SRA STRATEGIC PLAN:

2018/19 TO 2020/21

10 March 2017

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1. Abbreviations

AEOI	Automatic Exchange of Information
BEPS	Base Erosion and Profit Shifting
BSC	Balanced Scorecard
CG	Commissioner General
CFI	Centre for Financial Inclusion
EMDEs	Emerging Markets and Developing Economies
EXCOM	Executive Committee
SACU	Southern African Customs Union
SEZs	Special Economic Zones
SMEs	Small and Medium Enterprises
SRA	Swaziland Revenue Authority
SSA	Sub-Saharan Africa

2. Foreword by the Honourable Minister of Finance

I am pleased to present to you the third Strategic Plan of the Swaziland Revenue Authority (SRA) since it was launched in 2011. This Strategic Plan will be for the period 2018/19 - 20/21. I am happy to say I have observed the SRA growing to be a reputable organisation, commended for professionalism domestically, regionally and internationally. In order to attain significant growth the organization has crafted another strategic journey which will challenge current operations and further keep the SRA relevant for the long term as it executes its mandated task of revenue administration.

The pursuit for excellence by the SRA has necessitated that we reposition the vision. The new vision for the SRA is to attain **"100% voluntary compliance for a better Swaziland".** The focus of the vision in the 2018/19 – 20/21 period is to ensure **"Compliance is easier and costs less"**. The drive to pursue compliance will require understanding of our taxpayers and the automation of various processes to make it easier to comply. The SRA commits itself to walk hand-in-hand with the taxpayers through providing the necessary taxpayer education and easy access to services. The organization will also focus in empowering its human capital which is the key vehicle to deliver this very important mandate.

The organization will continue to pursue its mission through promoting appropriate behaviour demonstrated in its set of values. These include: **Performance Excellence; Relationships; Innovation; Integrity;** and, **Transparency and Accountability**. The strategic focus will be anchored on three focus areas, namely: **Voluntary Compliance; Creating a High Performance Organization;** and, **Enforcement**.

The SRA will continue to raise the standard of revenue administration both locally and internationally through seeking guidance and support from our Government in contributing towards fiscal sustainability and being a key partner in the realization of our national goals and vision. SRA is aware that achieving these goals will take the collective effort of stakeholders and we pledge our commitment towards this end.

I confidently assure the Government and the Swazi nation that the SRA is equal to the task and is resolute to implement its mandate without fear or favour. I am equally aware of the challenges before us which I believe we will tackle with skill and passion. Raising the standard will be the way of doing business even in this strategic journey.

SENATOR MARTIN G. DLAMINI
HONOURABLE MINISTER OF FINANCE

3. Statement from the Commissioner General

The Swaziland Revenue Authority (SRA) began on a journey to develop its third Strategic Plan for the period 2018/19 - 20/21. The decision to develop the Strategic Plan was approved by the Governing Board and guided by an external service provider in a bid to introduce certain critical best practices in strategic planning. The institutional purpose of the SRA remains to provide an effective and efficient revenue and customs administration, driven by a high performance culture that promotes compliance through fair, transparent and equitable application of the law. A relevant and robust strategy that clearly sets out strategic projects in a programme and operational targets is critical to the attainment of the organization's mission and vision.

The new and ultimate vision for the SRA is "**100% voluntary compliance for a better Swaziland"** which was developed through a "V5" system, used to determine our strategic direction. The "V5" system creates a ladder of strategic intent aimed at ultimately achieving our ultimate vision. The most important aim is "V4" **"Compliance is easier and costs less"** which will typify the end of our strategic period in 2021.

To drive its mission, the organization will promote behaviour through its values of: **Performance Excellence; Relationships; Innovation; Integrity;** and, **Transparency and Accountability**. The purpose and behaviour will drive and enable facilitation of our core process, which is ***collect revenue.*** This core process is supported by our ***Provide Support, Manage Customers, Manage Risk*** and ***Transform*** processes. In turn, these strategic core and support processes will enable our needed change, which is embedded in our strategic projects.

To ensure the relevance of the SRA both locally and internationally, the organization opted to adopt a rolling strategy as opposed to a static strategy. This implies that the strategic objectives were reduced and translated to strategic projects. These projects have different durations and will be completed at different time intervals. New strategic projects within this strategic period will be undertaken where deemed necessary through engagement with stakeholders. Three (3) strategic focus areas, being; **Voluntary Compliance, Creating a High Performance Organization** and **Enforcement,** were identified where each focus area was translated to four (4) strategic objectives. The latter were then transformed to strategic projects with detailed action programmes. These focus areas, objectives and projects emanate from our environmental analysis and attempt to attain our 3-year strategic 'master' goal of making compliance easier and less costly.

