



MINISTRY OF FINANCE

QUARTERLY REPORT

For the Three Months Ended

30th September, 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 eight (8) times during the quarter and approved the following Scope Papers:
 - 1) Appointment of the Chief Financial Officer of Eswatini public procurement regulatory authority
 - 2) Appointment of the board of directors for the Piggs Peak hotel and casino
 - 3) Request for the appointment of one Board Member of Eswatini Bank
 - 4) Request for appointment of members to the Board of Directors at the Eswatini Post and Telecommunications Communication
 - 5) Appointment of the Chief Financial Officer of Eswatini Railways
 - 6) Request for the recommendation for nomination of SASO acting Executive Director.

- 7) PEU quarterly report for the period ending 31st March 2020
- 8) Appointment of Eswatini National Youth Council Chief Executive Officer on fixed term contract effective 1st February 2020 – 31st January 2023
- 9) Appointment contract for the Commissioner General of the Eswatini Revenue Authority
- 10) Request for the approval of the renewal of the contract for the Chief Executive Officer of the Royal Eswatini National Airways Corporation.
- 11) Request for the approval of the recommendation for ratification of appointment of acting Director General.
- 12) Re-appointment of Youth Enterprise Revolving Fund Chief Executive Officer /Fund Manager; effective 1st August 2020 – 31st July 2023
- 13) Five percent (5%) collection fee on dividends paid from Government shares managed by the Eswatini National Development Corporation
- 14) Appointment of Executive Director for Eswatini Standards Authority
- 15) PEU presentation on category a Public Enterprises
- 16) Eswatini Revenue Services appointment of three Board of Directors
- 17) Eswatini Water Services Corporation Annual Financial Statements for year ended 31 March 2020
- 18) Appointment of the CMAC Executive Director
- 19) Rectification of current acting Executive Director for 1 month extension and appointment of Nelsiwe Mntjali as acting ED
- 20) Appointment of the Board of Commissioners for the Eswatini National Trust Commission
- 21) Eswatini National Industrial Development Corporation Managing Director's employment contract renewal
- 22) SEDCO Chief Financial Officer's employment contract renewal
- 23) Eswatini Bank Annual Financial Statements for the year ended 31st March 2020
- 24) Renewal of employment contract for the Chief Executive Officer, Eswatini Dairy Board
- 25) Request for appointment of Mr. Walter Bennet to the Board of Directors at the Royal Science and Technology Park
- 26) KPMG rebrands as SNG Grant Thornton and request for takeover of audit services formerly awarded to KPMG
- 27) Request for the appointment of one board member of Eswatini Bank
- 28) Appointment of Board of Directors for the Eswatini National Petroleum Oil Company.
- 29) Request to extend the term of office for the Board of Directors - Eswatini Dairy Board
- 30) Appointment of the Eswatini National Youth Council Chairperson.
- 31) Appointment of board of directors of Eswatini National Industrial Development Corporation
- 32) Appointment of Executive Director for Eswatini Standards Authority
- 33) Appointment of the Chief Financial Officer –Eswatini Dairy Board
- 34) Appointment of board of Directors of Small Enterprises Development Company
- 35) Appointment of board members for the Eswatini Electricity Company.
- 36) PEU quarterly report for the period ending 30th June 2020
- 37) Fincorp appointment of two Board of Directors
- 38) Extension of secondment of the acting CEO for the Eswatini National Trust Commission
- 39) Appointment of Board of Directors for the Eswatini Environment Authority.

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 SPEA 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 National Trust Commission (CEO and 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. This exercise is on- going with ESEPARC

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 154 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 655 farm visits countrywide.
- The Board was engaged in 3 technical meetings with farmer groups, with an average attendance of 12 farmers per meeting, to discuss farm management and group formation.
- Six business plans were developed of which 2 were for large scale, 2 medium scale and 2 for small scale dairy cattle farming business enterprises. The farmers were advised to maximise dairy business potential and ensure their proposed business remain viable and sustainable.
- To ease market challenges faced by dairy farmers in the informal market and further promote the dairy value chain through value addition, the board officially launched the MCCs Community development project to encourage formal milk marketing and trade in the rural areas. The board's target is to construct fourteen (14) collection centres per year for the next three (3) years. Ten (10) movable collection centres structures have been constructed and will be placed strategically to organise and promote milk marketing.
- To protect the dairy industry, the Board is still in the process of reviewing 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 continued to assist the 4 small scale dairy businesses with resource sourcing and technical advice.
- The Board facilitated the export of 53,000kg of yoghurt by local processors to Mozambique and Botswana.
- 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 11 have showed interest in the dairy project and preparations have begun.

Outlook

- The review of the import levy aimed at promoting local milk production, processing, distribution, consumption, investment in all phases of the industry. This will further lead to greater investment opportunities within the country.

Financial Situation

- Net profit after tax was E5.69m compared to E2.74m the previous quarter.
- Total revenue collected amounted to E14.19m compared to E9.13m collected the previous quarter.
- Total expenditure amounted to E8.50m compared to E6.39m incurred the previous quarter.

Financial Statements

	2020	2020	2020	2019
Income Statement	Sept. 30	June 30	Mar.31	Dec. 31
Turnover	14,187,742	9,129,748	18,467,396	12,521,573
Expenditure	8,500,999	6,391,807	9,868,208	7,769,035
Net Profit	5,686,743	2,737,941	8,599,188	4,752,538
Balance Sheet				
Fixed Assets	12,290,951	11,820,407	9,302,132	9,404,438
Investments	109,469,541	105,379,685	103,323,711	93,949,488
Current Assets	48,073,827	52,694,666	49,635,477	48,650,518
Current Liabilities	12,197,545	17,944,726	17,223,865	23,532,195
Net Current Assets	35,876,282	34,749,940	32,411,612	25,118,323
Total Employment of Capital	157,636,774	151,950,032	145,037,455	128,472,249
Retained Income	149,670,756	143,984,013	137,071,437	128,472,249
Dairy Development Fund	7,966,020	7,966,020	7,966,020	-
Office Block	-	-	-	-
Medium Term Lease	-	-	-	-
Obligation	-	-	-	-
Total Capital Employed	157,636,776	151,950,033	145,037,457	128,472,249

PEU Comments

The Board realized profit of E5.69m compared to E2.74m the previous quarter. This was mainly due to an increase in the levy collected as a result of the relaxation and opening of more businesses.

Due to ease in travel restrictions, the board realised an increase in the number of farmers being visited and **AI services provided for farmers. The A.I services** are key to driving the local breeding programme and increasing the nation dairy herd.

It is noted that Dairy Board facilitated the exportation of dairy products from the local farmers to Mozambique and Botswana. This is a move in the right direction and we encourage exportation to other countries including international markets.

2. NATIONAL AGRICULTURAL MARKETING BOARD (NAMBOARD)

Parent Ministry: Ministry of Agriculture

NAMBOARD reported as follows for the quarter,

Operational review

- The Market sold 668.81mt of produce worth E4.07m which represents a 31% growth when compared to same period last year. Most of the sales were realized in beetroot, followed by tomatoes, beetroot, potatoes, onions and banana. Others included butternut and cabbages.
- 582mt (433mt last year same period) of produce was collected by Encabeni Market from local contracted and non-contracted farmers who were paid a total of E3.20m for their produce. A total of 60.7mt was procured by Sdemane Farm from local farmers for export, earning them E0.51m.
- The Farm Input Shop and Nursery achieved total sales of E1.95m during the period; nursery produced and sold 1, 500,910 vegetable seedlings worth E0.78m, and conventional vegetable seeds worth E0.43m. A total of 2, 345 fruit trees were sold to farmers.
- The quality assurance unit visited 9 communities with specific targets on post-harvest loss reduction in vegetables. A total of 26 farmers, 3 farmer companies and 1 farmer scheme were visited.
- 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 30 new registrations into the Agricultural Marketing Information System (AMIS).
- The total export quantities of scheduled products was 32.73mt worth E160.0m. A total of 5, 482kg of mealie- meal was imported into the country compared to 259, 512kg last year same period. A total of 2, 850kg of illegally imported mealie-meal was confiscated at the country's ports of entry
- 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 80% complete at the end of the period, with planting set to commence next quarter.

Outlook

- Fast-track building of new pack-houses and finalise recruitment of Chief Financial Officer and Chief Operations Officer.
- Pursue scheduling of legumes, fish and beef by the Ministry and the revision of levy schedules.

- Kick-start sunflower and soybeans production program

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	2020	2019	2018
Income Statement	Sept. 30	June 30	June 30	Sept. 30
Sales	7,508,464	6,642,676	3,757,415	4,770,897
Cost of Sales	11,590,712	6,029,451	2,739,859	4,627,854
Gross profit/loss	(4,082,248)	613,225	1,017,556	143,043
Income from levies	14,254,389	10,226,817	7,817,991	9,157,712
Other Income	902,902	270,762	763,553	2,275,555
Expenditure	11,648,996	12,394,269	9,243,593	9,240,784
Operating Profit/loss	(573,953)	(1,165,193)	355,507	2,335,525
Fixed Assets	32,304,855	29,680,522	42,390,525	42,778,028
Investments	23,420,566	23,220,096	29,065,659	23,528,901
Current Assets	21,981,621	19,095,128	9,275,357	11,246,509
Current Liabilities	16,884,060	12,701,160	8,501,205	7,623,331
Net Current Assets	5,097,561	6,393,968	774,152	3,623,178
Employment Capital	60,822,982	82,514,682	72,230,336	69,930,107
Retained Earnings	35,520,094	33,215,669	38,864,664	35,168,155
Revaluation Reserves	18,856,525	42,189,286	23,825,325	23,825,325
Long term loans	6,446,363	7,109,727	9,540,346	10,936,627
Total Capital Employed	60,822,982	82,514,682	72,230,335	69,930,107

PEU Comments

The Board incurred a deficit of E0.57m compared to a surplus of E2.33m same period last year and this is attributed mainly to high increase in cost of sales this quarter compared to same period last year.

NAMBOARD is commended for collaborating with MTN in empowering the youth of Lundzi by building them three (3) greenhouses and a mini pack-house valued at E1.2m. We also note the improvements in quantities observed year after year on the import substitution programme that seeks to promote purchases of local produce. A total of 2, 485mt was sourced locally in the period compared to 1, 437mt same period last year.

3. NATIONAL MAIZE CORPORATION (NMC)

Parent Ministry: Agriculture

NMC reported as follows for the quarter,

Operational review

- Maize received from local farmers increased to 3,450mt from 91.6mt received last quarter and the increase was expected as it was the shelling season.
- Maize imports totalled 1,925mt compared to 743mt imported the same period last year.
- A total of 27 farmers were contracted with a total area of 149ha compared to 99 farmers for 713ha last quarter. Accumulated contracted area was 7,946ha.
- In preparation for sorghum production, a total of 7 areas were engaged and these included Ngcina, Lonhlopheko, Malindza, Sigcaweni, Sibovu and Sithobela.
- A total of 400mt of maize with moisture content ranging from 14% to 17% was processed, as maize with a moisture content above 13% is subjected to a mandatory drying process.
- Plant maintenance was conducted and repairs were attended promptly to prevent down times, breakdowns attended included the weighbridge, elevators, conveyor, auger and pre - cleaner.
- Quality monitoring continued and 81.3% of white maize met the required specification as compared

to 43% in the same period last year.

- NMC was able to meet her target of 5% reduction in customer complaints and 100% of her products met the required specification, maintaining the same record as the same period last year.
- Implementation and management of a Food Safety Management System was ongoing and the Corporation continues to ensure compliance to Food Safety Management Standards.
- There was an injury on duty and one fire incident reported against no incidents the same period last year.

Tractor Service Input and Subsidy Project

- Tractor hours registered totalled 19768 with 113 functional tractors and 77 tractors were undergoing repairs.
- A total of E18.00m was collected from farmers against E1.44m collected last quarter
- Government injected E23.00m and this was half of the total budget for the year.

Financial Situation

- Total revenue was E34.45m against E27.49m last quarter.
- Total expenditure was E37.97m against E34.16m the previous quarter.

Financial Statements

Income Statement

	2020 Sep.30	2020 Jun.30	2020 Mar.31	2019 Dec.31
Total Income	34,452,800	27,489,273	67,898,544	58,564,992
Total Expenditure	37,974,213	34,161,308	74,588,686	59,466,990
Net Profit/ Loss	(3,521,412)	(6,672,035)	(6,690,142)	(901,998)

Balance Sheet

Non-Current Assets	41,111,967	35,528,260	35,639,247	36,555,401
Current Assets	49,807,396	(1,599,694)	905,814	21,179,666
Current Liabilities	80,345,964	28,690,872	16,246,268	37,343,832
Net Current Assets	(30,538,568)	(30,290,566)	(15,340,454)	(16,164,166)

Total Employmt of Capital	10,573,399	5,237,694	20,298,793	20,391,235
Share Capital	2,405,000	2,405,000	2,405,000	2,405,000
Grant : Plot 542 –land & Silos : Maize Govt Grant	4,994,736	5,025,762	5,049,032	5,646,900
Revaluation Reserve	9,448,413	9,098,713	9,098,713	9,098,713
Retained Income	(14,879,020)	(11,291,782)	3,746,048	3,240,622
Long Term Liabilities	8,604,270			
Total Capital Employed	10,573,399	5,237,693	20,298,793	20,391,235

PEU Comments

The Corporation reported a reduction in its loss as it declined to E3.52m from E6.67m last quarter and this is largely due to the withdrawal of import permits for small millers which improved the Corporation's revenue. Total expenditure increased to E37.97m from E34.16m last quarter and this was as a result of some first quarter activities that were undertaken in the second quarter due to the lockdown.

There is a notable increase in current liabilities and this can be attributed to a short term loan which will be repaid in the third quarter, which is the peak season for the Government Project.

The Corporation's profitability will improve as Government has started funding the Tractor Hire Service, Input and Subsidy Project and this has positively contributed to the reduction in the **Corporation's bank overdraft. Which increase as liabilities increased from 28M to E80 M ???**

4. ESWATINI COTTON BOARD (ECB)

Parent Ministry: Agriculture

ECB reported as follows for the quarter,

Operational Review

- The Lowveld Experiment Station (LES) received a total of 19.4mm of rainfall compared to 8.8mm received same period last year. The slight improvement in rain received motivated farmers to prepare the land for the new season.
- 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 were picking and bailing the cotton in preparation for delivery to the ginnery.
- A total of 724,005kg of seed cotton worth E4.45m was purchased from farmers and the quality of the crop was good with a majority of the cotton graded between A+ and A respectively.
- Cotton ginning continued during the period under review and a total of 1,022,119 kg of seed cotton was ginned producing 399,580kg of lint and fuzzy seed respectively.
- Sales contracts for both lint and fuzzy seed were finalized and GWK agreed to purchase all lint, while Bester offered to purchase all the fuzzy.
- Stock worth E9.59m was held as at the end of the quarter compared to E3.48m 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 E0.29m to farmers whilst E1.14m was recovered.
- The recruitment of commercial cotton growers with irrigation continued in the period and 170Ha were obtained as at the end of the period.
- Recruitment trainings were conducted in all four regions with the aim of promoting cotton production in cotton growing areas.

Outlook

- The Board looks forward to train farmers on cotton establishment, distribute farm inputs and packaging material, cotton ginning, sales of ginnery products, and procure planting seed and to monitor planting of research trials and commercial crops.

Financial Situation

- Total income realized was E3.02m compared to E2.28m the previous quarter.
- Total expenditure was E6.55m compared to E3.09m last quarter.

Financial Statements

Income Statement

	2020	2020	2020	2019
	Sept.30	June 30	Mar. 31	Dec. 31

Income & Subvention	3,015,277	2,281,394	836,790	8,477,662
Expenditure	6,553,777	3,086,357	2,210,926	3,392,681
Profit/Loss	-3,538,500	804,963	-1,374,136	5,084,981

Balance Sheet

Fixed Assets	2,188,345	2,188,345	2,217,358	2,217,358
Investments	523,726	523,726	780,710	780,710
Current Assets	13,228,578	10,131,091	7,839,319	7,666,990
Current Liabilities	8,933,888	2,069,815	1,650,488	2,040,694
Net Current Assets	4,294,690	8,061,276	6,188,831	5,626,296
Employment of Capital	7,006,761	10,773,346	9,186,899	8,624,364
Contributed Surplus	7,012,618	7,012,618	5,571,902	5,571,902
Retained Income	3,532,644	4,565,692	1,841,735	(94,935)
Net Profit/Loss	(3,358,500)	(804,963)	1,773,261	3,147,397
Capital Employed	7,006,761	10,773,346	9,186,899	8,624,364

PEU Comments

The Board realized an income of E3.02m compared to E2.28m of the previous quarter. The major source of income for the period came from sales of ginnery products and recoveries from credit sales which amounted to E2.7m. Expenses on the other hand increased to E6.55m compared to E3.09m 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 and as such, a loan from Eswatini National Industrial Development Corporation was obtained.

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

- Earthworks for all 5 dams; dam 1, 2, 3, 4 & 5 were completed.
- The rehabilitation of LUSIP 44 tunnels was completed.
- The total sales for the quarter for the LUSIP Farmer Companies (FC's) was E3.7m. This include FCs from sugarcane, banana, papaya and dragon fruit.
- On-farm designs for all 28 schemes were submitted to the European Investment Bank (EIB) as part of the Bank's requirements.
- The Piggery equipment installation at Sibuko Semphumakudze was completed.
- A total of 3 water committees were established, 1 at Ndzevane and 2 at Lubulini communities.
- A supply contract for 500 VIP toilets was awarded over the reporting period.
- All the 35 resettled homesteads were supplied with interim potable water over the reporting period.
- An additional 23 employees were hired under the sugarcane enterprises, bringing the total number of employees to 341.

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

- A workshop was conducted for Vikizijula and Mamisa Chiefdoms on proposal writing, negotiation skills and participatory monitoring and evaluation.
- A workshop for Implementing partners on CDP Development Process was conducted
- Training for Transformation for the business groups was carried out for five groups.
- Roof top water harvesting tanks were constructed at Luhlanyeni and Nkonjwa Chiefdoms
- Construction of SMLP new offices were completed at Kholwane

- Irrigation works at Nhletjeni were completed. This was done in collaboration with the Ministry of Agriculture (LUPD unit).
- Liba, Ndushulweni and Mgambeni earth dams were categorized as category 2 hence an Initial Environmental Evaluation will follow.
- Four Focus Discussions (FGDs) were conducted in 33 Chiefdoms for the Environmental and Social Management Framework
- Mobilisation of new sites for erosion control and land rehabilitation was conducted in 3 Chiefdom namely: KaMhawu, Zishineni and Mafutseni.
- A total of 66 farmers were able to sell their produce to different markets as per the markets needs and eggs were sold to informal markets for household consumption.
- A total of 44 farmers from Ntondozi were trained on goat's production and Business Management by the Business Development Providers this quarter.
- A total of 7 market days were conducted during the quarter under goats' value chain in 7 chiefdoms in the Lubombo and Shiselweni region.
- A total of 3 producer groups from Nkonjwa and Luhlanyeni Chiefdoms were trained on contract farming and its management for aspiring farmers willing to supply Encabeni Fresh Produce Market.

High Value Crop & Horticulture Project (HVCHP)

- The Agriculture Marketing and Information System (AMIS) captured 28 new registrations.
- 487.7 MT of produce was collected from local farmers and transported to local markets by the NAMBoard.
- 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 23.15 ha was planted by 4 farmer companies.
- A total of 192.2 MT of produce was harvested by the four Farmer Companies and a total of 180.08MT was sold during the quarter.

MKHONDVO/NGWAVUMA WATER AUGMENTATION PROJECT (MNWAP)

- There was an establishment of Community institutional structures, including formation of Mpakeni Development Committee (MDC) and an endorsement of community representatives to the Project Technical Committee.
- The resettlement framework and compensation rates were updated.
- Formation of resettlement committees was done in 3 chiefdoms.
- Intended beneficiaries visited LUSIP Resettled homesteads to appreciate benefits of resettlements.
- Resettlement sites for all affected households were identified across the five (5) Chiefdoms with affected households.

Financial Situation

- ESWADE received Government subvention of E3.73m this quarter and had a surplus of E0.71m.
- Capital expenditure released to date amounted to E23.82m (KDDP), E109.86 (LUSIP I), LUSIP II Extension E853.26m, Fruit Tree E14m, HVCHP E49.94m, WHDP E6.43m, SMLP E106.1m and MNWAP E828, 739.67 to date..

