CONSTRUCTION INDUSTRY COUNCIL

ESWATINI CONSTRUCTION INDUSTRY 2024/25 PERFORMANCE REPORT

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ABBREVIATIONS

CBE	-	Central Bank of Eswatini
CIC	-	Construction Industry Council
CSO	-	Central Statistics Office
EEC	-	Eswatini Electricity Company
ESE	-	Eswatini Stock Exchange
EHB	-	Eswatini Housing Board
GDP	-	Gross Domestic Product
FDI	-	Foreign Direct Investment
IPP	-	Independent Power Producer
NDP	-	National Development Plan
PPP	-	Private Public Partnerships
PSPF	-	Public Service Pension Fund
PV	-	Photovoltaic
SACU	-	Southern African Customs Union
SARB	-	South African Reserve Bank
SEZ	-	Special Economic Zones
SOEs	-	State Owned Enterprises
USL	-	Ubombo Sugar Limited

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1. INTRODUCTION

The Construction Industry Council (CIC/the Council) was established in 2014 under the CIC Act No. 14 of 2013 to regulate, promote, and develop Eswatini's construction industry. The Council plays a critical role in guiding the sector's growth by ensuring compliance, improving standards, and supporting local capacity. Through its oversight and initiatives, the CIC aims to strengthen the industry's contribution to national development, economic growth, and job creation.

The CIC's Strategic Plan for 2024–2027 is anchored on three priority areas: enhancing collaboration with stakeholders, improving the Council's operational efficiency, and ensuring that its activities deliver meaningful results across the sector. These areas align with the Council's long-term vision for a sustainable, competitive, and well-coordinated construction industry.

Data collection and research remain central to the Council's work. The CIC is legally empowered to obtain information from all entities involved in construction. This includes project data, performance indicators, and compliance records. The information collected is used to assess sector trends, monitor progress, and provide relevant advice to the Minister responsible for public works and infrastructure. By analysing these insights, the Council supports informed decision-making and timely policy interventions.

The construction sector's performance directly impacts employment levels, skills development, and enterprise sustainability. When activity in the sector slows down, opportunities for contractors, workers, and suppliers decline. Conversely, periods of growth create more jobs, promote technical training, and improve business performance. However, recent observations have highlighted the need to strengthen the skills base across the industry. If construction activity increases faster than the available skilled workforce, the sector may face labour shortages, delayed project delivery, and increased costs.

To promote transparency and support planning across both public and private sectors, the Council published its first Annual Review on the State of the Construction Industry in 2023. Building on that foundation, this Annual Performance

Report provides a detailed account of the Council's work over the reporting period. It covers progress made, challenges faced, and key developments in the industry.

The report also introduces the Council's intention to issue quarterly updates on the state of the industry. These regular publications will offer stakeholders up-to-date information to support planning, investment decisions, and sector-wide coordination.

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2. EXECUTIVE SUMMARY

2.1 Economy

Eswatini has embarked on an ambitious drive to transform its economy through infrastructure development, energy diversification, and investment promotion. Over the past year, the country secured significant funding from the African Development Bank, advanced renewable and nuclear energy projects, and launched new industrial and transport initiatives, including a landmark hydropower plant and expanded Special Economic Zones (SEZ) facilities.

Despite robust GDP growth of 3.9 percent in 2024, challenges such as high unemployment, fiscal pressures, and political tensions persist. Strategic partnerships with Taiwan, the EU, and Google have bolstered digital transformation and export-oriented growth, while the country positions itself as a regional player in clean energy, agro-industrial production, and innovation. The success of these reforms, however, hinges on governance improvements, institutional capacity, and inclusive economic planning.

Over the past year (mid-2024 to early 2025), Eswatini has undertaken a multifaceted development strategy focused on economic diversification, infrastructure modernisation, energy security, investment promotion, and regional integration. Despite persistent structural challenges—including high unemployment, limited fiscal space, and governance concerns—the government has demonstrated a clear shift toward private-sector-led growth, supported by multilateral financing, bilateral partnerships, and domestic reforms.

2.2 Construction, Real Estate, and Industry

The construction sector remains a major economic pillar but is facing a labour contraction. According to the CIC, the workforce shrank 3.6 percent year-on-year in 2023/24, with temporary labour now comprising 65 percent of workers. Nonetheless, new opportunities are emerging with planned infrastructure projects and initiatives to support small contractors through training and access to tenders. Real estate is also rebounding, thanks to recent interest rate cuts by the Central Bank, creating a favourable environment for property investors.

Manufacturing continues to grow, evidenced by expansions such as Lush Haircare's plan to boost employment from 1,400 to 2,400 by 2026, and Premier's regional manufacturing footprint in Eswatini and neighbouring countries. Nkonyeni Pre-Cast's modest E7 million investments have yielded over E50 million in revenue, demonstrating the viability of small industrial operations.

2.3 Economic Performance and Strategic Outlook

Eswatini's real GDP grew by an estimated 3.9 percent in 2024, revised upward from 2.9 percent following a strong fourth quarter in 2023, driven by services and a surge in merchandise exports (14.8 percent y/y) and business services (up over 300 percent y/y). However, growth is projected to slow from 2025 onward, due to external vulnerabilities and structural bottlenecks. Inflation remained contained at 3.63 percent for Q4 2024. Yet unemployment remains a serious concern at 35.4 percent, prompting the Prime Minister to call for urgent job-creation measures and business-friendly reforms.

The World Bank and IMF have provided critical assessments and guidance, urging the country to pursue export-led growth, fiscal discipline, and public investment reform. The 2024 Public Finance Review highlighted inefficiencies in expenditure and the need for competition-enhancing policies. Meanwhile, the African Development Bank approved a new 2025–2030 Country Strategy Paper aimed at building a more resilient and competitive economy, positioning Eswatini as a future leader in renewable energy and agro-industrial production.

2.4 Energy Transition and Green Finance

Eswatini is actively repositioning itself as a clean energy hub in the region. The country has signed a geothermal feasibility deal with Kenya's KenGen and launched a Country Programme Framework with the IAEA to explore nuclear energy applications across agriculture, health, and energy planning. The Construction Industry Council (CIC), in partnership with the University of Eswatini, has introduced a solar installation training programme to close local skills gaps in renewable energy. The EU and Zimbabwe have also partnered with Eswatini on energy efficiency projects and green transformation forums.

A Just Energy Transition policy was published, with emphasis on environmental sustainability, community inclusion, affordability, and equitable distribution of benefits. This is crucial as climate change continues to impact Eswatini's agriculture-dependent economy, prompting calls for green finance and climate-smart adaptation.

2.5 Investment and International Cooperation

Eswatini has actively pursued new investment streams. The 2025 Investment Conference launched by Prime Minister Russell Dlamini aimed to attract both foreign and local capital, supported by high-level diplomatic engagements with Italy, Taiwan, Serbia, the UAE, and Türkiye. Agreements with Taiwan have included trade, education, media cooperation, and housing support. Eswatini also signed a landmark investment deal with iSwiss Bank, offering ultra-competitive tax incentives. Trade with Italy, currently at E351 million, is expected to increase further.

Notably, the King's international visits, though criticised for their cost, have culminated in various economic cooperation agreements. Eswatini also joined the TRILAND tourism initiative with Mozambique and South Africa, and the EU-Samoa Agreement framework aims to deepen trade and development ties with Europe.

2.6 Agriculture, Water, and Rural Development

Efforts to boost rural development are evident in the E192 million Eswatini Dairy Board distribution centre and the World Vision-funded Mpolonjeni Water Project, which now serves over 25,000 people. Eswatini has also intensified efforts to tap into agricultural export markets, particularly for handicrafts and agro-industrial products, supported by new policies and donor funding.

2.7 Digitalisation and Innovation

Digital transformation is a key component of Eswatini's growth strategy. The "Government in Your Hand" initiative, launched with Google, aims to digitise public services and improve efficiency. The Royal Science and Technology Park (RSTP), equipped with a tier-three data centre, is being positioned as the nucleus of Eswatini's ambition to become Africa's AI and innovation hub.

2.8 Political and Governance Context

Despite these development efforts, political tensions remain. The sentencing of two pro-democracy MPs and ongoing civil society protests have drawn international criticism. Calls for separation of powers, judicial independence, and inclusive governance persist. Meanwhile, public trust has been further strained by transparency concerns, such as alleged mismanagement and high-profile expenditures, including the King's R200 million international trips.

2.9 Conclusion

Eswatini appears to be at a turning point, leveraging infrastructure development, energy reform, and global partnerships to pursue economic resilience and diversification. However, progress is uneven and constrained by governance challenges, limited fiscal buffers, reliance on imports, and social vulnerabilities. The success of the current growth trajectory will depend on how effectively the country integrates public sector reform, private sector development, and inclusive policies while managing rising public expectations and political dissent.

3. GENERAL ECONOMIC OVERVIEW

In the 2024/25 financial year, Eswatini's economy recorded moderate growth, with gross domestic product (GDP) estimated to have expanded by approximately 3.2 percent. This performance was supported by public-sector investment in infrastructure, a steady recovery in regional trade, and the continued rollout of development initiatives under the National Development Plan (2023–2028). The construction sector played a central role in this growth, driven by government-funded projects in water, energy, and public services. For the full 2024 calendar year, GDP growth was 4.0 percent, consistent with the data shown in Figure 5.

Inflation remained stable at an average of 4.8 percent, influenced by increases in food and fuel prices and adjustments to electricity tariffs. Despite these pressures, inflation stayed within a manageable range, contributing to relative macroeconomic stability.

> *"Sustained infrastructure investment is critical to maintaining economic growth and long-term resilience".*

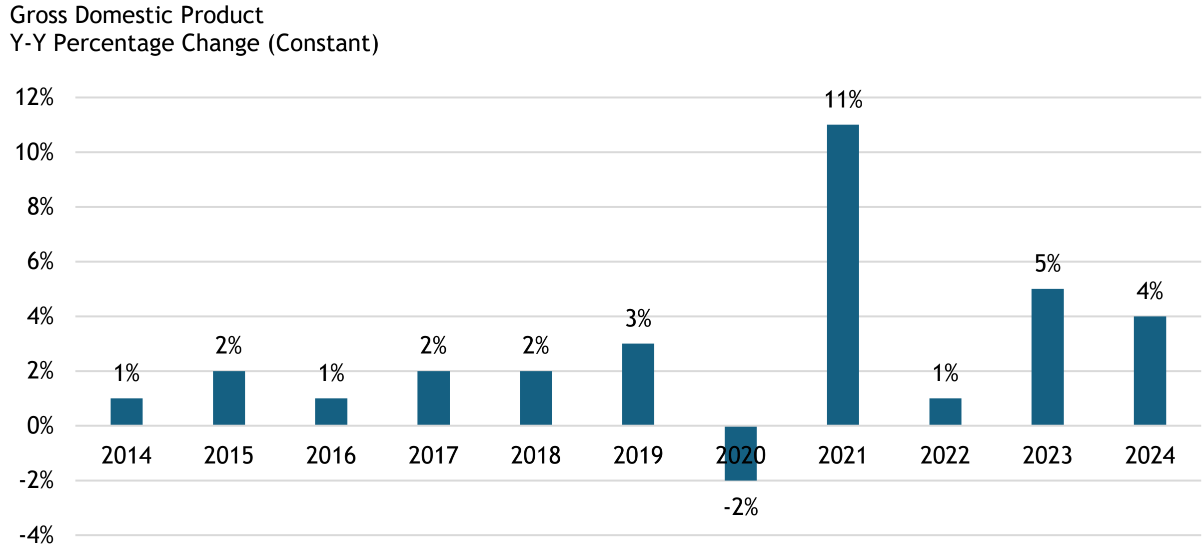
Government revenues improved, bolstered by stronger receipts from the South African Customs Union (SACU) and ongoing efforts to strengthen domestic revenue collection. However, high levels of recurrent expenditure—particularly on public wages—continued to limit fiscal space. The fiscal deficit was estimated at 1.7 percent of GDP, while public debt remained elevated, hovering around 41 percent of GDP.

Labour market conditions remained a concern. While some employment was generated through capital projects, particularly in construction, the overall unemployment rate remained high. Youth unemployment was especially severe, highlighting the need for broader job creation across multiple sectors.

Eswatini's external trade remained heavily reliant on South Africa, which continued to dominate both imports and exports. While trade agreements under SACU, SADC, and AGOA provided market access, the economy's limited export base constrained broader trade gains. The services sector contributed over 50 percent of GDP, with industry and agriculture accounting for approximately 33 percent and 8 percent, respectively.

Despite persistent structural challenges, the economy provided a relatively stable foundation for construction activity throughout the year. Continued investment in infrastructure and implementation of planned development projects remain critical to sustaining growth and improving long-term economic resilience.

Figure 5: Gross Domestic Product: Y-Y Percentage Change (Constant)



Source: Central Statistics Office

3.1 Key economic developments during 2024:

- Eswatini deepened its engagement with regional trade blocs, including SADC and COMESA, by improving cross-border trade and logistics infrastructure. Projects like the LoNa Cross-Border Water Supply Project were pivotal in strengthening the country's commitment to regional cooperation and economic integration.
- Eswatini took steps to diversify its economy, with growing emphasis on sectors such as agro-processing, tourism, and manufacturing. Efforts were made to increase local value addition in agricultural products, aiming to achieve a more substantial presence in regional export markets and to reduce dependence on traditional sectors such as sugar production.

