KINGDOM OF ESWATINI

MINISTRY OF HOUSING & URBAN DEVELOPMENT

REPORT OF PROCEEDINGS

Eswatini Urban Forum 2026

Day 1: Financing Foundations and Institutional Mandates

DAY 1 • WEDNESDAY, 28 OCTOBER 2026



THEME

Empowering Eswatini's Local Authorities: Financing, Smart Solutions, Resilient Infrastructure, and Housing for All

Palazzo International Convention Centre, Ezulwini • Kingdom of Eswatini

Prepared by **Stratcom (Pty) Ltd**, Official Rapporteur
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REPORT OF PROCEEDINGS • DAY 1

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INTRODUCTION

About this Report

This report is the official record of proceedings for Day 1 of the second Eswatini Urban Forum, held on Wednesday, 28 October 2026 at the Palazzo International Convention Centre (ICC), Ezulwini. The Forum is convened by the Ministry of Housing and Urban Development under the theme **"Empowering Eswatini's Local Authorities: Financing, Smart Solutions, Resilient Infrastructure, and Housing for All."**

Day 1 was dedicated to **Financing Foundations and Institutional Mandates**: the structural core of local government, covering alternative revenue streams, the gap between municipal mandates and resources, and the alignment of national policy with municipal execution.

The report was prepared by Stratcom (Pty) Ltd in its capacity as official rapporteur. It draws on live session notes and transcripts of every address and panel contribution. Statements are attributed to the speakers who made them. Where the rapporteur offers synthesis, it is clearly labelled as such, notably in the Key Messages, Emerging Recommendations and Issues for Days 2 and 3.

HOW TO USE THIS REPORT

- **Section 1** gives a two-page executive summary for principals.
- **Section 2** sets out ten key messages that cut across all sessions.
- **Sections 3 to 5** provide the full record of each session, address and panel contribution.
- **Section 6** tracks commitments, announcements and proposals made on the day.
- **Section 7** proposes emerging recommendations for consideration in the Eswatini Urban Declaration 2026.
- **Annexes** contain key figures cited, notable quotations, the programme as delivered and the photographic record.

OVERVIEW

1. Executive Summary

The second Eswatini Urban Forum was officially opened by the Guest of Honour, **His Excellency the Right Honourable Prime Minister of the Kingdom of Eswatini, Mr. Russell Mmiso Dlamini**, before an audience of Cabinet Ministers, Members of Parliament, the Governor of the Central Bank of Eswatini, traditional leaders and regional administrators, mayors, town clerks and chief executives of local authorities, development partners, the private sector, civil society, youth and the media.

Day 1 unfolded in three segments: the **Grand Opening Plenary**, with eight addresses from national, regional and international leaders; **Plenary Session 1** on sustainable revenue streams and unlocking local government financing, anchored by a position paper from the Governor of the Central Bank; and **Plenary Session 2** on advancing devolution through urban local authorities.

8
Opening Plenary addresses

9
Plenary presentations across two sessions

20
Commitments, announcements and proposals recorded

E2.4bn
Local authority funding gap identified

The defining message: from dialogue to deeds

One message ran through the day from the first address to the last. The Forum must produce action, not statements. His Excellency the Prime Minister declared that "talk is cheap; what matters is implementation," and that the Forum's success would be measured "not by the eloquence of its discussions but by the deeds that follow." South Africa's delegation put it plainly: "We don't lack policies." The UN-Habitat Regional Director invoked the Nairobi Declaration's call to move from recognition to practical measures. In the final session, the Principal Secretary of Public Works and Transport warned that, without the Local Government Bill, the Forum risked ending with "wonderful statements" that never become action.

Highlights of the day

- **A planning window, not a crisis.** The UN Resident Coordinator reported that Eswatini is urbanising at about 2.7% a year, slower than the African average, and is projected to reach 35% urbanisation by 2050. He urged delegates to treat this slower pace as a strategic advantage for proactive, deliberate planning.
- **The money exists; the instruments do not.** The Governor of the Central Bank of Eswatini, Dr. Phil Mnisi, told delegates that close to E200 billion sits in the domestic financial system (about E125 billion in the non-bank financial sector and about E48 billion in banks). "The challenge is not a lack of money," he said, but the absence of credible, investable opportunities and a deep capital market. No Eswatini municipality has yet issued a municipal bond.

- **A quantified funding gap.** The World Bank's Eswatini Urbanisation Review, approved by Cabinet, has so far identified a combined local authority funding gap of about **E2.4 billion**. A validation workshop is planned for March.
- **Obligations up, funding down.** Honourable Appolo M. Maphalala, Minister of Housing and Urban Development, noted that central Government grants to local authorities are shrinking while obligations rise, and challenged municipalities to move from "controllers" to "enablers."
- **Revenue leakage at home.** Ezulwini Town Council CEO Mr. Mathokoza Shongwe identified central Government as the major defaulter on property rates and noted that no municipality employs an in-house land valuer.
- **A whole-of-government compliance idea.** The Eswatini Revenue Service proposed linking ERS tax clearance to municipal rates compliance. The Minister welcomed it publicly and undertook to consider whether it can be pursued.
- **A first PPP.** Ezulwini Town Council announced that the Ezulwini road link proposed by the Governor will be pursued as its first public-private partnership. The Minister asked that it be designed together with the widening of the MR103 past the Palazzo ICC.
- **Outdated laws.** Speakers repeatedly cited the Town Planning Act of 1961, the Urban Government Act of 1969, an urban government policy last reviewed in 1996 and the long-pending Local Government Bill as binding constraints. A National Spatial Plan was called for by UN-Habitat and echoed by the Minister.
- **Devolution: ready, but constrained.** Panellists agreed that urban councils are administratively ready for devolution, having "passed the apprentice stage," but remain constrained by thin fiscal autonomy, a delegated rather than devolved political mandate, and limited control over human resources. Proposals included phased devolution, a statutory funding formula and performance contracts.
- **Regional leadership.** South Africa commended Eswatini, and Minister Maphalala personally, for contributions to the SADC Draft Regional Strategy on the Transformation of Informal Settlements and Slums, and to the August 2026 decision to establish a SADC Ministerial Committee on Urban Development and Human Settlements.

Looking ahead

Day 1 laid the financial and institutional foundation for the Forum. The commitments and proposals recorded in Section 6, and the emerging recommendations in Section 7, are offered as building blocks for the **Eswatini Urban Declaration 2026**, to be adopted on Day 3.

SYNTHESIS

2. Key Messages of Day 1

The following ten messages are the rapporteur's synthesis of themes that recurred across sessions and speakers.

1. Implementation must replace endless planning

The Prime Minister, South Africa's Deputy Director-General, the UN-Habitat Regional Director and several panellists converged on one point: Eswatini does not lack policies or ideas, it lacks execution. The Forum's legacy will be judged by the deeds that follow.

2. Eswatini's slower urbanisation is a window to plan ahead

At about 2.7% a year, Eswatini is urbanising more slowly than its neighbours. This gives the Kingdom time to plan deliberately, apply strategic foresight and get land, spatial and infrastructure fundamentals right before growth accelerates.

3. Municipal finance is a national economic growth issue

The Governor framed municipal finance not as a local accounting matter but as the foundation of investor confidence, competitiveness and jobs. "Strong nations require strong local governments."

4. Capital is available; bankable projects and credible institutions are not

Close to E200 billion sits in domestic financial institutions. Unlocking it for municipal infrastructure requires infrastructure, municipal and green bonds, public-private partnerships, a bankable project pipeline and clean, timely audited accounts.

5. Own-source revenue is the foundation of everything else

Every financing speaker stressed that bonds and PPPs are built on reliable own-source revenue. The priority is to collect efficiently what is already owed: verified property bases, accurate billing, debt segmentation, convenient payment, firm and lawful enforcement, and settlement of Government's own rates arrears.

6. The legal and policy framework is out of date

The Town Planning Act (1961), Urban Government Act (1969), Rating Act and an urban government policy last reviewed in 1996 no longer match today's realities. Conflicts between the Urban Government Act and the Public Finance Management Act on borrowing must be resolved. The Local Government Bill must be finalised.

7. Planning must extend beyond town boundaries

Growth is happening in peri-urban areas, on Swazi National Land and along newly upgraded trunk roads. Speakers called for a National Spatial Plan, bulk infrastructure ahead of industrial parks, land banks, and active partnership with chiefs and regional administrators.