Financial Statements

	2020	2020	2020	2019
	Sept 30	June 30	March 31	Dec 31
Income Statement				
Income and Subvention	3 857 889	2 689 608	4 035 819	3,703,458
Expenditure	3 149 036	3 376 341	3 991 593	3 088 364
Surplus/Loss(-)	708 853	(686 733)	947 455	-149,303
Balance Sheet				
Fixed Assets	18 855 240	18 866 470	24 452 138	31 740 930
Capital Projects expenditure	1 192 973 852	1 120 630 117	1 048 380 137	928,414,165
Current Assets	206 782 696	171 960 882	164 130 949	194,963,769
Current Liabilities	68 652 170	65 540 360	58 006 660	41,423,711
Net Current Assets/Liabilities	138 130 526	106 420 522	106 124 289	153 540 058
Total Employment of Capital	1 349 959 620	1 245 917 110	1 178 956 564	1 113 695 153
Share Capital	2	2	2	2
Government Grant	606 470 901	553 735 328	541 244 947	527,759,375
IFAD Grant	59 615 889	53 731 116	49 600 559	64,752,033

GEF Grant	25 278 798	23 573 359	21 844 585	15,667,386
IRLI Grant	-	-	-	-
ADB Grant	589 017 098	544 891 450	496 442 460	435,556,236
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
Retained Income	14,828,203	14,828,203	14,828,203	14,828,203
Total Capital Employed	1 349 959 620	1 245 917 110	1 178 956 564	1 113 695 153

PEU Comments

ESWADE received a subvention of E3.73m this quarter and had a surplus of E0.71m compared to a deficit of E0.69m last quarter.

ESWADE is currently undertaking four major projects namely; High Value Crop and Horticulture Project (HVCHP), Mkhondvo-Ngwavuma Water Augmentation Project (MNWAP), Lower Usuthu Small Holder Irrigation Project (LUSIP) – Phase II and the Smallholder Market-Led Project (SMLP).

II. TRANSPORT SECTOR

6. ESWATINI RAILWAYS (ESR)

Parent Ministry: Public Works & Transport

ESR reported as follows for the quarter,

Operational Review

- A total of 1.72m tonnes of cargo were transported this period compared to 1.55m tonnes last period earning actual revenue amounting to E74.94m. Actual revenue earned last quarter was E65.91m.
- Imports traffic recorded a total of 0.055m tonnes compared to 0.048m tonnes prior quarter and actual revenue earned was E11.09m compared to E9.55m prior quarter.
- A total of 0.076m tonnes of cargo were exported compared to 0.070m tonnes last quarter. Revenue earned from export traffic was E9.57m compared to E8.67m prior quarter.
- Inclusive in the imports/exports revenue is income from the Inland Container Depot (ICD) which

recorded a total of 0.024m tonnes compared to 0.021m tonnes last quarter.

- A total of 1.62m tonnes were transported in transit traffic compared to 1.43m tonnes last quarter. Actual revenue earned was E54.29m compared to E47.69m 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 and the ten day total annual maintenance shutdown. Also, maintenance between Golela and Empangeni were not completed on time. 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 – the overall progress for this project was at 90% and a draft final report is expected in the mid of next quarter, while the final report is expected by the end of next quarter.
- Work Package 4 (Eswatini Rail Link- Sidvokodvo to Phuzumoya upgrades) – the official commencement of the project is scheduled for 12 October 2020.
- Mpaka ICD Development –activities such as fencing, bush clearing within the site and the diversion exercise of the community road were carried out this period.
- Eswatini Rail Link Project – there were three activities ongoing this quarter, namely; servitude acquisitions on privately owned land, planning for the resettlements of the 253 project affected homesteads and budgeting and sourcing of funds.

Financial situation

- Total revenue was E83.24m compared to E73.35m last quarter.
- ESR recorded a profit of E8.12m compared to a loss of E6.21m last quarter.
- Total expenditure was E75.12m compared to E67.14m 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	2020	2019
Income Statement	Sep. 30	Jun. 30	Mar. 31	Dec. 31
Revenue	83,235,000	73,346,000	78,627,000	88,853,000

Expenditure	75,117,000	67,136,000	83,011,000	71,639,000
Net Profit/Loss	8,118,000	6,210,000	-4,384,000	17,214,000
Fixed Assets				
Fixed Assets	669,564,000	671,247,000	677,088,000	675,045,000
Investments	17,245,000	36,945,000	36,945,000	35,245,000
Current Assets	301,343,000	268,151,000	271,721,000	278,839,000
Current Liabilities	51,914,000	60,677,000	55,229,000	41,000,000
Net Current Assets	249,429,000	207,474,000	216,492,000	237,839,000
Employment of Capital	936,238,000	915,666,000	930,525,000	948,129,000
Equity	287,180,000	279,200,000	279,200,000	276,630,000
Reserves	175,127,000	178,522,000	176,998,000	175,299,000
Retained Earnings	109,648,000	102,834,000	95,578,000	116,152,000
Non-Current Liabilities	364,283,000	355,110,000	378,749,000	380,048,000
Total Capital Employed	936,238,000	915,666,000	948,129,000	948,129,000

PEU Comments

The relaxation of the lockdown levels have seen an improvement in traffic flow especially during the month of August, however, the impact of the restrictions might continue to be felt into the festive season.

Total revenue increased by 13.5% from E73.35m last quarter to E83.24m this period as a result of improved performance in all revenue streams. The Company therefore recorded an increased profit of E8.11m compared to E6.21m. On the same note, total expenditure also increased by 12% from E67.14m to E75.12m this period as a result of an increase in operational costs as this quarter fell in the annual maintenance shutdown.

7. ESWATINI CIVIL AVIATION AUTHORITY (ESWACAA)

Parent Ministry: Public Works & Transport

ESWACAA reported as follows for the quarter,

Operational Review

- Development of operating regulations within the Flight Safety Standards Department was at final draft and awaits alignment to the enacted Bill.
- The Organizational structure of the Flight Safety Standards Department to address concerns of the ICAO Regional Safety Team and ensure allocation of all ICAO Annexes was approved.

- For the capacitation of local doctors in aviation medicine, the Medical and Dental Council of Eswatini was engaged.
- The construction of 2 hangars at the Matsapha Airport and 3 aircraft overload operations at KM III IA was approved.
- To enhance facilitation of passengers by easing congestions and delays, THE Authority guided by ICAO prepared its Post COVID 19 Contingency Measures on security.
- A total of 19 permits were issued this quarter, two were overflights whilst 17 were landings and there were no scheduled flights as Eswatini Airlink withdrew her operations due to the pandemic.
- No incidents or accidents were reported and this may be due to the downscaling of operations and personnel resulting in fewer man days.
- KM III IA was challenged by the unserviceability of the Mercedes 6x6 and the water tanker. The fire cover remained downgraded at category 6.
- Operation of the Fuel Farm continued without any incident and the Power Star fuel bowser had not been received by the Airport.
- A total of 1030kg of waste was produced compared to 1168kg produced the previous quarter.
- Negotiations on the land transfer and registration of land falling within the KM III IA precinct on a 99 year leasehold were completed and a Cabinet paper addressing all concerns was submitted for approval.
- A feasibility study for the development of a Salmon Production Plant for Eswatini National Development Corporation at the KM III IA was ongoing.
- The Civil Aviation Bill of 2019 was tabled before the Parliamentary Portfolio Committee and the Committee suggested that stakeholders be invited to make their input on the Bill.

Financial Situation

- Total revenue was E31.96m compared to E10.79m last quarter.
- Total expenditure was E77.61m compared to E56.38m last quarter.
- Other income declined to E0.27m from E1.79m last quarter.

Financial Statements

	2020	2020	2020	2019
Income Statement	Sep.30	Jun.30	Mar. 31	Dec. 31
Government Subvention	31,690,724	9,000,000	33,595,365	33,595,362

Other income	273,476	1,787,368	3,321,248	3,645,496
Expenditure	77,609,491	56,381,053	157,555,628	42,508,389
Operating Surplus/Deficit	(45,645,291)	(45,593,684)	(120,639,015)	(5,267,531)

Balance Sheet

Fixed Assets	1,463,813,240	1,498,765,847	1,562,654,237	1,679,549,220
Current Assets	5,752,291	12,705,946	24,162,909	27,158,858
Current Liabilities	18,740,952	13,460,751	15,010,788	14,217,157
Net Current Assets	(12,988,661)	(754,805)	9,152,121	12,941,701
Total Capital Employed	1,450,824,579	1,498,011,042	1,571,806,358	1,692,490,921

Contributed Surplus	(1,255,970,071)	(1,208,783,607)	(1,134,988,291)	(1,014,303,727)
Retained income	2,706,794,649	2,706,794,649	2,706,794,649	2,706,794,649
Total Capital Employed	1,450,824,579	1,498,011,042	1,571,806,358	1,692,490,922

PEU Comments

The second quarter saw an increase in activities with the easing of lockdown restrictions. Though there were no scheduled flights, ESWACAA received repatriation flights for both local and international citizens as well as those that had brought PPE and medical supplies.

An increase in salaries was observed, from E17.60m to E25.52m and this was largely due to employee loan repayments which were not remitted due to the poor cash flow, as such, they had to be deferred to the current quarter. (Nonhlanhla please clarify what you meant with this analysis)

The unserviceability of the Fire Truck is a challenge for the KM III IA and this increases the risks of accidents in the airport. Management is encouraged to make the necessary follow ups to correct this anomaly and ensure the availability of fire - fighting equipment at the Airport.

8. ROYAL ESWATINI NATIONAL AIRWAYS CORPORATION (RENAC)

Parent Ministry: Public Works & Transport

RENAC reported as follows for the quarter,

Operational Review

- The Corporation continued to focus on post COVID 19 strategies to revive the aviation industry and

successfully concluded its Business Plan for the Scheduled Air Service Operation.

- A review of the five year strategy which focuses on running and changing the Corporation's business was completed.
- The Air Operator Certificate application went through the fourth stage, where the Corporation successfully demonstrated all RENAC operating procedures.
- Ground handling services were provided to Kenya Airways, Jetex Flights, Ethiopian Airlines, Aurora Aviation and UAS Aviation.
- The Ground Handling Department was in the process of constructing a new fuel farm on land that was allocated by ESWACAA.
- No accidents or incidents were reported and Safety and Management representatives were appointed to sub committees. COVID 19 prevention and management tools were issued to ensure safety.
- The Maintenance Department successfully performed all maintenance requirements for the Corporation's aircraft and compliance was ensued with all required standards and practices.
- In partnership with Kenya Airways, RENAC coordinated the repatriation of Emaswati which were coming from different countries.
- The COVID 19 pandemic continued to negatively affect the company's business as tickets could not be sold.

Financial Situation

- Total revenue was E3.00m compared to E9.25m last quarter.
- Total expenditure was E66.32m compared to E46.79m last quarter.
- There was no subvention received this quarter.

Financial Statements

Income Statement

	2020	2020	2020
	Sep.20	Jun.30	Mar.31
Income	3,004,217	9,250,399	8,540,032
Government Subvention	-	62,640,000	44,640,000
Expenditure	66,315,432	46,768,291	25,754,537
Operating Profit	(63,311,215)	25,122,108	27,425,497

Balance Sheet

Fixed Assets	432,234,525	431,594,259	23,671,029
Current Assets	162,394,822	217,376,095	234,752,202
Current Liabilities	19,963,333	22,235,158	42,332,126
Net Current Assets	142,431,489	195,140,937	192,420,076
Total Employment of Capital	574,666,014	626,735,196	216,091,105
Shareholder Contributions	100,466,998	100,466,998	100,466,998
Reserves	515,849,848	503,383,640	9,115,395
Retained Income	(43,150,833)	21,384,557	105,008,711
Ordinary Share Capital	1,500,000	1,500,000	1,500,000
Deferred Income	-	-	-
Total Capital Employed	574,666,014	626,735,196	216,091,105

PEU Comments

RENAC's air ticket and fuel business continued to suffer as the situation continued to have a negative impact on the operations of the entity, however, the Corporation was able to rake in limited revenue from repatriation flights arranged with Kenya Airways and various local stakeholders.

The Corporation did not receive any subvention and had to rely on reserves to fund its operations. Income generated declined to E3.00m from E9.25m last quarter, whilst expenditure increased to E66.32m from E46.77m last quarter due to maintenance of one of their Assets.

Following the ease of the economic activity worldwide, there is hope that RENAC's business will gradually normalise and the Corporation will be able to secure other business opportunities that will ensure its sustainability.

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 E35.36m compared to E44.7m last quarter.
- Interest paid amounted to E16.84m compared to E18.41m previously. The decrease was due to interest on long term borrowings following reductions in capital balances.
- A total of E33.18m 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 E11.15m compared to E11.34m last quarter.
- Customer deposits were E1.5bln compared to E1.47bln last quarter.
- Loans and advances increased to E1.44bln compared to E1.39bln due to newly disbursed loans issued to corporate businesses.
- The Bank finalized the process of VISA Acquiring project to enable the Bank's transactional platforms to accept VISA Cards and also open up a gateway for the installation of Eswatini Bank Point of Sale Machines.

Financial Situation

- Results for the quarter reflected a profit of E5.62m compared to E0.01m last quarter.
- The total statement of financial position has increased to E2.44bln compared to E2.5bln last quarter.

Financial Statements

Income Statement

	2020	2020	2020	2019
	Sept. 30	June 30	Mar. 31	Dec. 31
Interest Income	35,360,000	44,701,000	46,019,000	45,466,000
Interest Expenses	16,841,000	18,410,000	22,176,000	22,617,000
Net Interest Income	18,519,000	26,291,000	23,843,000	22,849,000
Provisions	3,000,000	3,000,000	7,000,000	-
Net Int. Income after Prov.	21,519,000	23,291,000	16,843,000	22,849,000
Non-Interest Income	44,579,000	40,732,000	44,001,000	45,989,000
Operating Income	66,097,000	64,023,000	60,843,000	68,838,000

Total overheads	60,577,000	64,166,000	66,604,000	64,275,000
Operating Profit	5,520,000	-143,000	-5,760,000	4,563,000
Recoveries	103,000	153,000	148,000	149,000
Share of Loss from Associate	-	-	-	-
Total Loss/Profit	5,623,000	10,000	5,612,000	4,712,000

Balance Sheet

Liquid Assets	709,418,000	815,995,000	623,679,000	800,470,000
Loans & Advances	1,442,483,000	1,373,064,000	1,725,670,000	1,632,881,000
Other Current Assets/Debtors	28,903,000	32,351,000	13,106,000	20,030,000
Provisions	-	-	(194,536)	(187,555)
Equity Shares Metropolitan	15,207,000	15,207,000	9,223,000	9,223,000
Fixed Assets	245,384,000	252,545,000	228,836,000	226,992,000
Total Employment of Capital	2,441,395,000	2,469,151,000	2,405,978,000	2,502,042,000

Deposits	1,497,619,000	1,471,467,000	1,346,509,000	1,380,963,000
Long Term Liabilities	200,167,000	251,581,000	255,785,000	281,793,000
Other Liabilities	53,556,000	60,925,000	45,633,000	69,392,000
Special Funds	164,345,000	162,921,000	161,526,000	160,155,000
Shareholders' Funds	525,708,000	522,257,000	596,526,000	609,738,000
Total Capital Employed	2,441,395,000	2,469,151,000	2,405,978,000	2,502,042,000

PEU Comments

The Bank generated a profit of E5.62m compared to E0.01m previously. The favourable performance was mainly due to an increase in non-interest income and a decline in operating costs.

The total balance sheet has decreased from E2.47bln to E2.44bln during the quarter and below the budgeted E2.5bln and this was as a result of a decline in long term borrowings and new loan disbursements.

The Bank finalized the process of VISA and Merchant POS Acquisition Projects in the quarter which is commendable. These projects will enable the Bank's platforms to accept VISA Cards and also open a gateway for the installation of Eswatini Bank Point of Sale Machines. This 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 E2.69bln compared to E2.08bln last quarter and against a target of E2.74bln.
- Out of the 146 objection cases received, 48 cases were handled and 40 declined; 38 waivers were handled and 35 declined; and nine appeals were actioned.
- The average processing time for entries was 45 minutes and 4 seconds and the processing time increased by 19 minutes and 23 seconds as a result of frequent system outages and delayed response time by clearing agents/declarants on queries raised.
- The time taken to process a refund was 23 days for VAT and 47 days for Income Tax. A total of E322.86m was paid during the quarter, of which E319.92m was VAT.
- The opening debt stock was E5.33bln compared with closing debt stock of E6.48bln.
- Total exports to the world stood at E8.31bln compared to E4.96bln last quarter while imports were recorded at E6.73bln compared to E4.84bln.
- All requirements to implement the SADC electronic Certificate of Origin (e-CoO) were finalized.
- Nine clearance procedures were validated and uploaded onto the Trade Information Portal (TIP).
- The Southern African Customs Union (SACU) member states reviewed the 2020-2021 work plan to identify activities which could be undertaken remotely. These adjustments were necessary to assist the process of estimating funding required and progress that can still be made on planned activities for ease of monitoring on the expected outcomes.

Financial Statements

Income Statement	2020 Sept. 30	2020 June 30	2020 Mar.31	2019 Dec.31
Subvention	100,903,105	100,903,105	109,903,105	109,903,105
Income	972,574	1,153,552	2,501,594	1,571,886
Expenditure	96,662,939	98,038,254	100,989,075	126,510,965

Surplus/Deficit	5,212,740	4,018,403	11,415,624	15,035,974
Balance sheet				
Fixed assets	1,069,968,914	1,043,367,601	1,036,375,245	1,020,355,466
Current assets	154,527,615	172,351,907	166,425,026	168,316,166
Current liabilities	30,891,654	36,647,198	34,954,631	36,507,773
Net current assets	123,635,961	135,704,709	131,470,395	131,808,393
Employment of capital	1,193,604,875	1,179,072,310	1,167,845,640	1,152,163,859
Retained income	-3,076,359,347	-2,980,727,834	-2,884,164,657	-2,787,559,312
Long term liabilities	630,770,272	631,419,435	645,782,693	643,398,672
Capital and reserves	3,611,914,566	3,501,196,864	3,379,043,759	3,269,140,654
Donor Funding	27,279,384	27,183,845	27,183,845	27,183,845
Capital employed	1,193,604,875	1,179,072,310	1,167,845,640	1,152,163,859

PEU Comments

Revenue collections target of E2.74bln for the quarter was not reached as only E2.69bln was collected in the period. The negative performance resulted mainly from restricted business operations instituted by government as a measure to control the spread of the COVID-19 pandemic.

The organization continued to implement its construction projects in the quarter to improve organizational efficiency. These projects were additional minor works at Ezulwini Headquarters, the construction of a two storey block of one bedroom flats in Mananga Border Post and the relocation of Manzini Service Centre to the new site at Sivuno Building.

11.ESWATINI DEVELOPMENT FINANCE CORPORATION (FINCORP)

Parent Ministry: Finance

FINCORP reported as follows for the quarter,

Operational Review

- The Group disbursed a total of E352.78m in loans compared to E150.26m last period. The loan portfolio however, declined by 7% from E1.28bln last quarter to E1.20bln this period.

Financial Situation

- A total of E59.02m was received from interest and fee income compared to E59.91m received last quarter.
- Non- interest income was E3.54m compared to E1.66m last quarter.
- Interest expense was E32.21m compared to E31.18m last quarter.
- Credit loss impairment allowance was E5.03m compared to E5.28m last quarter.
- Other expenses comprising of staff costs and general overheads were E22.19m compared to E16.95m last quarter.

Outlook

- The Corporation will continue the process of securing tenants for the remaining unoccupied office space, mainly being the top floor restaurant as all other floors have been occupied.
- Conclusion and signing of audited financial statements for the financial year 2019/2020.