- Eswatini made significant strides in the development of renewable energy in 2024/25, notably with the completion of the Edwaleni Solar Power Station, one of the largest solar projects in Southern Africa. These renewable energy initiatives are set to boost energy security, reduce reliance on energy imports, and contribute to the country's sustainability goals in lowering carbon emissions.
- The establishment of the Road Fund Agency and the allocation of 5 percent of the national budget towards road infrastructure signalled a major policy shift. The fund, supported by a new fuel levy, is aimed at improving road maintenance and enhancing connectivity across the country.
- The economic outlook was bolstered by increased investor activity, particularly in sectors such as construction, agribusiness, and energy. This was reflected in the performance of the Eswatini Stock Exchange and the uptake of private-led infrastructure projects.

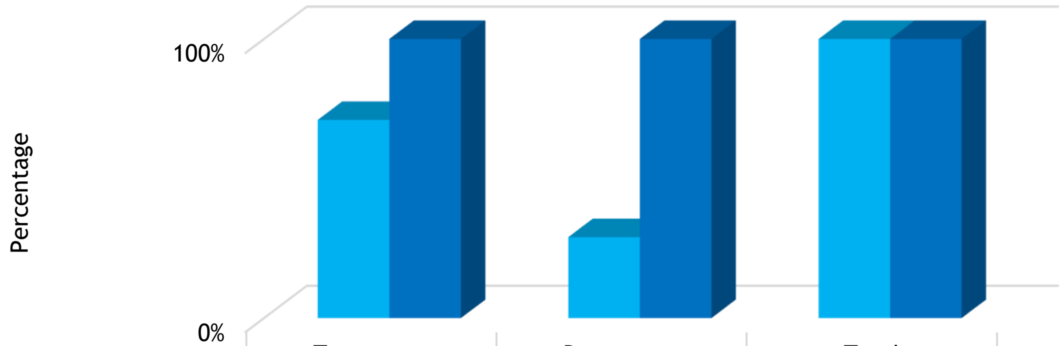
4. LABOUR STRUCTURE AND EMPLOYMENT IN THE CONSTRUCTION INDUSTRY IN ESWATINI

For the financial year ending March 31st, 2025, the construction industry employed a total of 9,947 workers. Unemployment for the financial year ended March 2025 was 33.3 percent, predominantly among the youth. The workforce in this sector is categorized by the following factors: gender (male and female), age (18 to 35 years; youth, and above 35 years (adult)), nationality (Swazi and Foreign), and employment type (permanent and temporary).

4.1 Employment by Type (Permanent & Temporary)

Employment in the construction industry for the financial year ending March 31st, 2025, showed that temporary employees accounted for approximately 71 percent of the workforce, while permanent employees made up approximately 29 percent, as shown in Figure 2. This reflects a 6 percent decrease in permanent positions compared to the previous year, when the distribution was 35 percent permanent and 65 percent temporary. Conversely, temporary employment increased by 6 percent.

Figure 2: Construction Industry Employment Structure by Type for Year ended March 2025

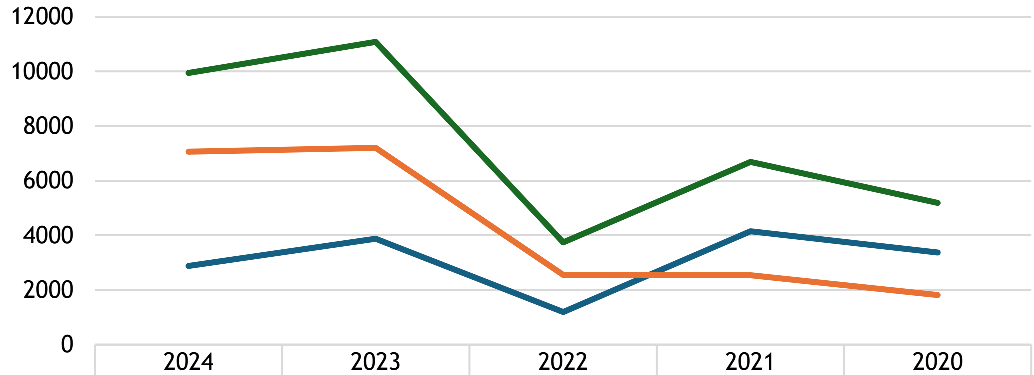


	Temporary	Permanent	Total
Percentage	71%	29%	100%
Number of people	7062	2885	9947

Temporal/Permanent

Percentage Number of people

Source: Construction Industry Council Annual Performance Survey 2025/26



	2024	2023	2022	2021	2020
Permanent	2885	3879	1193	4149	3377
Temporary	7062	7203	2550	2543	1815
Total	9947	11082	3743	6692	5192

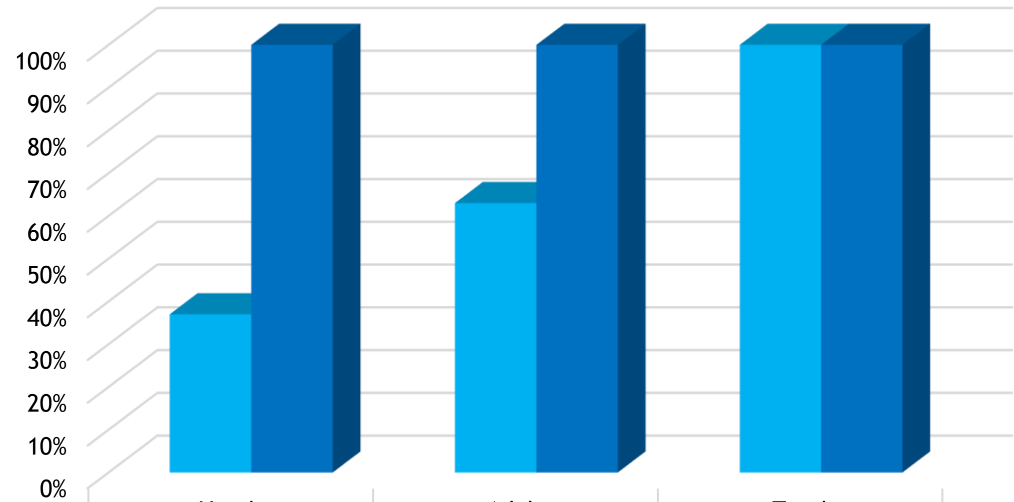
Permanent Temporary Total

Source: Construction Industry Council Annual Performance Survey 2025/26

4.2 Employment by Age

Employment in the construction industry for the year ending March 31st, 2025, was categorized into two age groups: 18 to 35 years (youth) and those above 35 years (adults). The total workforce decreased by 10 percent from the previous year (31st March 2024), which had 11,082 employees. Additionally, there was a 4 percent decline in the number of workers from 2023 to 2024. As shown in Figure 4 below, 6,267 employees (63 percent) were youth, while 3,680 employees (37 percent) were adults.

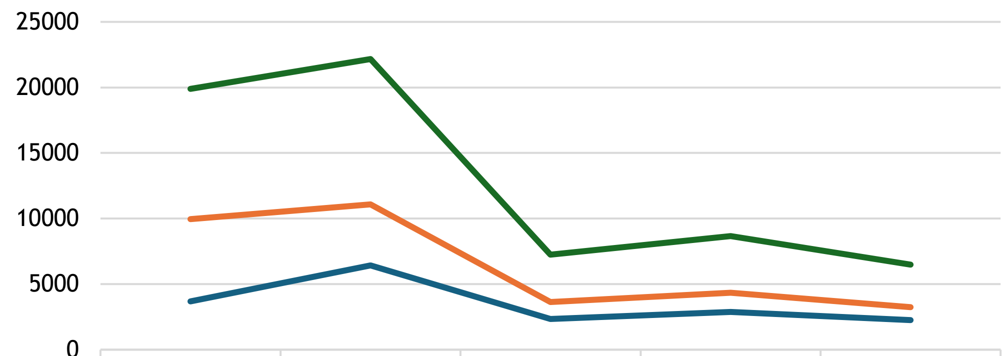
Figure 3: Construction Industry Employment Structure by Age for year ended March 2025



	Youth	Adult	Total
Percentage	37%	63%	100%
Number	3680	6267	9947

Percentage Number

Source: Construction Industry Council Annual Performance Survey 2024/25



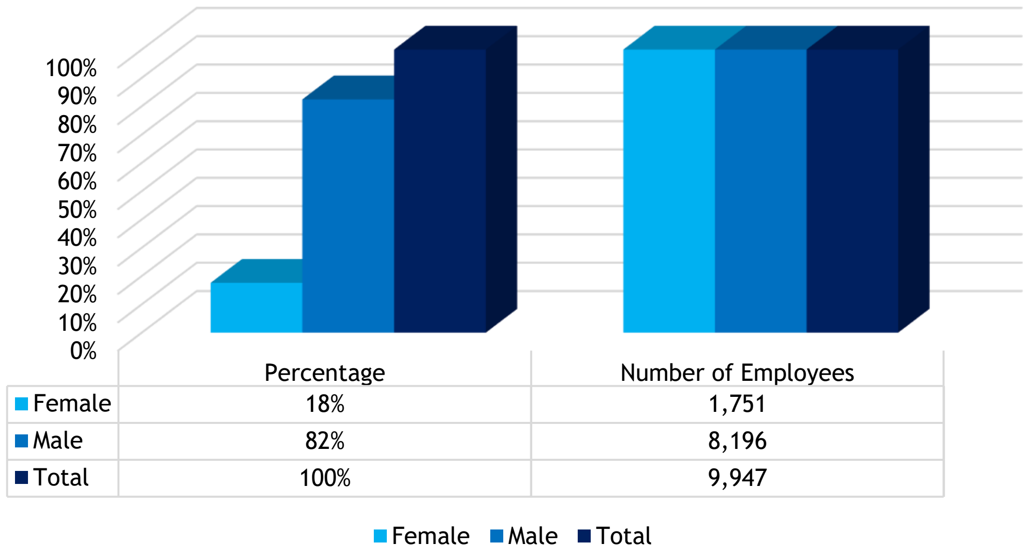
	2024	2023	2022	2021	2020
Total	9947	11082	3624	4333	3243
Above 35 years	6267	4654	1271	1453	987
18 - 35 years	3680	6428	2353	2880	2256

Source: Construction Industry Council Annual Performance Survey 2024/25

4.3 Employment by Gender

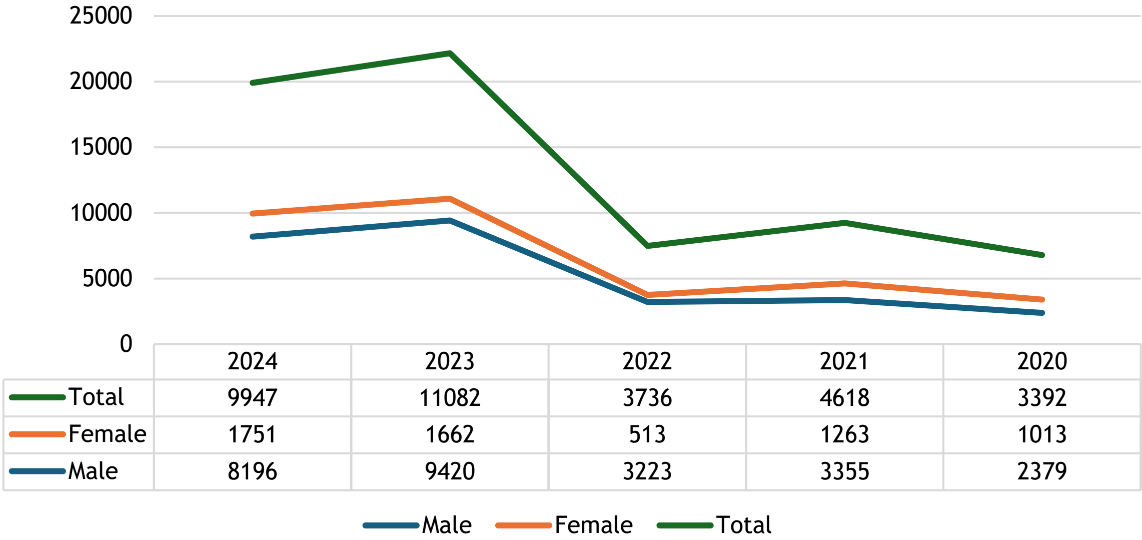
The financial year ended March 31st, 2025, indicated that there were more males, 8 196 (82 percent) compared to females, 1 751 (18 percent). There was a marginal increase in female employment of 3 percent which stood at 18 percent for the year from 15 percent the previous year.