8. Devolution is ready to advance, in phases

Urban councils already deliver core functions and are administratively ready. Devolution should be phased, starting with functions councils perform well, with funds and revenue powers moving together with functions, backed by a predictable statutory formula and clear accountability.

9. Data is the precondition for planning and finance

Land governance, valuation rolls, housing demand and urban growth all suffer from fragmented or missing data. The World Bank Urbanisation Review and integrated, GIS-linked municipal data systems were presented as priorities.

10. People must remain at the centre

Housing is "dignity, security, stability and hope," in the words of His Majesty King Mswati III quoted by the Prime Minister. Youth, women, persons with disabilities and low-income households must be included in every urban initiative. The Minister set out the ambition of a slum-free Eswatini that other countries can learn from.

SESSION RECORD

3. Grand Opening Plenary

Programme Director: Dr. Simon M. Zwane, Principal Secretary, Ministry of Housing and Urban Development



Hon. Appolo Maphalala arrives at the Palazzo ICC ahead of the official opening.



H.E. Russell Dlamini is welcomed at the entrance of the convention centre.

3.1 Opening of the Session

The official opening of the second Eswatini Urban Forum was directed by **Dr. Simon M. Zwane, Principal Secretary in the Ministry of Housing and Urban Development**. He asked that the Forum be built on "a firm foundation" of the Word of God and prayer, and invited a spiritual reflection before formal proceedings.

Dr. Zwane acknowledged the dignitaries present, led by the Guest of Honour, His Excellency the Right Honourable Prime Minister, Mr. Russell Mmiso Dlamini, and the Honourable Minister of Housing and Urban Development, Mr. Appolo M. Maphalala. He also recognised the representative of the Minister of Human Settlements of the Republic of South Africa; Cabinet Ministers and Members of Parliament; the Governor of the Central Bank of Eswatini; the leadership of the Ezulwini Town Council; representatives of UN-Habitat, the United Nations Resident Coordinator, UNDP, the World Bank and the Commonwealth; senior government officials; mayors, chairpersons, town clerks and local authority leaders; development partners; captains of industry; civil society and youth organisations; and the media.

He noted that this is the second edition of the Forum, following the inaugural Eswatini Urban Forum in 2024, and described it as a platform for:

- learning from experts and practitioners ("learning from the best");
- sharing ideas and solutions;
- building partnerships and networks; and
- advancing sustainable urban development.

3.2 Opening Reflection and Prayer

Pastor Cinisela Dlamini, Chief Executive Officer (Town Clerk), Malkerns Town Council

Pastor Dlamini read from Acts 3:1–6, the account of Peter and John meeting a lame man at the Beautiful Gate of the temple, and drew on two phrases: "Look at us" and "Silver and gold I do not have, but what I have I give you."

He likened delegates to the two apostles. Through the Forum, he said, the local government sector is telling the nation and the world "look at us," and offering what it has even where financial resources are limited. He gave the call four meanings:

1. **We are present and available**, ready to respond to the needs of the nation in the urban space.
2. **We have something**: delegates are not empty-handed and bring abilities and competencies.
3. **We can make a difference**: presence and capacity must become impact.
4. **We will not disappoint**: a commitment to consistency and reliability.

> **"One is too small a number to achieve greatness."**
>
> **— Pastor Cinisela Dlamini**

He expressed the hope that delegates' presence would bring hope, their abilities would bring solutions and their willingness would bring transformation. In prayer, he asked for wisdom for the nation's leaders and the Forum's organisers, for the removal of fear, indifference, selfishness and "the tendency to wait for someone else to act," and for the boldness to act. He committed the three-day Forum into God's hands.

3.3 Welcome Remarks: Host Local Authority

Mr. Comfort Hlophe, Chairperson, Ezulwini Town Council

On behalf of the councillors, management, staff and residents of Ezulwini, Mr. Hlophe welcomed delegates to the Kingdom and to the Palazzo ICC. He thanked His Excellency the Prime Minister for honouring the occasion, a sign of the importance Government places on sustainable urban development, and commended the Minister and Ministry of Housing and Urban Development for convening stakeholders.

Describing local authorities as "the front line of service delivery," he said municipalities face growing demand, limited finances, pressure on infrastructure and a rising need for affordable housing. The task is not only to manage towns as they are today, but to prepare them for the future. He set out four priorities:

- **Strengthening municipal finance**: better property valuation and rate collection, stronger billing, reduced revenue leakage, enforcement of compliance and viable commercial ventures, matched by transparency and responsible spending. For Ezulwini, the challenge is to turn tourism, hospitality and property activity into sustainable municipal revenue.

- **Embracing smart solutions**: digital billing, electronic payments, improved property databases and data-driven planning, with a focus on practical, affordable technology rather than "technology for its own sake."
- **Investing in resilient infrastructure**: roads, drainage, public lighting and waste management designed to withstand climate change and accommodate growth.
- **Advancing housing for all**: wider access to serviced land, appropriate housing options and services, particularly for low- and middle-income households and vulnerable communities.

> **EZULWINI'S MOBILITY APPEAL**
>
> Mr. Hlophe noted that the Palazzo ICC is served by a dual carriageway of just under one kilometre, beyond which the road network is congested. Ezulwini's 2023 Comprehensive Mobility Plan calls for widening key routes, including the stretch from the ERS and Central Bank complex to Lobamba Police Station, and a link to the MR3 highway. The upgrades are estimated at about **E300 million**, beyond the municipality's means. He appealed directly to His Excellency the Prime Minister for central Government support, adding with humour that Ezulwini is where one "discovers happiness," but not during rush hour.

He urged delegates to use the three days to move beyond identifying challenges to practical solutions: expanding revenue bases, attracting investment, using technology effectively, financing resilient infrastructure and creating opportunities for affordable housing, through partnership among national Government, municipalities, development partners, financiers, the private sector and communities.

3.4 Remarks: United Nations Resident Coordinator

Mr. George Wachira, United Nations Resident Coordinator in the Kingdom of Eswatini

Introduced as the coordinator of 21 resident and non-resident UN organisations in Eswatini, Mr. Wachira extended a special welcome to Mr. Oumar Sylla, Director of the UN-Habitat Regional Office for Africa. He announced that, **for the first time, UN-Habitat is among the 21 signatories to the United Nations Sustainable Development Cooperation Framework for Eswatini (2026–2030).**

The urbanisation picture

- **Global:** about 45% of the world's 8.2 billion people live in cities and a further 36% in towns. Two-thirds of population growth to 2050 is expected in cities. More than 1.1 billion people already live in informal settlements.
- **Africa:** the urban population is expected to double from about 700 million to 1.4 billion by 2050, much of it in small and medium-sized towns.
- **Southern Africa:** more than half the population is already urban, projected to reach about three-quarters by mid-century.
- **Eswatini:** growth is concentrated along the Mbabane–Manzini corridor, including Matsapha, which accounts for about 90% of the economy. Much of it is happening outside town boundaries, in peri-urban areas and on Swazi National Land. The Kingdom is urbanising at about 2.7% a year and is projected to reach 35% urbanisation by 2050.

> **"We must see this slower pace of urbanisation as both an advantage and an opportunity. We have the space for proactive and deliberate planning."**
>
> **— Mr. George Wachira, UN Resident Coordinator**

Policy gaps and suggested actions

Mr. Wachira identified four gaps: **land governance** (a unified system under one roof), **outdated planning law** (the Town Planning Act of 1961), **municipal finance** ("as long as we have poor financing for our municipalities," the result will be poor planning and poor lives) and **data**. He proposed applying strategic foresight to choose desired urban futures and test today's decisions against them; using the current National Land Policy revision to guide peri-urban development; and completing planning frameworks, strengthening local finances and upgrading settlements to prevent informal growth.

He cited momentum already under way: the National Land Policy revision; the Ministry's Strategic Plan 2025–2030; the Urban Development Project, under which settlements in Mbabane and Manzini have been upgraded to 99-year leases; and the UN-Habitat partnership on the Mkhondvo–Ngwavuma Eco City in the Shiselweni Region. Botswana, South Africa and Rwanda, he said, offer valuable lessons.

UN commitment

On behalf of the UN system, he reaffirmed readiness to partner with Eswatini: UNDP is supporting the land policy revision; UN-Habitat worked with the Ministry on Eswatini's first national report on the New Urban Agenda; FAO has submitted a proposal to the Adaptation Fund for climate-resilient urban agriculture in five towns; and UNEP stands ready to integrate environmental sustainability and climate resilience into urban centres. Eswatini, he concluded, is well positioned to build towns with decent housing, resilient services, safe public spaces and opportunity for all, "but only if we use this moment."