Implementation and monitoring of the new Strategic Plan will be done by our Senior Management, Executive Committee (EXCOM). EXCOM members have been assigned projects to be responsible for and tasked to lead in scoping, costing and ensuring the implementation of the strategic programmes. A project management methodology has been adopted to better execute the strategy. Each project will be unpacked within a detailed project plan and regular feedback will be given within the strategic scorecard on project completion.

The organization will continue to aim high in ***"raising the standard***" to realize the ultimate vision of ***100% voluntary compliance for a better Swaziland***.

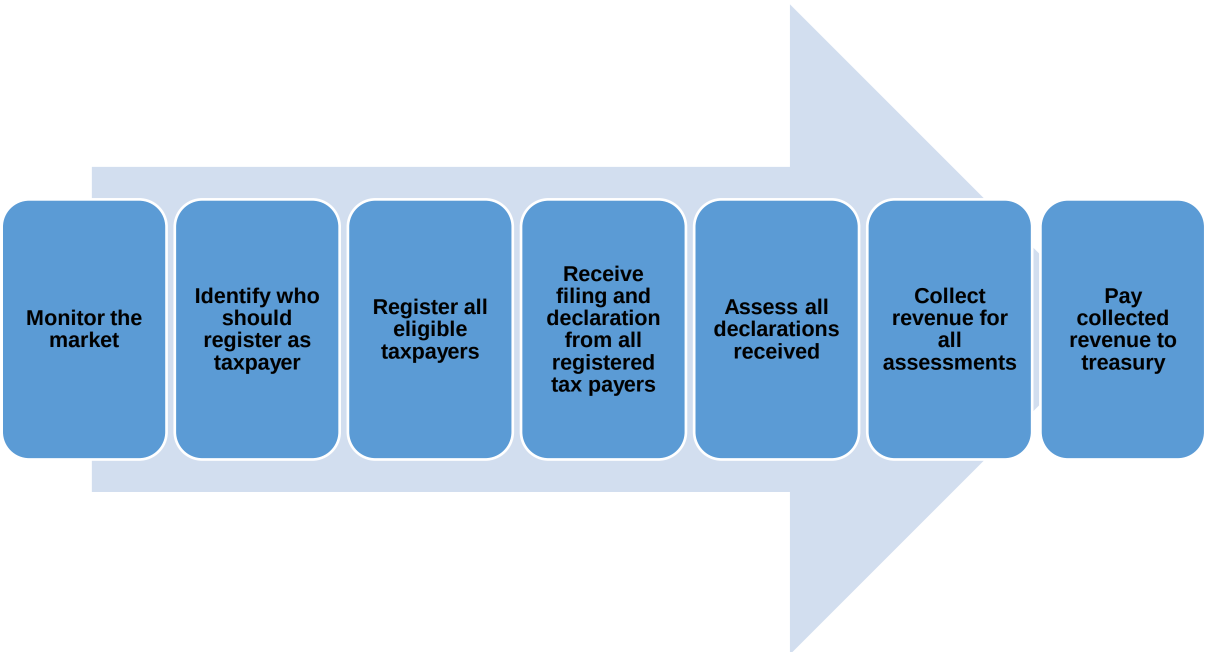
DUMISANI E. MASILELA
COMMISSIONER GENERAL

4. Executive Summary

In accordance with our mandate as stipulated in the Revenue Authority Act of 2008, we, the Swaziland Revenue Authority (SRA), have an obligation to our sponsors and stakeholders to continue to be relevant and maximise revenue mobilisation by promoting voluntary compliance.

It is in line with this mandate and intent that we have developed this SRA strategy for the period of 2018/19 to 2020/21. Our strategy aims to continuously find innovative ways to deliver on our core mandate, which is to mobilise revenue collection for the kingdom of Swaziland. Figure 1 shows the process structure that will be followed to mobilize revenue.