Figure 4: Employment by Gender



	Percentage	Number of Employees
Female	18%	1,751
Male	82%	8,196
Total	100%	9,947

Source: Construction Industry Council Annual Performance Survey 2025/26



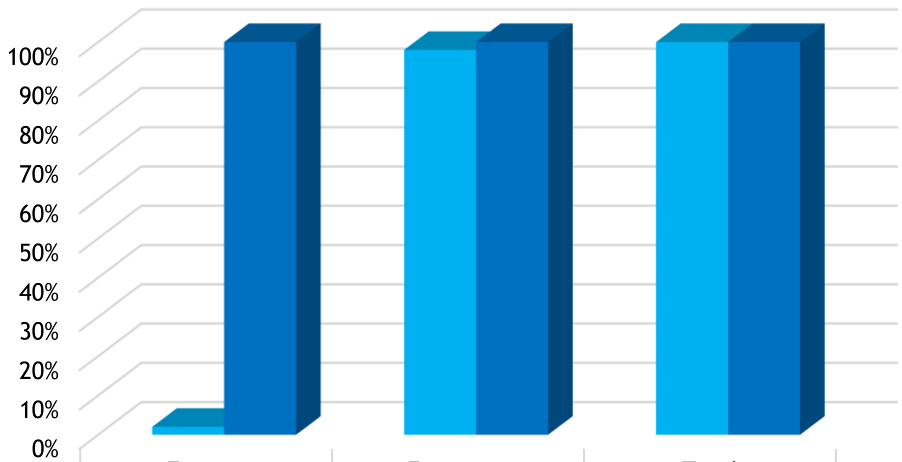
	2024	2023	2022	2021	2020
Total	9947	11082	3736	4618	3392
Female	1751	1662	513	1263	1013
Male	8196	9420	3223	3355	2379

Source: Construction Industry Council Annual Performance Survey 2024/25

4.4 Employment by Nationality

The construction industry as of 31st March 2025 had 98 percent of Swazi's employed, and 2 percent Foreigners employed. Compared to the previous financial year, the proportion of Swazi's employed in the industry remained constant as 98% were employed.

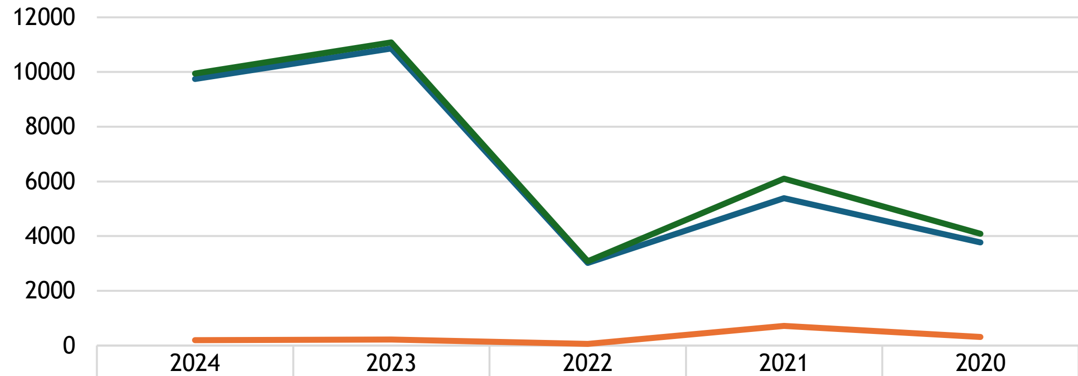
Figure 5: Employment by Nationality



	Foreign	Emaswati	Total
Percentage	2%	98%	100%
Number of Employees	199	9,748	9,947

Percentage Number of Employees

Source: Construction Industry Council Annual Performance Survey 2024/25



	2024	2023	2022	2021	2020
Swazi	9748	10860	3021	5385	3770
Foreign	199	222	61	719	317
Total	9947	11082	3082	6104	4087

Swazi Foreign Total

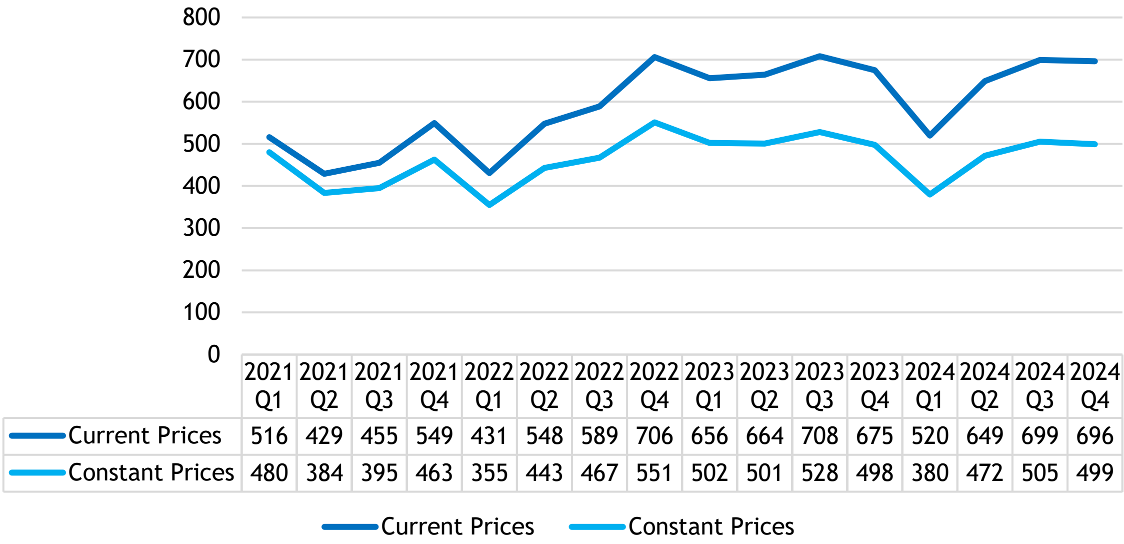
Source: Construction Industry Council Annual Performance Survey 2024/25

5. CONSTRUCTION SECTOR PERFORMANCE

Quarters referenced in this section use the financial-year convention where Q1 = Apr-Jun, Q2 = Jul-Sep, Q3 = Oct-Dec and Q4 = Jan-Mar, unless otherwise stated.

5.1 Local construction sector economic performance

Figure 6: Constant vs Current Prices in Construction



	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1	2024 Q2	2024 Q3	2024 Q4
Current Prices	516	429	455	549	431	548	589	706	656	664	708	675	520	649	699	696
Constant Prices	480	384	395	463	355	443	467	551	502	501	528	498	380	472	505	499

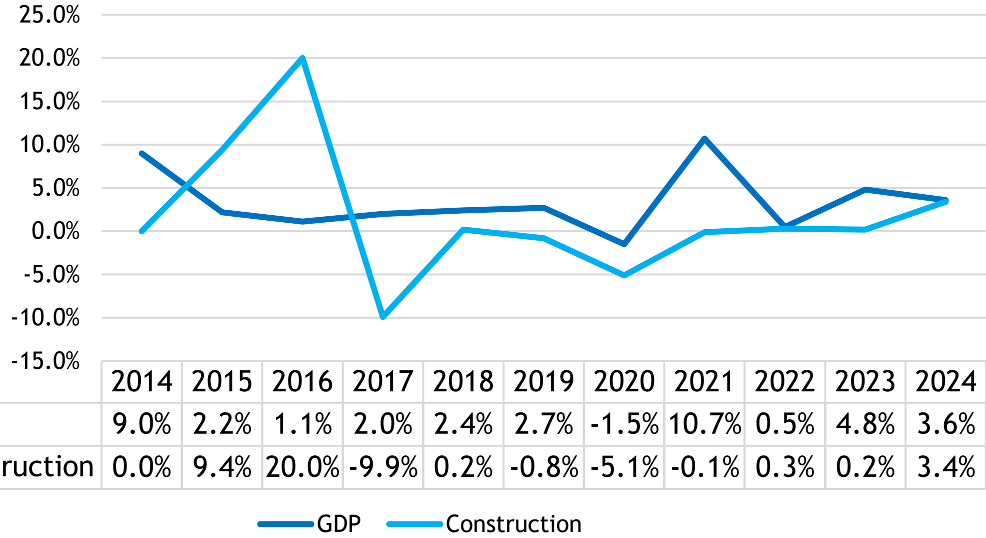
Source: Central Statistics Office, National Account Unit, quarterly gross domestic product report 2024 quarter

Throughout the period, the value of construction activity in current prices shows an overall upward trend, with key peaks observed in Q4 2022, Q3 2023, and again in Q4 2024. These peaks reflect periods of heightened construction activity, likely driven by large-scale infrastructure investments, particularly from the public and parastatal sectors. The consistent increase in current prices also reflects rising costs within the sector such as materials, labour, and logistics which have contributed to higher project values.

In constant prices, which adjust for inflation and reflect the real volume of construction activity, the trend is more modest and displays greater fluctuation. While there is steady improvement over time, notable declines are evident in Q1 2023 and Q2 2024, which may indicate temporary slowdowns in physical construction output, possibly due to project delays or interruptions. A recovery is observed towards the end of 2024, aligning with renewed momentum in infrastructure delivery.

The divergence between the two price trends, especially noticeable in the latter quarters of 2023 and 2024, suggests that inflationary pressures have significantly influenced the sector. While project values have increased, the volume of real construction work has not always kept pace, highlighting a need to address underlying inefficiencies and cost escalations.

Figure 7: GDP vs Construction: Y-Y Percentage (Constant)



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
GDP	9.0%	2.2%	1.1%	2.0%	2.4%	2.7%	-1.5%	10.7%	0.5%	4.8%	3.6%
Construction	0.0%	9.4%	20.0%	-9.9%	0.2%	-0.8%	-5.1%	-0.1%	0.3%	0.2%	3.4%

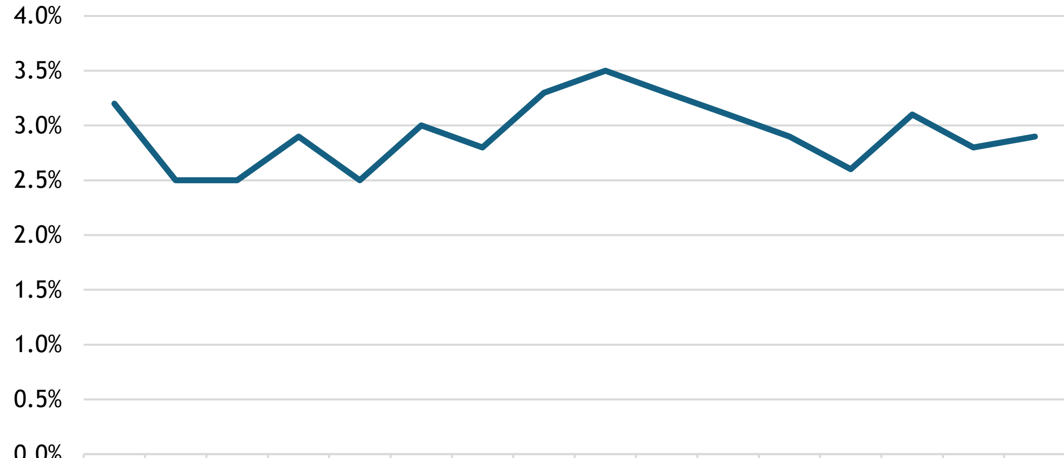
Source: Central Statistics Office, National Account Unit, quarterly gross domestic product report 2024 quarter

In 2014, GDP grew by 9.0 percent, while construction recorded zero growth. A strong upswing followed in 2015 and 2016, with the construction sector expanding by 9.4 percent and 20.0 percent, respectively. This peak in 2016 coincided with major infrastructure development, likely driven by public sector investments. However, in 2017, construction contracted sharply by -9.9 percent, despite GDP maintaining moderate growth at 2.0 percent. This drop suggests a slowdown in infrastructure rollout or the completion of major capital projects without immediate follow-ups.

Between 2018 and 2020, construction continued to experience negative or stagnating growth. The sector contracted by -0.8 percent in 2019 and -5.1 percent in 2020, mirroring the subdued national economic environment. The year 2020 was particularly challenging for the economy overall, with GDP shrinking by -1.5 percent, reflecting the combined effects of global economic shocks and domestic constraints. A strong rebound occurred in 2021, with GDP rising to 10.7 percent and construction nearly stabilising at -0.1 percent. However, the construction industry did not fully recover in line with the broader economy, pointing to the lagged impact of recovery efforts within capital-intensive sectors. In 2022 and 2023, construction growth remained low at 0.3 percent and 0.2 percent, respectively, despite GDP growth rates of 0.5 percent and 4.8 percent.

By 2024, both indicators showed improved performance, with GDP growing at 3.6 percent and construction recording a more notable increase of 3.4 percent. This resurgence reflects renewed momentum in infrastructure activity, particularly in water, housing, and renewable energy projects, supported by increased participation from parastatals and the private sector.

Figure 8: Construction % of GDP



	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1	2024 Q2	2024 Q3	2024 Q4
Series1	3.2%	2.5%	2.5%	2.9%	2.5%	3.0%	2.8%	3.3%	3.5%	3.3%	3.1%	2.9%	2.6%	3.1%	2.8%	2.9%

Source: Central Statistics Office, National Account Unit, quarterly gross domestic product report 2024 quarter

The graph illustrates construction's share of GDP across quarters from the first quarter of 2021 through to the fourth quarter of 2024.

In early 2021, GDP growth stood at 3.2 percent in the first quarter before softening to 2.5 percent in the second and third quarters, primarily due to the lingering effects of the COVID-19 pandemic and broader supply chain disruptions. The final quarter of 2021 saw a slight rebound to 2.9 percent, indicating an early recovery phase.