Following the address, the Programme Director recognised a group of young people in the hall, inviting them to stand so that His Excellency could see "the country's future leaders in the urban space."

3.5 Remarks: UN-Habitat Regional Office for Africa

Mr. Oumar Sylla, Director, Regional Office for Africa, United Nations Human Settlements Programme (UN-Habitat)

Mr. Sylla conveyed UN-Habitat's greetings and reaffirmed its commitment to working with the Government and people of Eswatini. He noted the significance of the Forum falling within **Urban October** and building momentum towards **World Cities Day on 31 October**. The theme, he said, speaks directly to the New Urban Agenda and Sustainable Development Goal 11, and he affirmed local authorities as the front line of delivery.

Referring to the Nairobi Declaration, he urged stakeholders to move from recognising the importance of sustainable urbanisation to taking practical measures. The central question is how

to give local authorities the "resources, knowledge, tools and partnerships" to turn plans into tangible improvements in people's lives.

> **A CALL FOR A NATIONAL SPATIAL PLAN**
>
> Mr. Sylla reported that he had discussed with His Excellency the Prime Minister, before the session, the need for Eswatini to develop a **National Spatial Plan**, describing it as a critical tool for guiding development and infrastructure investment across the country.

- **Empowering local authorities.** Municipalities face constraints in financing, technical capacity, infrastructure and access to technology. Addressing them requires stronger capacity, better planning, enabling financing mechanisms and, above all, strong political will. UN-Habitat promotes integrated planning of housing, land use, transport, water, sanitation, waste and economic development.
- **The Eco City Master Plan.** He cited the recently concluded master plan, developed by UN-Habitat and the Government with African Development Bank support and aligned with the Mkhondvo–Ngwavuma Water Augmentation Programme. A master plan, he stressed, delivers value only once implemented, through clear priorities, phased investment, institutional coordination and community participation. UN-Habitat stands ready to support implementation.
- **Financing.** Public resources must be complemented by innovative finance and stronger engagement with development finance institutions and the private sector. Local authorities need support to prepare credible, costed and investment-ready projects.
- **Resilience and smart solutions.** Infrastructure must withstand flooding, water scarcity and environmental degradation. Digital solutions should be practical, affordable, inclusive and suited to local capacity.
- **People at the centre.** Addressing His Excellency directly, he called for affordable housing, basic services, safe public spaces and economic opportunity, particularly for low-income households, women, young people and persons with disabilities, so that "no one and no place is left behind."

3.6 Message of Solidarity: Republic of South Africa

> *Ms. Sindisiwe Ngxongo, Deputy Director-General, Department of Human Settlements, on behalf of Hon. Thembi Simelane, Minister of Human Settlements, Republic of South Africa*

Delivering a message on behalf of Minister Simelane and the people of South Africa, Ms. Ngcongo described the two countries as sister nations bound by shared culture, geography and history, with relations structured through the Joint Bilateral Commission for Cooperation established in 2004.

Six lessons from South Africa's National Urban Forum

South Africa held its first National Urban Forum in 2024 and a second in 2025. Ms. Ngcongo shared six lessons:

1. **From dialogue to action.** "We don't lack policies"; what is lacking is implementation and the localisation of global commitments.

2. **Diversify municipal finance** and reduce over-reliance on national grants.
3. **Strengthen intermediate and secondary cities**, not only metropolitan areas, to slow unplanned urbanisation and sprawl.
4. **Rural–urban linkages and spatial justice**, to undo fragmented, costly settlement patterns.
5. **Climate resilience**, through climate-smart infrastructure and localised renewable energy.
6. **Cross-cutting integration** of local economic development, municipal safety, flood systems and skills.

The regional picture

Ms. Ngcongo noted that the SADC urban population grew by an average of 3.8% a year between 2000 and 2020 and is projected to grow by 3.7% a year to 2030, doubling roughly every 18 years. Nearly half of the region's urban population lives in informal settlements, many in disaster-prone areas. She outlined the **Global Action Plan: Accelerating the Transformation of Informal Settlements and Slums by 2030**, championed by South Africa, launched in Pretoria in 2022 and reinforced by a UN-Habitat Assembly resolution in June 2023, with ten strategic interventions ranging from integrated urban management to climate adaptation.

RECOGNITION OF ESWATINI'S REGIONAL LEADERSHIP

- In **August 2026**, the SADC Council of Ministers, meeting in Durban, decided to establish a statutory **Ministerial Committee on Urban Development and Human Settlements**, the sector's first formal structure in SADC.
- South Africa commended Eswatini, including the personal involvement of **Honourable Minister Appolo Maphalala**, for contributions to the **SADC Draft Regional Strategy on the Transformation of Informal Settlements and Slums**, expected to be adopted at the Committee's inaugural meeting.

She closed by wishing the Government and people of Eswatini a successful Forum and calling for inclusive, resilient human settlements built on collaboration, principled leadership and ethical governance.

3.7 Welcome Remarks and Setting of the Tone: Host Minister

Honourable Appolo M. Maphalala, Minister of Housing and Urban Development

The Minister thanked His Excellency the Prime Minister for attending despite a demanding schedule, noting that he had come directly from a meeting on alternative financing for public infrastructure, a subject central to the Forum.

A vision of a slum-free Eswatini

Recalling Mr. Sylla's earlier visit, when the Minister, then Town Clerk of Malkerns, accompanied him through the Mangozeni informal settlement, the Minister related Mr. Sylla's observation that Eswatini did not really have informal settlements by international standards. From that exchange came a shared aspiration: because informality in Eswatini is far less severe than elsewhere, **the Kingdom is well placed to become a slum-free country**, and, with UN-Habitat's support, a reference point for others.

Five challenges to delegates

Setting aside a prepared speech, the Minister put five direct challenges to delegates, which he described as "not academic and superficial" but real.

1. **Bulk infrastructure for industrialisation.** The Mhlaleni–Kwaluseni corridor in Matsapha reflects disjointed planning: industry was established without a matching housing programme. As Government drives industrial parks across the country, the Ministry must provide matching bulk water and sewer infrastructure, or the Matsapha pattern will be repeated. "I'm trying to see if this is sinking in, because if it is not sinking in, we are sinking."
2. **Financing local government.** Reliance on subventions alone no longer works. "The obligations are going up, but the funding is going down." Municipalities must forge new partnerships, build new competencies and move from regulators that say "no" to **enablers**, while keeping order. Government is also pursuing a countrywide system of local government that brings synergy between urban and rural areas.
3. **Understanding housing demand.** Eswatini has never comprehensively assessed housing demand. **Cabinet has approved the Ministry's engagement with the World Bank on an Urbanisation Review**, with initial findings hoped for before the new financial year. Humanitarian social housing efforts under the Deputy Prime Minister's Office lack a clear policy to regulate and fund them.
4. **A National Spatial Planning Framework.** Urban areas have planning schemes, but outside them development is largely unregulated, including on agricultural land. Unchecked growth makes future sewer and bulk infrastructure costly or impossible. The Ministry has begun engaging chiefs through regional administrators' meetings in Lubombo and Manzini, noting that unplanned allocation without land banks threatens the future of chieftaincy itself.
5. **Leadership, foresight and urbanisation along roads.** "If the future is urban, we can't be looking back when we are supposed to be looking forward." Rural areas are themselves urbanising, and settlement follows trunk roads. With close to **E4 billion** being invested in roads, including the MR14 and MR21, planned settlement along new routes is essential.

The Minister commended His Excellency's "disruptive leadership," a structured challenge to established ways of doing things, and pointed to the Palazzo ICC itself as proof of what visionary leadership can achieve.

3.8 Keynote Address and Official Opening: Guest of Honour

> *His Excellency the Right Honourable Prime Minister of the Kingdom of Eswatini, Mr. Russell Mmiso Dlamini*

Opening remarks in siSwati

Before his prepared address, His Excellency spoke briefly in siSwati. He challenged every municipality to have a clear development blueprint, drawing on Dr. Martin Luther King Jr.'s question, "What is your life's blueprint?" He called for emotional intelligence alongside intellectual ability, and urged delegates to see every idea through from concept to implementation. Recalling His Majesty the King's vision of a First World Eswatini and the counsel of Her Majesty the Queen Mother on orderly land allocation and settlement planning, he called on municipalities to adopt exceptionally high standards and to embrace the spirit of "Nkwe!": urgency, determination and results.