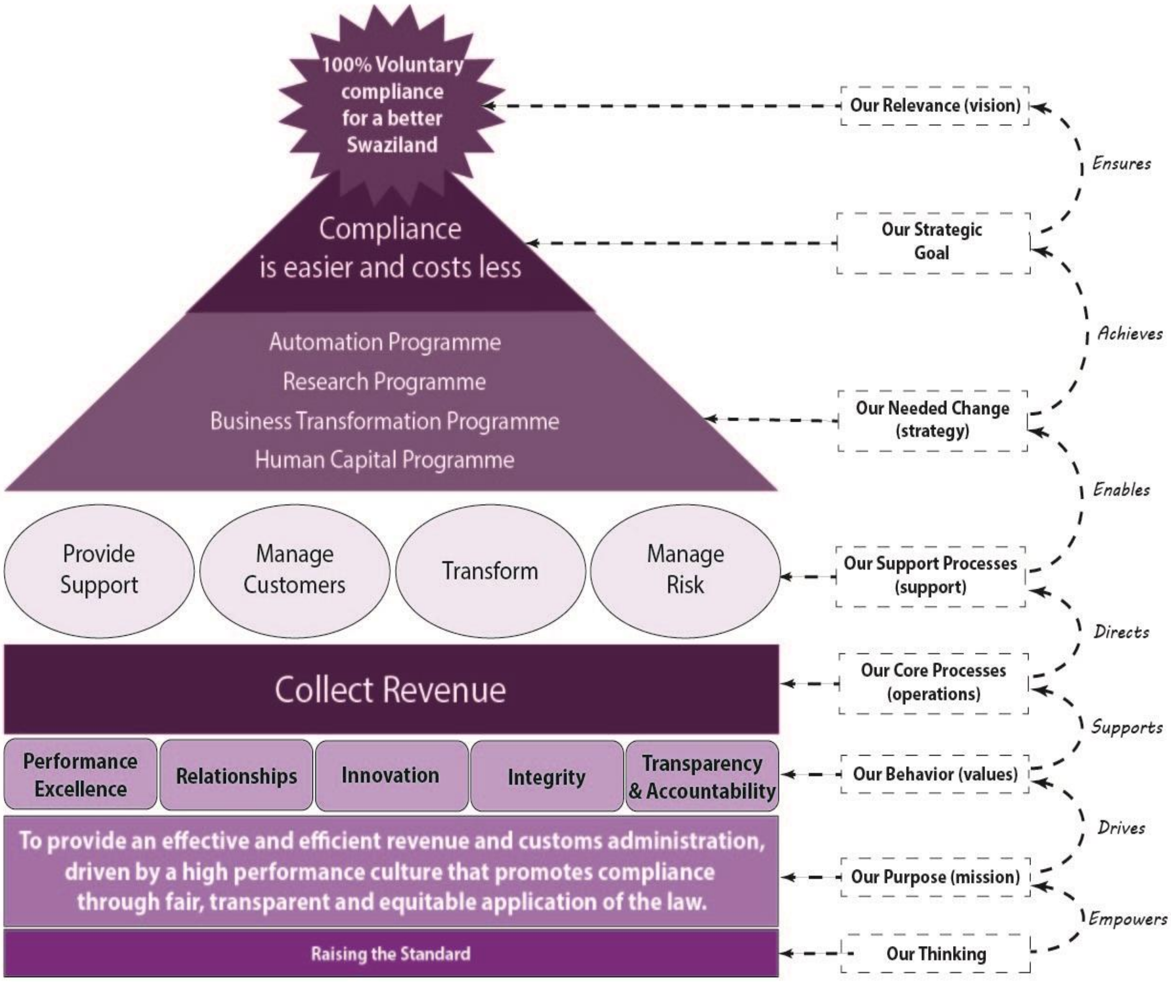
Figure 1.0: Process structure to mobilise revenue collection.



In this strategic plan, our primary focus is to separate strategic and operational initiatives. We see strategic initiatives as non-repetitive activities that aims to bring about the necessary change within SRA, ensuring continued relevance. Complimentary to this are our operational processes, which aim to ensure optimal performance. Our strategy is based on two fundamental building blocks: firstly, our strategic model and secondly, a strategic scorecard. A strategic scorecard has been developed that adequately separates operational targets from strategic initiatives and quantifies our achievement.

Our model, as indicated in figure 2.0, will create a performance flow from the mission right through to our ultimate vision, which is to achieve ***100% compliance for a better Swaziland***.

Figure 2.0: Strategy Model for the SRA



Our strategic model indicates collectively our thinking while purpose and behaviour will drive and enable our core process, which is *collect revenue*. This core process is supported by our processes of: *providing support*; *manage customers*; *manage risk;* and *transform*. In turn these processes will enable our needed change, which is embedded in our strategic projects. Ultimately, we aim to achieve easier and less costly compliance within Swaziland at the end of our strategic period in 31 March 2021.

To ensure that we stay relevant both locally and internationally, we have opted to engage in a rolling strategy, as opposed to a static strategy. This implies that our strategic objectives were reduced and translated to strategic projects. These projects have different durations and will be completed at different time intervals. We furthermore reserve the right to engage in new strategic projects within this strategic period, where our stakeholders demand such. Ultimately all our strategic projects are driven to achieve our three-year goal of making compliance easier and less costly.

Whilst we engage with our strategic initiatives, we are constantly working to achieve our core process targets. In this we aim to stay relevant whilst optimally performing.

This document is a guide through a progressive path where we define our identity and strategic direction which leads to our quantified strategic targets. The last part of this document will describe our needed change via strategic objectives that are unpacked as strategic projects with clear action programmes, responsible people and definite completion target dates.