Financial Statements

Income Statement	2020 Sep. 30	2020 Jun. 30	2020 Mar. 31	2019 Dec. 31
Income	62,562,855	61,567,937	69,947,173	65,854,819
Expenditure	58,730,128	52,340,223	68,439,052	55,636,886
Impairment Allowance	5,029,480	5,275,627	17,874,607	530,442
Operating Income	-1,196,753	3,952,087	-16,366,486	9,687,491
Taxation	2,172,848	3,313,886	986,244	3,894,620
Net Income/Loss	-3,369,601	638,201	-17,352,730	5,792,871
Balance Sheet				
Fixed Assets	123,453,109	125,022,324	126,571,587	118,711,803
Investments	10,532,452	31,222,332	41,602,014	44,010,327
Current Assets	1,295,898,001	1,345,558,954	1,309,624,515	1,303,141,819
Current Liabilities	36,827,674	38,892,632	29,094,918	23,625,136
Net Current Assets	1,259,070,327	1,306,666,322	1,280,530,597	1,279,516,383
Employment of Capital	1,393,055,888	1,462,910,978	1,448,704,198	1,442,238,813
Non-Distributable Reserve	184,225,069	184,225,069	184,225,069	184,225,069
Distributable Reserves	27,650,061	82,099,918	75,232,670	93,205,852
Non-Current Liabilities	1,181,180,759	1,196,585,991	1,189,246,459	1,164,807,893
Total Capital Employed	1,393,055,889	1,462,910,978	1,448,704,198	1,442,238,813

Key Financial indicators:

Ratio description	Q2	Q1	Q4	Q3
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ROCE (EBIT/Capital Employed)	-0.10	0.003	-0.01	0.007
Debt/Equity Ratio (debt/Equity)	5.6	4.5	5.3	4.28
Current ratio (current assets/Current Liabilities)	35.2:1	35:1	45:1	55:1
Credit Impairment Provisions	E5,029,480	E5,275,627	E17,874,607	E530,442

PEU Comments

The Group incurred a loss of E3.37m compared to a profit of E0.64m last period. The loss was mainly attributable to the rise in expenditure as it rose from E52.34m last period to E58.73m this period. Most notably staff costs increased by E4m as a result of delayed payment of some third party costs for the month of June which therefore fell in the month of July, thus the increase in staff costs.

The key financial indicators show that FINCORP is highly geared at 5.6 times, meaning that external funds are over 5 times more than shareholder's equity. However, the current ratio shows a much robust working capital.

12. SINCEPHETELO MOTOR VEHICLE ACCIDENT FUND (SMVAF)

Parent Ministry: Finance

SMVAF reported as follows for the quarter,

Operational Review

- A surplus of E7.52m was experienced during the quarter compared to E1.97 received last quarter. This was a result of an increase in the MVA levy revenue as well as a decrease in net benefit and claims.
- Accumulated reserves decreased from E360.32m to E325.90m mainly due to a decrease in long-term financial asset and a decrease in the value of property, plant and equipment.
- Income from fuel levy increased from E20.43 last quarter to E29.82m this quarter and this was a result of the opening up of the economy following the partial COVID-19 lockdown.
- Total expenses decreased from E39.97m last quarter to E31.55m this quarter mainly due to cost

rationalization in response to the impact of COVID- 19 on the business.

- Registered claims increased from 139 last quarter to 221 this quarter while settled claims increased from 68 last quarter to 253 this quarter.
- The Fund continued to maintain programmes on radio and TV channels whose focus was on directing claimant to the call centre as people were encouraged to stay at home.
- There were no road safety campaigns including public education and safety awareness during the quarter as public gathering were banned.
- The Fund’s digital platforms continued to serve society especially because of the restrictions imposed by the lockdown.
- The Clinic had resumed full operations but under strict COVID- 19 regulations and the number of attendances for all the clinical services were increasing since the resumption.
- Investment portfolios were value at E418.06m this quarter compared to E453.46m last quarter. The decline was mostly attributable to the maturity of treasury bills, of which the entire principal and interest was allocated to fund operations, capital acquisitions, claims and undertakings.

Outlook

- The exercise of clearing the backlog of cases was ongoing.
- Signing of Memorandum of Understanding with stakeholders as key to the implementation of the new operating model.
- Development of a fully-fledged integrated post-crash value chain.

Financial Situation

- The Fund had a surplus of E7.52m compared to E1.97m last quarter.
- Fuel levy collected was E29.82m compared to E20.43m last quarter.
- Other Income consists rental from tenants and fair value losses/gains

Financial Statements

	2020	2020	2020	2019
Income Statement	Sep.30	Jun.30	Mar.31	Dec.31
Income (Fuel Levy)	29,822,498	20,427,417	26,472,774	30,187,598
Other operating income	3,441,708	13,775,323	-18,695,145	3,422,070

Expenditure	-31,552,434	-39,968,311	-56,205,846	-50,781,119
Operating profit/loss	1,711,772	-5,765,571	-48,428,217	-17,171,451
Net Investment Income	5,807,081	7,739,959	7,286,509	7,852,950
Profit/ Loss	7,518,853	1,974,388	-41,141,708	-9,318,501
Balance Sheet				
Fixed Assets	194,650,963	221,496,421	283,961,981	291,205,728
Investments	269,606,990	310,785,017	293,517,392	330,184,934
Current Assets	248,635,612	155,180,700	164,507,465	168,800,780
Current Liabilities	386,997,945	327,143,083	286,747,083	293,395,201
Net Current Assets	-138,362,333	360,319,055	-122,239,618	-124,594,421
Employment of Capital	325,895,620	360,319,055	455,239,755	496,796,241
Accumulated Deficit/Surplus	325,895,620	360,319,055	455,239,755	496,796,241
Total Capital Employed	325,895,620	360,319,055	455,239,755	496,796,241

PEU Comments

The quarter under review saw an increase in income received from fuel because of the opening of the country's economy. Other income decreased drastically because of fair value losses and decrease in rental income.

Total Expenditure decreased as a result of a 20% decrease in operating costs due to costs rationalisation in response to the COVID 19 impact. This resulted in the Fund realizing a surplus of E7.52m compared to E1.97m last quarter.

The Fund's financial assets decreased due to the draw down from investment to finance claims and operating costs. There were also notable decreases in property, plant and equipment due to depreciation costs.

IV. UTILITIES SECTOR

13. ESWATINI ELECTRICITY COMPANY (EEC)

EEC reported as follows for the quarter,

Operational Review

- Southeast Grid 66KV Reinforcement – commissioning and hand over by the contractor is expected in November and expectations are that the project should be complete by December 2020.
- Solar Plant Construction – the project was reported to be at its advanced stage and is anticipated to be complete by December 2020.
- 66KV Feeder Configuration – Malkerns/Siphocosini – civil works and control rooms both at Malkerns and Siphocosini had been constructed and electrical equipment to be installed had also been ordered. The project is expected to be completed in April 2021.
- Systems losses this period were 38.5GWh compared to 34.1GWh last quarter with an estimated monetary value of E86.2m.

Financial Situation

- Sales revenue was E610.49m compared to E554.16m last quarter.
- Profit for the quarter was E75.73m compared to E45.92m last quarter.
- Cash at bank and on deposits was E487.31m compared to E385.76m last period. The increase being a result of a second drawdown of E200m received from Inhlonhla – PSPF as part of the external funding requirements of E330m to fund major projects.
- Power procurement costs amounted to E354.88m this quarter. The figures are comprised as follows:

Details	September 2020	June 2020
	E(million)	E(million)
Purchases from Eskom	219.78	208.08
Purchases from DAM+USL+EDM	121.67	72.91
Purchases from Wundersight	0.02	0.03
Wheeling Charges	10.91	10.95
Amortization of USL PPA	2.50	2.50
Total	354.88	294.48

- Total units purchased were 258.4GWh compared to 230.8GWh prior quarter.
- Generation costs were E11.38m compared to E11.14m last quarter. Local power generation decreased from 66.2GWh to 50.1GWh this period.
- Transmission costs were E38.19m compared to E35.36m last quarter due to lower faults incidents reported this period.

- Distribution costs were E96.71m compared to E92.30m prior quarter.
- Administration costs were E59.70m compared to E88.29m incurred prior quarter. This is due to delays in the implementation of some budgeted activities as a result of the Covid 19 and also the fact that no license fees were made to ESERA this period.

Financial Statements

	2020	2020	2020	2019
Income Statement	Sep. 30	Jun. 30	Mar. 31	Dec. 31
Sales revenue	610,486,000	554,160,000	632,408,000	569,877,000
Other Income	32,865,000	7,369,000	26,717,000	26,142,000
Total Trading Income	643,351,000	561,529,000	659,125,000	596,019,000
Power Purchases	354,888,000	294,479,000	278,957,000	278,009,000
Generation Costs	11,385,000	11,140,000	11,880,000	11,993,000
Transmission Costs	38,190,000	35,364,000	38,523,000	42,453,000
Total	404,463,000	340,983,000	329,360,000	332,455,000
Gross Profit	238,888,000	220,546,000	329,766,000	263,564,000
Distribution Costs	96,708,000	92,297,000	101,734,000	102,260,000
Administration Expenses	59,701,000	88,285,000	110,304,000	100,352,000
Net finance cost	(1,110,000)	1,521,000	(4,262,000)	(6,134,000)
Forex Losses/(Gains)	468,000	(2,917,000)	1,487,000	(155,088,000)
Share of Motraco Profits	(15,197,000)	(15,197,000)	(12,355,000)	(12,355,000)
Profit before tax	98,318,000	56,557,000	132,858,000	234,529,000
Income Tax	22,590,000	10,633,000	776,000	55,334,000
Net profit/Loss	75,728,000	45,924,000	132,082,000	179,195,000
Balance Sheet				
Property, Plant and Equip.	3,067,605,000	2,913,775,000	2,726,032,000	2,633,586,000
Right of Use of Asset	4,935,000	0	0	0
Investment in Joint Venture	504,851,000	540,719,000	459,554,000	447,199,000
Derivative Financial Instrument	7,974,000	7,997,000	10,309,000	8,878,000
USL Electricity prepayment	50,000,000	50,000,000	50,000,000	60,000,000
Retirement Benefit Asset	2,563,000	877,000	877,000	877,000
Other Assets	35,463,000	35,356,000	35,185,000	44,281,000
Other Investment	155,602,000	155,602,000	150,000,000	-
Embedded derivative asset	71,998,000	52,576,000	52,576,000	52,576,000
EIB/ Motraco Loan	0	0	0	150,000,000
Current Assets	983,779,000	972,542,000	913,702,000	975,026,000
Current Liabilities	284,424,000	338,230,000	215,301,000	317,012,000
Net Current Assets	699,355,000	634,312,000	698,401,000	658,014,000
Employment of Capital	4,600,346,000	4,394,671,000	4,182,934,000	4,055,411,000
Government Investment				

Share Capital	433,494,000	433,494,000	433,494,000	433,494,000
Foreign Exchange Reserve	227,608,000	220,355,000	146,911,000	146,911,000
Retained Earnings	2,744,648,000	2,708,717,000	2,741,755,000	2,608,639,000
Borrowings	369,457,000	178,004,000	58,812,000	66,123,000
Embedded Derivative Liability	331,000	419,000	419,000	419,000
Deferred Grant income	331,385,000	319,091,000	323,617,000	312,809,000
Lease Liability	5,343,000			
Other deferred income	35,463,000	35,356,000	35,185,000	44,281,000
Derivative Financial Instruments	65,000	65,000	123,000	118,000
Deferred income Tax	453,344,000	501,247,000	444,693,000	444,693,000
Retirement Benefit Obligation	(792,000)	(2,077,000)	(2,077,000)	(2,077,000)
Total Capital Employed	4,600,346,000	4,394,670,000	4,182,932,000	4,055,411,000

PEU Comments

This quarter saw a positive movement in sales revenue as well as in other income. Sales revenue increased from E554.16m last quarter to E610.49m and other income increased from E7.37m to E32.87m this period. The increase in sales revenue was due to the fact that this quarter fell in the high season which leads to industrial customers unit cost being charged at a higher price and also that more units were used this period due to heating requirements as a result of the cold winter season. Capital contributions increased as a result of E25m which was attributed to work done on group scheme projects in the work in progress account as new connections resumed. As such, the Company recorded after tax profits amounting to E75.73m from E45.92m last quarter.

On another note, EEC spent E354.88m on power purchases compared to E294.48m spent last quarter. The increase was due to the rise in power demand from customers. Another reason for the increase in costs emanates from the high season Eskom rates.

As the partial lockdown restrictions were eased, works in the EEC projects resumed with and both the Lavumisa Solar Plant and Southeast Grid 66kv Reinforcement projects were at advanced stages and are anticipated to be complete by December 2020.

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.
- An additional 1Gigabit (Gb) IP transit link through Internet Solutions was activated and the Telkom SAIX links were decommissioned.
- For Eswatini Post to obtain a Micro-Finance license, a governance structure has been set-up and a market analysis has been commissioned.
- EPTC signed partnerships with MTN, SRA and Home Affairs to deliver services their behalf. DPM's Office and Water Services also extended their contracts with the postal services.
- International mail volumes improved this quarter due to lifting some of the covid-19 restrictions in the neighboring countries. Registered letters traffic plunged by 16.06% to 10,480 letters, down from 12,485 letters posted in the previous quarter. Contributing to this decrease was domestic and outbound mail. Express items volumes fell by 53.48% when compared to the same period last year.

Financial Situation

- EPTC incurred a loss of E27.03m compared to a loss of E34.49 last quarter.
- Total revenue for the quarter amounted to E105.89m compared to E109.69m last quarter.
- Cost of sales stood at E14.15m compared to E28.52m last quarter.
- Total expenditure was E132.92m compared to E144.17m previous quarter.

Outlook

- The installation and commissioning of the 19 base stations to fully operationalise 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 initially with connectivity to RSA (Camden) as well as KMIII International Airport, complete installation and commissioning of Fibre to the home (FTTH) system at Malkerns Eco City and operationalize SRA e-Tax services in Post Offices

Financial Statements

Income Statement

	2020	2020	2020	2019
	Sept. 30	June 30	Mar. 31	Dec. 31
Income	105,889,000	109,686,000	119,156,000	129,107,000

Dividend Income	0.00	0.00	57,045,000	39,128,000
Expenditure	132,917,000	144,173,000	178,222,000	183,356,000
Profit	-27,028,000	-34,487,000	-2,021,000	-15,121,000
Balance Sheet				
Fixed Assets	558,360,000	529,441,000	531,276,000	543,310,000
Investments	26,468,000	26,468,000	26,468,000	25,090,000
Current Assets	514,792,000	597,600,000	584,097,000	521,866,000
Current Liabilities	348,747,000	374,832,000	316,799,000	287,488,000
Net Current Assets/Liabilities	166,045,000	222,768,000	267,298,000	234,378,000
Employment of Capital	750,873,000	778,677,000	825,042,000	802,778,000
Distributable Reserves	470,994,000	501,972,000	456,165,000	443,696,000
Long-term liabilities	279,879,000	276,706,000	368,878,000	359,082,000
Capital Employed	750,873,000	778,678,000	825,043,000	802,778,000

PEU Comments

EPTC incurred a loss of E27.03m compared to a loss of E34.49m the previous quarter which indicates an improvement. This is mainly due to a decline in their expenses. The Corporation only reflects a financial health position when it has received a dividend from MTN.

It is worth noting that the Corporation is implementing some of its strategy initiatives, which seek to increase the revenue lines for the Institution. With proper marketing and management, this could assist the Institution turn around its financial woes, which include issues of pension underfunding, PAYE arrears etc. Institution is urged to continue implementing strategies that seek to improve their service delivery and also improve their financial position.

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 Notice of Intent to Award has been issued and objections to award are being addressed. The anticipated award of consultant is October 2020.
 - The Expression of interest for the WASH Masterplan has been published, received and evaluation is in progress.
 - The estimated costs of the project is E650m and financed by the World Bank and Government of Eswatini.
 - The expected date of completion is 2023.

- 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 Nhlabeni, Mtfongwaneni, Manzini South and Mafutseni and their surrounding areas. The Inception Report and the preliminary design report for the water supply component have been completed commenced. The Water Supply Component is currently at Final Design and Tender Documentation. The Sanitation component is currently at Inception Reporting stage which is expected to be concluded on the 30th of October 2020 and thus progress to the subsequent planning stages. 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.

- Nhlangano Sewer Treatment Plant: The project comprises the construction of the Nhlangano Sewer Treatment Plant. The works had reached 80% progress to completion but were suspended due to non-payment of certificates to the main contractor.
- Lomahasha/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 Lomahasha, Eswatini; 23,000 inhabitants in Namaacha, Mozambique; and 5,000 inhabitants along the pipeline route. The final approved Inception report was submitted to DBSA on 30th September 2020. The project scope was approved by both DWA and EWSC on the 16th September 2020 and 08th October 2020 respectively. Stakeholder Engagement / consultations on all sites within Eswatini has been conducted. The consent for use of existing road reserve by Cabinet was received on 28th September 2020. The land acquisition for the Lomahasha reservoir, Mbokojweni booster pump station, Nduma Reservoir and booster pump station has been completed. The pending land is for Maphiveni reservoir which is under title deed.
- 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 project is 100% 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 water connections are ongoing.
- 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 95% 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 Micro projects. 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 98%.
- A total of 1100 samples were collected in the EWSC Potable Water Sampling Program which represents 79.4% success rate (90.7% in the previous quarter). The lower success rate is due to 3 public holidays which affected the number of available sampling days this quarter.
- A total of 223 wastewater samples were collected and analysed during the quarter, resulting in 8,362 tests being conducted in the process. The overall compliance stood at 73.6% compared to 78.7% in the previous quarter.
- Trade Effluent- A total of 373 samples were collected and analysed resulting in 1,865 tests being conducted. The sampling compliance rate stood at 70.6% (72.4% in the previous quarter).
- Total water connections stood at 66,600 (64,501 as of 30 June 2020) representing a growth of 3.2% (1.8% in the previous quarter), and total sewer connections stood at 12,835 (12,719 as of 30 June 2020) reflecting an increase of 1%.
- The Performance Agreement between EWSC and Government was endorsed by all stakeholders (EWSC represented by the Managing Director, MNRE represented by the Honourable Minister for Natural Resources and Energy and Ministry of Finance represented by the Honourable Minister for Finance).

Outlook

- Though the Government has eased the lockdown to allow economic recovery, the socio-economic impact of the pandemic continues to be felt across all sectors. Economic growth is forecasted to contract by 5.6 per cent in 2020 before rebounding to 4.5 per cent in 2021 (CBE Monetary Policy Statement, September 2020). It is hoped that Government's Post COVID 19 Economic Recovery Plan will restore economic credibility, yielding positive economic growth and unlocking Government spending on critical infrastructure development projects.

Financial Situation

- Total revenue amounted to E107.9m compared to E87.6m last quarter.
- Total expenditure amounted to E101.7m compared to E89.2m the previous quarter.
- There was an operating profit of E6.19m compared to an operating loss of E1.6m last quarter.
- Gross trade debtors amounted to E183.6 million (E203.4 million at 30 June 2020) representing a decrease of 10.7% decrease. Total Government debtors amounted to E39.49 million (E66.6 million 30 June 2020). This represents 21.5% (33% in the previous quarter) of the debtors' book.
- Total assets amounted to E2.66 billion (E2.63 billion June 2020).

Financial Statements

	2020 Sept 30	2020 June 30	2020 March 31	2019 Dec 31
Income Statement				
Turnover	107,905,860	87,588,396	97,898,859	101,659,705
Operating Expenses	101,711,493	89,195,545	103,790,558	103,020,291
Operating Profit/(Loss)	6 194 366	-1,607,149	-5,891,699	-1,360,586
Other Income	3,474,263	6,253,320	43,786,571	6,191,882
Net Profit/(Loss)	9,668,629	4,646,170	37,894,872	4,831,296

Balance Sheet

Fixed Assets	2,364,820,381	2,325,026,946	2,367,280,667	2,239,502,576
Current Assets	300,143,035	309,773,674	287,636,979	275,151,327
Current Liabilities	22,715,252	22,958,170	88,959,517	21,805,923
Net Current Assets	277 427 783	286 815 504	198 677 462	253 345 404
Total Employment of Capital	2 642 248 164	2 611 842 450	2 565 958 129	2 492 847 980
Share Capital	30,222,580	30,222,580	30,222,580	30,222,580
Retained Income	613,935,020	610,812,444	607,095,649	570,280,340
Capital Grant	1,909,631,191	1,888,650,748	1,848,992,005	1,814,731,271

Long-term Loans	70,816,543	69,968,264	67,459,479	65,419,698
Deferred Income Tax Liability	17,642,830	12,188,414	12,188,414	12,194,091
Total Capital Employed	2 642 248 164	2 611 842 450	2 565 958 129	2 492 847 980

PEU Comments

EWSC had a surplus of E9.67m compared to a surplus of E4.65m last quarter. The corporation had an operating profit of E6.2m compared to an operating loss of E1.6m last quarter. Total revenue for the quarter amounted to E107.9 million (E87.5 million in the previous quarter) which represents an increment of 23.3%. The increase is largely attributed to growth due to new water and sewer connections. Total expenditure amounted to E101.7 million (E89.1 million in the previous quarter), representing an increase of 14%. The increase in expenditure is attributable to the payment (and back-pay) of the salary increment of 3% and an increase in electricity tariff by 1.03%, coupled with accrued electricity costs.