Throughout 2022, the economy continued a steady recovery path, with a high of 3.0 percent in the second quarter. Growth in other quarters remained close to the 2.5 percent to 2.9 percent range, supported by increased public infrastructure spending and a gradual return of trade and investment flows.

In 2023, the economy reached its highest quarterly growth rate of 3.5 percent in the first quarter. This surge coincided with the registration and rollout of major infrastructure projects, most notably the Mpakeni Dam, valued at E2.6 billion. The dam project represented the single largest undertaking over the past two financial years, contributing significantly to national output. Following this peak, growth moderated to 3.3 percent in the second quarter and ended the year at 2.9 percent, reflecting stabilisation after a period of increased capital investment.

The year 2024 saw relatively stable economic performance. The first quarter recorded a slight dip to 2.6 percent, followed by a recovery to 3.1 percent in the second quarter, driven by increased investment from parastatals and private sector entities in various infrastructure projects. The economy remained stable in the third and fourth quarters, with growth recorded at 2.8 percent and 2.9 percent, respectively.

This performance underscores the vital role infrastructure development continues to play in Eswatini's economic growth. Peaks in growth correlate strongly with large-scale capital projects, particularly in construction. Continued investment in infrastructure especially in water, housing, and renewable energy will be essential to sustaining economic momentum, enhancing productivity, and addressing critical development priorities in the years ahead.

5.2 Cement imports

5.2.1 Decrease in cement imports

South Africa remains Eswatini's principal trading partner for cement, accounting for most imports into the country. In 2024, total cement imports declined by 12 percent to 136,478 tons, with a further year-on-year reduction of 30 percent recorded in the first quarter of the year (2024). Domestically, cement production capacity is primarily concentrated in Swaziland Portland Cement (SPC), also operating under the name Eswatini Royal Vuka Cement, and AfriSam, which runs a cement blending and packing facility in Matsapha. Notably, more than 80 percent of South African cement imports enter Eswatini by road through the Ngwenya border post. The overall outlook for cement consumption remains favourable, underpinned by ongoing and planned construction projects.

Table 1: Cement imports via South Africa (Source South African Revenue Service)

YEAR	LIMESTONE FLUX (TONS)	CEMENT CLINKERS (TONS)	CEMENT IMPORTS VIA SOUTH AFRICA (TONS)
2014	1 262	112 690	136 797
2015	1 857	76 904	143 257
2016	1 084	84 999	159 659
2017	2 641	70 208	179 162
2018	4 060	69 981	211 413
2019	5 156	62 384	197 151
2020	5 096	66 582	223 443
2021	4 390	73 317	196 225
2022	1 942	75 901	130 822
2023	1 302	22 433	154 870
2024	3 216	28 502	136 478
Y-Y % CHANGE 2024 vs 2023	**+147%**	**+27%**	**-12%**

Source: South African Revenue Services export data quarter 2024

5.3 CIC Registered Projects

5.3.1 Parastatals and Private sector take larger share of registered projects

In the 2024/25 financial year, the total value of projects registered fell by 48 percent compared to the previous year, decreasing from E5.6 billion in 2023/24 to E2.9 billion. This sharp decline is mainly due to the inclusion of the Mpakeni Dam construction and associated works, valued at E2.6 billion, in the 2023/24 figures. The Mpakeni Dam project, awarded to the Sakhalive Joint Venture, was the largest project registered over the past two years and significantly boosted the previous year's totals.

Excluding the Mpakeni Dam and other completed projects from the 2023/24 data, the value of registered projects was E2.2 billion. Compared to this adjusted figure, the E2.9 billion registered in 2024/25 represents an increase, indicating continued construction activity despite the apparent year-on-year drop.

This shows the importance of looking beyond headline numbers to understand the true state of construction sector activity. While the total registered project value declined sharply due to the earlier large dam project, underlying construction investment remains solid, with growth in other areas. This points to a more balanced mix of projects, signalling steady progress in Eswatini's infrastructure and economic development.

Table 2: Construction Works awarded according to categories

CATEGORY	2023/24	2024/25	Y/Y%	% SHARE 2023/24
FOREIGN WORKS	2 632 702 360[1]	16 918 044	-99%	0.6%
GENERAL BUILDING WORKS	1 035 892 886	817 231 691	-21%	28.6%
GENERAL CIVIL WORKS	985 309 223	1 837 035 077	+86%	64.4%
GENERAL ELECTRICAL WORKS	76 801 431	33 983 261	-56%	1.2%
UNKNOWN	55 533 737	37 268 076	-33%	1.3%
JOINT VENTURE	44 721 240	13 852 361	-69%	0.5%
MANUFACTURER/SUPPLIER	24 589 710	0	-	0.0%
MECHANICAL SPECIALIST WORKS	12 353 248	13 630 356	-10%	0.5%
CIVIL SPECIALIST WORKS	10 323 297	12 102 931	10%	0.4%
INDIVIDUAL ARTISANS	8 025 326	1 903 803	-76%	0.1%
BUILDING SPECIALIST WORKS	7 768 970	15 252 534	96%	0.5%
ELECTRICAL SPECIALIST WORKS	7 403 266	10 706 835	45%	0.4%
CONSULTANCY PRACTICES	1 559 666	281 308	-82%	0.0%
ALLIED PROFESSIONALS	1 508 594	0	-	0.0%
GENERAL MECHANICAL WORKS	975 128	44 148 337	4427%	1.5%
GRAND TOTAL	**4 905 468 081**	**2 854 314614**	**-42%**	**100.0%**

Source: CIC Project Registration database, 2024

Notable increases in 2024/25 include General Civil Works (+86 percent), Building Specialist Works (+96 percent), and Electrical Specialist Works (+45 percent). These shifts suggest a reallocation of project activity toward civil infrastructure and specialist building works during the year.

[1] Including the E2.6bn Mpakeni Dam

Table 3: Value of Registered Projects, by Ownership Classification, Current Prices

Classification	2023/24	2024/25	Y/Y%	% Share 2023/24	% Share 2024/25
Parastatal	3 373 762 703	1 962 456 734	-42%	69%	69%
Government	903 039 771	21 562 331	-98%	18%	1%
Private	528 826 818	855 801 668	+62%	11%	30%
NGO	57 336 459	1 097 014	-98%	1%	0%
Municipality	42 502 330	12 789 683	-70%	1%	0%
Unknown	16 844 116	325 875	-98%	0%	0%
Grand Total	**4 922 312 197**	**2 854 033 306**	**-42%**	**100%**	**100%**

Source: CIC Project Registration database, 2024

Note: The Mpakeni Dam (E2.6 billion) in 2023/24 significantly skewed year-on-year totals. Presenting an adjusted series that excludes the Mpakeni Dam will offer clearer comparisons of ownership classification.

5.4 Project Registered by Ownership classification: 2024/25 (Top 5)

Table 4: Government

PROJECT OWNER	TOTAL
MINISTRY OF PUBLIC WORKS & TRANSPORT	384 025 060
CENTRAL BANK OF ESWATINI	58 616 932
MINISTRY OF HOUSING & URBAN DEVELOPMENT	10 565 018
GRAND TOTAL	**453 207 010**

Source: CIC Project Registration database, 2024

Table 5: Municipality

PROJECT OWNER	TOTAL
MANKAYANE TOWN BOARD	7 241 280
MUNICIPALITY OF MATSAPHA	1 254 324
GRAND TOTAL	**8 495 604**

Source: CIC Project Registration database, 2024

Table 6: NGO

PROJECT OWNER	TOTAL
JESUS CALLS WORSHIP CENTRE	7 019 142
POTTER'S WHEEL CHURCH	3 727 246
WORLD VISION ESWATINI	1 483 669
GRAND TOTAL	**12 230 057**

Source: CIC Project Registration database, 2024

Table 7: Parastatals

PROJECT OWNER	TOTAL
ESWATINI WATER SERVICES CORPORATION	661 325 760
MICROPROJECT	303 209 889
ESWATINI ELECTRICITYCOMPANY	92 036 111
EWADE	11 797 479
EIPA	8337 782
GRAND TOTAL	**1 076 707 021**

Source: CIC Project Registration database, 2024

Table 8: Private

PROJECT OWNER	TOTAL
MIDDLE LUSUTFU HYDROPOWER	691 000 343
UBOMBO SUGAR LIMITED / ILLOVO	108 454 548
COMPLETE MEDICAL CARE CENTRE	75 477 343
MALOMA COLLIERY LIMITED	43 408 229
BUNA GROUP PROPERTY MANAGEMENT	40 072 820
GRAND TOTAL	**958 413 283**

Source: CIC Project Registration database, 2024

5.5 Foreign works

As at March 2025, foreign contractors accounted for only 0.5 percent of the total number of contractors registered with the Construction Industry Council. While this represents a minimal portion of overall registrations, their involvement remains concentrated in specialised and technically demanding segments of the construction industry.

The majority 82 percent of foreign contractor registrations were in the Mechanical Foreign category. These contractors were primarily engaged in complex infrastructure projects such as energy systems, water treatment facilities, and industrial mechanical installations. Their involvement highlights the continuing demand for highly specialised engineering capabilities not yet sufficiently available within the domestic industry.

A further 16 percent of the registered foreign contractors operated under the Building Foreign category. These contractors typically undertook large-scale commercial, institutional, or donor-funded projects where technical specifications, speed of delivery, or capacity requirements necessitated external participation. The remaining 2 percent were registered as Mechanical Works Specialists (MSk-F). This reflects a small number of contractors focused on highly niche technical services, often requiring certified skills or proprietary technologies.

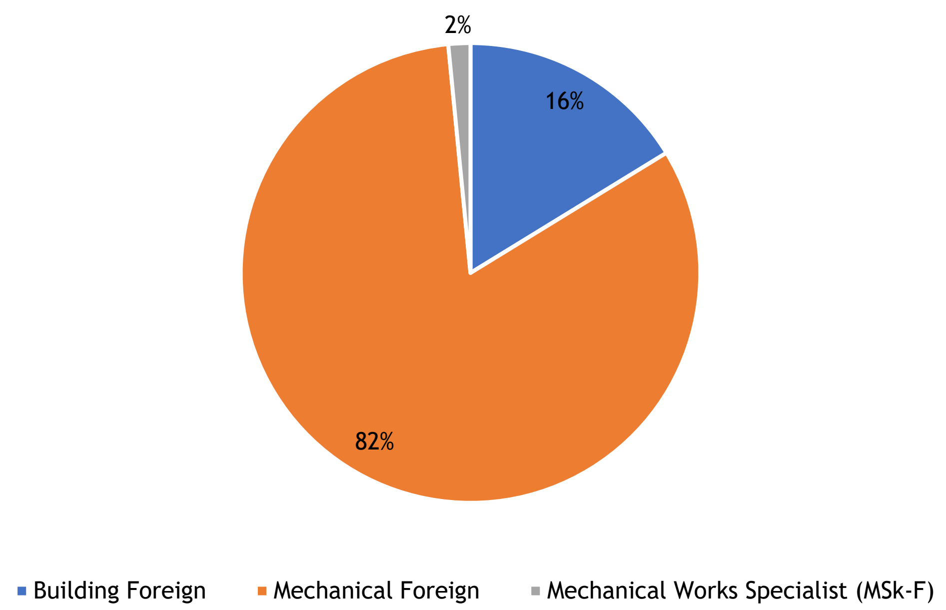
The data indicates that while local contractors are increasingly capable of handling a wide range of construction activities particularly in general building and civil works certain technical areas still rely heavily on foreign expertise. This trend underscores the need for focused capacity-building within the local industry, particularly in mechanical engineering and specialised installations. Ongoing training, upskilling programmes, and structured knowledge transfer mechanisms will be essential to develop local competencies and reduce reliance on foreign contractors over time.

0.5 PERCENT

PERCENTAGE CONTRIBUTION BY FOREIGN CIC REGISTERED CONTRACTORS

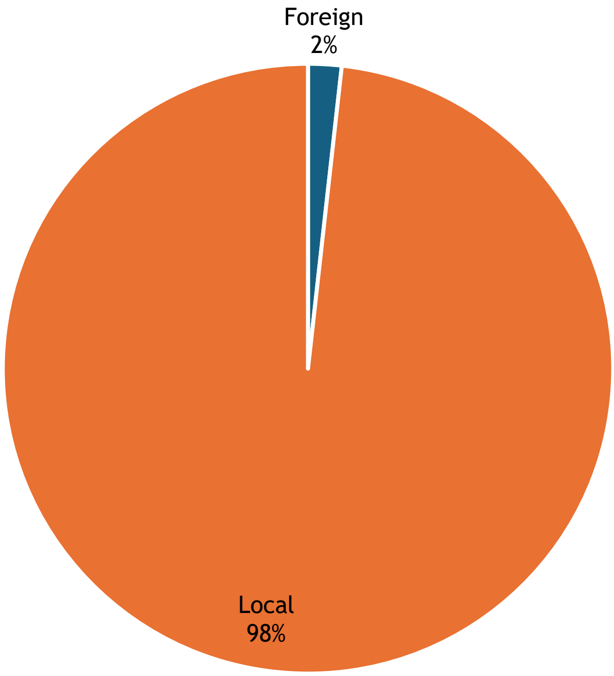
Foreign contractors continue to play a strategic role in Eswatini's infrastructure development, contributing to the implementation of key national projects while also offering opportunities for local collaboration and skills enhancement.

