

The Federation of Swaziland Employers and Chamber of Commerce

The Federation of Swaziland Employers and Chamber of Commerce (FSE&CC) is an employer and business organisation that is recognised by businesses, organised labour, government and the international community. As the voice of business in Swaziland, the objectives of the organisation are to promote and protect the interests of its members and to encourage industrial harmony, productivity and prosperity for all. Founded in 2003 as a result of a merger, the Federation of Swaziland Employers and Chamber of Commerce offers a wide range of products and services specifically designed to deliver sophisticated business development solutions to corporate Swaziland. Other services provided include consultation and advice on industrial relations and other legal matters, employment issues, trade facilitation, training, occupational health and safety, publications and research, and representation on statutory and non-statutory bodies. The organisation has been quite successful in the delivery of training and development solutions to a wide array of companies and organisations, and in developing applied business research solutions in the fields of marketing, human resource management and strategic management. Services Provided·

- Training and development solutions;
- Business advisory services;
- Applied business research solutions; and
- Representation services.

Contact information:

P.O. Box Address:

Emafini Business Center

Malagwane Hill Mbabane H100 Swaziland

Phone: (00268) 24040768/ 4408

Fax: (00268) 24090051

Investment Regulations

Incentives on investing in Swaziland can be deemed to be comprehensive, in that they address almost every aspect of the investment process. Most importantly, issues of taxation are given due consideration. The corporate tax rate is 30% for all companies. There is also a provision for loss cover. In that regard, the unlimited loss-carry forward allows a company to carry forward its loss (given that it incurs a loss in the year of assessment), and set it off against future assessable income.

Investment inducements in Swaziland with regards to additional productive capacity are given by way of special deductions allowed in respect of new industrial buildings and of new plant and machinery brought into use in a process of manufacture, and any other similar process, or the hotel industry. The special deductions also apply in respect of second-hand machinery which has not been previously used in Swaziland and also, to leased plant

- **Human resources training rebate:**
Through approval by the Commissioner of Taxes, a rebate of 150% of the cost is written against tax for training schemes.
- **Development Approval Order:**
The Government of Swaziland has identified specific areas to bolster investment (either local or foreign direct investment), and for such areas there exist a special corporate tax incentive. In investments such as; manufacturing, mining, agribusiness, tourism and international financial services; the Minister of Finance has the prerogative to nominate a certain investing company as crucial for the development of Swaziland, and thus with Cabinet approval afford it a minimum tax rate of 10% for a period of ten (10) years on withholding taxes.
- **Duty Free Access on Capital Goods:**
Capital goods imported into the country for productive investments are exempt from import duties.
- **Duty Free Access on Raw Materials:**
Raw materials imported into the country to manufacture products to be exported outside the SACU area are exempt from import duties. |

- **Export Credit Guarantee Scheme:**
Investors who manufacture/process for the export markets can obtain funds from local banks to process their orders. The Government of Swaziland, through the Central Bank of Swaziland, guarantees loans raised for this purpose.
- **Five Year Work and Residence Permits:**
Permits are available for expatriate Directors, Senior Management and key technical personnel of new enterprises.
- **Repatriation of Profits:**
The liberalized foreign exchange mechanisms also allow full repatriation of profits and dividends of enterprises operating in the country. Repatriation is also allowed for salaries of expatriate and capital repayments.
- **Legal Protection of Investments:**
Investments in Swaziland are protected from undue expropriation under the Swaziland Investment Promotion Act of 1998. In addition, Swaziland is a Member of the Multilateral Investment Guarantee Agency (MIGA) of the World Bank which provides for added legal protection of investments.

GUARANTEES

1. Non-discriminatory treatment of foreign investors
2. 100% of foreign ownership of foreign investments
3. Guaranteed repatriation of funds
4. Guarantees against expropriation and government interference
5. Allowance to bring in expatriate technical and senior staff

Exports & Imports

Major exportable items of the country are sugar, cotton, and wood pulp. It exports to the countries such as US, EU and South Africa.

Food, Fuel and Energy and Capital goods are important importable commodities in the country. Its imports partners are Japan, Singapore and South Africa.

Investment opportunities:

- Food processing and Agro-business
- Value Addition to Timber, Sugar and other locally available inputs
- Bio-Energy and Energy
- Light engineering (including Automotive components)
- Pharmaceuticals
- Biotechnology
- Mining investments
- White goods (refrigerators, washing machine, micro wave ovens, etc)
- Tourism infrastructure development
- Textile and leather products manufacture

Sources:

Website of the US State Department.

Investment promotion Authority of Swaziland

<http://www.business-swazi>

<http://www.sipa.org.sz>

<http://www.business-swaziland.com>