> **“Let us not settle for mediocrity. Let's pursue excellence.”**
>
> **— H.E. the Right Honourable Prime Minister**

A forum about the nation's future

His Excellency said delegates had gathered not simply to speak of towns, roads and dwellings, but to consider "the kind of nation to be handed to future generations of Emaswati." Eswatini stands at the threshold of a new season: towns are spreading outward, new commercial corridors are forming, and demand for housing, infrastructure and services grows each year. Leaders carry a solemn responsibility to guide this growth with wisdom and share it fairly.

Guided by the vision of **His Majesty King Mswati III**, he recalled His Majesty's address to the 13th World Urban Forum in Baku, Azerbaijan:

> **“Housing is not simply concrete and steel. Housing embodies dignity, security, stability and hope. A home is the foundation of strong families and resilient communities.”**
>
> **— His Majesty King Mswati III, quoted by H.E. the Prime Minister**

Policy direction set by the Keynote

- **New ways of financing development.** Government resources alone cannot meet infrastructure needs. Public-private partnerships, blended finance, green financing instruments and strategic development investment "must take their rightful place." The nation must cultivate a climate in which investors commit with confidence.
- **Smart governance and digital transformation.** Smart governance systems, digital service platforms, integrated planning tools and intelligent revenue management are becoming indispensable. "It is not enough for us to keep pace with change. We must stand at its forefront."
- **Climate resilience as a necessity.** Resilience must be built into the planning, design, construction and maintenance of roads, bridges, drainage, utilities and public buildings. Sustainable drainage, renewable energy, green infrastructure and circular economy principles must become standard practice. Resilient infrastructure is "a plain economic necessity."
- **Housing for all.** "No city may rightly call itself successful while a great portion of its people remain without safe, affordable and dignified shelter." He called for reform of land delivery, broader access to housing finance, sustainable construction and policies that open home ownership to many more families.
- **Inclusion.** The participation of young people is "not merely welcome; it is indispensable." Accessibility must be a first principle in everything built.

His Excellency commended the Ministry and its agencies, the Eswatini Housing Board for widening access to affordable housing, and the Eswatini National Fire and Emergency Services for protecting life and property. He affirmed that His Majesty's Government stands resolved to

provide the policy, legislative and regulatory foundation for local authorities, while stressing that Government cannot carry the burden alone.

> **"Posterity will judge us not by the ambitions we proclaim, but by the legacy we leave."**
>
> **— H.E. the Right Honourable Prime Minister**

With those words, His Excellency the Right Honourable Prime Minister **declared the second Eswatini Urban Forum 2026 officially open.**

3.9 Official Photographs

The Opening Plenary concluded with official photographs of dignitaries, delegates and learners at the Forum backdrop.



Official photograph of dignitaries and guests at the opening of the second Eswatini Urban Forum.



Dignitaries and guests at the official photograph session.



Learners join dignitaries for an official photograph, a reminder of the Forum's focus on the next generation.

SESSION RECORD

4. Plenary Session 1: Sustainable Revenue Streams

Financing the Future of Eswatini's Local Authorities and Unlocking Local Government Financing

Programme Director: Mr. Roison Pave, Chief Executive Officer, Piggs Peak Town Council | Moderator: Ms. Sithembile Simelane, Chief Executive Officer, Siteki Town Council



Plenary Session 1 under way at the Palazzo ICC. ***Dr. Phil Mnisi, Governor of the Central Bank of Eswatini***

SESSION AT A GLANCE

- No Eswatini municipality has yet issued a bond, yet close to **E200 billion** sits in the domestic financial system.
- The Government infrastructure bond programme has roughly **E1 billion** in unused capacity that municipal projects could tap.
- Local authorities consulted by the World Bank have identified a combined funding gap of about **E2.4 billion**.
- Central Government was named the **major defaulter** on municipal property rates.
- ERS proposed linking **tax clearance to municipal rates compliance**.
- Ezulwini Town Council will pursue the **Ezulwini road link as its first PPP**.

4.1 Moderator's Framing

Ms. Simelane, an executive with more than 18 years in local government administration, finance and urban development, observed that local mandates are expanding far faster than municipal resources. She called for a frank conversation on real alternatives: expanding the local tax base, updating property ratings, improving revenue intelligence, monetising municipal assets, structuring municipal bonds, public-private partnerships and fiscal decentralisation frameworks.

4.2 Position Paper: Dr. Phil Mnisi, Governor of the Central Bank of Eswatini

> *Sustainable Revenue Streams: Financing the Future of Eswatini's Local Authorities and Unlocking Local Government Financing*

Dr. Mnisi presented a high-level summary of a full position paper, which he requested be made available to delegates. The paper covers the financing challenge facing local governments, why municipal finance matters for growth, unlocking domestic capital markets, foundations for sustainable municipal finance, financing opportunities in Eswatini, lessons from South Africa, and a proposed municipal financing framework.

> **"If we don't unlock, it remains locked. And if we don't see it, it never becomes an opportunity to be exploited."**
>
> **— Dr. Phil Mnisi, Governor, Central Bank of Eswatini**

Municipal finance is an economic growth issue

Echoing His Excellency's charge to act without hesitation, the Governor said thriving municipalities anchor the economy at grassroots level. "Strong nations require strong local governments." Citing the African Cities Research Consortium (2025), he described a persistent mismatch across Africa between demand for urban infrastructure and available resources, which affects quality of life, competitiveness and sustainability. With Africa's population projected to reach about 2 billion by 2050, much of it young, growth must be **inclusive**: "When growth is not inclusive, it is skewed."

"Infrastructure is more than concrete and steel," he said. It is economic productivity, investor confidence, competitiveness and jobs. Businesses invest where infrastructure is reliable; investors locate where services are predictable; tourists visit cities that function; citizens prosper where opportunity is accessible.

Eswatini is not short of capital

DOMESTIC CAPITAL AVAILABLE FOR DEVELOPMENT (AS CITED BY THE GOVERNOR)

Source	Approximate value
Non-bank financial sector, including pension funds	E125 billion
Banking sector	E48 billion

Source	Approximate value
Combined pool that could be deployed in the economy	Close to E200 billion

He asked legislators and regional administrators to reflect on whether these resources are developing Eswatini or, as he put it lightly, "developing Sandton." The challenge, he said, is the absence of credible, investable opportunities, a robust capital market and a vibrant stock exchange. He highlighted **infrastructure bonds, municipal bonds, PPPs and green financing instruments**, noting that the expertise to structure them exists in the country, including at the Central Bank, as shown by a newly launched E10 billion bond programme and a E4 billion programme listed on the Johannesburg Stock Exchange.

A practical example: an Ezulwini PPP road corridor

Inviting the Minister to take note, the Governor proposed a PPP to develop a road link in Ezulwini connecting to the national highway. Public authorities would provide planning, resettlement and regulatory support; private investors would bring financing, technical expertise and delivery. The benefits would extend beyond easing congestion to tourism access, property development, logistics and a more attractive Ezulwini economic corridor: "far more than the construction of a road."

The way forward

1. Strengthen municipal revenue mobilisation.
2. Improve governance and financial management.
3. Create an enabling legal and regulatory framework for municipal financing.
4. Deepen partnerships with the private sector.
5. Continue developing domestic capital markets, in line with the Eswatini Stock Exchange's 2030 strategy.

> **"Our task is to finance opportunity. Our task is to finance growth. Our task is to finance the future of Eswatini."**
>
> **— Dr. Phil Mnisi**

He closed by invoking Kwame Nkrumah's call to face "neither East nor West but forward," so that future generations judge this one faithful to the aspirations of Their Majesties.

4.3 Dr. Melvin Khomo, Director of Research, Central Bank of Eswatini

Accessing Government Infrastructure and Municipal Bonds to Fund Infrastructure in Local Government

Dr. Khomo, who led the country's first sovereign credit rating and debut JSE bond issuance, said the core municipal challenge is a funding problem that capital markets can help solve. He cautioned, however, that **a municipal bond is borrowing**: "It does not remove the need for you

to raise strong revenues through the collection of rates and taxes." Most municipal borrowing today is short-term bank debt, a poor match for long-term infrastructure.