Gross trade debtors amounted to E183.6 million (E203.4 million at 30 June 2020) representing a decrease of 10.7% decrease. The reduction in debtors is mainly due to the partial settlement of billed amounts due by Government. Total Government debtors amounted to E39.49 million (E66.6 million 30 June 2020)

Although the Government has eased the lockdown on businesses and industries, economic growth remained negative and this has had a ripple effect on business performance. Business landscapes have been affected resulting in a high degree of uncertainty about the future. The implementation of some capital projects had to be stalled due to lack of financial resources and cash-flows remained strained due to consumer's inability to settle billed amounts. The Corporation's financial resources remain thinly spread over provision and sustenance of water supply though the situation is expected to improve.

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 approved a loan amounting to E5m and E3.65m of the loan was disbursed towards the agricultural sector.
- ENIDC has aligned to the Central Bank's Monetary Policy Consultative Committee decision to lower the prime rate as a mechanism to curtail disruptions in commodity prices as a result of the

Covid-19 pandemic. This move will enable businesses who experience short term liquidity constraints to access new loans at lower rates.

- Three strategic projects had been identified by the Corporation to align with the Covid-19 recovery strategy. These projects are in the fishery and textile sub-sectors and are expected to generate 2, 930 jobs.

Financial Situation

- Total revenue for the quarter amounted to E2.01m compared to E1.65m last quarter.
- Total expenditure was E2.07m compared to E1.99m last quarter.

Financial Statements

	2020	2020	2020	2019
	Sep. 30	Jun. 30	Mar. 31	Dec. 31
Income Statement				
Income and Subvention	2,007,323	1,654,018	1,603,159	1,650,091
Expenditure	2,073,484	1,987,977	3,822,309	4,948,637
Surplus/Deficit	-66,161	-333,959	-2,219,150	-3,298,546
Balance Sheet				
Fixed Assets	1,180,886	1,180,886	1,180,886	1,244,375
Investments	119,678,889	119,678,889	119,678,889	119,678,889
Other Assets	37,002,418	33,134,830	32,686,074	32,327,912
Current Assets	103,322,681	106,027,691	106,748,747	111,922,237
Current Liabilities	2,567,474	1,338,736	1,277,076	1,873,326
Net Current Assets/Liabilities	100,755,207	104,688,955	105,471,671	110,048,911
Employment of Capital	258,617,400	258,683,560	259,017,520	263,300,087
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	41,693,395	41,759,556	42,093,516	46,340,505
Non - Current Liabilities	113,844,310	113,844,310	113,844,310	113,879,888
Capital Employed	258,617,400	258,683,560	259,017,520	263,300,087

PEU Comments

The lockdown restrictions continued to negatively impact the operations of the Corporation, as such, there were no new loan applications received this period. The Corporation, however, made efforts to support the Government's strategy for the agriculture sector in ensuring the revival of the country's cotton industry by approving a loan facility of E5m to Eswatini Cotton Board and by close of the quarter, a total of E3.65m had been disbursed to the Board.

The financial performance of ENIDC shows an improvement when compared with the prior period. A

deficit of E0.066m was recorded this quarter compared to a deficit of E0.33m recorded last period. The improved performance was as a result of the increase in revenue from E1.65m to E2.01m this period. There was, however, a slight increase in expenditure as a result of the CFO recruitment costs as well as a taxation expense.

17. SMALL ENTERPRISE DEVELOPMENT COMPANY (SEDCO)

Parent Ministry: Commerce, Industry and Trade

SEDCO reported as follows for the quarter,

Operational Review

- A total of 70 clients (19 last quarter) were assisted with general business counselling under the Mainstream Entrepreneurship Programme.
- Under the Youth Enterprise Revolving Fund (YERF) –SEDCO Partnership, 115 micro small medium enterprises (MSMEs) that received business loans from the YERF continued to receive business coaching.
- A total of 452 participants undertook entrepreneurship and business related courses compared to 66 participants last quarter.
- World Vision –SEDCO Market Facilitation and Business Coaching Project conducted five producer group trainings attracting 955 households (HHs) as participants.
- As a result of the business advisory services, a total of 75 jobs were created, 175 jobs maintained and 13 jobs lost.
- SEDCO signed a sponsorship agreement worth E0.2m with MTN for the “Cija Ngebhizinisi” radio programme.
- SEDCO also signed a memorandum of understanding (MoU) with Matsapha Town Council. The purpose of the MoU was to establish a framework between the two organizations for cooperation.
- In an initiative aimed at encouraging SMEs to take precautionary measures to curb the spread of Covid-19, SEDCO donated facemasks and hand sanitizers to vendors and taxi drivers at Buhleni.
- 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 115 MSMEs in the nine estates compared to 119 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 and establishing market linkages.

Financial Situation

- The Company's subvention and income was E4.92m compared to E2.48m last quarter.
- Expenditure was E4.53m compared to E3.75m previously.

Financial Statements

	2020 Sept.30	2020 June 30	2020 Mar. 31	2019 Dec. 31
Income Statement				
Subvention & Income	4,924,586	2,482,908	4,187,801	4,173,886
Expenditure	4,526,618	3,748,183	4,403,423	4,185,821
Surplus/Deficit	397,968	-1,265,275	-215,622	-11,935
Fixed Assets	80,509,060	80,845,420	57,167,807	57,422,819
Investments	2,216,469	2,216,469	2,216,469	2,183,550
Assets under construction	407,816	247,666	24,021,941	23,882,196
Current Assets	6,634,450	5,992,030	7,340,592	7,565,703
Current Liabilities	3,044,675	2,993,884	2,576,933	2,668,771
Net Current Assets	3,589,775	2,998,146	4,763,659	4,896,932
Employment of Capital	86,723,120	86,307,701	88,169,876	88,385,496
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	6,680,277	6,264,858	6,820,676	7,036,296
Govt. Capex Grant	33,266,285	33,266,285	33,266,285	33,266,285
Borrowings	1,191,432	1,191,432	1,453,919	1,453,919
BIAWE Project Grant	-	-	1,043,870	1,043,870
Total Capital Employed	86,723,120	86,307,701	88,169,876	88,385,496

PEU Comments

The company recorded a surplus of E0.4m compared to a deficit of E1.27m last quarter and this was due

to an increase in internally generated funds.

Since government issued regulations discouraging gatherings as measures to assist contain the spread of COVID-19, SEDCO then developed the Entrepreneurship Distance Learning Programme and started using virtual platforms to reach out to clients. Such a move by the organization is applauded as this will curb the spread of coronavirus without SEDCO losing out its business.

18. ESWATINI COMPETITION COMMISSION (ECC)

Parent Ministry: Commerce, Industry and Trade

ECC reported as follows for the quarter,

Operational Review

- A total of 29 new cases were reported on consumer protection and 10 of these cases were closed as amicably resolved.
- Under cartels and enforcement, 5 matters were initiated and market screening on the telecommunication, paint and pharmaceutical sectors was carried out on behalf of the Common Market for Eastern and Southern Africa (COMESA). The Commission begun a screening exercise into the possible anti-competitive practices in the supply market of cigarettes in the country.
- One merger and two acquisitions were approved without conditions by the Commission.
- The Royal Eswatini Police Service was engaged for induction concerning aspects of Covid-19 that are relevant for consumer and competition enforcement.
- The Commission conducted business inspections in Ngwenya, Mbabane, Ezulwini and Manzini in response to information received pertaining some canned grape juice that was suspected to contain harmful particles.
- In her endeavors to promote consumer protection and competition law, the Commission issued two public notices on the recall of the liqui fruit still grape 330ml can product, updated the public on price inflation related investigations, published the Board decision on the investigation of schools uniforms items and educated management from SEDCO on the decision by the Board on schools uniforms

Financial Situation

- Total income received amounted to E6.63m compared to E2.60m received last quarter comprising of subvention (E1.24m), notifications fees (E4.52m), COMESA notification fees (0.84m), interest income (E0.032m) and legal fees (E7,000).

- Total expenditure incurred was E2.63m compared to E3.79m last quarter.

Financial Statements

	2020	2020	2020	2019
Income Statement	Sep. 30	Jun. 30	Mar. 31	Dec. 31
Income and Subvention	6,633,996	2,602,352	1,959,853	4,443,259
Expenditure	2,626,372	3,785,094	2,617,956	2,718,195
Surplus/Deficit	4,007,624	-1,182,742	-658,103	1,725,064
Balance Sheet				
Fixed Assets	2,931,630	2,375,889	1,073,260	1,101,859
Current Assets	8,712,834	5,509,376	7,959,975	8,648,060
Current Liabilities	687,486	690,486	1,255,786	1,304,062
Net Current Assets	8,025,348	4,818,890	6,704,189	7,343,998
Employment of Capital	10,956,978	7,194,779	7,777,449	8,445,857
Accumulated Funds	10,956,978	7,194,779	7,777,449	8,445,857
Capital Employed	10,956,978	7,194,779	7,777,449	8,445,857

PEU Comments

The easing of the lock down restrictions has seen some business resumption at the Commission. As such, ECC was able to approve three mergers and acquisitions compared to none the prior period. This has therefore led to an increase in revenue from E2.60m last period to E6.63m this period, resulting in a surplus of E4.01m.

The Commission continued to raise awareness to her stakeholders more especially on consumer protection. Of note, ECC issued two public notices which were informing consumers about a recall of a certain product that was suspected to contain toxic particles. The Commission is commended for such efforts as they protect consumers from purchasing products that are a health hazard.

19. ESWATINI INVESTMENT PROMOTION AUTHORITY (EIPA)

Parent Ministry: Commerce, Industry and Trade

EIPA reported as follows for the quarter,

Operational Review

- EIPA participated in 41 virtual meetings with potential investors, as a result 17 new enquiries and six (6) leads migrated into investment projects. These were in the mining, manufacturing, textile and agri-business sectors.
- One company started operations in the tourism sector with an investment of E350 million and will create 195 jobs in the first phase. An official launch of the 40MW Biomass Energy tender which

attracted over 20 companies from different countries to express their interest in generating power for the country.

- Another company was assisted to be granted a Development Approval Order (DAO) whilst 2 companies were assisted to attain the DAO. Another company was assisted to obtain private factory space as there is a shortage of vacant government factory shells.
- The institution visited existing companies to ensure that they retain and expand their operations. Services and support rendered to them include the facilitation of cross border licenses.
- Preparations for the Eswatini Virtual Trade Fair (EVTF) which is an online trade exhibition that is set to feature a series of sector-based expositions commenced during the quarter.
- EIPA facilitated 71 local companies to access market opportunities in Indian, 12 in Taiwan and 3 companies to Canada.
- The Entity also facilitated 3 new exporters to acquire export markets in Taiwan, with the objective of providing export readiness training to local potential exporters.
- Forty Nine Eswatini companies were linked with Indian suppliers while 10 companies were with linked suppliers in Taiwan.
- Mavuso Trade & Exhibition Centre (MTEC) continues to host the COVID-19 Isolation Centre for patients with mild cases and this has reduced the number of privately organised booking at the centre.

Financial Situation

- Subvention received this quarter was E5.10m.
- Total expenditure was E4.98m compared to E4.79m last quarter.

Financial Statements

	2020 Sep.30	2020 Jun.30	2020 Mar.31	2019 Dec.31
Income Statement				
Subvention	5,092,852	3,395,235	5,092,852	5,098,652
Other income	1,538,389	588,272	-49,208	1,123,536
Total income	6,631,241	3,983,507	5,043,644	6,222,188
Expenditure	4,975,458	4,786,353	5,883,357	5,328,771
Surplus/Deficit	1,655,783	-802,848	-839,713	893,417

Balance Sheet

Fixed Assets	3,159,401	3,222,294	3,158,195	3,233,034
Current Assets	4,272,530	4,099,352	5,592,432	6,268,492
Current Liabilities	2,161,642	3,506,757	3,578,612	2,733,480
Net Current Assets	2,110,888	592,595	2,013,820	3,535,012
Employment of Capital	5,270,289	3,814,889	5,172,015	6,768,046
<hr/>				
Government Grant/ Reserves	139,204	239,204	652,368	1,029,366
Retained Income	5,131,085	3,575,685	4,519,647	5,728,681
Total capital Employed	5,270,289	3,814,889	5,172,015	6,768,046

PEU Comments

EIPA reported a surplus of E1.66m this quarter compared to a deficit of E0.80 last quarter. This was because there was an increase in other income from E0.59m to E1.54m while there was a marginal increase in expenditure.

The COVID-19 pandemic continued to compromise the Authority's ability to discharge its mandate because of the lockdown. However EIPA resorted to utilize internet based solutions to market the country during this period. Trade and investment promotion remained constrained due to restrictions on cross-border movement.

Investment promotion and aftercare efforts resulted in an increased number of companies expressing plans to expand their operations in the Kingdom. Furthermore, the institution launched preparations for the first ever Eswatini Virtual Trade Fair (EVTF) in response to the changing landscape in trade promotion.

20. ESWATINI STANDARDS AUTHORITY (SWASA)

Parent Ministry: Commerce, Industry and Trade

SWASA reported as follows for the quarter,

Operational Review

- In the quarter the Authority hosted a one (1) Quality Management Systems (ISO 9001:2015) Training. This is mainly because most clients were at home due to the corona virus (COVID-19) pandemic.
- In the period under review Work Programme (12) twelve which has a total of 9 standards went through the Public Review (PR) stage.

- The Authority started work on Work Programme (13) thirteen which has a total of 18 standards. In the month of September 2020 the Standards Advisory Committee (SAC) met and approved the work programme.
- In the Quarter under review 629 WTO/TBT Notifications were received and these were disseminated to the relevant parties; 337 Standards were sold and; 40 enquiries were received.
- A consultant has been engaged through the Trade Facilitation Project. The purpose of this project is to support SWASA to develop a Technical Collaboration and e-learning platform. The project is financed by the Trade Related Facility Programme (TRFP) under the department of International Trade in the Ministry of Commerce Industry and Trade (MCIT).
- Four (4) expressions of interest were received which were followed by SWASA Marketing and promotional presentations. The organizations that have expressed interest are in motoring; pharmaceutical supplies; construction and food industry categories. The specific standards which are of interest include ISO 45001, ISO 9001 and ISO 14001.
- The Competition Commission had requested the Authority to test bread suspected to contain hard foreign matter. Samples for this test request had been received by the Commission from a complaining consumer and were subsequently submitted to the Authority for testing. The samples referred to herein have already been dispatched to an ISO 17025 Accredited food testing laboratory in South Africa. Results will be made available once received from the laboratory.
- The Authority has received equipment from the Ministry of Trade, Industry and Trade (MCIT) through the Regulatory and Quality Infrastructure Development Unit (RQID) in support towards testing alcohol concentration in the alcohol-based hand sanitizers. Testing protocols have been drafted, some samples have been tested with a variance of -0.025% (negative-0.025%) from the 80% marked concentration levels.
- Three (3) Organizations have expressed interest in the calibration services; one is in the food industry producing edible oils, local government in the Manzini region and the third one is in the mining industry producing coal.
- A working contract with the Royal Eswatini Police Service (REPS) Forensic laboratory has been agreed to and signing of the same is yet to take place. This contract seeks to have a collaborative arrangement for the Authority to calibrate all weighing scales used by the Forensic Laboratory.

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	2020	2019
	Sept 30	June 30	March 31	Dec 31
Income Statement				
Income (Subvention)	2,664,884	1,332,442	1,998,663	1,998,663
Other Income	348,256	22,767	97,605	460,502
Expenditure	2,497,135	2 181 806	1 892 259	1 916 498
Surplus/Deficit	516,005	-826,451	204,009	542,667
Balance Sheet				
Fixed Assets	4,152,155	4,169,688	4,264,865	4,240,721
Investments	1,479,987	2,899,680	2,809,751	2,707,353
Current Assets	1 407 417	501 237	1 231 780	1 145 961
Current Liabilities	-570,638	-437,691	-461,191	-595,045
Net Current Assets	1 978 055	938,928	1 692 971	1 741 006
Employment of Capital	7 610 197	8 008 296	8 767 587	8 689 080
Retained Income	4,193,554	3,879,180	4,702,631	4,515,105
Deferred Income	30,860	515 524	515 524	515 524
Deferred Assets	2,820,000	2,820,000	2,820,000	2,820,000
Gratuity Provision	456,536	796,594	729,432	838,452
Total Capital Employed	7 610 197	8 008 296	8 767 587	8 689 080

PEU Comments

The Authority received a subvention of E2.67m in the quarter which shows an extra amount of E0.67m which is for one month of the first quarter. The total expenditure was E2.18m which has resulted in a surplus of E0.52m. Total in other income amounted to E0.35m compared to E0.02m received in last quarter.

Eswatini Standards Authority has continued to develop and adopt National standards, conduct Standards based training to the industry and the public at large. A batch of new standards (work programme 13) have also been approved by the organisation's Standards Approval Committee (SAC) for development in future.

21. ESWATINI YOUTH ENTERPRISE REVOLVING FUND (EYERF)

Parent Ministry: Sports Culture & Youth Affairs

EYERF reported as follows for the quarter,

Operational review

- The implementation of the first cycle was completed and the 44 funded projects under this cycle have completed disbursement of funds and some have already started their loan repayments. A total of 22 businesses were funded during the quarter amounting to E1.17m and a total 40 jobs have been created out of it.
- A total of 22 youth in business received business training and were assigned mentors in preparation for funds disbursement. To ensure that businesses practice good business management, ensure sustainability of the businesses and repay the loans without affecting the operations of the business, the Fund continued to provide mentorship and coaching of funded beneficiaries.
- Under the MTN-YERF Khula Natsi loan project, a total of 4 loans valued at E52, 000 were approved by the Fund.
- Imbita Women Finance Trust who is providing bad debt collections services to YERF have to date submitted an inception report, which indicates a total collection of E22, 394 that had been received from debtors this far.
- 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 E2.59m compared to E2.44m last quarter.
- Total expenditure incurred amounted to E2.11m compared to E1.10m last quarter.

Outlook

- Continuous engagement with strategic stakeholders, continuous public awareness, training of loan beneficiaries for fourth and fifth cycle, continuous mentorship & coaching for youth beneficiaries and call for opening of new loans for cycle 7.

Financial Statements

	2020	2020	2020	2019
	Sept 30	June 30	Mar. 31	Dec. 31
Income Statement				
Income and Subvention	2,590,979	2,439,261	5,152,607	2,872,523
Expenditure	2,105,662	1,098,527	1,582,644	1,030,201
Surplus/Deficit	485,317	1,340,734	3,569,963	1,842,322
Balance Sheet				
Fixed Assets	2,039,389	991,536	831,318	620,793
Current Assets	28,160,083	29,880,813	28,764,152	25,153,091
Current Liabilities	747,709	144,298	208,152	144,694
Net Current Assets/Liabilities	27,412,374	29,736,515	28,556,000	25,008,397
Employment of Capital	29,451,763	30,728,051	29,387,318	25,629,190
Share Capital				
Deferred Income	28,778,280	29,199,153	25,629,189	23,786,868
Revaluation Reserves	188,166	188,165	188,166	-
Retained Income	485,317	1,340,734	3,569,963	1,842,322
Total Capital Employed	29,451,763	30,728,052	29,387,318	25,629,190

PEU Comments

The Fund attained a surplus of E0.49 compared to a surplus of E1.34m last quarter. This was due to an increase in expenditure which was as a result of an engagement of second mentor in the mentorship & coaching program and implementation of beneficiaries training.

A general improvement on the performance of the loans with the relaxation of lock down, resulted in more job opportunities created and maintained compared to previous quarter. The improvement also resulted in a significant increase in loan repayments from 26% in the previous quarter to 48% this quarter. The Fund is encouraged to continue monitoring this businesses so to ensure they continue to be sustainable and are in a position to pay back their loans.