Figure 9: CIC Foreign Contractor Registrations



Source: CIC Project Registration database, 2024

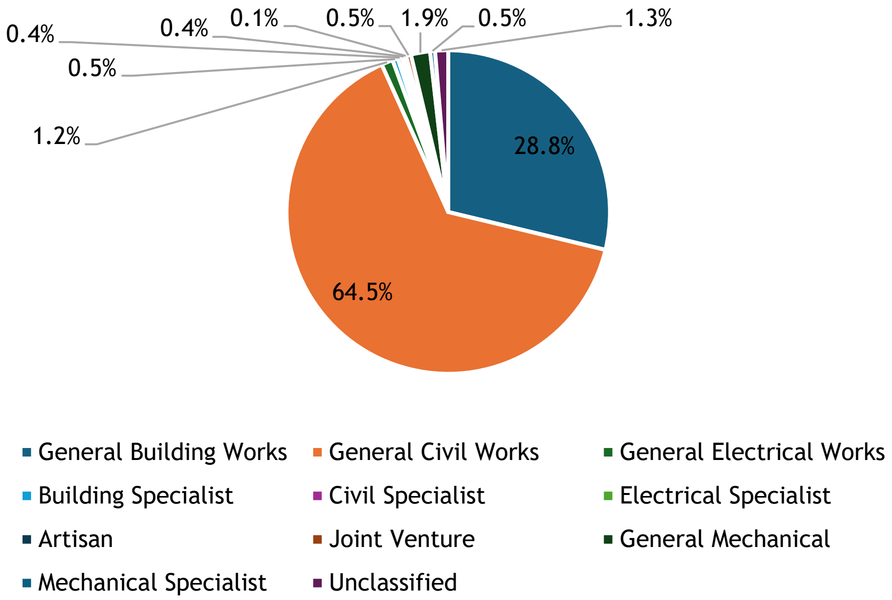
Figure 10: Foreign vs Local Contractors Representation as at March 2025



Source: CIC Project Registration database, 2024

5.6 CIC Registered Contractor Profile

Figure 116: CIC Contractor Registrations (Total)



Source: CIC Project Registration database, 2024

Table 9: Number of Building and Civil Registered Contractors

CATEGORY/GRADING	B1	B2	B3	B4	B5	B6	C1	C2	C3	C4	C5	C6	GRAND TOTAL
GENERAL BUILDING WORKS	13	16	97	107	7	191							431
GENERAL CIVIL WORKS							10	13	62	66	91	52	294
SUB-TOTAL	**13**	**16**	**97**	**107**	**7**	**191**	**10**	**13**	**62**	**66**	**91**	**52**	**725**

Source: CIC Project Registration database, 2024

Table 10: Number of Electrical and Mechanical Registered Contractors

CATEGORY/GRADING	BF	CF	MF	E1	E2	E3	E4	EF	M4	GRAND TOTAL
GENERAL ELECTRICAL				10	11	39	115			175

GENERAL MECHANICAL									13	13
SUB-TOTAL				**10**	**11**	**39**	**115**		**13**	**188**

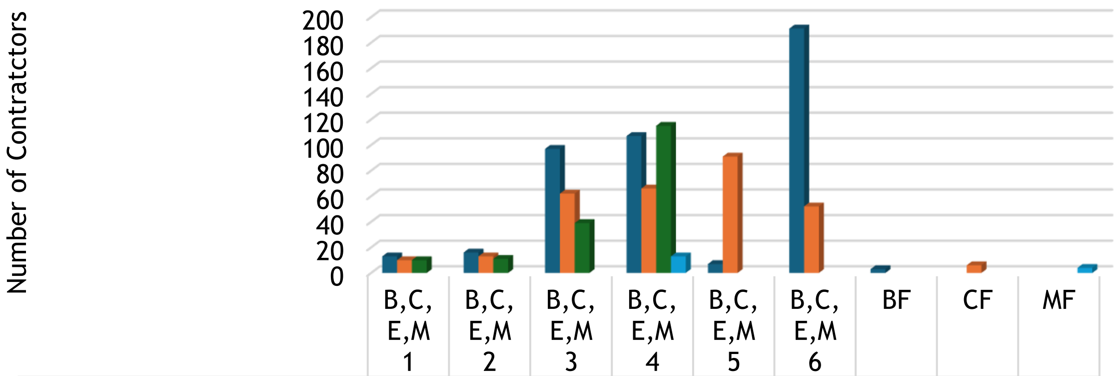
Source: CIC Project Registration database, 2024

Table 11: Number of Foreign Contractors Registered

CATEGORY/GRADING	BF	CF	MF	E1	E2	E3	E4	EF	M4	GRAND TOTAL
FOREIGN BUILDING WORKS	3									3
FOREIGN ELECTRICAL										
FOREIGN GENERAL MECHANICAL			4							4
FOREIGN CIVIL WORKS		6								6
SUB-TOTAL	**3**	**6**	**4**							**13**

Source: CIC Project Registration database, 2024

Figure 12: Number of CIC Registered Contractors by Category as of March 2025



	B,C,E,M 1	B,C,E,M 2	B,C,E,M 3	B,C,E,M 4	B,C,E,M 5	B,C,E,M 6	BF	CF	MF
General Building Works	13	16	97	107	7	191	3		
General Civil Works	10	13	62	66	91	52		6	
General Electrical Works	10	11	39	115					
General Mechanical Works				13					4

Grading Category

General Building Works General Civil Works
General Electrical Works General Mechanical Works

Source: CIC Project Registration database, 2024

According to the CIC registration database, there were approximately 1,698 contractor registrations as of March 2025 (note: contractors may be registered in multiple categories). Specifically, the report shows 431 General Building contractors, 294 General Civil contractors, 175 General Electrical contractors and 13 General Mechanical contractors. Foreign contractors represented 0.5 percent (13 contractors) of total registrations. These figures may differ from aggregated registration counts because contractors can hold multiple category registrations; a reconciliation table is recommended.

Within general building works, the majority (33 percent) are registered within the middle level grading (B3) for projects with a maximum value of up to E10 million. The highest grading (B1 for a project exceeding E25 million), accounts for 16.7 percent of the total number of general building works contractors registered, and 53.7 percent (C3 for a project exceeding E30 million) in terms of general civil works contractors. The majority civil contractors (41 percent) have a C3 grading, for a project value up to E30 million. Majority of Electrical Contractors are registered with an E4 grading, for project values up to E500 000, with only 20 percent at grading E1 for project values above E2 million. Only 3 lower level 4 Mechanical Contractors are registered, for project values up to E500 000.

5.7 Project to Contractor Ratio

Aligning the number of projects with the number of building and civil contractors registered, the strongest competition is within the B6 grading level, with 25 registered projects for around 21 contractors, that means 1.2 projects for every contractor, and the least competition within the B1 grading level, where 3 projects were registered alongside 1 registered building contractors within that grading level, or 3 projects per registered contractor.

In terms of civil works, competition is most rife amongst smaller contractors, with a project to contractor ratio of 1:1, an average of 1 registered civil works project for every contractor registered (or 2 projects compared to 2 registered C4 general civil works contractors). By comparison the contracts (C3) included 9 projects to 6 registered C3 civil works contractors translating to a ratio of 1.5:1, an average of 1.5 projects per contractor.

Table 12: Building Works Contractors

Determining Score Rating	Grade	Maximum Tender Value Range (E)	Number of registered contractors (March 2025)	Number of registered projects 2024/25
501 - 600	**B1**	**No Limit**	7	21
401 - 500	**B2**	**25 000 000**	**3**	4
301 - 400	**B3**	**10 000 000**	**18**	32
201 - 300	**B4**	**5 000 000**	**9**	13
101- 200	**B5**	**2 000 000**	**2**	3
0 - 100	**B6**	**500 000**	**21**	25

Source: CIC Project Registration database, 2024

Table 12 reports registered contractors by grading (i.e., by the score-rating bands) and lists the number of registered contractors and projects per grade. This is not directly comparable to Table 9 which summarises category-wide registrations.

Contractors can be registered across multiple categories and grades; hence totals will differ.

Table 13: Civil Works Contractors

Determining Score Rating	Grade	Maximum Tender Value Range (E)	Number of registered contractors (March 2025)	Number of registered projects 2024/25
501 - 600	**C1**	**No Limit**	**4**	5
401 - 500	**C2**	**50 000 000**	**0**	0
301 - 400	**C3**	**30 000 000**	6	9
201 - 300	**C4**	**15 000 000**	2	2
101- 200	**C5**	**5 000 000**	**0**	0
0 - 100	**C6**	**1 000 000**	**0**	0

Source: CIC Project Registration database, 2024

Table 14: General Electrical Works

Determining Score Rating	Grade	Maximum Tender Value Range (E)	Number of registered contractors (March 2025)	Number of registered Ongoing projects 2024/25
301 - 400	**E1**	**No Limit**	**1**	3
201 - 300	**E2**	**2 000 000**	**1**	1
101- 200	**E3**	**1 000 000**	**0**	0
0 - 100	**E4**	**500 000**	**4**	9

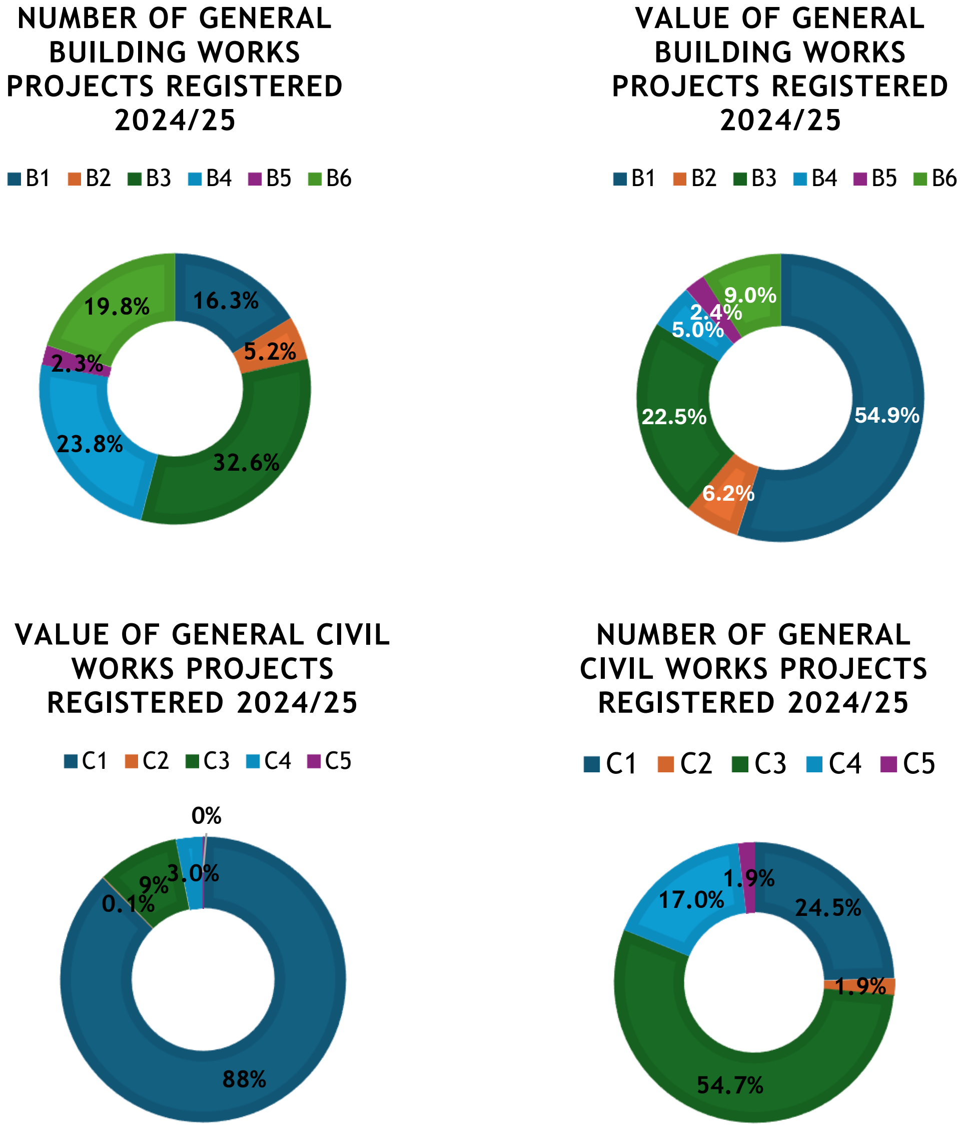
Source: CIC Project Registration database, 2024

Table 15: Mechanical Works

Determining Score Rating	Grade	Maximum Tender Value Range (E)	Number of registered contractors (March 2025)	Number of registered projects 2024/25
301 - 400	**M1**	**No Limit**	**0**	0
201 - 300	**M2**	**2 000 000**	**0**	0
101- 200	**M3**	**1 000 000**	**0**	0
0 - 100	**M4**	**500 000**	**3**	4