The market infrastructure already exists

The Government infrastructure bond programme regularly raises funds. Its most recent issuance, an eight-year bond, sought E200 million and raised about E83 million. Outstanding issuance is close to E1 billion against a programme size of about E2 billion. Primary dealers, advisors and a stock exchange are all in place.

Options for municipalities

- **Near term:** submit municipal infrastructure requests through the Ministry for inclusion in the Government programme, using its roughly E1 billion of unused capacity; or have Government borrow and **on-lend** to municipalities.
- **Direct market access:** a **single issuance** by a financially capable municipality, or a **pooled municipal bond** grouping projects from several smaller authorities.
- **Likely lenders:** pension funds and insurance companies, whose long-term liabilities suit long-term municipal lending.

Prerequisites and roadmap

Markets lend only on credible terms: legal clarity (resolving apparent conflicts between the Urban Government Act and the Public Finance Management Act), clean, timely audited statements ("financial markets work on information"; some councils are still finalising 2024 accounts in 2026), reliable cash flows, a bankable project pipeline and a debt management framework.

PROPOSED ROADMAP TO MUNICIPAL BOND ISSUANCE (DR. KHOMO)

Phase	Action
0–6 months	Ministry-led team assesses the project pipeline and market readiness of each municipality; engages on including municipal projects in the Government programme
Next	Confirm the legal borrowing powers of municipalities
Then	Pilot one or two issuances
Finally	Scale up gradually, applying lessons learned

He reaffirmed that the Central Bank stands ready to assist the Ministry and municipalities.

4.4 Mr. Mathokoza Shongwe, Chief Executive Officer, Ezulwini Town Council

Property Rates, Commercial Revenue and Execution Bottlenecks

Asked to identify the biggest bottlenecks from the local government front line, Mr. Shongwe posed three questions: are municipalities collecting enough, collecting properly, and improving consistently? To the first, he said, the answer is no. He invited any municipality collecting at least 90% of what it bills in a year, excluding arrears, to raise its hand. If one existed, "we would be halfway through our problems."

Bottleneck 1: Property rate collection

Acknowledging that the point might make him "very unpopular," he stated that **central Government is the major defaulter on property rates**. Settling Government's arrears alone would go a long way towards better services. The Auditor-General flags both sides, yet neither acts: "How does the son take the father to court?" He identified six weaknesses in the rates value chain:

1. **An unverified property base.** No municipality employs an in-house land valuer, creating dependence on consultants, leakage and frequent valuation court disputes.
2. **Inaccurate billing**, which leads to disputed and unpaid bills.
3. **Weak collection tracking** and age analysis of debt.
4. **Poor arrears management**, particularly of Government debt.
5. **Inconvenient payment systems** for willing ratepayers.
6. **Weak enforcement** against defaulters.

Bottleneck 2: Commercial revenue

Only Mbabane and Manzini indicated they had entered into PPPs. Mr. Shongwe announced that **Ezulwini will pursue the road project highlighted by the Governor as its first PPP**, working with the Council Chairperson and the Minister, and learning from Mbabane and Manzini. Ezulwini's only owned property is its office site, limiting commercial ventures. Echoing the Minister, he said municipalities should not sell land but package it into **leasehold arrangements** that keep it in public hands while it is developed.

Bottleneck 3: Execution

He cited weak coordination, poor data and limited capacity, particularly in smaller town boards where the CEO "often does almost everything."

> **ONE LEGISLATIVE REFORM**
>
> Asked which single amendment would most unlock revenue, Mr. Shongwe called for **consolidating the Urban Government Act, the Building and Housing Act, the Town Planning Act and the Rating Act** into a coherent framework. Enacted over more than 50 years, some provisions are impractical. Section 37 of the Rating Act, for example, still requires notice by posted letter before legal action or the auction of a defaulting property.

4.5 Ms. Sheenagh Bruce, Urban Specialist, World Bank

Structuring Municipal Bonds, PPPs and Fiscal Decentralisation Frameworks

Ms. Bruce, Task Team Leader for the **Eswatini Urbanisation Review**, explained that the review, undertaken at the invitation of the Government and the Minister, seeks to understand what urban growth looks like in Eswatini, its real drivers, how to manage it and how to increase economic activity in line with inclusive growth goals.

> **"Local authorities consulted so far have identified a combined funding gap of about E2.4 billion. That's a lot of money, and the question is: where do you start?"**
>
> **— Ms. Sheenagh Bruce, World Bank**

She outlined three sources of municipal funding (own-source revenue, fiscal transfers and borrowing) and stressed that the first two are the foundation for the third. Transfers are declining in line with regional and global trends, making planning difficult. Before choosing a bond or PPP, Government must settle four matters:

1. A clear **policy and legislative framework** on who is responsible for what.
2. The **revenue-raising powers** of local authorities beyond land taxes.
3. A plan to **fill the financing gap** in light of declining transfers.
4. **Rules for capital finance**, including local authority debt ceilings and repayment.

Municipal bonds can work in Eswatini, she said, if structured for smaller borrowers, including pooled and sector-specific bonds. Some councils, including Mbabane, are already considering bonds, and the World Bank is keen to work with the Ministry of Finance on options. The review is examining the fiscal framework, own-source revenue, spending, institutions and private sector participation. **A validation workshop is planned for March.** She invited stakeholders to share their own-source revenue challenges in detail.

4.6 Mr. Edward Groening, Eswatini Revenue Service

Expanding the Local Tax Base and Cross-Agency Tax Compliance

Mr. Groening noted that cities generate about 80% of global GDP, and that of the three ways government funds itself (own revenue, borrowing and transfers), self-generated revenue is the most sustainable. Continental data show that Africa collects the least of any region in property and local taxes.

He set out three levers for growing revenue: **raise rates**; **expand what is taxable** (complete inventories, better valuation techniques, differentiated property taxation and incentives to develop vacant land); and **collect efficiently on the existing base**, his preferred starting point. He proposed four measures to improve collection:

1. **Strategic partnerships across government.** The ERS tax clearance certificate does not currently consider municipal rates. Treating compliance as a whole-of-government matter "will change the whole game altogether."
2. **Automation and digital administration**, including technology-assisted property valuation.
3. **Constant monitoring**: "When it comes to revenue collection, nothing is static."
4. **Shared municipal systems**, jointly procured, to cut digitalisation costs for smaller authorities and ease integration with Government.

4.7 Interaction with the Governor: Questions from the Floor

Before the Governor departed for a meeting with the International Monetary Fund, **Honourable Minister Maphalala** asked for a brief interaction. He put the Governor "on notice" that the proposed road link, which connects the Central Bank's new headquarters to the highway, must be developed together with the widening of the MR103 past the Palazzo ICC. "Since the Governor says there is no lack of capital, let's put the designs together and hold the Governor accountable for what he has said today." The Governor replied, to laughter, that it would be a public-private partnership.

QUESTIONS FROM THE FLOOR

Delegate	Question
Mr. Jabulani Nxumalo, former Councillor, Mbabane	Asked the Governor to set out the concrete way forward, including how pension funds can be harnessed through PPPs. "Let us use the rear-view mirror to look at where we come from, but the windscreen to see where we are going."
Mr. Kevin Tring, private sector	Asked for guidance on the right PPP structure from technical, governance, funding, marketability and sustainability perspectives, noting that government-led PPPs often lack operational capacity.
Mr. Bongani Mkhatshwa, resident of Matsapha	Asked how Matsapha, the industrial engine of the economy, and other towns can finance infrastructure, particularly roads.

The Governor's response

- **On structuring PPPs:** "It's not rocket science. It's not magic." Proven models exist, including Johannesburg's first municipal bond in 2000 and Cape Town's programme, and the skills exist in Eswatini. "With all confidence, we have what it takes."
- **On municipalities as growth anchors:** drawing on Rwanda's central bank, he proposed that **every municipality adopt a KPI on its contribution to economic development**, measured through jobs, output or infrastructure delivered. "If it's not measured, it does not get done."
- **On long-term capital:** Eswatini has moved from three-year paper to 10- and 15-year bonds. He asked why the country should not issue a **50-year bond**, urging generational thinking that makes the nation "contributor-focused" rather than "consumer-focused."
- **On who leads a PPP:** each partner must play its role; the objective is to deliver the project, not to decide "who is bigger and who has more power."



*Plenary Session 1 contribution from the podium. **Ms Sithembile Simelane, CEO of Siteki Town Council***



At the high table during Plenary Session 1.



