Country Assistant Cooperation Policy for the Kingdom of Eswatini

September 2025

1. Pupose of Development Cooperation

(1) The Kingdom of Eswatini is a constitutional monarchy located in Southern Africa. The country possesses favorable conditions including fertile land, warm climate, and water and mineral resources. In addition, its close economic ties with South Africa – which borders Eswatini on three sides - form the foundation of its economic development.

(2) Although Eswatini's Gross National Income (GNI) per capita is US$3,590[1] and it classifies as a lower-middle-income country, the country's Gini coefficient stands at 0.546[2], indicating significant income inequality with many citizens living in difficult conditions. Furthermore, approximately 40 percent[3] of the country's national revenue depends on the Southern African Customs Union's (SACU) shared revenues. Eswatini faces challenges including high unemployment (approximately 34 percent[4]), one of the world's highest HIV/AIDS prevalence rates (approximately 23 percent[5]), and food shortages caused by droughts attributable to climate change. As a result, the country's economic foundation remains fragile. Economic and social disparities have further widened due to the COVID-19 pandemic and other factors in 2020.

(3) In 2023, the Government of Eswatini, building on the 2019 "National Development Plan," formulated the "Eswatini National Development Plan 2023/24-2027/28", a five-year plan for economic recovery founded on good governance, sound macro-fiscal management, and sustainable livelihoods. This plan aims to transform Eswatini into a developed nation (ranking in the top 10 percent of middle-income countries on the Human Development Index) based on political stability. Furthermore, to improve energy self-sufficiency and achieve decarbonization, the country has set a target to increase the share of renewable energy to 50 percent by 2030.

(4) Japan will contribute to strengthening the foundation for economic growth and reducing inequality by supporting the Government of Eswatini's efforts to promote a sustainable livelihood economy, while also assisting to address social disparities, create jobs, and foster growth in the renewable energy sector.

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[1] 2024 World Bank
[2] 2016 World Bank
[3] 2025 IMF Article IV Consultation Report
[4] 2025 World Bank
[5] 2025 World Bank

2. Basic Policy of Japanese ODA (Overall Goal): Support for Sustainable Growth and Poverty Reduction

Based on the Government of Eswatini's "National Development Plan", Japan will assist in the reduction of poverty and support the country's sustainable and balanced development by fostering human resources that contribute to national economic development and industrial growth, improving basic living standards – including strengthening food security - and providing support to socially vulnerable groups.

3. Priority Areas (Intermediate Goals): Human Resource Development for Socio-Economic Development and Strengthening of Social Infrastructure

While prioritizing support for the education sector—which contributes to human resource and industrial development, job creation, and the country's economic development—Japan will also provide support in areas closely related to the living standards of socially vulnerable groups. This will include basic sanitation, agriculture and food, and climate change and renewable energy. Through this assistance, Japan will contribute to the development of human resources and the improvement of social infrastructure that drive Eswatini's sustainable growth.

4. Points to Note

Eswatini is economically and socially vulnerable to influences from the Southern African region, particularly in the Republic of South Africa, and faces a range of challenges common to the region, including climate change and HIV/AIDS. To address these shared challenges, Japan will leverage the expertise of personnel dispatched to neighboring countries, together with regional resources, in the implementation of its assistance.

(End)

Attachment: Rolling Plan