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)

RSTP reported as follows for the quarter,

Operational review

- The Royal Science and Technology Park (RSTP) continued with setting infrastructural facilities. Construction of the Service Centre super structure at the Biotechnology Park is projected to be complete by February 2020. Construction of the Disaster Recovery Site (DRS) awaits approval of a development loan from the EXIM bank of India.
- RSTP had twenty-five (25) incubated start-ups falling into five different categories in the period. These companies employ 190 people; 55% are youth and 37% are women. UNDP provided seed capital worth E1.49m to some of these companies in the period.
- RSTP began an awareness program in the Special Economic Zone (SEZ) in its role as Zone Developer as per the SEZ Act, 2018. The Park held virtual meetings with prospective investors from Taiwan, Korea and South Africa.
- All lectures for current students were continuing with their lessons through face to face and e-learning for foreign lecturers due to travel restrictions. The pandemic has disrupted the school's academic calendar.

Outlook

- To continue managing the construction of the Biotechnology and Innovation Parks.
- Continue engaging Government 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 E11.46m subvention for the quarter.
- Other Income of E133, 682 comprised of E58, 411 net income from business units, other income of E1, 146 and E74, 125 interest.
- Expenditure incurred amounted to E12.62m compared to E18.78m last quarter.

Financial Statements

	2020	2020	2019	2019
Income Statement	Sept. 30	June 30	Dec. 31	Sept. 30
Government subvention	11,462,500	11,250,000	9,625,000	9,625,000
Other income	133,682	983,386	4,267,043	1,753,392
Expenditure	12,621,409	18,784,799	16,793,969	15,870,234
Surplus/Deficit	(1,025,227)	(6,551,413)	(2,901,926)	(4,491,842)
Balance Sheet				
Fixed Assets	1,191,040,356	1,136,236,121	1,166,075,476	1,138,256,971
Current Assets	95,366,214	105,114,643	65,376,935	111,648,931
Current Liabilities	35,522,508	8,240,795	6,552,313	21,635,158
Net Current Assets	59,843,706	96,873,848	58,824,622	90,013,773
Total Employment of Capital	1,250,884,062	1,233,109,969	1,224,900,098	1,228,270,744
Retained income	(138,966,259)	(137,941,032)	(78,391,7250)	(75,021,079)
Long Term Liabilities	1,389,850,321	1,371,051,001	1,303,291,823	1,303,291,823
Total Capital Employed	1,250,884,062	1,233,109,969	1,224,900,098	1,228,270,744

PEU Comment

RSTP incurred a deficit of E1.03m compared to a deficit of E6.55m last period attributable mainly to less expenditure incurred in the period compared to last quarter. The Park also generated even less Other Income in the period.

The Park is commended for developing a hosting environment for the Africa e-Trade platform (A-eTrade), which is 65% operational. The Park is part of the technical team for the migration of Government computer Systems and we hope it will greatly contribute to the modernisation of Government information systems as per the given terms of reference so that Government can, among other benefits, be able to fully utilise the eTrade platform.

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. Orientation on Moodle usage for students was launched and Senate resolved that Moodle Learning Management System shall be an official platform for learning at UNESWA. Face to face classes for completing students resumed in July, exams resumed in August and were completed in September.
- Eswatini Institute of Traditional Medicine, Medicinal and Indigenous Food Plants (EIRMIP) in collaboration with CSIR (South Africa) and Ethno-botanical Research Centre (Mozambique) submitted a concept note for funding from GEF-6 and /or GEF-8, to conduct a feasibility study on African wild ginger access and benefit sharing.
- The department of Accounting and Finance conducted a stakeholder's consultation workshop on the introduction of a post Graduate Diploma in Taxation.
- The department of Electrical and Electronic Engineering and Computer Science collaborated with Huawei Technologies to establish an ICT Academy, to provide professional courses in telecommunications and related industries.
- In collaboration with I can Learn Leadership Institute, UNESWA delivered short courses and topics covered included leadership and influence, change management and stress management and wellness for employers and employees.
- Under the Motsepe Foundation donor funding, the University has prioritised the construction of two double story classroom and offices. The project is at tender stage for construction purposes.
- The maintenance department continues to attend to breakdowns and emergency work.

Outlook

- The University is planning on offering parallel programs for all programmes offered at the University to accommodate students who are not able or willing to take the traditionally taught programme.

Financial Situation

- Total revenue received amounted to E99m compared to E104.30m last quarter.
- A deficit of E58.36m was realised compared to a deficit of E32.96m the previous quarter.
- Total operational expenditure amounted to E157.37m compared to E137.25m incurred last quarter.

Financial Statements

	2020 Sept. 30	2020 June 30	2020 Mar. 31	2019 Dec. 31
Income Statement				
Income	1,875,153	7,172,341	67,866,349	11,212,009
Subvention	97,125,152	97,125,152	92,125,184	92,125,184
Expenditure	157,365,263	137,253,316	191,153,539	150,754,293
Surplus/Loss after subvention	-58,364,958	-32,955,824	-31,162,006	-47,417,100
Balance Sheet				
Fixed Assets	95,232,292	95,188,076	118,704,763	114,483,409
Investments	28,690,101	28,429,533	32,485,885	14,700,521
Current Assets	33,052,312	75,860,610	50,388,901	92,339,502
Current Liabilities	1,034,825,928	987,784,195	736,213,892	752,048,257
Net Current Assets	1,001,773,616	-911,923,585	-685,824,991	-659,708,755
Employment of Capital	-877,851,223	-788,305,978	-534,634,343	-530,524,825
Non Distributable Reserves	137,103,502	137,103,502	139,901,533	139,901,533
Reserves	-1,053,731,189	-942,620,516	-767,853,939	-764,171,643
Distributable Reserves	15,487,232	10,522,835	19,388,250	19,388,250
Other Funds	-	-	-	-
Long Term Liabilities	23,289,232	6,688,201	73,929,813	74,357,035
Total Capital Employed	-877,851,223	-788,305,978	-534,634,343	-530,524,825

PEU Comments

It is noted with concern that a donor project that the University had already started the construction stage in the previous quarter is reported to be at tendering stage this quarter. Delay in utilisation of donor funding could dampen the motivation for donors to continue funding the Institution, and a waste of the limited resources.

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. We hope Government will find a lasting solution for this financially challenged Institution.

The University is commended for the proposed initiatives of making learning hours flexible. This could increase the number of students interested in their programs, because classes are conducted at times convenient to them. If well managed, this could bring an additional revenue for the Institution.

24. SOUTHERN AFRICA NAZARENE UNIVERSITY (SANU)

Parent Ministry: Ministry of Education

SANU reported as follows for the quarter,

Operational review

- The University conducted examinations in the reporting period.
- Online teaching developmental plans were prepared.

Financial Statements

	2020	2020	2020	2019
Income Statement	Sept. 30	June 30	Mar.31	Dec.31
Income	1,487,258	231,486	6,390,224	6,250,026
Expenditure	11,527,805	11,403,299	12,374,132	13,575,507
Surplus/Deficit	- 10,040,547	- 11,171,813	-5,983,908	-7,325,481
Balance Sheet				
Fixed Assets	61,068,100	58,895,427	59,155,381	59,447,704
Endowment Funds- Restricted	2,043,912	1,870,131	1,518,467	1,518,467
Manna Farm	-	-	727,840	698,000
Regional Office	-	-	1,401,875	1,210,336
Related Party Balances	-221,487	-187,490		
Restricted Investments	2,197,480	1,131,124	1,283,316	425,712
Current Assets	15,114,952	22,289,977	40,305,849	46,982,320
Current Liabilities	16,796,785	14,676,107	7,973,585	8,065,282
Net Current Assets	-1,681,833	7,613,870	32,332,264	38,917,038
Total Employment of Capital	61,430,179	69,323,062	96,419,143	102,217,257

Endowment Funds	2,197,480	1,901,428	1,549,764	1,518,467
Retained Earnings	36,888,879	28,991,266	36,855,626	43,075,591
Non-Distributable Reserves	28,818,206	28,818,206	28,818,205	28,818,206
Leave Pay & Staff Gratuity	-	-	6,305,211	205,666
Pension Fund	-	-	3,443,754	4,728,940
Scholarship Fund	946,356	877,456	836,282	749,692
Designated Investments	2,619,806	1,474,303	-	-
Surplus/Deficit	-10,040,548	7,260,404	18,610,301	23,120,695
Total Capital Employed	61,430,179	69,323,062	96,419,143	102,217,257

PEU Comments

SANU realised a total income amounting to E1.49m and incurred expenditure was E11.53m resulting to an operating deficit of E10.04m. The cash flow challenges, most of which emanated from the University closure (Covid-19 effects) and the non-release of Government subvention continued even in this period. In the past three months, the University had not been paying staff salaries on time. Furthermore, staff deductions have not been remitted to third parties.

As teaching and learning had to be done online as a result COVID-19 pandemic, there were no suitable gadgets and skills to use so as to effectively manage the mode of teaching.

25. SEBENTA NATIONAL INSTITUTE (SNI)

Parent Ministry: Education & Training

Sebenta reported as follows for the quarter,

Operational review

- SiSwati Setfu module was successfully reviewed and fifty copies were printed.
- Grade 7, Junior Certificate, Eswatini General Certificate and Vocational Skills opened in addition to literacy classes in His Majesty Correctional Services (HMCS) stations.
- Due to COVID-19 pandemic, only one new SiSwati class was opened in the quarter.

- Classes at Community Learning Centres (CLCs) have also commenced and the number of learners has dropped as a result of COVID-19.

Financial situation

- Income generated was E0.22m compared to E0.14m last quarter.
- Expenditure incurred decreased to E1.47m from E1.65m last quarter.

Financial Statements

Income Statement	2020	2020	2020	2019
	Sept. 30	June 30	Mar. 31	Dec. 31
Revenue	216,691	142,821	499,178	300,158
Subvention	1,528,950	1,528,950	1,456,200	1,456,200
Expenditure	1,469,226	1,650,243	1,995,735	2,304,984
Surplus/Deficit	276,415	21,528	-40,357	-548,626

Balance Sheet

Fixed Assets	8,425,250	8,552,570	8,449,287	8,414,885
Current Assets	921,971	742,899	798,569	817,205
Current Liabilities	979,217	993,189	993,189	993,189
Net Current Assets	-57,246	-250,290	-194,620	-175,984
Employment of Capital	8,368,004	8,302,280	8,254,667	8,238,901
Accumulated Surplus/Deficit	-2,526,654	-2,543,178	-2,592,921	-3,568,724
Government Grants	481,200	432,000	434,130	1,022,456
Revaluation Reserve	10,413,458	10,413,458	10,413,458	10,785,169
Capital Employed	8,368,004	8,302,280	8,254,667	8,238,901

PEU Comments

The Institute realized a surplus of E0.28m compared to E0.02 last quarter and this was mainly due to increases in revenue. As means of improving sustainability, the organization continued to generate income from the print shop, hall and industrial kitchen rental, finances obtained from registration and tuition fees.

Following the opening of selected classes in the period, tele-conferencing classes came to an end. It is of note that the number of learners attending had dropped even though training was conducted on facilitators with regards to COVID-19 compliance before each class was opened,

26.ESWATINI MEDICAL CHRISTIAN UNIVERSITY (EMCU)

Parent Ministry: Education

EMCU reported as follows for the quarter

Operational review

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

- Average Occupancy during the quarter was at 40% during the quarter compared to 22% last quarter. The increase in occupancy was attributed to the business received from the Ministry of Health to use the hotel as a quarantine facility.
- Operational expenses for the quarter were E3.30m compared to E3.38m last quarter.
- The Hotel had difficulty in developing future plans for sustainability due to pending issue of finalizing the franchising deal and the current COVID-19 pandemic.
- Over 90% of the revenue generated during the quarter was from the Ministry of health and payments were outstanding.

Financial Review

- Revenue increased from E2.12m last quarter to E4.31m this quarter.
- Operational expenses for the quarter were E3.76m compared to E3.66mm last quarter.

Financial Statements (Combined)

Income Statement	2020	2020	2020	2019
	Sep.30	Jun.30	Mar.31	Dec.31
Total revenue	4,023,148	1,812,361	4,733,201	4,685,983
Interest received	226,193	306,738	403,579	462,864
Sundry Income	55,742	-	-	-
Total Income	4,305,083	2,119,099	5,136,780	5,148,847
Expenses	3,756,138	3,660,310	4,965,620	4,976,419
Net Profit/ (Loss)	548,945	-1,541,211	-516,498	-742,145
Balance Sheet				
Fixed Assets	15,259,942	13,618,352	13,170,602	14,727,179
Investments	-	-	-	-
Net Current Assets	21,105,990	3,504,431	20,031,547	20,746,415
Employment of Capital	36,365,932	32,271,738	33,243,922	35,473,595
Share Capital	2	2	2	2
Accumulated Income	5,805,575	1,515,615	2,446,026	4,881,401
Net Profit for year	-	-	-	-
Long-term liabilities	34,158	-	41,773	65,995
Revaluation Reserve	30,526,197	30,756,121	30,756,121	30,526,197
Capital Employed	36,365,932	32,271,738	33,243,922	35,473,595

COMMENT

The Piggs Peak Hotel and Casino performed well this quarter hence a profit of E0.5m was generated compared a loss of E1.54m last quarter. This was attributed to both increased occupancy and cuts in personnel related costs during the quarter under review.

The hotel has been in operation for two of the three months of the quarter under the contract of the Ministry of Health to be used as a quarantine facility, hence the reported surplus in the quarter under review. However over reliance on one customer may not be ideal for the entity going forward.

28. ESWATINI NATIONAL TRUST COMMISSION (ENTC)

Parent Ministry: Ministry of Tourism & Environmental Affairs

ENTC reported as follows for the quarter,

Operational

- The number of visitors this quarter showed some improvement due to the opening of the

economy. The total visitation was 5834 compared to 627 visitors last quarter. Mlawula hosted the highest number of visitors (3214), followed by Malolotja (1691) and Mantenga Lodge (929).

- SNTC patrol team made a total of 299 patrols during the quarter and nine people were arrested for different transgressions like poaching, trespassing, starting wild fires etc.
- There was an increase the number of game species during the quarter with baboons and monkeys the most common species. Noticeable also was an increase in warthog populations. Mlawula Nature reserve had been visited by two (2) Elephants which are believed to come from Mozambique.
- The Southern Bald Ibis had been closely monitored this quarter following that it's their nesting period and only a few were seen.
- The Commission issued a total of 189 permits to the community people and park stakeholders and 393 people benefited.
- Invelo Yakitsi programmes were centred on raising awareness and equipping citizens on the importance of conserving and maintaining biodiversity; sound waste disposal; recycling waste and the need to ensure fires are undertaken diligently and in an environmentally friendly manner.
- During the reporting period, there were 37 fires recorded in Malolotja, four (4) in Mlawula and one (1) in Mantenga.
- The only activity at the National Museum and the King Sobhuza II Memorial Park was the Education Section. The Museum education department visited 7 schools around Eswatini on SGCSE program.
- The Cultural Heritage Department had only eleven (11) visitors and attended to eight (8) schools during this quarter.

Financial Situation

- Subvention received was E4.45m and E1.52m was generated from internal sources.
- Total expenditure was E7.84m compared to E8.57m last quarter.

Financial Statements

	2020 Sep.30	2020 Jun.30	2020 Mar.31	2019 Dec.31
Income Statement				

Subvention	4,446,003	4,444,486	4,447,341	4,444,486
Revenue	1,519,842	630,696	2,065,200	3,153,804
Other Income	-	2,855	-	140,453
Expenditure	5,863,480	7,838,298	8,566,553	8,577,876
Surplus/Deficit	102,365	-2,760,261	-2,054,012	-839,133

Balance Sheet

Fixed Assets	263,704,466	276,508,698	269,321,686	276,508,698
Current Assets	3,536,697	11,454,328	6,494,051	11,454,328
Current Liabilities	6,259,108	14,914,953	21,876,659	14,914,953
Net Current Assets	-2,722,411	-3,460,625	-15,382,608	-3,460,625
Employment of Capital	260,982,425	273,048,073	253,939,078	273,048,073

Long Term Loan			-	-
Capital Reserves	260,880,055	273,887,206	253,939,078	273,887,206
Retained Income	102,365	-839,133	-	-839,133
Capital Employed	260,982,425	273,048,073	253,939,078	273,048,073

PEU Comment

Revenue in the quarter increased from E0.63m last quarter to E1.52m this quarter. The increase was a result of an increase in the number of visitors in the quarter as the economy opened. Expenditure decreased from E7.84m to E5.86m, resulting in a surplus of E102, 365.

Even though business had resumed, most of the income generating facilities had not opened thus the Commission continued to be hit hard by the effect of COVID-19 pandemic even this quarter. The number of both local and international visitors was low when compared to same period last years.

29.ESWATINI TOURISM AUTHORITY (ETA)

Parent Ministry: Ministry of Tourism & Environment Affairs

ETA reported as follows for the quarter,

Operational Review

- A total of 25, 204 international visitors were received compared to 325, 307 visitors last year same period as a result of stringent travel measures implemented by key source markets aimed at curbing

COVID-19 pandemic. Leisure travel remained uncertain as precautionary measures set up by most countries depress the propensity to travel.

- Articles and documentaries promoting Eswatini as a premier tourist destination were generated and published in 5 international digital platforms during the period. Locally a total of 66 articles were published through print, digital, television and radio.
- ETA launched a campaign with the slogan “A wonder Awaits, Explore It” aimed at promoting domestic tourism in response to international travel restrictions. The Authority encouraged the industry to provide discounted special offers and events to encourage domestic tourism.
- The Authority continued with developing new community-based tourism projects as at period end it was assisting Mahamba Gorge with its business plan and Mgogodla Community with finalising their Trust document that will allow them access to financing.

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 E1.3m (subvention of E1.22m and Other Income E0.08m) compared to E2.5m last quarter (subvention of E2.45m and other income of E0.85m)
- Total expenditure was E2.74m compared to E3.23m the previous quarter.

Financial Statements

	2020	2020	2020	2019
Income Statement	Sept. 30	June 30	Mar. 31	Dec. 31
Subvention	1,223,078	2,446,155	3,669,233	3,669,233
Other Income	78,200	85,296	536,900	618,739
Total Income	1,301,278	2,531,451	4,206,133	4,287,972

Expenditure	2,737,525	3,230,224	4,181,679	4,134,004
Surplus/Deficit	(1,436,248)	(698,773)	24,454	153,968

Balance Sheet

Fixed Assets	1,809,345	1,809,345	1,809,345	1,809,345
Current Assets	2,057,737	3,429,183	5,372,457	5,288,812
Current Liabilities	210,400	145,600	190,100	130,909
Net Current Assets	1,847,337	3,283,583	5,182,357	5,157,9031
Employment of Capital	3,656,682	5,092,928	6,991,702	6,967,248
Reserves	5,092,929	5,791,702	6,967,248	6,813,280
Surplus/loss	(1,436,248)	(698,773)	24,454	153,968
Total Capital Employed	3,656,682	5,092,929	6,991,702	6,967,248

PEU Comments

The Authority incurred a deficit of E1.44m compared to a deficit of E698, 773 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 resulted in an unprecedented 92.3% decline when compared to the same period last year. Arrivals at the country's ports of entry was restricted to essential workers and trade.

We commend the Authority and its' stakeholders for developing the Eswatini Tourism COVID-19 Health and Safety Guidelines and conducting workshops on them for the industry in the country. The guidelines have been endorsed by United World Tourism Organisation (UNWTO) and the World Health Organisation (WHO).

30.ESWATINI ENVIRONMENT AUTHORITY (EEA)

Parent Ministry: Tourism & Environmental Affairs

EEA reported as follows for the quarter,

Operational Review

Financial Statements

- Environmental impact assessments applications received and administered increased by 58% to 163 from 103 last quarter.
- Projects approved included; establishment of a solar farm at Siphofaneni, proposed country estate township at Croydon and development of Manzini Ngculwini Water Supply Project, amongst others.
- The Authority continued to undertake inspections to monitor approved and operational projects to ensure compliance and these included Chuang Yu Paper at Hlathikhulu and the ICC Five Star Hotel.
- There were no pollution incidents observed and reported except for veld fires, which are common in winter.
- A total of two clean-up campaigns and 6 community driven campaigns were carried out as well as a donation of 6 waste bins to Emfasini Chiefdom for proper waste management.
- A number of contraventions were identified through numerous routine inspections and some were resolved whilst some were still pending.
- Waste management inspections with corresponding licenses totalled 53 and they were carried out in different sites in response to applications received.
- In partnership with ESWADE and Montigny, EEA trained 11 communities on project planning and management and 5 chiefdoms on chiefdom development plans, with focus on environmental problems.
- In preparation for the Biosafety Amendment Bill and Environmental Assessment Regulations, Portfolio Committee Members were oriented on Biosafety and Biotechnology.
- A total of 31,105 tonnes of maize were imported by the National Maize Corporation who shared an import license with other millers due to the COVID 19 pandemic.
- Approved Projects in the 2019/2020 cycle under the National Environment Fund were completed and all accounts were closed.
- The Biosafety Amendment Bill of 2019 was approved by Parliament, Control of Plastic Bag Regulations were still in Parliament and EEA Regulations, 2019 were tabled in September 2020.