Source: CIC Project Registration database, 2024

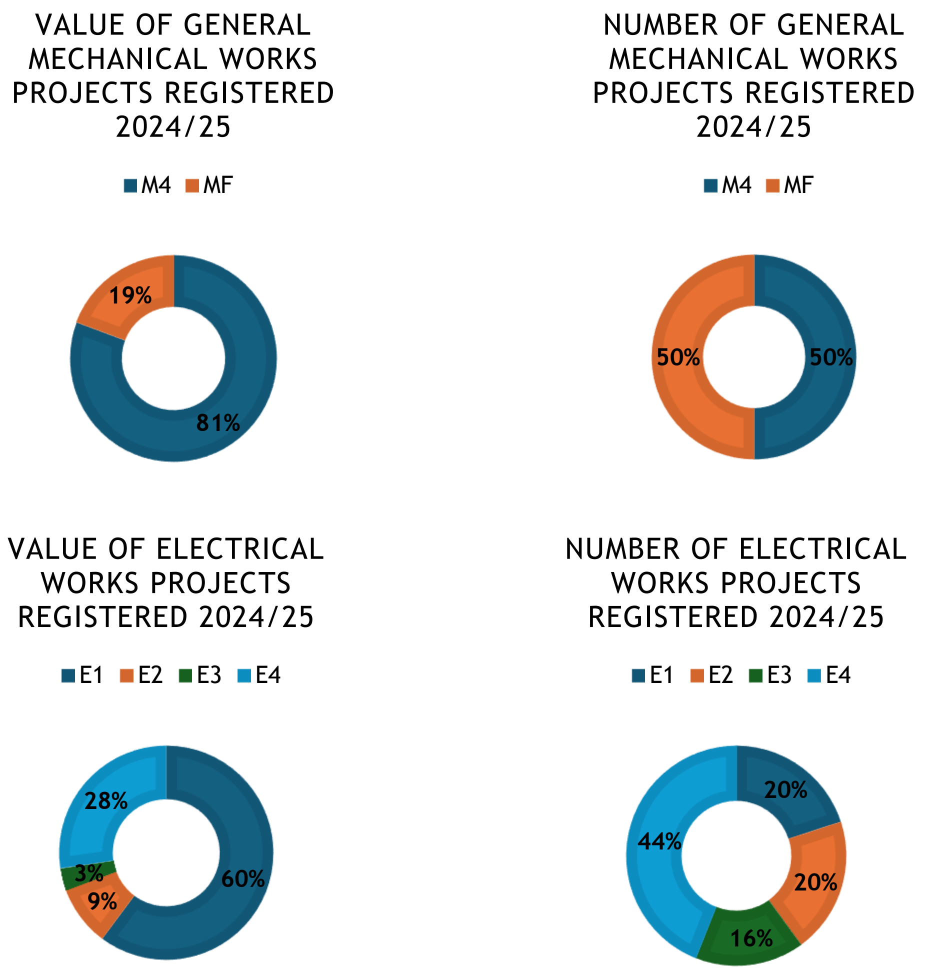
Figure 13: Value and number of General Building and Civil Works



Source: CIC Project Registration database, 2024

General building and civil works projects on average represented 93 percent of the total value of projects that have been awarded and registered during the 2024/25 financial year

Figure 14: Value and number of General Electrical and Mechanical Works



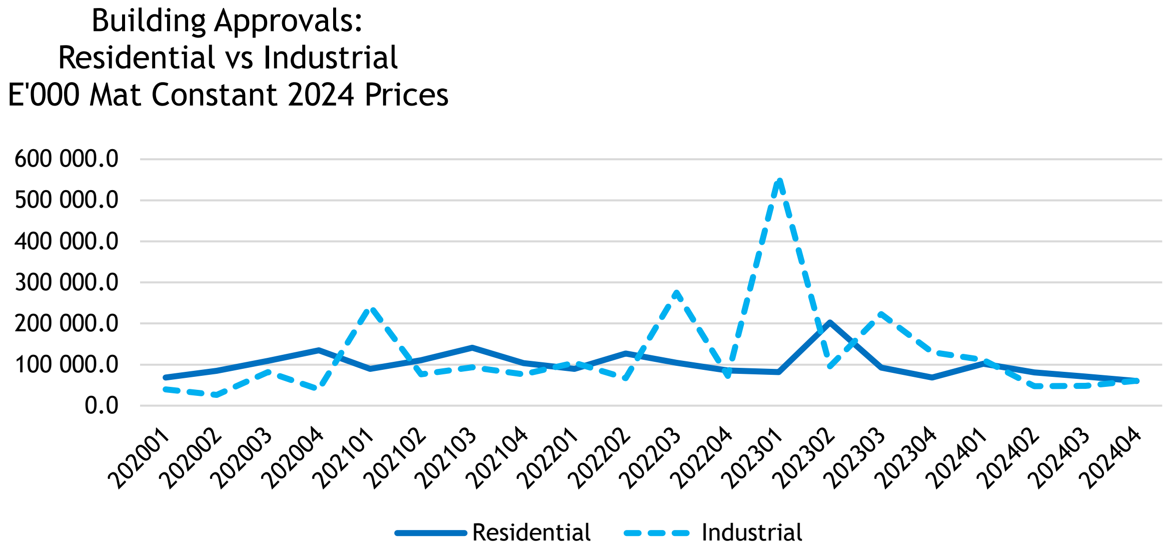
Source: CIC Project Registration database, 2024

6. CONSTRUCTION SECTOR OUTLOOK

6.1 Industrial demand drives growth in approvals for building construction

Approvals for building construction decreased by 60 percent y-y (nominal) in 2024, to close to E615.5 m, representing a decrease of E884m compared to 2023.

Figure 15: Building approvals: Residential vs Industrial (E'000 Constant 2024 Prices)

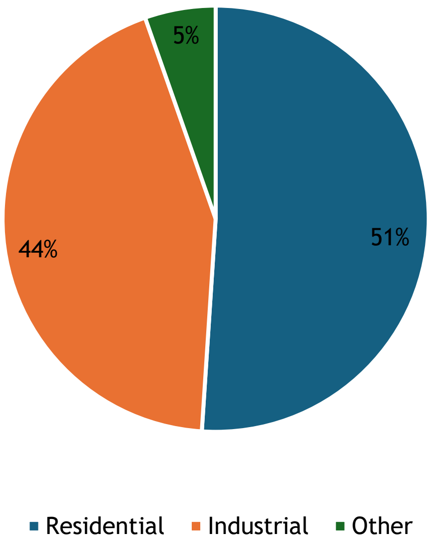


Source: Central Bank of Eswatini. Q4 2024.

The contribution of the residential market declined from 31% in 2023 to 29.5% in 2024, as demand for housing was affected by higher lending rates and rising inflation. The industrial market's share also fell, with approvals dropping by 33% year-on-year to E230 million, despite previously accounting for 65% of the market in 2023 and now making up 73% in 2024. Approvals for other buildings decreased by 32%, contributing about 5% of total approvals—around E33 million for the year. Overall, construction activity declined across all building categories between 2023 and 2024, reflecting a general slowdown in the sector.

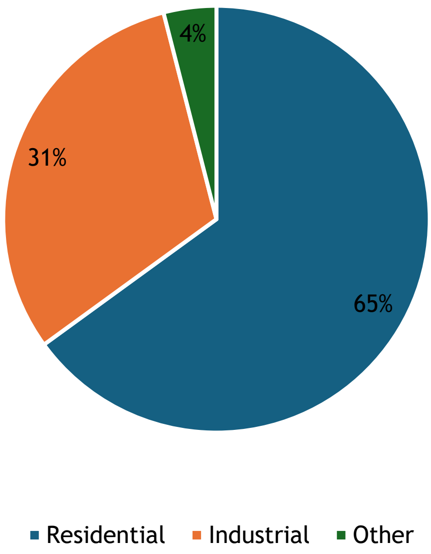
According to official statistics released by the CBE, the number of industrial plans approved decreased by 11 to a total of 101. Of these, 29 approvals were recorded in the first quarter of 2024, while only 24 were approved across the remaining three quarters of the year.

Figure 167: Eswatini Building Approvals 2024/25



Source: CIC Project Registration database, 2024

Figure 178: Eswatini Building Approvals 2023/24



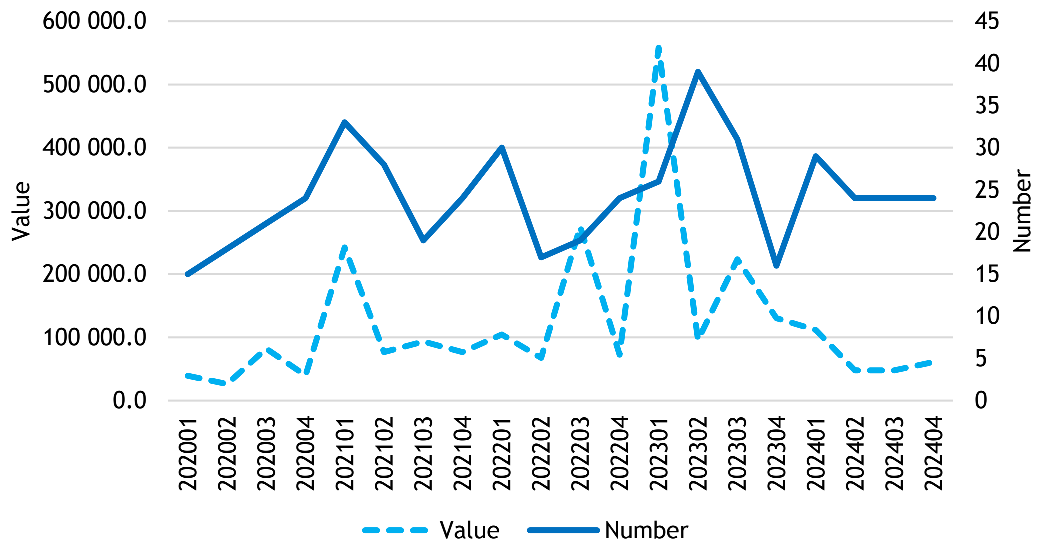
Source: CIC Project Registration database, 2023

A comparison of building project types between the 2023/24 and 2024/25 financial years reveals important shifts in construction activity. In 2023/24, residential projects made up 51 percent of all registered building projects, followed by industrial projects at 44 percent, with other categories such as public and community infrastructure comprising the remaining 5 percent.

In 2024/25, residential projects increased substantially, accounting for 65 percent of all registered projects. This growth points to increasing demand for housing, potentially driven by urbanisation, national housing policies, and population dynamics. At the same time, the proportion of industrial projects decreased to 31 percent, indicating a slowdown in commercial and industrial infrastructure development. The 'Other' category remained relatively stable, representing 4 percent of total construction activity.

This shift in project distribution reflects changing investment priorities, with a clear tilt toward residential development. It suggests heightened activity in the housing sector and a potential completion or delay in larger industrial developments that were prominent in previous years.

Figure 18: Building Approvals: Industrial Number vs Value



Source: Central Bank of Eswatini. Q4 2024

An analysis of project registration data from 2020 to 2024 reveals key developments in the construction sector. The data captures both the number of projects registered and their contract values, highlighting the evolving dynamics of the industry over the past five years.

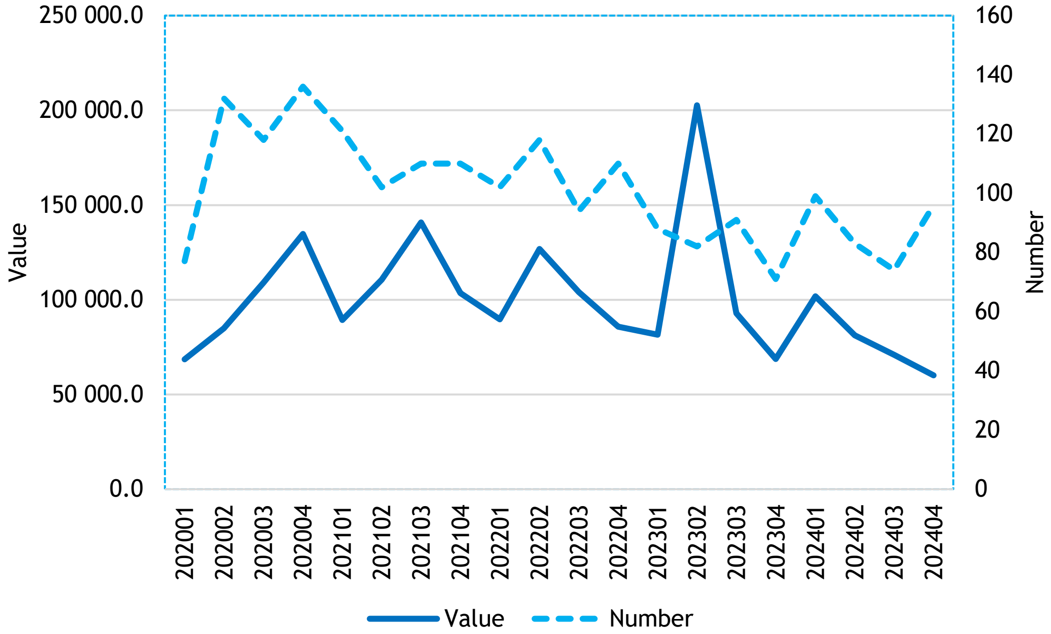
From 2020 through to the first half of 2023, the number of registered projects experienced a steady rise, reaching a peak during the early months of 2023. This growth period reflected increased public investment in infrastructure, continued donor-funded projects, and greater participation from the private sector. However, beginning mid-2023 and extending through 2024, the number of projects stabilised, averaging around 25 projects per quarter. This suggests a slowdown in large-scale development activity and a more cautious investment environment.

