Bank(ES)	682,593.75
2. Eswatini Standards Authority (SWASA)	18,032.61
3. Eswatini Electricity Company (EEC)	3 ,688 067.78

4. Small Enterprise Development Company (SEDCO)	33,940.48
5. National Emergency Response on HIV & AIDS (NERCHA)	87,119.41
6. FINCORP	1,114,172.34
Total	5,623,926.37

INCOME STATEMENT FOR THE QUARTER ENDED 30 JUNE 2020

Financial Statements				
	2020	2020	2019	2019
	30-Jun-20	31-Mar-20	31-Dec-19	30-Sep-19
Income Statement				
Contributions received	5,623,926.37	802,762.9.12	6,857,501.25	6,857,501.25
Fincorp Repayment		-	-	-
Interest on Call Account	497,601.12	560,956.43	514,305.52	663,563.48
Fixed Deposit Interest (Std Bank)			-	-
Interest (Other banks)	2,707,397.26	4,545,205.48	14,502,268.09	2,927,465.76
Gross Income	8,828,924.75	13,133,791.03	21,874,074.86	10,448,530.49
Expenses:				
Management Fees	90,000.00	90,000.00	90,000.00	90,000.00
Bank Charges	1,776.00	1,995.00	2,370.00	3,285.00
Reversed Interest Fee				
Guarantee Comm	14,625.00	-	15,525.00	-
Payments		273,717.35	465,417.60	429,066.61
Total Expenses	106,401.00	365,712.35	573,312.60	522,351.61
Surplus	8,722,523.75	12,768,078.68	21,300,762.26	9,926,178.88
Balance Sheet				
Non current assets				
Investments	330,000,000.00	330,000,000.00	330,000,000.00	330,000,000.00
Firncorp Loan	12,000,000.00	12,000,000.00	12,000,000.00	12,000,000.00
Current Assets				
Std Bank Call Account	98,883,868.44	72,944,098.88	77,011,315.50	55,334,931.37
Std Bank current account	6,030,749.00	6,061,322.00	6,305,509.40	6,772,036.90
Total Assets	446,914,617.44	421,005,420.88	425,316,824.90	404,106,968.27
Equity and Liabilities				
Equity	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00
Accumulated Funds	433,192,093.69	403,237,342.20	399,016,062.64	389,180,789.39
Surplus for the quarter	8,722,523.75	12,768,078.68	21,300,762.26	9,926,178.88
Bank Balance (Current Account)				
Total Equity & Liability	446,914,617.44	421,005,420.88	425,316,824.90	404,106,968.27