Financial Situation

- Other income was E0.19m compared to E0.18m last quarter.
- Government subvention was E2.32m.
- Total expenditure was E3.81m compared to E3.88m last quarter.

Financial Statements

Income Statement	2020	2020	2020	2019
	Sep.30	Jun.30	Mar.31	Dec. 31
Revenue	188,540	175,484	254,291	279,198
Expenditure	3,813,033	3,881,603	3,756,711	3,936,947
Operating Surplus/Deficit	(3,624,493)	(3,706,119)	(3,502,420)	(3,657,749)
Grants/Donations				-
Subvention	2,320,527	2,320,527	3,480,729	3,480,729
Surplus/Loss after Subvention	(1,303,966)	(1,385,592)	(21,691)	(177,020)

Balance Sheet				
Fixed Assets	3,317,848	3,317,848	3,886,087	3,886,087
Current Assets	1,461,531	4,649,048	1,255,243	9,401,976
Current Liabilities	2,069,010	2,783,005	2,949,610	2,949,610
Net Current Assets	(607,479)	1,866,043	(1,694,367)	6,452,366
Total Employment of Capital	2,710,369	5,183,891	2,191,720	10,338,453

Employment of Capital

Retained Income	-	-	442,411	442,411
Grant Finance	13,487,075	12,243,073	14,221,523	14,221,523
Realised Grant	10,776,705	7,059,182	(12,472,215)	(4,325,481)
Total Capital Employed	2,710,370	5,183,891	2,191,720	10,338,453

PEU Comments

EEA continued to monitor approved and operational projects to ensure compliance and promote good environmental practises amongst Emaswati. Amid the COVID 19 pandemic, inspections were carried out in different areas and advice was given on how environmental impact can be minimised.

Waste and Litter Regulations contraventions were noted in different areas and the Authority is encouraged to make follow ups on pending matters to ensure that there is no re-occurrence of the same contraventions, as people would know that violations may attract hefty fines.

There is a notable decrease in the Authority's current assets and this was largely due to Project Funds that were re- transferred back to the Project resulting in a decrease in the Authority's statement of financial position.

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 63% of local content and 37% of foreign content. This shows a 5% decrease in local content and 5% increase in foreign content broadcasting. The decrease in the broadcast of local content is due to the COVID-19 pandemic restrictions that had an impact on the TV & Film industry.
- There was broadcasting of phase two (2), of the Home Study programme for lower primary levels, lower secondary levels and higher secondary education level in the quarter.
- The Authority re-designed and re-packaged news and current affairs programmes and further launched the live-streaming of these programmes on digital media platforms.
- The broadcasting of Tindzaba, Kusile Breakfast Show (KBS), COVID-19 updates and other re-purposed programmes on Eswatini TV digital media platforms has contributed to a significant increase in the number of online viewers. The current online viewership as at 1st September 2020 stands at 9 249 181.
- The Authority has developed an online TV application (Eswatini TV App) app to generate revenue from the online content. The Eswatini TV App will be launched in January 2021 in partnership with local ISP's.

Outlook

- There will be a launch of “Ekhaya” season two (2). The development of the drama series will take twenty two (22) months from the development stage to broadcasting.
- Launching of a high end drama series consisting of twenty six (26) episodes from independent producers selected from submitted proposals.
- Partial upgrade of studio broadcast equipment (Phase 1) and the refurbishment of the live studio work station.

Financial Situation

- A total sum of E12.5m was received. The subvention received was E9.6m and other income generated during the quarter is E2.8m.
- The Authority’s creditors up to the end of the quarter amounted to E114.7m (E100.7m last quarter) which included outstanding statutory financial remittances of E83m (E88.1m last quarter) and sundry creditors stand at E31.1m (E17.7m last quarter) for the Authority’s operations.
- The Authority’s trade debtors currently stand at E29.7m and there is provision for doubtful debts amounting E23.9m.

Financial Statements

	2020	2020	2020	2019
Income Statement	Sept 30	June 30	March 31	Dec 31
Income	12,481,732	7 404 943	13,554,594	13,344,504
Expenditure	16 364 600	14 116 999	15 121 736	15 975 594
Net profit / (Loss)	-3,882,868	-6 712 056	-1,567,142	-2, 631,090
Balance Sheet				
Fixed Assets	10 900 917	10 961 679	10,956,582	12 792 321
Current Assets	798 765	5 245 874	6,144,666	3 531 676
Current Liabilities	114 489 631	100 712 499	79,045,551	74,588,521
Net Current Assets	-113 690 866	-95 466 625	-72 900 885	-71 056 845
Employment of Capital	-102 789 949	-84 504 946	-61 944 303	-58 264 524

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	441 240	374 460	190,680	2 813 130
Suspense A/C	-73,534	-73,534	-73,534	-26 139
Capital Grant	215,954	215,954	215,954	215,954
Accumulated Loss/Profit	-110 861 357	-69 765 151	-69 765 151	-66,033,593
Total Capital Employed	-102 789 949	-92 509 573	-61 944 303	-58 264 524

PEU Comments

ESTVA had a loss of E3.9m in the quarter. Other income that was generated during the quarter is E2.8m which comprised of Advertising, TV licence and commission received from sale of set top boxes. ESTVA received only E5.8m as subvention this quarter.

ESTVA has creditors E114.7m which included outstanding statutory financial remittances of E83m (E88m last quarter). The Authority's trade debtors stand E29.7m and there is provision for doubtful debts amounting E23.9m. ESTVA should make efforts to recover the long outstanding debts from TV licence holders, and debts from advertising clients.

The Authority projects a continued decline on local content production due to COVID-19 restrictions on the TV & Film industry as well as the sports and entertainment industry.

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

- There were forty six lease terminations throughout the quarter and fifty five units remained vacant at the end of the quarter.
- Capital Projects at Mhobodleni were ongoing where a total of eleven houses were at different stages of construction.

- At Nhlangano Township Extension 9 (Nkhanini), there were no sales recorded for the project during the reporting period.
- There were three plots sold during the reporting as a result 433 out of 437 plots had been sold to date. There were no houses sold during the period as a result eight houses had been sold since the start of the project.
- At Mabuya Township (Ngwenya) three plots were sold during the quarter. To date 92 plots out of the total 98 plots in the township have been sold. One house was sold during the quarter totalling to five (5) houses sold since project inception.
- Woodlands Township Extension 2, four plots were sold during during the quarter. Ninety Eight (98) plots had been sold in this township to date, out of 298 plots available for sale.
- Mhobodleni Township, Two (2) houses out of eighteen (18) houses on offer were registered and sublet to Sub-Lessees during the last quarter.
- Two 99 Year Leases had registered this quarter at Msunduza bringing the total to 655 registered Leases whilst Five 99 Year Lease holders had granted consent to cede their rights to third parties.
- At Mbabane Township Extension 25, three transfers were registered this quarter while at Extension 5, 13, 15 (Low Cost) two transfers were awaiting registration.
- There were no transfers at Two Sticks Townships – Manzini, Nhlangano and Siteki

Financial Review

- EHB's rental debtors decreased from E1.79m last quarter to E1.32m this quarter.
- The Board had collected 62% of the rental income expected for the quarter.
- The results of operations for the quarter reflect a deficit of E5.49m.
- Facilities management fee amounting to E3,027 was received from Woodlands Shopping Centre.
- Property Sales amounted to E3.96m
- Rental billings amounted to E8.83m for the quarter.
- Total expenditure amounted to E33.00m.

Financial Statements

	2020	2020	2020	2019
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Income Statement	Sep.30	Jun.30	Mar.31	Dec.31
Income	17,430	79,222	95,384	125,455
Institutional Housing	17,102,680	14,871,695	20,793,637	18,463,489
Rental	8,826,556	8,932,157	8,531,075	8,488,509
Other	22,929	274,014	30,478	132,535
Sale of assets	3,958,835	8,136,621	8,900,012	2,272,241
Interest	389,819	1,346,258	71,644	763,433
Total Income	30,318,344	33,639,969	38,422,232	30,245,662
Cost of Sales	2,804,364	5,193,968	3,460,550	1,785,329
Gross Profit /Loss	27,513,979	28,446,000	34,961,681	28,460,335
Expenditure	33,001,701	30,165,636	39,200,631	34,497,906
Profit/Loss	(5,487,722)	(1,719,636)	(4,238,949)	(6,037,571)

Balance Sheet

Fixed Assets	995,185,164	1,086,730,414	1,064,548,762	1,049,992,361
Current Assets	211,333,646	135,594,072	143,173,907	165,426,202
Current Liabilities	93,987,649	105,014,927	90,999,776	85,302,235
Net Current Assets	117,345,997	30,579,145	52,174,131	80,123,967
Employment of Capital	1,112,531,161	1,117,309,559	1,116,712,893	1,130,116,328

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	318,526,617
Capital reserve	16,793,636	17,752,142	17,752,142	17,730,088
Retained Income	(77,223,590)	-83,750,536	-75,587,269	-65,910,667
Long-term liability	842,239,662	853,981,335	845,221,402	848,970,288
Total Capital Employed	1,112,531,161	1,117,309,559	1,116,712,893	1,130,116,328

PEU Comments

Income from the sale of asset decreased from E8.14 last period to E3.96m in the quarter, while Institutional Housing Project Income received slightly increased from E14.87m to E17.10m. There was however an increase in expenditure from E30.17 to E33m.

As a result a deficit of E5.49m was incurred.

It is worth noting that EHB's rental debtors decreased from E1.79m last quarter to E1.32m this quarter 11% is for Government leased flats, 10% for commercial tenants and 79% for individual tenants. There has been some improvements in rental collections compared to the last quarter.

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

- CMAC provided services to a total of eight hundred and twenty (820) stakeholders this quarter compared to three hundred and twenty (320) last period. A total of three hundred and sixty-five (365) cases were received compared to 66 cases last quarter.
- There was an increase in the processing and settlement rates as they increased to 80% (43% in June) and 47% (36% in June) respectively.
- The service of invitations dropped by 5% this period due to the unavailability of some respondents as a result of the partial lockdown restrictions which had resulted in some industries closing.
- To minimize physical contact as a safety measure against the spread of Covid-19, the Commission piloted virtual services and a total of 7 conciliations and arbitration meetings were held.
- A total of 12 memoranda of agreements compared to 8 last quarter were submitted for registration by the Industrial court.
- Ten review applications were received compared to 4 last quarter and 2 rescission applications were received for processing. A total of 20 arbitration awards were issued this period and 22 arbitrations were still pending.

Financial Situation

- Total revenue amounted to E4.15m compared to E2.75m last quarter.
- A surplus of E0.36m was recorded compared to a deficit of E0.39m last quarter.
- Total expenditure incurred amounted to E3.78m compared to E3.14m last quarter.

Outlook

Review of the Industrial Relations Act, 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. Fill vacant seat on the Board of Directors, develop a change management strategy.

Financial Statements

	2020	2020	2020	2019
	Sep. 30	Jun. 30	Mar. 31	Dec. 31
Income Statement				
Income and Subvention	4,145,499	2,747,508	4,052,493	4,304,542
Expenditure	3,782,563	3,141,296	3,831,380	4,204,695
Surplus/Deficit	362,936	-393,788	221,113	99,847
Balance Sheet				
Fixed Assets	4,157,922	4,442,504	4,157,922	4,157,922
Investments	1,699,740	1,573,548	1,651,110	1,622,355
Current Assets	1,049,398	1,115,604	1,321,681	1,459,964
Current Liabilities	3,484,768	3,584,768	3,484,768	3,484,768
Net Current Assets/Liabilities	-2,435,370	-2,469,164	-2,163,087	-2,024,804
Employment of Capital	3,422,292	3,546,888	3,645,945	3,755,473
Share Capital				
Retained Income	506,576	24,335	730,228	839,756
Long - Term Loan	-	-	-	-
Non Distributable Reserves	2,915,717	3,522,553	2,915,717	2,915,717
Capital Employed	3,422,293	3,546,888	3,645,945	2,987,885

PEU Comments

This period saw the easing of the lockdown restrictions which led to more business taking place at the Commission. As such, dispute resolution and prevention services were provided to a total of 820 stakeholders. Operational efficiencies also improved this period as depicted by the increase in the processing and settlement rates. The processing rate increased from 43% to 80% this period while the settlement rate increased from 36% to 47% this period.

The Commission successfully piloted virtual services and a total of 7 conciliations and arbitration meetings were held virtually. The utilization of virtual platforms will go a long way towards minimizing physical contact and exposure to the virus, thus, reducing the spread of Covid-19.

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 E98.2m in contributions compared to E67.2m last quarter.
- The year to date member benefits paid amounted to E35.97m compared to E176.78m last year.
- Claims were processed in an average turnaround time of 2.28 days per claim compared to 2.57 days recorded during the previous period.

Financial Statements

Income Statement

	2020 Sept. 30	2020 June 30	2020 Mar. 31	2019 Dec. 31
Income	43,220,784	205,512,962	-217,733,904	59,037,803
Expenditure	26,871,606	28,647,979	30,503,061	23,642,968
Profit/Loss	16,349,178	176,864,983	-248,236,966	35,394,835

Balance Sheet

Fixed Assets	83,118,136	100,525,033	100,578,971	103,516,956
Investments Properties	553,234,949	540,318,894	611,936,999	540,678,770
Investments	3,008,021,093	2,994,215,157	2,701,269,391	3,139,407,245
Loans and advances	288,370,274	297,184,338	269,250,064	291,473,375
Current Assets	100,036,280	59,234,764	93,468,908	61,462,199
Current Liabilities	12,340,715	14,522,739	12,703,021	20,194,670
Net Current Assets	87,695,565	44,712,025	80,765,887	41,267,529
Total Employment of Capital	4,020,440,018	3,976,955,447	3,763,801,313	4,116,343,875

Non-Distributable Reserve	4,979,512	14,969,720	15,208,394	16,332,242
Contributions & members' int.	4,064,677,947	4,132,598,177	3,980,385,482	4,155,628,940
Reserves	19,542,965	19,542,965	19,542,965	19,542,965
Funeral Benefits Fund	5,875,430	9,186,675	8,979,112	1,867,500
Accumulated Profit/Loss	(74,635,836)	(199,342,090)	(260,314,641)	(77,027,772)
Total Capital Employed	4,020,440,018	3,976,955,447	3,763,801,313	4,116,343,875

PEU Comments

This quarter saw a significant decrease in total income from E205.51m compared to E43.22m this period thus causing a huge decline in profits. The last month of the quarter was hit hard by the reported resurgence of Covid-19 infections in Europe and UK. This has affected the optimistic investor sentiment resulting in negative returns thereof.

The Fund is continuously on a drive to ensure cost containment through process review and automation. This is evident in the income statement as the expenditure has been declining for the past three consecutive periods. There is also a new procurement system which is being tested called Request to Order (RTO). The system is expected to bring cost efficiencies in respect of printing and stationery.

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 41, 809 total active members compared to 42, 029 last period, of which 9, 754 were principal pensioners and 15, 275 dependent beneficiaries mainly children and spouses of members who also receive a pension from the Fund.
- The Fund provided 170 housing loan guarantees for active pensionable members compared to 86 last quarter.
- The Fund complied with the retirement Funds Act by maintaining 46% (45% last quarter) 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 317 exited active members compared to 300 last period; 222 through normal retirement, 9 through early retirement, 9 through forced retirement, 11 through expiry of contract and 10 through withdrawal. 53 members died in the period.
- Gross foreign assets increased to E13.48bn from E13.21bn last quarter. Gross domestic portfolio assets increased to E11.29bn from E11.06bn last quarter.
- Hotel Development Project expenditure totalled E507m. The hotel started operations on the 15th May 2019. The Fund awaits E22.5m Vat input refund from the Revenue Authority incurred during construction.

QUARTERLY BENEFITS AWARDED (E ‘millions)

Description	Sept. 30	June 2020	Mar. 2020	Dec. 2019
Pension	22.75	221.49	221.63	236.18
Lump sum on retirement	89.19	76.77	77.77	92.28
Lump sum on deaths	16.69	13.45	7.31	14.44
Lump sum on	0.37	0.48	1.23	1.71

withdrawals				
Funeral expenses	1.16	0.81	0.77	0.83
TOTAL	330.17	313.00	308.70	345.43

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

Description	Sept. 30	June 2020	Mar. 2020	Dec. 2019
Dividends	98	218	59	56
Interest	175	184	247	251
Rentals	7	6	6	6
Realised profit	32	366	45	49
TOTAL	312	774	357	362

Financial Situation.

- Pension contributions were E301m compared to E297m last period.
- Benefits awarded increased to E330m compared to E313m last period.
- Investment income decreased to E312m from E774m last quarter attributable to lower in unrealised profits and interest from South African based portfolio.
- Total expenditure increased to E383.53m from E365.53m last quarter.

Financial Statements

	2020	2020	2020	2019
Income Statement	Sept. 30	June	Mar. 31	Dec. 31
Contributions	300,830,198	296,949,027	296,601,213	293,625,709
Investment Income	312,451,638	774,226,309	896,168,789	362,680,014
Expenditure	383,526,191	365,525,236	371,774,970	404,368,584
Revaluation gains/(losses)	192,874,881	1,510,634,996	(2,902,079,016)	247,039,627
Surplus/deficit before tax	422,630,526	2,216,285,236	(2,081,083,984)	498,976,766
Withholding tax	5,014,603	13,137,280	3,807,359	7,646,113
Surplus/ Deficit	417,615,923	2,203,147,816	(2,084,891,343)	491,330,653

Balance Sheet

Property, Plant& equipment	42,022,504	42,217,294	42,644,531	42,878,410
Foreign Assets	13,482,659,792	13,207,566,166	11,140,160,002	13,386,055,450
Domestic Assets	11,190,929,949	11,054,581,352	10,877,089,364	10,712,903,331
Current Assets	142,702,735	139,094,882	139,228,322	134,032,986
Current Liabilities	(76,716,709)	(79,477,339)	(79,565,185)	(71,382,257)
Net Current Assets	65,986,026	59,617,543	59,663,137	62,650,729
Employment of Capital	24,781,598,271	24,363,982,355	22,119,557,034	24,204,487,920
Accumulated Profit/loss	24,781,598,271	24,363,982,355	22,119,557,034	24,204,487,920
Total Capital Employed	24,781,598,271	24,363,982,355	22,119,557,034	24,204,487,920

PEU Comments

The Fund's net surplus was E417.62m compared to a net surplus of E2.20bln last quarter. Investment income dropped from 774m to E312m and revaluation gains dropped from 1.51bln to E193m this quarter as markets normalized from the huge recovery from the effects of COVID-19 suffered in the first quarter of the calendar year.

There has been positive but subdued profit making following the market recovery as investors adapt to the new normal. Accumulated funds increased to E24.80bln from E24.40bln, which translates to a 1.6% increase in accumulated funds compared to a 9.0% increase last quarter. The fund is encouraged to continue diligently monitoring its investments under the prevailing market conditions.