Delegates follow the financing debate.



Delegates follow the financing debate.

SESSION RECORD

5. Plenary Session 2: Advancing Devolution

Showcasing Urban Local Authorities as the Ideal Framework for Decentralised Governance

Programme Director: Mr. Roison Pave, Chief Executive Officer, Piggs Peak Town Council | Moderator: Mr. Mathokoza Shongwe, Chief Executive Officer, Ezulwini Town Council



Plenary Session 2 under way. ***Mr Mathokoza Shongwe, CEO of the Ezulwini Municipality***

SESSION AT A GLANCE

- Urban councils are **administratively ready** for devolution but **institutionally and fiscally constrained**.
- The **Local Government Bill** must be finalised; the urban government policy dates from **1996**.
- Proposals: **phased devolution**, a **statutory funding formula**, performance contracts and an oversight role for the Ministry.
- SALGA offered a **12-month revenue governance agenda** that any authority can adapt.
- The Minister signalled interest in pursuing the **ERS tax clearance and rates clearance** linkage.

5.1 The Minister's Intervention

Before the session, **Honourable Minister Maphalala** said the Forum's greatest value lies in the interaction after each presentation, and asked presenters remaining until Friday to make time for delegates. He singled out the ERS proposal to **combine tax clearance with municipal rates clearance** as an efficient way to improve collection without raising rates or widening the net, and said he would consider whether it can be pursued.

5.2 Moderator's Framing

Mr. Shongwe noted that, with regional administrators present, devolution concerns regional as well as local government. Devolution, he said, is more than transferring responsibilities: it is about bringing decision-making closer to the people, strengthening local accountability, improving service delivery and ensuring development responds to communities' needs.

5.3 Dr. Nomonde Khiva, Senior Manager, South African Local Government Association (SALGA)

> *Strengthening Municipal Revenue Governance and Financial Resilience (joining virtually)*

Dr. Khiva, a public finance professional with municipal experience in Cape Town, Buffalo City, OR Tambo District and other South African municipalities, walked delegates through the full revenue process, from accurate information through billing and collection to reinvestment. She set out five priorities that must work together: increase own-source revenue, improve financial management, diversify funding, strengthen governance and plan for long-term sustainability.

Financial resilience as a connected system

She described five linked parts, with the community at the centre: **revenue reliability** ("We can't just bill and not get cash out of what we are billing"), **governance and control**, **asset performance** (reducing losses such as burst pipes), **execution capacity** and **capital access**, which depends on the other four.

Making accountability visible

Every stage of the revenue value chain needs a named owner, a working control, reconciled data, monthly measures and escalation triggers, across five layers: Council (political oversight and tariffs), executive management (revenue strategy and cash plan), revenue operations, assurance, and public accountability to residents. Practical controls include reconciling property records with the valuation roll and billing, **general valuations on a five-year cycle**, an accurate indigent register, and segmenting the debtor book with a strategy and owner for each segment.

Protecting vulnerable households

Relief must be well targeted so that it does not erode the revenue base: transparent eligibility criteria, verified beneficiary records supported by digital tools, and regular review. Technology must be linked to a specific control problem and measurable outcome, through integrated, GIS-linked master data. Before buying any system, ask: "What exactly will change, and how will we measure it?"

A 12-MONTH IMPLEMENTATION AGENDA (DR. KHIVA)

Period	Focus
First 90 days	Baseline for cash, debtors, billing and losses; assign control owners; close priority data gaps
Months 3–6	Master data, debt segmentation and customer support, with monthly revenue reviews
Months 6–9	Asset and project screening, costing of operations and maintenance, oversight reporting
Months 9–12	Embed performance reporting, target priority projects, demonstrate readiness to progress

She proposed four stages to finance readiness (**stabilise, strengthen, prioritise, adapt**) and five readiness questions for devolution: which functions and standards are involved; what revenue and transfers can be expected; whether systems can support new responsibilities; who owns performance; and where the capability gaps lie.

> **"You cannot collect revenue that you have not identified, have not billed, have not actively managed and have not consistently enforced."**
>
> **— Dr. Nomonde Khiva, SALGA**

On long-term resilience, she urged authorities to protect existing revenue before seeking new sources, budget on actual collection performance, control expenditure as rigorously as revenue, treat infrastructure as a financial asset, link revenue strategy to local economic development, use technology strategically and diversify revenue through vacant land, parking, advertising, markets and tourism facilities, each backed by a sound business case.

5.4 Mr. Thulani Mkhaliphi, Principal Secretary, Ministry of Public Works and Transport

Institutional Maturity and Readiness for Devolution

A former Town Clerk and Director of Urban Government and Decentralisation, Mr. Mkhaliphi said the real gap is not capital but the systems to tap it: "Most financial institutions would ask about one thing: your governance structure."

He stated firmly that **"Yes, we are ready,"** tracing the sector's build-up: the 1969 local government legislation; World Bank-supported systems in the 1990s and the establishment of the Ministry; the 2005 Constitution, whose Chapter 13 and Section 218 provide for a unified, hierarchical local government system; the decentralisation agenda; and the Local Government Bill, which has "been on the cards for quite a while."

The country, he said, appears to be "going round and round in circles" because policy has not kept pace. The urban government policy was last reviewed in **1996** and must be updated to address spatial planning, community participation and each town's comparative advantage.

There is a serious disconnect between urban policy and the constitutional governance structure. Above all, **the Local Government Bill must be finalised**, or the Forum risks ending with "wonderful statements" that never become action.

> **THE ABU DHABI LESSON**
>
> Recalling a visit to Abu Dhabi around 2006, when the city faced questions similar to Eswatini's, Mr. Mkhaliphi noted that it is now among the world's leading cities despite urbanising later. The difference: Abu Dhabi wrote down what it wanted to achieve and held everyone accountable. "Everything fell into place."

5.5 Dr. Lungile Dlamini, Chief Executive Officer, Municipal Council of Manzini, and President, ELAMA

Readiness of Urban Councils to Absorb Devolved Powers

Dr. Dlamini said councils such as Manzini, Matsapha and Mbabane already approve building plans, build and manage roads, collect refuse, collect rates and service charges and carry out environmental health inspections. With established billing systems and valuation rolls, **urban local authorities are administratively ready for devolution.** The biggest gap is institutional and political readiness. She identified three limits:

1. **Thin fiscal autonomy.** Central Government controls most transfers, borrowing powers are tightly restricted and councils depend on Government approvals, which can be "very developmentally stifling."
2. **Human capital.** Recruitment and HR management have not been sufficiently devolved.
3. **A delegated, not devolved, political mandate** under the Urban Government Act of 1969.

Councils seek full control over local road and business licensing, local climate adaptation and approval of by-laws. She drew on regional lessons: South Africa shows that functions and funds must move together ("We can't have a functioning mandate but an unfunded mandate"); Botswana's strong recruitment system curbs skills loss; and Cape Town's devolved funding enabled it to raise about R1 billion to respond to drought.

A phased approach

1. Start with functions councils already perform well.
2. Legislate to devolve them fully.
3. Transfer funding, revenue powers and management authority alongside functions.
4. Ensure accountability to residents and national Government.
5. Review progress jointly every year.

> **“Eswatini does not need to start from scratch. Urban councils have passed the apprentice stage.”**
>
> **— Dr. Lungile Dlamini, President, ELAMA**

5.6 Mr. Sandile Ceko, Head of Department, Political and Administrative Studies, University of Eswatini

A Constitutional Model for Devolved Urban Governance

Mr. Ceko described **Chapter 13 of the Constitution** as a development route rather than a constraint. Any structure that departs from it would eventually have to "walk back" towards it, at greater cost. He proposed three pillars: **devolution of power** (the Ministry moving from executive control to oversight and audit), **a local legislature** empowering councils and wards, and **a determined financial formula** giving predictable, statutory funding.

AN ILLUSTRATIVE DEVOLVED GOVERNANCE MODEL (MR. CEKO)

- The Ministry of Housing and Urban Development as strategic partner and auditor.
- An elected local council, with urban wards aligned to the national constitutional structure.
- An executive led by the CEO, with a city manager as the implementing arm, and ward managers for each ward.
- A traditional leadership committee serving ex officio: "You can't develop your city without them."
- By-laws drafted by a council legal department, voted by council, gazetted, then audited by the Ministry.