In contrast, project values fluctuated sharply. Notable peaks occurred in Q2 and Q4 of 2022 and Q1 of 2023, largely attributed to the registration of major infrastructure undertakings in the transport and water sectors. These surges reflected significant capital allocations by government and development partners. Following these peaks, there was a marked decline in project values throughout the remainder of 2023 and into 2024. This pattern indicates a shift towards lower-value developments, possibly in housing, small public works, and private sector initiatives, rather than large infrastructure builds.

By the close of 2024, the data shows a levelling off in both project numbers and values, reflecting a period of consolidation in the industry. While the volume of activity remained relatively stable, the lower values point to a scaling back of capital-intensive projects, likely influenced by fiscal pressures and a transitioning investment focus.

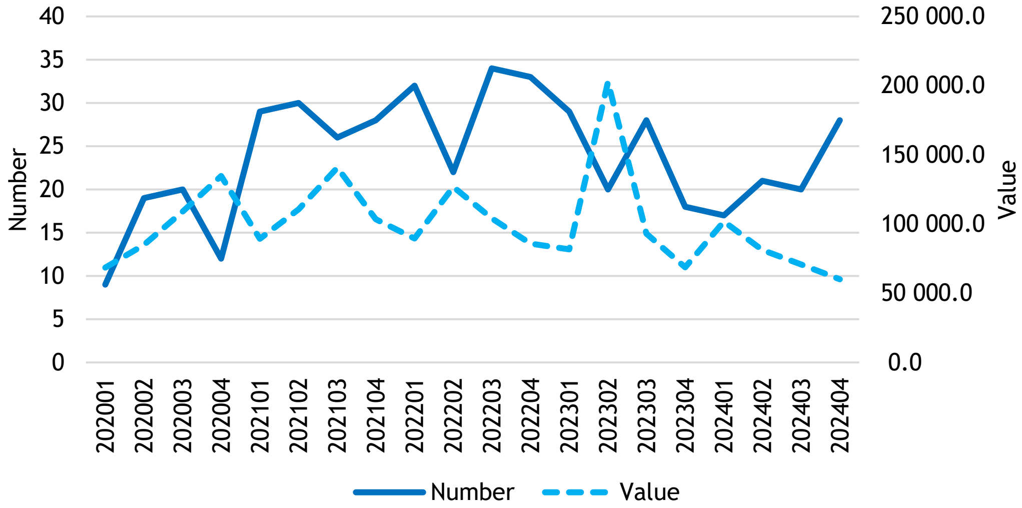
This trend underlines the importance of continued efforts to stimulate higher-value investments and to create an enabling environment that supports project financing and broader private sector participation in the construction industry.

Figure 19: Building Approvals: Residential: Number vs Value



Source: Central Bank of Eswatini. Q4 2024

Figure 20: Building Approvals: Other: Number vs Value



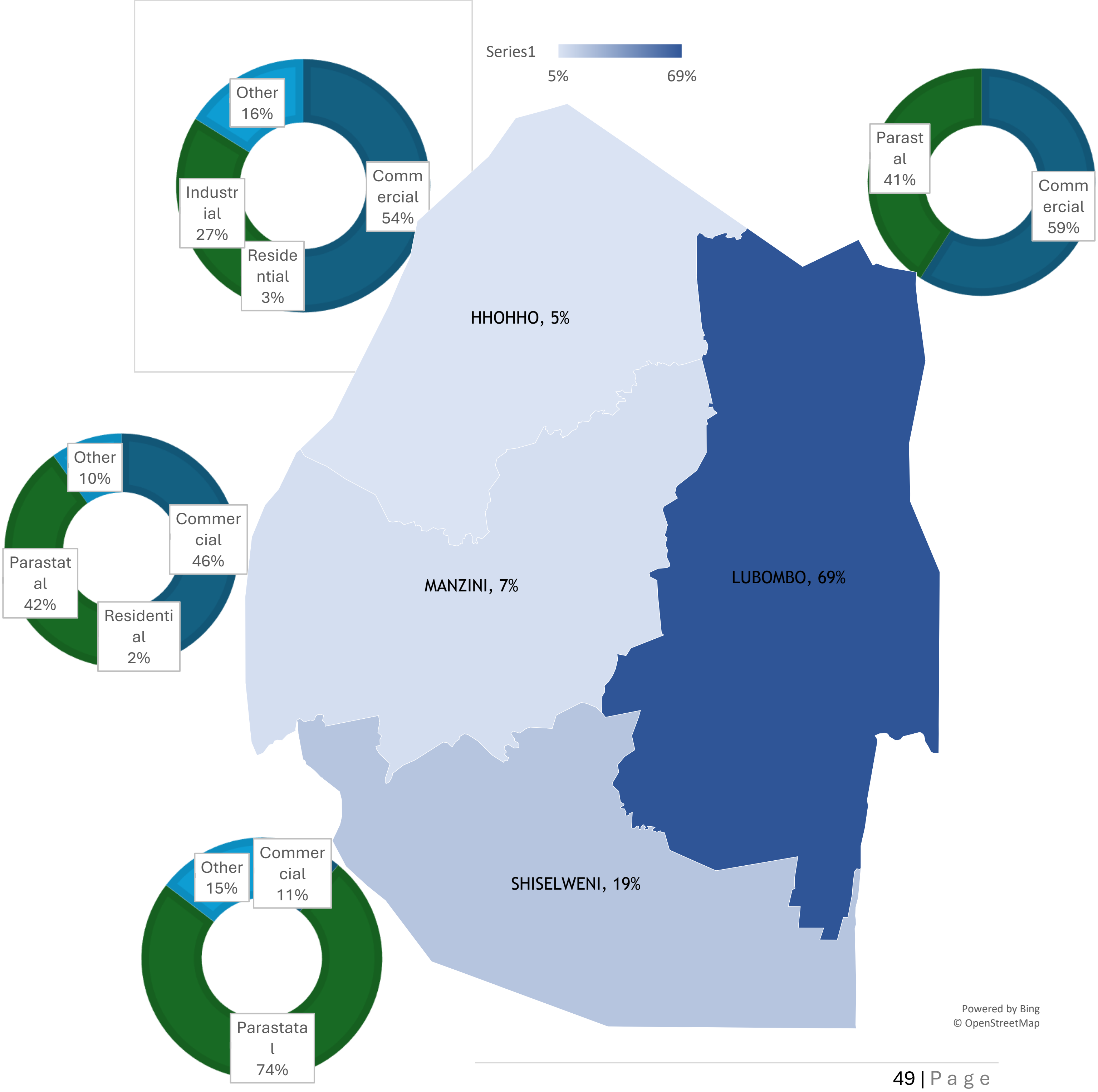
Source: Central Bank of Eswatini. Q4 2024

During the 2024/25 financial year, the number of registered projects within the 'Other' category remained relatively steady, fluctuating between 15 and 30 projects per quarter. Notably, the number of projects rose sharply in Q4 2024, closing the year on a strong note with 28 recorded projects. This increase may reflect heightened implementation activity toward the end of the fiscal year.

On the other hand, the value of projects showed greater volatility. The highest value was recorded in Q1 2023, reaching above E200 million. This peak was not sustained, however, and project value declined steadily through 2023 and 2024, reaching just over E60 million by Q4 2024. This suggests that, although more projects were undertaken in the later quarters, they were generally of lower monetary value.

The divergence between the rising number of projects and falling project values in the latter part of 2024 may point to a shift in infrastructure development strategy. There appears to be a move toward implementing smaller, cost-effective projects that may be spread more widely across the country. These may include public amenities, schools, healthcare posts, or community infrastructure, which align with the broader objectives of the National Development Plan (2023-2028).

Figure 21: Eswatini Building Approvals 2024/25 (Project value)



6.2 Improved outlook for government-funded infrastructure expenditure

The 2024/25 national budget amounted to E29.4 billion, with the government maintaining a pro-growth posture under the theme “Nkwe for Growth”. A significant portion of this budget E6.34 billion, or approximately 22 percent of total expenditure was earmarked for capital investment, reaffirming infrastructure development as a national priority.

The construction sector outlook for 2025/26 is shaped by the Government’s projected capital expenditure allocations under the national budget. According to the 2025/26 budget estimates, the Government has appropriated E7.25 billion for capital expenditure.

For comparison, in the 2024/25 financial year, capital expenditure was budgeted at E6.34 billion, while actual disbursements (releases) of capital expenditure were approximately E6.29 billion.

The increase from a budgeted E6.34 billion (2024/25) to E7.25 billion (2025/26) represents a rise of about 14 percent in appropriated capital expenditure, reflecting a renewed commitment to accelerating infrastructure development. However, the close similarity between the budgeted and the released amount in 2024/25 suggests that while budget estimates are largely feasible, actual implementation may be subject to delays, bottlenecks, or funding disbursement lags.

This upward trend in planned public investment is anticipated to stimulate construction sector activity, especially in transport, energy, water supply, and social infrastructure. However, the degree to which this potential is realised will depend on timely disbursements, efficient procurement, and the capacity of contractors and implementing agencies to execute projects.

The capital budget represents a considerable expansion from prior years, reflecting government efforts to stimulate the economy, improve service delivery, and unlock long-term growth potential through strategic investment in roads, energy, water, and public facilities.

6.2.1 Capital Expenditure and Disbursement

Despite the sizeable allocation, capital disbursement in the early part of the fiscal year remained slow. By the end of the first quarter of 2024/25, only 13 percent of the allocated E6.34 billion had been released. Disbursed amounts included:

- E315 million to the Ministry of Economic Planning and Development,
- E198 million to the Ministry of Public Works and Transport, and
- E89 million to the Ministry of Health.

This disbursement pace aligns with historical trends in delayed capital rollout during the first half of the fiscal year. Nevertheless, delayed disbursement remains a constraint on project execution and impacts infrastructure delivery timelines.

6.2.2 Sectoral Infrastructure Priorities

i. Roads and Transport

Road infrastructure remains a key area of investment. By January 2025, E189 million had already been spent on road development out of a projected annual allocation of E228 million. Ongoing works include upgrades on MR14 and MR21, supported by regional and development finance partners. The King has repeatedly emphasized the importance of completing stalled road projects, including the Nhlangano–Sicunusa Road and Manzini–Mpandze Highway.

ii. Water and Irrigation

Investments in water infrastructure were prioritized under the Lower Usuthu Smallholder Irrigation Project (LUSIP Phase II) and the Mpakeni Dam. These projects are central to supporting agriculture, food security, and rural livelihoods, with a combined allocation exceeding E1 billion. The water sector's importance is underscored by its contribution to climate resilience and sustainable development.

iii. Institutional Infrastructure

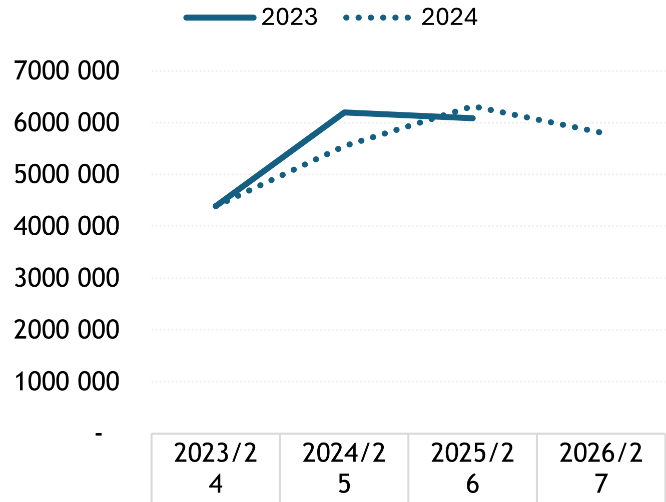
Allocations also supported the continued construction and completion of large-scale national projects, including the Parliament Building, the International Convention Centre (ICC), and the Strategic Oil Reserve Tanks. These projects are expected to unlock long-term administrative and economic benefits upon completion.

iv. Economic and Developmental Implications

The capital expenditure for 2024/25 represents approximately 6 percent of GDP, an increase of 2 percent points from the previous year. The government has emphasized the need for infrastructure development to drive inclusive economic growth, job creation, and improved service delivery. However, the effectiveness of this strategy will depend on improved project implementation capacity and more efficient public financial management systems.

In the broader economic context, total government expenditure increased by 11 percent compared to the previous year, supported by improved domestic revenue performance despite lower Southern African Customs Union (SACU) receipts.