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;

- An HIV prevention campaign dubbed “HIV Matters During COVID-19” whose objective is to promote uptake of HIV services during this covid-19 period was designed. The campaign primarily targets adolescents and young people “girl champs” and “boy champs” to increase general awareness on how to access HIV products and services during the COVID-19 pandemic. The campaign was officially launched by His Excellency the Right Honourable Prime Minister in August 2020.
- His Excellency the Right Honourable Prime Minister successfully launched the People Living with HIV Livelihood Support Programme at Siphocosini Inkhundla in the Hhohho Region. The event was attended by Cabinet Ministers, Regional Administrator, Siphocosini MP, local Chiefs, Senior government officials, representatives of 29 Support Groups (SG) from all regions as well as the general public.
- The Southern African Development Community (SADC) held a virtual HIV Response meeting aimed at assessing progress made against the 2020 targets in the regional HIV prevention agenda within the context of COVID-19.
- The Eswatini HIV and AIDS Programme Monitoring System (SHAPMoS) has been updated with web-based implementers’ forms uploaded. The new form will allow HIV implementers to have access to the HIV database by uploading details, get email updates and ease communication with NERCHA. Rollout of the implementer form, mentoring and online interface will be completed in the next quarter.
- The 2020 mid-year report on the global indicators was submitted to UNAIDS Geneva through the online platform. The mid-year report focused on treatment outcomes and assessed potential losses and service disruptions to HIV service delivery during the COVID-19 era. The HIV Estimates report has been completed and circulated.
- There are three on- going studies which include the Integrated Bio-Behavioural Surveillance Survey (IBBSS), HIV-1 Recent Infection Surveillance (EHRIS) and the Sitakhela Likusasa Study which the research unit is coordinating in the current financial year. The outcomes of the studies are expected towards the end of the financial year. However, the lockdown restrictions in the country have caused delays in implementation of these studies

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.

- Accelerated Implementation of the Covid-19 activities funded by the Global Fund.
- Participate in the process of submitting a proposal to the Global Fund TB/HIV funding to replace the grant ending 30th September 2021.

Financial Situation

- Grant Income received during the quarter amounted to E97.6m.
- NERCHA Administration expenses, which includes the cost of managing the Global Fund grants amounted to E7.55m.
- Total Program costs amounted to E60.1m (HIV and Aids E46.3m, Malaria E1.9m and TB E11.9m).

Financial Statements

	2020 Sept 30	2020 June 30	2020 March 31	2019 Dec 31
Income Statement				
Income and Subvention	92 553 179	21,459,059	152,529,843	152,529,843
Deferred Income B/F	206,954,414	232,166,847	165 073 392	-
Expenditure	67,679,876	46 671 489	55 604 310	45 872 616
Net Surplus/loss (deferred to next quarter)	231,827,717	206 954 414	261 998 925	5 168 169
Balance Sheet				
Fixed Assets	21 306 006	20 714 844	21 007 011	20 629 571
Investments				
Current Assets	237 165 909	216 956 323	276 576 594	166 081 355
Current Liabilities	26 644 199	30 716 753	35 584 682	20 215 568
Net Current Assets	210 521 710	186 239 570	240 991 913	145 865 788
Employment of Capital	231 827 716	206 954 414	261 998 924	166 495 359
Deferred Income	261 708 457	261 708 457	232 290 757	232 290 757
Grant Received During Period	118 128 774	20 488 220	223 035 406	56 674 782
Realised Grant	-148 009 515	-75 242 263	-193 327 239	-122 470 180
Capital Employed	231 827 716	206 954 414	261 998 924	166 495 359

PEU Comments

Grant income received during the quarter was E92.6m and NERCHA received E3.84m subvention from Government. The Grant income received during the quarter, excluding interest and other income, was 66% above budget. This was mainly due to huge disbursements received from the Global Fund which included funding to respond to some of the Covid-19 threats towards HIV/AIDS, Tuberculosis and Malaria programs.

The impact of Covid-19, in terms of its disruption effect on all sectors, preventative response thereof and its pull effect has negatively impacted the implementation of coordinating activities. To mitigate these, NERCHA must focus on strategic initiatives that would have a far-reaching effect to ensure that HIV/AIDS remains on the developmental agenda and prevention of new HIV infections are tackled.

37.ESWATINI NAZARENE HEALTH INSTITUTIONS (ENHI)

Parent Ministry: Health

ENHI reported as follows for the quarter:

Operational Review

Activity	September 2020	June 2020
RFM ACTIVITY		
Patients seen (outpatient)	35,318	30,869
Medications issued (outpatient)	240,806	233,564
Admissions	2,375	2,125
Average length of stay/Days	5	5
Bed Occupancy rate	32%	40%
Death rate	5%	5%
Hospital Deaths	83	71
Minor surgeries	286	226
Major surgeries	36	31
Number of patients initiated on ART	103	172
Total patients on ART	18,439	18,310
Number of babies delivered	1,560	1,426
CLINICS ACTIVITY		
Antenatal care	3,697	2,108
Family planning	5,760	4,743
Emergency deliveries	4	1
Child welfare	9,625	5,916

HIV Test	4,990	4,733
ART initiation	172	169
ARV refills	11,590	10,451
Cervical Cancer Screening (VIA)	26	68

- Outreach services resumed in September 2020 after being temporarily suspended as a result of the Covid 19 pandemic.

Financial Situation

- Total revenue amounted to E45.73m compared to E54.00m last quarter. Revenue comprised of subvention E39.47m, drugs and medical supplies E2.50m, donations E2.09m and patients fees E1.62m.
- Total expenditure was E58.39m compared to E62.85m last quarter.

Financial Statements

2020

2020

2020

2019

Income Statement	Sep. 30	Jun. 30	Mar. 31	Sep. 31
Income and Subvention	45,729,348	53,999,998	59,609,730	86,627,424
Expenditure	58,385,256	62,849,200	93,110,876	49,498,427
Surplus/Deficit	-12,655,908	-8,849,202	-33,501,146	19,969,609
Balance Sheet				
Fixed Assets	212,481,654	212,337,360	211,885,433	215,823,628
Current Assets	81,490,286	78,765,434	113,845,818	70,346,577
Current Liabilities	296,433,475	309,654,487	316,728,337	266,347,616
Net Current Assets/Liabilities	-214,943,189	-230,889,053	-202,882,519	-196,001,039
Employment of Capital	-2,461,535	-18,551,693	9,002,914	19,822,589
Capital Grants	250,116,922	221,370,857	276,816,607	253,165,347
Accumulated Surplus/Deficit	-252,578,457	-239,922,549	-267,813,695	-233,342,758
Capital Employed	-2,461,535	-18,551,692	9,002,912	19,822,589

PEU Comments

The easing of the lockdown restrictions this quarter has enabled the Institution to resume outreach services. This service is vital to Emaswati as it brings health care services closer to the people. Outpatients seen this quarter increased by 14.4% when compared to the previous quarter, however, the figures are still far below those observed pre- Covid 19. On the other hand, medications issued in the outpatient department remained comparatively the same with the prior period at 240,866.

The Institution tried to settle all personnel deductions from payroll, however, Pay As You Earn (PAYE) and pension were not settled. By the end of the period, the Institution owed PAYE amounting to E285.02m which is inclusive of interest and penalties. This figure is quite on the high and continuing to increase as ENHI does not have adequate funds to settle her debts and as such leading to an unhealthy financial position as total assets can't cover total liabilities. This is a cause for concern for the Institution.

38. GOOD SHEPHERD HOSPITAL (GSH)

Parent Ministry: Health

GSH reported as follows for the quarter,

Operational Review

Hospital Performance Report

Activity	Sept. 30	June 30	Mar. 31	Dec. 31
GOOD SHEPHERD ACTIVITY				
OPD Visits	28,412	32,621	31,009	31,120
Admissions	1,916	1,890	2,207	2,095
Deliveries	935	855	922	625
Average length of stay/Days	5 days	5 days	4 days	5 days
Occupancy rate	31%	30.2%	39%	36%
Death rate	4%	3.2%	3.2%	4%
Minor surgeries	139	208	122	193
Major surgeries	237	88	202	265
CLINICAL ACTIVITY				
Number of patients seen	28,412	32,621	31,009	31,120
Main OPD	9,080	8,228	9,826	9,987
Children's OPD	329	475	1,629	1,702
Home Based Care	49	92	211	304
VCT	34	46	86	101
ART	24,461	24,359	24,179	23,971
ENT	587	205	288	348
EYE	105	103	288	389
Physiotherapy	125	72	242	272
Radiology	3,905	3,291	5,181	4,808
Laboratory	24,118	23,751	21,398	32,732
Social Welfare	45	94	56	59
Theatre	376	296	324	458
Mortuary Services	78	60	72	91

- In response to the pandemic, a fully functional COVID-19 Suspects Isolation ward was established, the flu clinic continued to attend to patients presenting with flu symptoms and a waiting area tent was erected to decongest the OPD for social distancing. Screening at all entry points was done and is on-going.
- The general OPD services saw a decrease of 2.2%, which is a difference of 346 patients. This is due to a decrease in client attendance due to the COVID-19 pandemic. An increase in patient flow is expected as activities that were suspended due to COVID-19 are being restored.
- The OPD sees the most patients followed by ART which includes Pre-ART as well as ART Refill. The ART clinic operates from 6am, allowing patients more access to services and this has contributed to the increase.

Financial Situation

- A deficit of E4.93m was realised compared to a surplus of E0.85m last quarter.
- Total income amounted to E29.13m compared to E32.99m last quarter.
- Total expenditure amounted to E34.06m compared to E32.13m last quarter.

Financial Statements

	2020	2020	2020	2019
Income Statement	Sept. 30	June 30	Mar. 31	Dec. 30
Subvention	25,200,000	25,200,000	0	29,750,000
Other income	3,929,641	7,786,885	11,710,915	1,859,861
Total income	29,129,641	32,986,885	11,710,915	31,609,861
Expenditure	34,063,154	32,133,320	35,321,455	23,774,138
Surplus/Deficit	-4,933,513	853,565	-23,610,540	7,835,723
Fixed Assets	58,461,227	48,589,432	53,474,280	53,827,882
Current Assets	31,909,521	38,028,705	16,077,527	15,897,406
Current Liabilities	164,554,93	168,500,374	161,810,418	145,144,324
Net Current Assets	-132,645,382	-130,471,669	-145,732,891	-129,246,919
Employment of Capital	-74,184,155	-81,882,237	-92,258,611	-75,419,037
Share Capital	-	-	964,483	-
Accum. Surplus/Deficit	-84,520,548	-92,218,630	-103,559,487	-85,755,430
Revaluation Reserves	10,336,393	10,336,393	10,336,393	10,336,393
Total Capital Employed	-74,184,155	-81,882,237	-92,258,061	-75,419,037

PEU Comments

The Hospital realised an increase in expenditure and this was due to an increase in drugs & medical supplies as a result of the ever escalating demand for PPE and high prices.

The Hospital's liabilities continued to increase quarter by quarter however a decline was noted this quarter. The main contributor to the Institutions current liabilities is the Pay As You Earn (PAYE). The Hospital is urged to work on a plan to clear the arrears.

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

- Sports activities remained suspended in the period and only low risk sports codes were allowed minimal key activities as a precautionary measure to the propagation of COVID -19.
- Shukuma Eswatini activities and other mass participation activities remained suspended, however engagements for motivation to reopening these outreach activities were conducted with the concerned stakeholders and the Ministry of Health.
- The Sithobela Sports Centre continued to be used by the community team of aerobics which consists of nurses and teachers from the Sithobela Health Centre and nearby schools.
- Recognition of sports bodies for 2020/2021 period were concluded and a total of 17 bodies met the recognition requirements. Only one orientation for the new elected Association was conducted during the period.
- The Council in collaboration with the African Union Sports Council Region 5 and The Association for International Sports for All (TAFISA) shortlisted 45 women leaders to be capacitated in leadership and management this quarter.
- There had been considerable activities and growth on the social media platforms during the period.
- The National Anti-Doping Regulations were finalised and adopted by the sports movement and government.
- Inaugural meetings for the Disability Sports Commission and Women in Sports Commission were hosted whereat the two Commissions were formally established.

Financial Situation

- Total income was E2.86m (subvention).

- Total expenditure was E1.95m compared to E1.11m last quarter.
- A surplus of E0.90m was realized

Financial Statement

	2020 Sep.30	2020 Jun.30	2020 Mar.31	2019 Dec.31
Income Statement				
Subvention	2,856,575	1,931,179	1,689,280	1,686,139
Income	-	-	-	-
Expenditure	1,954,435	1,112,382	1,399,494	1,636,969
Surplus/Deficit	902,139	818,794	289,785	49,169
Balance Sheet				
Fixed Assets	678,857	713,730	659,340	694,310
Current Assets	1,538,462	641,720	482,200	202,834
Current Liabilities	5,920	7,937	5,920	5,920
Net Current Assets	1,532,542		476,280	196,914
Employment of Capital	2,211,399	1,347,513	1,135,620	891,224
Accumulated Funds	2,151,915	1,249,775	1,016,997	727,212
Long-term loans	59,483	97,737	118,623	164,012
Capital Employed	2,211,398	1,135,620	891,224	879,096

PEU Comments

The Council realized a surplus of E0.90 this quarter compared to E0.82 last quarter. The surplus realised during the periods was a result of an increase in income from E1.93m last quarter to E2.86m. There was however an increase in expenditure from E1.11m to E1.95m.

Delivery of activities by the Council and its recognized sports bodies continued to be compromised due to COVID-19 restrictions, with only a few sports codes being allowed by Government to resume activities under strict and specific guidelines.

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

- The Council has finalized the process of developing its strategic plan and the draft plan awaits adoption and approval by government.
- The Council hosted a multi stakeholder meeting on the proposed arts and culture bill.
- ENACAC provided financial support for various arts activities, especially online activities during the ban of events in the kingdom.
- The Council increased the participation of local artists in the digital space by improving online presence of local arts.
- A Covid-19 Artists Trust Relief Fund for the purposes of sustaining the arts sector during the crisis was established as Eswatini artists were facing severe career disruption and loss from the crisis surrounding Covid 19.
- Copyright Act Implementation Regulations were developed through assistance from the World Intellectual Property Organization (WIPO).
- The Council had partnered with Antidote Music, to bring financial relief to artists and to stimulate Eswatini's digital music market.
- Online streaming activities by various artists, arts bodies and promoters were supported during the period. However, the upcoming artists lacked the resources to remain available on the digital space due to expensive data.
- The Council initiated the Eswatini Arts TV on youtube and facebook. This was to afford upcoming artists the opportunity to occupy a space in the digital platforms.
- ENCAC supported Pulse Entertainment to stage the Fashion Unleashed Eswatini 3rd edition. The fashion show welcomed upcoming designers who had their first break through the Eswatini Arts TV Channel.
- The Council continued to nurture the growth of the national arts and culture associations by availing technical and administrative support to these organizations.

Financial Position

- Total income was E0.99m (government subvention).
- Total expenditure was E0.94m compared to E0.78m last quarter.

Financial Statement

	2020	2020	2020	2019
Income Statement	Sep.30	Jun.30	Mar.31	Dec.31
Subvention	994,840	994,840	828,340	828,340
Other Income	-	-	3,780	262,000
Total Income	994,840	994,840	832,120	1,090,340
Expenditure	935,380	778,931	841,988	1,089,729
Surplus/ Deficit	59,459	215,908	-9,868	610
Balance Sheet				
Fixed Assets	186,996	82,884	97,084	76,636
Current Assets	186,835	228,331	12,079	50,674
Current Liabilities	65,476	316,263	288,094	536,845
Net Current Assets	121,359	-87,932	-276,015	-486,171
Total Capital Employed	308,355	-4,048	(178,931)	(409,535)
Acc. Deficit/Surplus	308,355	(5,048)	(178,931)	(409,535)
	308,355	(5,048)	(178,931)	(409,535)

PEU Comment

Total expenditure slightly increased in the quarter from E778,931 last quarter to E935,380 this quarter, resulting in a decrease in surplus from E215,908 to E59,459. There was no income derived from other sources as there were no activities this quarter.

The active participation of Associations and other bodies within the arts and culture in the development of a strategic plan and the crafting of the arts and culture bill is encouraging as these two documents will re-shape the arts and culture industry in the country.

41. ESWATINI NATIONAL YOUTH COUNCIL (ENYC)

Parent Ministry: Sports, Culture and Youth Affairs

ENYC reported as follows for the quarter,

Operational Review

- The National Youth Council concluded the formation and structurelisation of all fifty nine (59) Tinkhundla youth associations (TYAs), which will work closely with ENYC, the Tinkhundla Councils, and will submit monthly reports at community meetings on implemented activities, progress etc.
- The 2020 commemoration of the International Youth Day (IYD) was held under the theme “Youth for Global Engagement”. The aim of IYD was to shed light on the need to enable the engagement of youth

by making local, national and global institutions more inclusive for the purpose of strengthening their capacity (and relevance) to align to global action.

- The Council has developed a strategy (2020 – 2023) which seeks to address the issues of Youth Unemployment. The strategy has been forwarded to the Ministry of Sports Culture and Youth Affairs for consideration and approval.
- A total of 40 young people participated the United Nations global dialogue. Priorities emanating from the dialogue for most young people was improved access to basic services – healthcare, safe water, sanitation and education, followed by greater international solidarity and increased support to those hardest hit. This includes tackling inequalities and rebuilding a more inclusive economy for the youth.
- A total number of sixteen (16) trained youth peer educators were deployed in the various Nkwene sites to conduct the Life the Skills Education program (LSE) sessions. In all 80, 188 youth participants were reached with comprehensive sexuality education versus a target of 200.
- Commemoration of the World Skills Day (WSD) took place, with the aim of creating a platform for young people to market their work through social media and mainstream media. The Council organized strategic media briefs as a way of accelerating the agenda of the WSD and beneficiaries of the WSD were featured to share their work and anchor other young people to start up income generating projects.

Financial Situation

- Total Income received amounted to E1.21m same as previous quarter.
- Total expenditure incurred amounted to E1.40m compared to E1.06m last quarter.

Outlook

- Finalize working document between Youth Enterprise Revolving Fund (YERF) and the Rural Development Fund (RDF) to enable the training of the Tinkhundla Youth associations (TYAs). Train the re-established TYAs in the 4 regions. Finalize the re-activation process of the 39 Tinkhundla in the Manzini, Lubombo & Hhohho regions.

Financial Statements

	2020	2020	2020	2019
Income Statement	Sept. 30	June 30	Mar. 31	Dec. 31
Income and Subvention	1,209,004	1,207,500	957,758	968,996
Expenditure	1,140,897	1,056,022	1,113,771	1,285,275
Surplus/Deficit	68,107	151,478	-156,013	-316,279

Balance Sheet

Fixed Assets	524,086	524,086	404,195	481,664
Current Assets	591,164	361,550	92,980	629,536
Current Liabilities	539,029	229,908	285,222	-
Net Current Assets/Liabilities	52,135	131,642	-192,242	629,536
Employment of Capital	576,221	655,728	211,953	1,111,201

Share Capital

Retained Income	66,602	151,478	-156,013	265,099
Provision for Gratuity	509,619	504,250	367,966	846,102
Total Capital Employed	576,221	655,728	211,953	1,111,201

PEU Comments

The Institutions personnel costs account for 67% of the subvention received from Government. A minimal amount is left to cater for the core mandate. However, it is noted that the Institution has been able to implement a major portion of their programs externally through ENFPA. Such partnerships are commended and encouraged. 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.

A huge increase is noted in the Council's liabilities. Worth mentioning is that this liabilities are inclusive of Pay As You Earn as the Institution did not remit to SRA this quarter. This is a violation of the law and the Council is discouraged from such bad behaviour.

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. The national emergency was extended to November 2020.

- At least 116 boreholes and community water schemes were rehabilitated in conjunction with other stakeholders. Other measures to increase access to potable water included trucking water to water scarce communities and the construction of hand washing facilities. A total of 366 978 people from 62 765 households received food assistance in the period.
- The 793 volunteers who were recruited last quarter worked with the Ministries of Commerce and Home Affairs to inspect businesses and churches for compliance to Covid-19 regulations and recommended to the ministries to issue compliance certificates for operations.
- The Joint Operation Centre comprised of the uniformed services and the Agency, under the command of the Fire and Emergency Services worked together to enforce the lockdown regulations and to respond to emergency calls received through the 112 emergency line.

Outlook

- To prepare and publish COVID-19 emergency report, and facilitate development of response plan for the festive season with other stakeholders
- Conduct midterm review of response, strengthen coordination of multi-sectoral emergency response
- Procure consultants for disaster risk reduction strategy, drought risk profiles and drought contingency plans.

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. Total expenditure under NERMAP amounted to E531, 350.00.
- The Total income for the Covid-19 response was E185.0m; E56.61m was availed by Government, E80m from Kirsch Foundation, and E25m from the Lay-off relief Fund, E22.31 deferred from last period, and E1.11m from various donors.