Predictable statutory income, he said, would give municipalities a rateable credit profile and open access to bonds, PPPs and build-operate-transfer arrangements linked to Integrated Development Plans. He cited three transfer models: **South Africa's equitable share**, allocated by need; **Kenya's floor model**, guaranteeing a minimum share of national revenue (cited as 15%); and **Rwanda's imihigo performance contracts**, under which councils are rated annually against KPIs.

He highlighted two revenue ideas: **waste as a resource**, citing Sweden, where less than 2% of waste goes to landfill; and **municipal rental housing**, noting Johannesburg's portfolio of about 9,000 rental units and the Eswatini Housing Board's 1,033 units at 95% occupancy as evidence of demand. "It is possible," he concluded, but only if the structure changes.

5.7 Close of Day 1

The moderator thanked the panellists for their contributions in a session tightly constrained by time, and delegates for their attention through a long afternoon. This brought Day 1 proceedings to a close.



Plenary Session 2 contribution from the podium. ***Dr. Melvin Khomo, Director Research at the Central Bank of Eswatini***



At the high table during Plenary Session 2.

FOLLOW-UP

6. Commitments, Announcements and Proposals

The following matters were placed on record during Day 1. They are categorised to support follow-up and inclusion in the Forum's action plan.

RECORD OF COMMITMENTS, ANNOUNCEMENTS AND PROPOSALS

#	Matter	Raised by	Type
1	Ezulwini road link to be pursued as Ezulwini Town Council's first PPP, with the Council Chairperson and the Minister	Mr. M. Shongwe, CEO, Ezulwini Town Council	Commitment
2	Road link to be designed together with widening of the MR103 past the Palazzo ICC; "put the designs together"	Hon. Minister A. Maphalala	Directive
3	Consider linking ERS tax clearance with municipal rates clearance	ERS proposal; Hon. Minister undertook to consider	Undertaking
4	Cabinet approval of the World Bank Eswatini Urbanisation Review; initial findings targeted before the new financial year	Hon. Minister A. Maphalala	Announcement
5	Urbanisation Review validation workshop planned for March	Ms. S. Bruce, World Bank	Announcement
6	Combined local authority funding gap of about E2.4 billion identified	Ms. S. Bruce, World Bank	Finding
7	Central Bank ready to assist the Ministry and municipalities on bond issuance	Dr. P. Mnisi; Dr. M. Khomo, CBE	Commitment
8	0–6 month pipeline and market-readiness assessment; inclusion of municipal projects in the Government bond programme; one or two pilot issuances	Dr. M. Khomo, CBE	Proposal
9	Every municipality to adopt a KPI on its contribution to economic development	Dr. P. Mnisi, Governor, CBE	Proposal
10	Development of a National Spatial Plan, discussed with H.E. the Prime Minister	Mr. O. Sylla, UN-Habitat	Proposal
11	UN-Habitat ready to support implementation of the Eco City Master Plan	Mr. O. Sylla, UN-Habitat	Commitment
12	UN-Habitat a signatory to the UN Sustainable Development Cooperation Framework 2026–2030 for the first time	Mr. G. Wachira, UN RC	Announcement
13	FAO proposal to the Adaptation Fund for climate-resilient urban agriculture in five towns	Mr. G. Wachira, UN RC	Announcement
14	UNDP support to the National Land Policy revision	Mr. G. Wachira, UN RC	Commitment

#	Matter	Raised by	Type
15	SADC Ministerial Committee on Urban Development and Human Settlements; Draft Regional Strategy on Informal Settlements to be tabled for adoption	Ms. S. Ngcongo, RSA	Announcement
16	Appeal for central Government support for Ezulwini road upgrades estimated at E300 million	Mr. C. Hlophe, Chairperson, Ezulwini TC	Appeal
17	Ongoing Ministry engagement with chiefs on spatial planning through regional administrators' meetings	Hon. Minister A. Maphalala	Announcement
18	Consolidate the Urban Government, Building and Housing, Town Planning and Rating Acts	Mr. M. Shongwe	Proposal
19	Finalise the Local Government Bill; update the 1996 urban government policy	Mr. T. Mkhaliphi, PS, MPWT	Proposal
20	Phased devolution with a statutory funding formula and annual joint review	Dr. L. Dlamini, ELAMA; Mr. S. Ceko, UNESWA	Proposal

TOWARDS THE DECLARATION

7. Emerging Recommendations

The following recommendations are the rapporteur's synthesis of proposals made by speakers on Day 1. They are offered for consideration in the **Eswatini Urban Declaration 2026** and the accompanying action plan, and will be refined as Days 2 and 3 proceed.

A. Policy, legislation and planning

- Finalise and enact the **Local Government Bill**, aligned with Chapter 13 of the Constitution.
- Review and consolidate the **Town Planning Act (1961), Urban Government Act (1969), Building and Housing Act and Rating Act**, removing impractical provisions such as Section 37 of the Rating Act.
- Resolve conflicts between the **Urban Government Act and the Public Finance Management Act** on municipal borrowing.
- Update the **urban government policy (1996)** to address spatial planning, participation and each town's comparative advantage.
- Develop a **National Spatial Plan / National Spatial Planning Framework** covering urban, peri-urban and rural areas, with land banks and settlement planning along new trunk roads.

B. Own-source revenue

- Prioritise **collection efficiency** on the existing base before raising rates.
- Settle and regularise **central Government's property rates arrears** to local authorities.
- Build **in-house valuation capacity** and conduct general valuations on a regular five-year cycle.
- Pursue the **ERS tax clearance and municipal rates linkage** as a whole-of-government compliance measure.
- Jointly invest in **shared municipal revenue and management systems**, linked to GIS-based master data.

C. Municipal finance and capital markets

- Establish a **municipal financing framework** with clear debt ceilings and capital finance rules.
- Assess the **project pipeline and market readiness** of each municipality within six months, and route eligible projects through the Government infrastructure bond programme.
- Pilot **one or two municipal or pooled bond issuances**, then scale.
- Ensure **clean, timely audited financial statements** across all local authorities.
- Use the **Ezulwini road link PPP** as a demonstration project, integrated with MR103 widening.

D. Devolution and institutional capacity

- Devolve in **phases**, starting with functions councils already perform well, with **funds following functions**.

- Introduce a **predictable statutory transfer formula**, drawing on equitable share, floor and performance contract models.
- Devolve **human resource management** and strengthen professional capacity, especially in small town boards.
- Adopt **performance KPIs** for municipalities, including contribution to local economic development.
- Formalise the role of **traditional leadership** in peri-urban planning and expansion.

E. Data and evidence

- Complete the **World Bank Urbanisation Review** and conduct a **comprehensive housing demand assessment**.
- Build **urbanisation data systems**, with UN support, to inform planning and investment.

Issues to carry into Days 2 and 3

- **Day 2, Infrastructure Resilience:** how bulk infrastructure for industrial parks, Ezulwini mobility and climate-proof drainage will be financed, given the instruments discussed on Day 1.
- **Day 2, Smart City Blueprint:** practical, affordable digital revenue and billing systems; shared municipal platforms; GIS-linked data.
- **Day 2, Housing for All:** the slum-free Eswatini ambition; policy for humanitarian social housing; municipal rental housing; land tenure and the 99-year lease model.
- **Day 3, Declaration:** converting Day 1 commitments into a time-bound action plan with named owners, in line with the call to move "from dialogue to deeds."