According to the 2025 Eswatini Budget estimates, capital expenditure is increased by 11 percent y-y to E6.34bn, with a further 14 percent increase projected for 2025/26. This means capital expenditure is projected to increase by close to E1bn in the next financial year to E7.25bn by 2025/26. The contribution of capital expenditure to total expenditure, is thereby projected to remain relatively stable from 22 percent in 2022/23 to 22 percent for the period ended 2024/25. The economic spin offs to Eswatini, already operating on an improved economic platform, is higher revenue generation, job creation and economic opportunities. A more detailed analysis of capital expenditure by the various Ministries, shows allocations towards “infrastructure related” items, increased by 20 percent y-y in 2024/25, or E864m to E5.2bn. This does however include a 15 percent downward revision from what was projected in the 2023 Budget for this financial year, but allocations nonetheless remain favourable.



	2023/24	2024/25	2025/26	2026/27
2023	4391 190	6201 031	6091 104	
2024	4391 190	5548 875	6320 127	5812 601

Figure 22: Government funded infrastructure related expenditure 2024 vs 2023

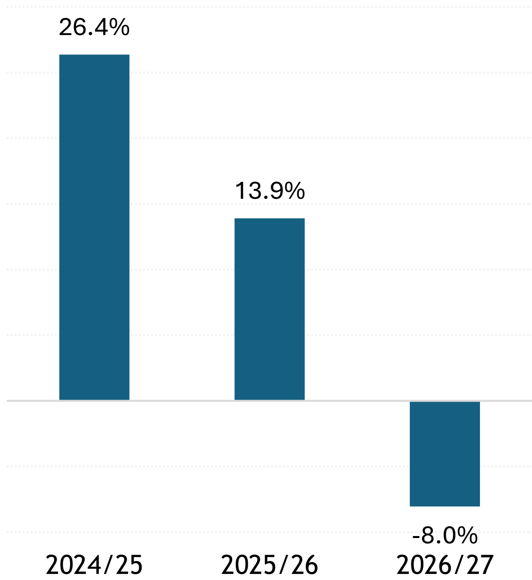


Figure 23: Government funded infrastructure related allocations 2024 Budget Y-Y % change (Current Prices)

The Ministry of Economic Planning and Development received the highest "infrastructure related allocations" of E1.992bn, representing a 21 percent y-y increase. The Ministry of Public Works and Transport was the second most dominant Ministry in terms of projected infrastructure expenditure, with an allocation of E1.4bn, a 21 percent expenditure increase compared with the previous financial year. Allocations to Ministry of Health and Ministry of Education & Training were however increased by 18 percent (E450 m) and 17 percent (E350 m), respectively.

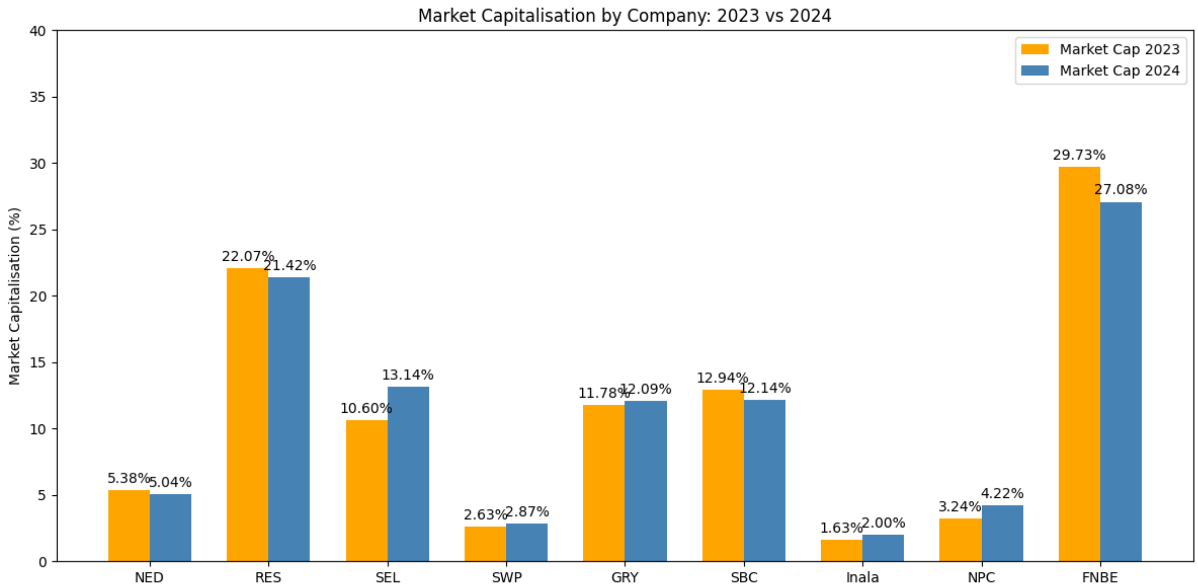
6.2.3 Building Infrastructure

In 2024/25, Eswatini prioritised the development and completion of key public infrastructure projects. Major focus areas included the Parliament Building, International Convention Centre, Strategic Oil Reserve Facility, and infrastructure for education and health services. Despite the budgetary allocations, only 13 percent of the capital budget had been disbursed by the end of June 2024 due to procurement and implementation delays.

6.2.4 Improved investment outlook attracts foreign investment from South Africa, as the ESE hopes to attract local SOE's.
In 2024/25, the Eswatini Stock Exchange upgraded to an Automated Trading System, improving trading efficiency and transparency. Regulatory oversight by the Financial Services Regulatory Authority ensured market integrity. The exchange actively encouraged State-Owned Enterprises to list, aiming to increase market size and attract diverse investors.

In addition, the Eswatini Investment Promotion Authority launched an Investment Conference in early 2025 to showcase opportunities and foster partnerships. These efforts, supported by ongoing infrastructure improvements and policy reforms, enhanced Eswatini's appeal as a destination for foreign and domestic investment.

Figure 24: Market Capitalisation by Company 2023/24 vs 2024/25



Source: ESE Trading Statistics, 2024

The analysis shows that while leading companies like First National Bank Eswatini (FNBE) and Royal Eswatini Sugar Corporation (RES) maintained dominant market shares, both experienced slight declines in 2024. FNBE's market capitalisation decreased from 29.7 percent in 2023 to 27.1 percent in 2024, while RES declined from 22.1 percent to 21.4 percent. These decreases could suggest a redistribution of capital towards other sectors or companies more actively engaged in infrastructure or development-related activities.

Swazi Empowerment Limited (SEL) saw notable growth, increasing from 10.6 percent to 13.1 percent, which may indicate increased activity or investments in areas linked to infrastructure and national development initiatives. Similarly, Greystone Partners (GRY) and New Product Company (NPC) experienced modest growth, potentially reflecting their roles in supporting economic sectors tied to construction, logistics, and property development. Inala Capital also saw a slight increase in its market share.

This shift in market capitalisation highlights a more diversified investment environment where mid-sized and emerging firms are gaining traction, possibly because of the country's continued infrastructure expansion, public-private partnerships, and increased emphasis on national development goals. These patterns align with the broader infrastructure-driven economic strategy Eswatini is pursuing under the National Development Plan (2023–2028), where construction and capital projects remain key drivers of growth.

The data therefore reinforces the centrality of infrastructure development within the economy, as shifts in capital allocation point to a growing role for firms involved in construction-related services and support industries. This trend underlines the significance of the construction sector's performance and the need for continued policy and financial support to sustain momentum in infrastructure delivery.

7. SECTOR REVIEW

7.1 Renewable Energy

In the 2024/25 financial year, Eswatini committed approximately E1.57 billion to support renewable energy expansion and improve electricity access. Key initiatives include the ASCENT Eswatini Program, aimed at connecting 50,000 households through both grid and off-grid solutions, funded by the World Bank. Additionally, the CREATE Project, supported by the European Union and UNDP, promotes renewable energy development for smallholder farmers, youth, and women. The government plans to increase the share of renewable energy to 70 percent by 2034 and cut greenhouse gas emissions by 4 percent by 2030, with a focus on rural electrification, energy efficiency, and green job creation.

7.2 Water infrastructure

During this period, the government intensified its investments in expanding and rehabilitating water supply systems, particularly targeting underserved rural communities where access to clean water remains limited. Despite past progress, approximately 30 to 40 percent of rural populations still lacked reliable access to safe water, highlighting the critical need for sustained interventions.

Efforts to integrate water infrastructure development with broader national goals were evident through alignment with the National Development Plan (2023–2028) and collaborations with international partners such as the African Development Bank and the IBSA partnership (India, Brazil, South Africa). These collaborations provided critical financial and technical support to ensure project sustainability and community involvement.

While progress was notable, challenges persisted, including the need for continuous maintenance of aging infrastructure, addressing funding gaps, and improving coordination among stakeholders. These issues underscore the importance of sustained investment and policy support to ensure long-term water security and infrastructure resilience.

Overall, water infrastructure development in 2024/25 played a pivotal role in supporting Eswatini's socio-economic growth and improving living standards, while providing significant opportunities for the construction sector through increased project activity and skills development.

7.3 Road construction

In 2024/25, government prioritised the rehabilitation and upgrading of key road networks, including the MR14 (Dwaleni–Hlathikhulu–Nhlangano) and MR21 (Mpaka–Matata–Big Bend). These projects were supported through government funding and development partner assistance. By January 2025, approximately E189 million had been spent out of the projected E228 million allocations for the year. Emphasis was also placed on completing long-outstanding roads However, implementation was affected by procurement delays and administrative constraints.

7.4 Housing

A significant focus was placed on the expansion and upgrading of housing facilities to support the rapidly urbanising population. Efforts were directed towards increasing the supply of low- to middle-income housing units, while also improving existing housing stock through renovations and infrastructure services such as water, sanitation, and electricity connections.

Notably, the construction of integrated residential developments linked to Special Economic Zones (SEZs) gained momentum. These housing projects are designed to support industrial growth by providing affordable accommodation for workers and their families near economic hubs, thus reducing commuting times and improving quality of life. The government's commitment to developing these residential estates aligns with its vision to create sustainable urban centres with comprehensive infrastructure, including roads, schools, and health facilities.

The private sector remained a key player in the housing infrastructure space, with several construction firms registering increased activity in residential projects during the year. Additionally, public-private partnerships (PPPs) emerged as effective mechanisms for mobilising resources and expertise to accelerate housing delivery.

Despite these advances, challenges persisted, including high construction costs, limited access to affordable financing, and land tenure issues. These constraints underscore the need for continued policy support and innovative solutions to ensure housing remains accessible to all socio-economic groups.

Table 16: Construction Monitor 2024/25

INDICATOR	Q1 (APR-JUN 2024)	Q2 (JUL-SEP 2024)	Q3 (OCT-DEC 2024)	Q4 (JAN-MAR 2025)
ECONOMIC PERFORMANCE OVERVIEW				
GDP GROWTH RATE	2.5%	-2.9%↓	3.5%↑	-0.8%↓
CONSTRUCTION CONTRIBUTION TO GDP	2.6%	3.1%↑	2.8%↓	2.9% ↑
INFLATION	4.2%↑	4.0%↓	3.6% ↓	4.0%↑
EXCHANGE RATE	E18.38/US$↑	E17.96/US$↓	E17.90/US$↓	E18.57↑
IMPORTS FROM RSA	76.3%	78.5%	87.9% ↑	85.8%
LEADING SOURCED CONSTRUCTION RAW MATERIAL	Steel, electrical and plumbing supplies	Steel, electrical and plumbing supplies	Steel, electrical and plumbing supplies	Steel & Metal, Electrical and Cement
CONSTRUCTION & BUILDING ACTIVITY				
BUILDING PLANS APPROVED	145	128↓	118 ↓	148↑
VALUE OF BUILDINGS PLANS (E' 000)	216,179↓	134,216↓	136,125↑	128,996↓
BUILDINGS PLANS COMPLETED	30	28↓	17↓	17
VALUE OF COMPLETED BUILDINGS (E' 000)	65,610	31,470↓	239,554↑	43,663↓
NEW BUILDINGS PLANS COMPLETED	26	24↓	15↓	16↑
VALUE OF NEW COMPLETED BUILDINGS PLANS (E' 000)	60,490	29,640↓	224,171↑	43,633↓
CONTRACTOR ACTIVITY & PROJECT DISTRIBUTION				

NOT REGISTERED CONTRACTORS	4% (E20M)	5% (E22M)	0.4% (E3.8M)	0.5% (E6M)
LEADING REGION	Lubombo (69%)	Lubombo (65%)	Manzini(63%)	Lubombo (64%)
CONTRACTORS REGISTERED	924↑	418↓	213↓	143↓
PROJECTS REGISTERED	102	113↑	66 ↓	75↑
	LEADING WORKS BY CATEGORY			
LEADING LOCAL WORKS	General Building Works (with B1 @ 37%)	General Civil Works (with C1 @ 69%)	General Building Works (with B1 @ 80%)	General Building Works (with B4 @ 82%)
LEADING SPECIALIST WORKS	Building Specialist (with BSe @ 88%)	Building Specialist (with BSi @ 36%)	Building Specialist (with BSe @ 52%)	Electrical Specialist (with ESb @ 72%)
LEADING FOREIGN WORKS	Building Foreign	Mechanical Foreign	None	None

Source: Construction Industry Council (2025). Construction Project & Contractor Database Analysis 2024/25.