Financial Statements

	2020 Sept. 30	2020 June 30	2019 Dec. 31	2019 Sept. 30
Income Statement				
Government subvention	2,862,500	2,862,750	3,375,000	6,750,000
Deferred Income-Agency	(373,993)	883,500	872,411	(2,869,733)
Other income		357,379	39,933	58,918
Donations	1,090,809	58,907,108	-	9,239

Expenditure	3,579,316	124,063,244	5,746,669	4,758,994
Surplus/Deficit	0	1,379	39,933	54,091
Balance Sheet				
Fixed Assets	15,889,348	18,146,416	18,894,242	16,309,750
Current Assets	2,456,415	2,702,220	2,343,751	3,109,303
Current liabilities	3,215,860	2,924,835	2,078,408	1,980,983
Net Current Assets	(795,445)	(220,615)	265,343	1,128,320
Total Employment of Capital	15,129,903	17,923,801	19,159,585	17,438,070
Deferred Grant Income	(1,669,523)	(443,506)	3,566,005)	(2,446,652)
Amortised grant	(5,133,887)	(3,566,005)	-	-
Retained income	21,933,313	21,933,313	22,725,591	19,884,723
Total Capital Employed	15,129,903	17,923,801	19,159,585	17,438,071

PEU Comments

The Agency reported E0.00 surplus compared to a surplus of E1, 379 last period. There were no program activities for the period as the Agency was focused on the COVID-19 response. NDMA also received a reduced subvention as government prioritized response to the pandemic.

The Agency is commended for initiating the development of a Beneficiary Management System which is 95% complete. The system will eliminate people who do not qualify according to criteria and also avoid double dipping by beneficiaries. It is anticipated that the system will help improve government's efficiency in managing all social grants going forward.

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 46 fire incidents that affected 223 people.
- In the midst of the COVID-19 pandemic, the public continued to make donations of various types of items to Baphalali Eswatini Red Cross Society. BERCS received donations which were then used as response material. At least 54 households were assisted with clothing, blankets, maize meal and food parcels, which had been donated by companies and individuals, benefiting a total of 257 people
- In an effort to assist migrant in the country who are already accommodated at Malindza Refugee camp, Baphalali continued to provide a telephone service that enabled them to connect with their families back home. During the period of July to September 2020, a total of 840 calls were made by the migrant in Malindza Refugee camp through the Red Cross telephone facility.
- Baphalali Eswatini Red Cross Society has been able to implement a cash-based intervention through two projects, one supported by European Union Civil Protection and Humanitarian Aid (ECHO) while the other one supported by the International Federation of Red Cross (IFRC). The cash transfer project is provided a cash value of E700.00 per household per month. The two projects provided cash transfers to a total of 4501 households benefiting a total of 27011 People in Somntongo, Matsanjeni, Hosea and Sigwe Tinkhundla.
- In the period of July – September 2020, BERCS continued to be fully involved in supporting the Government of the Kingdom Eswatini in the fight against COVID-19. Below is a summary of activities carried out during the period:
 - 86 staff (56 Red Cross and 30 seconded by partners) and 503 volunteers were trained/refreshed on Risk Communication and Community Engagement (RCCE), Psychosocial Support (PSS) and Infection Control and prevention and safer access. The training was supported by the Ministry of Health and Red Cross personnel from the clinics.
 - The trained volunteers were deployed in rural and urban areas to reach 166 Chiefdoms (communities) from 38 Constituencies reaching a total of 52,538 households with a total number of 263070 people (table 7 contains the details).
 - The National Society continued to work very closely with the Ministry of Health on COVID-19 key messaging production, and information dissemination. All materials sourced from the Red Cross Red Crescent Movement were adapted and aligned with the local context, as per the

MoH communications guidelines. The IEC materials were also translated to the local language (siSwati).

- BERCS collaborated with media in production and flighting of radio messages and TV adverts on COVID-19 awareness and the listenership according to the 2 Radio Stations (Voice of the Church and Eswatini Broadcasting and Information Services – EBIS) stands at 900 000 people.
 - The National Society (NS) conducted a gate-to-gate awareness on COVID-19 where some vulnerable households were then provided with face masks, soap, and sometimes sanitizers.
- The number of consultations recorded in all 3 Red Cross health facilities was 65 410 and the sharp rise in consultations was that people were afraid of COVID-19 and they quickly sought medical attention instead of procrastinating the clinic visit.

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	2020	2019
Income Statement	Sept 30	June 30	March 31	Dec 31
Subvention	2,072,069	2,072,069	1,973,399	1,973,399
Other income	11 633 117	10 331 879	8 117 839	3 004 028
Total income & subvention	13,705,186	12,403,948	10,091,238	4,977,427
Expenditure	8,880,605	9,153,385	8,614,090	3,828,228
Surplus/Deficit	4,824,581	3,250,563	1,477,148	1,149,199
Fixed Assets	13,274,408	11,622,891	11,318,391	14,887,303
Investments	350,000	341,800	341,800	341,800
Current Assets	22,399,394	20,507,564	11,457,741	8,351,907
Current Liabilities	1,401,607	1,943,026	881,434	760,175
Net Current Assets	20 997 787	18 564 538	10 576 307	7 591 732
Total Employment of Capital	34 622 195	30 529 229	22,236,498	22,820,835
Special Funds	-	-	-	-

Accum. Surplus/Deficit	8,875,664	3,250,563	3,503,762	-2,925,696
Revaluation Reserves	25,746,531	27,278,666	22,236,498	25,746,531
Other Funds	-	-	-	-
Total Capital Employed	34 622 195	30,529,229	22,820,835	22,820,835

PEU Comments

BSRCS consolidated revenues received were E13.7m compared to E12.4m last quarter. The National Society had surplus of E4.8m after receiving the Government subvention.

The DPMO has continued to support the operational costs for the functioning of health facilities and disaster response activities. The BSRCS also received substantial support from the Red Cross Movement during the period. Other key stakeholders include the UN agencies (WFP, UNICEF and WHO) and corporates who provided technical and financial support towards mitigating the impact of COVID-19 in strategic areas. Of note is the cost of health care commodities that have sky rocketed due to the globally demand for such essential commodities. However, the continued collaboration with partners made it possible for Baphalali to deliver services to the communities.

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 E31.63m under recoveries as at the end of the period.
- The Authority received the final report on the Power Sector Market Study project and was planning a stakeholder workshop including the Ministry of Natural Resources, the Utility and representatives of local municipalities to present the findings. The consultant engaged for the tariff methodology review exercise also submitted the final tariff Methodology and the tariff model.

- The Authority and the Centre for Sustainable Energy Research (CSER) held a virtual meeting on Phasing-Out Inefficient Lighting Products hosted by the SADC Centre for Renewable Energy and Energy Efficiency (SACREEE). Contracts for the engagement of a consultant for the development of Small-scale Embedded Generation (SSEG) framework were signed in the period and project inception successfully carried out in the period.
- The Authority engaged a consultant for developing Ring-fencing and Cost Allocation guidelines for the electricity industry in the country. A kick-off meeting and inception report were received in the period.
- The authority had initially installed nine (9) power quality monitoring instruments in strategic locations across the country but only three (3) were operational at the end of the period due to faults and failures.

Outlook

- Development of a wheeling framework for the local Electricity Supply industry and digital platform (CRM) for managing consumer complaints.
- Development of mini-grid and off-grid framework, quality of supply monitoring framework, and compliance monitoring plan.
- Review of technology architecture and capacity to ensure that essential technology is available to the organisation.

Financial Situation

- Deferred Grant income was E55.97m compared to E52.18m last quarter. Amortized revenue was E5.636m compared to E6.57m last quarter.
- Surplus for the quarter was E187, 046 compared to E212, 626 last quarter.
- Total expenditure was E5.78m compared to E5.73m last quarter.

Financial Statements

	2020	2020	2020	2019
Income Statement	Sept. 30	June 30	Mar. 31	Dec. 31
Government subvention	-	699,320	5,632,951	6,567,703
Licence fees	5,649,647	4,937,094	30,000	-

Other income	321,863	310,798	207,401	533,317
Expenditure	5,784,464	5,734,586	5,676,532	6,721,454
Operating surplus/Loss	187,046	212,626	193,821	292,202

Balance Sheet

Fixed Assets	5,992,579	2,283,645	2,495,300	2,696,518
Current Assets	87,669,114	89,980,085	67,345,505	60,795,979
Current Liabilities	2,198,553	4,218,414	2,447,165	2,128,029
Net Current Assets	85,470,561	85,761,671	64,898,340	58,667,950
Total Employment of Capital	91,463,140	88,045,316	67,393,640	61,364,468

Finance lease obligation	3,624,304	104,964	209,927	176,995
Retained income	3,229,586	2,928,447	2,715,820	2,521,998
Deferred Grant income	55,973,003	52,175,854	52,148,365	40,738,567
Deferred Income	28,636,248	32,836,052	12,319,528	17,926,907
Total Capital Employed	91,463,141	88,045,316	67,393,640	61,364,467

PEU Comments

The Authority realised a surplus of E187, 046 compared to a surplus of E212, 626 last quarter. The Authority did not receive subvention in the period. There was also an increase in licence fees and other Income compared to last period.

ESERA received the final report of the Power Sector Market Study on the country's Electricity Supply Industry (ESI) which was undertaken to assess the sector-wide impact of implementing policy propositions in the Eswatini Independent Power Producer Policy (SIPP). It is hoped that the Authority and key stakeholders will look at the relevant findings of the report and make recommendations on the necessary sector reforms required to enable a viable, sustainable and liberalised electricity supply industry.

45. FINANCIAL SERVICES REGULATORY AUTHORITY (FSRA)

Parent Ministry: Ministry of Finance

FSRA reported as follows for the quarter,

Operational Review

- The Authority has undertaken an exercise to review and finalize the Medical Schemes Bill and this exercise is expected to be completed in February 2021.

- In collaboration with the Ministry of Labour and Social Security technical working group, the Authority was in the process of establishing an unemployment Benefit Scheme for Eswatini sponsored by ILO.
- Authorized financial services providers increased to 180 from 177 last quarter and this includes the newly licensed Digimage Investments, the new credit bureau.
- The Draft Building Societies Bill was finalised and handed over to the Ministry of Finance and there were no new activities under the SACCO Bill.
- The Portfolio Committee invited the FSRA to make comments on the Consumer Credit Act, which was submitted to Parliament for further processing.
- As part of the modernization of legislation project, the Draft Securities Act and Regulations amendments was presented to the Ministry of Finance.
- The Authority continued to ensure enforcement as one entity was directed to pay a fine of E30, 000 for failure to submit quarterly returns.
- Consumer awareness programmes continued through radio programmes, streaming in social media, adverts and animated visual messages.

Ombudsman of Financial Services

- Complaints registered totalled 13, an increase of 84.6% from last quarter and they were from the Hhohho and Manzini regions.
- Query traffic increased to 137 from 62 the previous quarter and this was due to resumption to normal working hours.
- There were no outreach and stakeholder management activities that were undertaken independently or in collaboration with the FSRA in observance of the health pre-cautionary measures.

Eswatini Stock Exchange

- There was a 3% increase in Market Capitalization as the quarter ended with a value of E3.91bln compared to E3.79bln the previous quarter.
- An increase of 3.2% was observed in the All Share Index as it rose to 453.24 from 439.14 the previous quarter.
- From 19 trades concluded over a sale of 5,090,963 shares, equity turnover was E16.21m indicating a 67% decrease from the previous quarter's E48.43m.
- There were 3 new note issuances worth E39.94m in total and 4 bonds matured and they were worth E52.34m.

Financial Situation

- Total income was E34.19m compared to E12.25m last quarter.
- Total expenditure was E11.00m compared to E11.48m last quarter.
- Disbursements to ESE and the Ombudsman of Financial Services amounted to E2.50m.

Financial Statements

Income Statement

	2020 Sep.30	2020 Jun.30	2020 Mar.31	2019 Dec.31
Income	34,191,699	12,254,543	13,880,080	9,650,444
Expenditure	11,008,494	11,477,253	15,650,987	14,117,220
Government Projects	2,504,205	1,174,113	2,910,392	2,098,182
Surplus/ Deficit	20,679,000	(396,823)	(4,681,299)	(6,564,958)

Balance Sheet

Fixed Assets	7,839,441	7,462,893	3,928,168	3,443,349
Current Assets	77,596,704	60,708,597	61,621,323	62,113,484
Current Liabilities	8,101,435	13,240,795	11,151,165	6,477,209
Net Current Assets	69,495,269	47,467,802	50,470,158	55,636,275
Total Employment of Capital	77,334,710	54,930,695	54,398,326	59,079,624

Capital & Reserves

Accumulated Surplus/deficit	72,941,389	54,930,695	54,398,326	59,079,625
Unclaimed benefits		-	-	-
Long Term Liabilities	4,393,321	-	-	-
Total Capital Employed	77,334,710	54,930,695	54,398,326	59,079,625

PEU Comments

The Authority recorded a surplus of E20.68m compared to E0.40m last quarter and this was expected as levies were billed during the reporting period. Total expenditure was E11.00m compared to E11.48m last quarter and FSRA continues to fund the two independent entities as a statutory provision.

The effects of the pandemic were felt within the industry as some entities were showing financial strain and no inspections were conducted, virtual inspections were approved and expected to commence in the following quarter.

The Regulator is commended for making concessions and allowing for payment terms of outstanding levies as many entities have been negatively affected by the pandemic. It is hoped that businesses will improve and eventually adapt to the new normal.

46. ESWATINI COMMUNICATIONS COMMISSION (ESCCOM)

Parent Ministry: Information Communication and Technology

ECCOM reported as follows for the quarter,

Operational Review

- The Commission received and approved 21 applications comprising of new products and services, price changes, promotions and amendments on existing products and services.
- ESCCOM developed the National Frequency Allocation Plan which defines the allocation of spectrum in Eswatini and also carried out a quarterly spectrum audit which identified spectrum that was assigned or not assigned as well as determining which spectrum was being used illegally by holders of valid spectrum licenses.
- Field tests which are routine spectrum occupancy tests and investigations on the activity identified in the IMT 700MHz band were carried out by the Commission. The Commission concluded Eswatini Railways interference investigation which discovered that Eswatini Railways was not conforming to the required conditions.
- A total of 61 models applications were completed and issued under the equipment type approval.
- Under the postal sector, the Commission completed public consultation processes on postal licensing, submitted the final national addressing and postcode system project concept paper to the Ministry of ICT and the postal quality of service project resumed this period after being halted due to Covid-19.
- The Commission undertook inspections for 4 broadcasters, namely; Eswatini Television Authority, Voice of the Church, Channel Yemaswati TV and Eswatini Broadcasting and Information Services.
- ESCCOM handed over ICT equipment worth E39m to the Ministry of Education and Training, Ministry of Health and the Ministry of Tinkhundla and Regional Development.

Financial Situation

- Total revenue was E4.17m compared to E4.08m that was recorded last quarter.
- Total expenditure incurred was E15.41m compared to E13.10m 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	2020	2019
Income Statement	Sep. 30	Jun. 30	Mar. 31	Dec. 31
Revenue	4,172,559	4,079,274	136,892,507	3,102,872
Expenditure	15,413,175	13,098,849	15,586,793	13,474,438
Profit/Loss	-11,240,616	-9,019,575	121,305,714	-10,371,566
Balance Sheet				
Fixed Assets	81,718,888	79,317,922	81,277,766	66,893,348
Investments	175,101,499	183,330,310	128,015,748	141,233,893
Current Assets	109,883,538	117,018,604	197,966,093	47,844,949
Current Liabilities	44,964,655	26,324,776	43,515,993	13,547,132
Net Current Assets/Liabilities	64,918,883	90,693,828	154,450,100	34,297,817
Employment of Capital	321,739,270	353,342,060	363,743,614	242,425,058
Share Capital				
Accumulated Funds	36,663,500	57,049,925	44,820,267	44,813,163
Deferred Grant	60,812	60,812	76,015	76,015
Profit/Loss for the year	-20,235,941	-9,019,575	90,346,451	-20,578,697
Designated Funds	305,250,899	305,250,899	228,495,142	228,495,142
Total Capital Employed	321,739,270	353,342,060	363,743,614	242,425,057

PEU Comments

In her quest to promote the 4th industrial revolution, the Commission handed over information, communication and technology equipment which was worth E39m to three ministries. This gesture is laudable as it will go a long way in assisting Emaswati in ensuring efficiency and increased productivity in health centres, education centres as well as in the communities.

ESCCOM recorded a loss of E11.24m compared to a profit of E9.02m last quarter as a result of the increase in expenditure. Expenditure increased mainly due to the increase in membership fees from E0.93m last quarter to E2.65m this quarter.

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

Parent Ministry: Finance

ESPPRA reported as follows for the quarter,

Operational review

- The Agency received 33 and declined 6 applications (17 and 1 respectively last quarter) for deviations from procurement procedures in accordance with section 6 of the Procurement Act, 2011. The Agency's Independent Review Committee (IRC) adjudicated one matter in the period.
- ESPPRA received 19 procurement reports from a total 91 regulated entities, 16 procurement plans for 202/21 and entity tender board minutes from 2 local governments and 5 public enterprises, and 23 procurement policies for review by the Agency as per the Procurement Act, 2011.
- The Agency conducted three (one last quarter) procurement audits in the period. The Agency audited National Disaster Management Agency (NDMA), Financial Services Regulatory Authority (FSRA) and four government ministries that had engaged one supplier (African Drums) for events management services.
- The Agency trained the PEU Disciplinary Tribunal on procurement rules and processes in the period. The Agency also trained 78 public enterprises (13 central government, 7 local government and 28 category A enterprises) on the preparation of procurement plans and submission of procurement reports.

Financial Situation

- Subvention was E3.25m and other income was E0.88m.
- Total expenditure was E2.39m compared to E2.98m last quarter.

Financial Statements

	2020	2020	2020	2019
Income Statement	Sept. 30	June 30	Mar. 31	Dec. 31
Subvention	2,166,666	3,250,000	3,250,000	3,250,000
Other income	880,008	330,875	1,737,263	1,162,946
Total Income	3,046,674	3,580,875	4,987,263	4,412,946
Expenditure	2,387,186	2,982,761	4,204,869	4,168,056
Surplus/Deficit	659,488	598,114	782,394	244,890
Balance Sheet				
Fixed Assets	725,818	757,845	784,278	754,647
Current Assets	2,467,342	4,526,960	3,911,566	3,107,873
Current Liabilities	6,520,888	7,010,306	7,019,419	6,968,490
Net Current Assets	(4,053,546)	(2,483,346)	(3,107,853)	(3,860,617)
Total Employment of Capital	(3,327,728)	(1,725,501)	(2,323,575)	3,105,969

Retained Income	(2,244,395)	(1,725,461)	(2,323,615)	(3,106,009)
Deferred Grant Income	(1,083,333)	-	-	-
Long Term Liabilities	-	40	40	40
Total Capital Employed	(3,327,728)	(1,725,501)	(2,323,575)	(3,105,969)

PEU comments

ESPPRA realised a surplus of E0.66m compared to a surplus of E0.60m last quarter attributable mainly to the Agency generating more Other Income and incurring slightly less expenditure compared to last quarter.

The Agency developed a capacity building monitoring and evaluation framework aimed at measuring the effectiveness of trainings offered by the Agency. We hope the tool will help achieve the intended results especially on the reform trainings targeted for mainly central government agencies.

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's draft Corporate Strategy was completed by the consultant and approved by the board. The Liquid Petroleum Gas (LPG) Business Plan inception reports have been completed and the business plan was being finalized with the consultant.
- The company's board meetings were held virtually in response to the coronavirus pandemic. The board also approved the reallocation of funds for prevention.

Outlook

- Finalization of LPG business plan, marketing/branding strategy, development of internal policies
- Initiate development of salary structure, leasing of office space and governance training
- Continued facilitation of the Petroleum bill.

Financial Situation

- Expenditure amounted to E0.69m compared to E0.67m last quarter. These included travel, board fees, salaries, operating expenses and consultancy services.

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 current board term expired on 4th September 2020 and the company's personnel is currently one administrative assistant and two officers seconded from the line Ministry. The Ministry is urged to speed up the appointment of a new board in order not to break momentum and create a vacuum at such a crucial stage of the company's development.

APPENDIX 1 - TABLE OF REPORTING COMPLIANCE

	30/9/20	30/6/2020	31/03/2020	31/12/19
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
12. Eswatini Water Services Corporation		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

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*				
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
28. Conciliation, Mediation & Arbitration Commission	X	X	X	X
29. National Emergency Response Council on HIV/AIDS		X	X	X
30. Eswatini Environment Authority	X	X	X	X
31. Eswatini Standards Authority		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
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	802,762.91	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