ANNEX

Annex A: Key Figures Cited on Day 1

KEY FIGURES

Figure	Context	Source
45% / 36%	Share of world's 8.2 billion people living in cities / towns	UN Resident Coordinator
1.4 billion	Africa's projected urban population by 2050 (from ~700 million)	UN Resident Coordinator
1.1 billion+	People living in informal settlements globally	UN Resident Coordinator
2.7% a year	Eswatini's rate of urbanisation	UN Resident Coordinator
35% by 2050	Eswatini's projected urbanisation level	UN Resident Coordinator
~90%	Share of the economy in the Mbabane–Manzini corridor	UN Resident Coordinator
3.7% a year	Projected SADC urban growth 2020–2030 (doubling ~every 18 years)	RSA Department of Human Settlements
~50%	SADC urban population living in informal settlements	RSA Department of Human Settlements
E300 million	Estimated cost of Ezulwini road upgrades	Ezulwini Town Council
~E4 billion	Government investment in road infrastructure incl. MR14 and MR21	Hon. Minister, MHUD
~E200 billion	Capital in domestic banks and non-bank financial institutions	Governor, CBE
E10 billion / E4 billion	Recent bond programmes (incl. JSE-listed)	Governor, CBE
~E1 billion	Unused capacity in the Government infrastructure bond programme	Dr. M. Khomo, CBE
E200m sought / E83m raised	Most recent eight-year Government infrastructure bond	Dr. M. Khomo, CBE
E2.4 billion	Combined funding gap identified by local authorities	World Bank
~80%	Share of global GDP generated by cities	ERS
0	Eswatini municipalities that have issued a bond	Governor, CBE
1,033 units, 95% occupied	Eswatini Housing Board rental stock	Mr. S. Ceko, UNESWA

ANNEX

Annex B: Notable Quotations

> **“Talk is cheap; what matters is implementation.”**
>
> — H.E. the Right Honourable Prime Minister, Mr. Russell Mmiso Dlamini

> **“No city may rightly call itself successful while a great portion of its people remain without safe, affordable and dignified shelter.”**
>
> — H.E. the Right Honourable Prime Minister

> **“The obligations are going up, but the funding is going down.”**
>
> — Hon. Appolo M. Maphalala, Minister of Housing and Urban Development

> **“If the future is urban, we can't be looking back when we are supposed to be looking forward.”**
>
> — Hon. Appolo M. Maphalala

> **“We don't lack policies.”**
>
> — Ms. Sindisiwe Ngcongo, Deputy Director-General, Department of Human Settlements, South Africa

> **“The future of municipalities cannot be financed using yesterday's solutions alone.”**
>
> — Dr. Phil Mnisi, Governor, Central Bank of Eswatini

> **“If it's not measured, it does not get done.”**
>
> — Dr. Phil Mnisi

> **“Financial markets work on information.”**
>
> — Dr. Melvin Khomo, Central Bank of Eswatini

> **“How does the son take the father to court?”**
>
> — Mr. Mathokoza Shongwe, CEO, Ezulwini Town Council

> **“When it comes to revenue collection, nothing is static.”**
>
> — Mr. Edward Groening, Eswatini Revenue Service

> **“We can't, as cities, have a functioning mandate but an unfunded mandate.”**
>
> — Dr. Lungile Dlamini, CEO, Municipal Council of Manzini

ANNEX

Annex C: Programme as Delivered

DAY 1 PROGRAMME: WEDNESDAY, 28 OCTOBER 2026

Session	Item	Speaker / Presenter
Grand Opening Plenary	Opening of the Session	Dr. Simon M. Zwane, Principal Secretary, MHUD (Programme Director)
Grand Opening Plenary	Opening Reflection and Prayer	Pastor Cinisela Dlamini, CEO, Malkerns Town Council
Grand Opening Plenary	Welcome Remarks	Mr. Comfort Hlophe, Chairperson, Ezulwini Town Council
Grand Opening Plenary	Remarks	Mr. George Wachira, UN Resident Coordinator, Eswatini
Grand Opening Plenary	Remarks	Mr. Oumar Sylla, Director, Regional Office for Africa, UN-Habitat
Grand Opening Plenary	Message of Solidarity	Ms. Sindisiwe Ngcongo, DDG, Department of Human Settlements, RSA, for Hon. Thembi Simelane
Grand Opening Plenary	Welcome Remarks and Setting of the Tone	Hon. Appolo M. Maphalala, Minister of Housing and Urban Development
Grand Opening Plenary	Keynote Address and Official Opening	H.E. the Rt. Hon. Prime Minister, Mr. Russell Mmiso Dlamini
Grand Opening Plenary	Official Photographs	All dignitaries and delegates
Plenary Session 1	Position Paper	Dr. Phil Mnisi, Governor, Central Bank of Eswatini
Plenary Session 1	Panel	Dr. Melvin Khomo, Director of Research, CBE
Plenary Session 1	Panel	Mr. Mathokoza Shongwe, CEO, Ezulwini Town Council
Plenary Session 1	Panel	Ms. Sheenagh Bruce, Urban Specialist, World Bank
Plenary Session 1	Panel	Mr. Edward Groening, Eswatini Revenue Service
Plenary Session 1	Questions from the Floor	Moderated by Ms. Sithembile Simelane, CEO, Siteki Town Council
Plenary Session 2	Panel (virtual)	Dr. Nomonde Khiva, Senior Manager, SALGA
Plenary Session 2	Panel	Mr. Thulani Mkhaliphi, PS, Ministry of Public Works and Transport
Plenary Session 2	Panel	Dr. Lungile Dlamini, CEO, Municipal Council of Manzini; President, ELAMA
Plenary Session 2	Panel	Mr. Sandile Ceko, HOD, Political and Administrative Studies, UNESWA

ANNEX

Annex D: Photographic Record

Arrivals and Registration



Dignitaries proceed into the Palazzo ICC.



Arrival of dignitaries ahead of the official opening.



Young delegates at the Forum backdrop.



Learners attending the Forum, recognised from the podium as "future leaders in the urban space."



Delegates at the Forum backdrop.



Delegates at the Forum backdrop.



Partners and delegates during registration.



Delegates during registration.

The Opening Plenary



Opening Plenary address. ***Dr. Simon Zwane, PS in the Ministry of Housing and Urban Development***



Opening Prayer and Word of God. ***Ps Cinisela Dlamini, CEO Malkerns Town Council***



Opening Plenary address. ***Lordship Comfort Hlophe, mayor of Ezulwini Municipality***



Opening Plenary address. ***H.E. Mr George Wachira, UN Resident Coordinator***



Opening Plenary address. ***Mr. Oumar Sylla, Director Regional Office for Africa, UN Habitat***



Opening Plenary address. ***Dr. Simon Zwane, PS MHUD***



Opening Plenary address. ***Ms. Sindisiwe Ngxongo, Deputy Director-General, Department of Human Settlements, on behalf of Hon. Thembi Simelane, Minister of Human Settlements, Republic of South Africa***



Opening Plenary address. ***Hon. Appolo Maphalala, Minister of Housing and Urban Development***



Opening Plenary address. ***H.E. Rt. Hon. Prime Minister, Russell Dlamini***



At the high table during the Opening Plenary.



Principal Secretary in the Ministry of Public Works and Transport, Mr. Thulani Mkhaliphi



Lubombo Regional Administrator, Mr. Themba Msibi

Delegates in Session



A full plenary hall at the Palazzo ICC during the official opening.



Delegates follow proceedings.



Delegates follow proceedings.



Young professionals in the audience.



Delegates in conversation in the plenary hall.



A delegate takes notes during the Opening Plenary.



A delegate follows the Opening Plenary.

Official Photographs



Official photograph with dignitaries and delegates.



Dignitaries at the Forum backdrop.



Dignitaries at the Forum backdrop.



Dignitaries with learners attending the Forum.

Plenary Sessions 1 and 2



Plenary Session 1 address. ***Dr. Phil Mnisi, CBE Governor***



An exchange at the high table during Plenary Session 1.



Plenary Session 2 address. [Insert speaker name]



Plenary Session 2 address. [Insert speaker name]



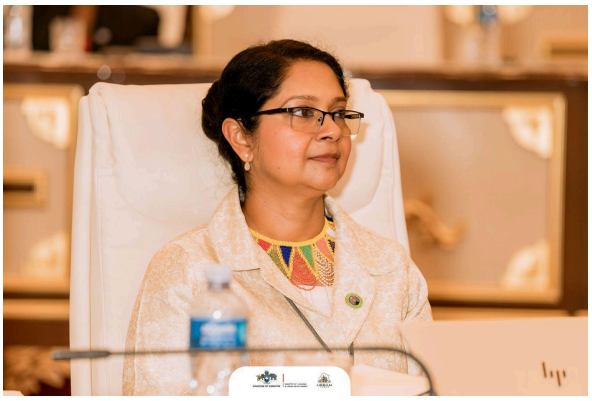
Delegates engage with the afternoon plenary sessions.



A delegate follows the plenary discussion.



A delegate in traditional attire follows the plenary discussion.



A delegate follows the plenary discussion.



Delegates follow the plenary discussion.



Delegates follow the plenary discussion.



A delegate follows the plenary discussion.



Municipal and Government delegates in session.



Delegates take notes during the plenary.



Delegates in the plenary hall.



Delegates in the plenary hall.



Learners follow the afternoon proceedings.



Learners follow the afternoon proceedings.



Young delegates and students in the audience.



Young delegates and students in the audience.