5. Background and Introduction

Establishment

The Swaziland Revenue Authority (SRA) is a semi-autonomous revenue administration agency, established through the Revenue Authority Act No. 1 of 2008 and operationalised on the 1st January 2011.

Mandate and Functions of SRA

The institutional purpose of the SRA is to *provide an effective and efficient revenue and customs administration, driven by a high performance culture that promotes compliance through fair, transparent and equitable application of the law.*

SRA obtained its mandate via the Revenue Authority Act No.1 of 2008. Under this Act, SRA has the following mandate:

1. The Authority shall be responsible for the assessment and collection of all revenue on behalf of the Government.

2. The Authority shall-
   - 2.1 Administer and give effect to the laws or the specified provisions of the laws set out in the Schedule and account for all revenue to which those laws apply;
   - 2.2 Study the revenue laws and identify amendments which may be made to any revenue law for the purposes of improving the administration of, and compliance with, revenue laws;
   - 2.3 Advise the Minister on matters of policy relating to all revenue, whether or not that revenue is referred to in a law set out in the Schedule;
   - 2.4 Calculate the administrative costs, compliance costs and the operational impact of existing revenue and intended revenue charges and to advise the Minister accordingly;

2.5 Promote compliance with the revenue laws;

2.6 Take such measures as may be required to counteract tax or revenue fraud and other forms of tax or revenue evasion;

2.7 Ensure that all revenue collected is, as soon as reasonably practicable, credited to the Swaziland Government General Account;

2.8 Operate its own SRA account; and,

2.9 Subject to the laws set out in the Schedule, perform such other functions relating to revenue as the Minister may direct.

3. In the discharge of its functions the Authority shall have the power to-

3.1 Collect and process statistical data needed to provide forecasts of revenue receipts and the effect on yield of any proposals for changes in the revenue laws and to advise the Minister accordingly;

3.2 Enter into agreements with the Treasury and other Government departments on the revenue collection modalities and targets for any financial year;

3.3 Set objectives and work targets appropriate to each revenue department and monitor progress in achieving them;

3.4 Subject to the provisions of this Act, take such other measures as it considers necessary or desirable for the achievement of the purposes or provisions of the revenue laws.

6. Operating Environment Informing the Strategy Development

6.1 National Policy Developments

During the opening of Parliament in February 2017, in his Speech from the throne, His Majesty King Mswati III continued to set the tone for government and the national action plan. Contained in the speech is the need for collective effort towards the fulfilment of the Vision 2022 objectives. The key objectives of government are executing activities towards achievement of these objectives. The most recent priorities for government are to reduce reliance on SACU receipts, fiscal consolidation and infrastructure development to build Government's preparedness and resilience against future adversities. The importance of human capital investments and the promotion of the interests of vulnerable groups is considered as an important step towards economic growth and prosperity.

The Government in its initiatives to reduce reliance on SACU plans to increase domestic revenue collections through reviewing existing and where required introduce new legislation. In addition to these legislative changes increases in fees and fines that have not been revised in many years and are currently operating below cost recovery levels are being considered. The Government seeks to establish Special Economic Zones (SEZs) to help stimulate growth, increase employment opportunities and reduce poverty and is working hard to make sure that local products have a market in the region and worldwide. The development of Small and Medium Enterprises (SMEs) also remains a priority for Government, formation of the Centre for Financial Inclusion (CFI) which will look into issues of facilitating access to finance, and the reform of policies and legislation for SMEs and the financial sector is on the verge of being finalized. On fiscal reform, the Government has identified reform priorities to tighten expenditure controls to assist in fiscal consolidation.

6.2 International Developments

Global economic growth has achieved an average of 3.2% in the three-year period running from 2014 to 2016, reflective of the fragilities facing the world economy. A slightly higher average rate for growth is expected in the medium term reaching

3.6% in the next four years ending 2020. Global output is expected to expand by 3.1% in 2016 improving to 3.4 % and 3.6% in 2017 and 2018, respectively. These developments in economic activity will be driven by output acceleration in both advanced economies, emerging markets and developing economies (EMDEs) arising mostly from reduced drag from inventories and some recovery in manufacturing output. Advanced economies are projected to grow by 1.9% in 2017 and 2.0% in 2018, while EMDEs are expected to grow by 4.5% in 2017 and 4.8% in 2018. In the medium term, advanced economies will grow by an average of 1.8% and EMDEs by 4.8%.

The picture for EMDEs remains diverse. After falling sharply in 2016, oil prices are beginning to show a slight increase, reflecting an agreement among major producers to trim supply. Inflation has remained varied in other EMDEs, whilst China has ticked inflation as commodity prices have increased, after four years of deflation. Growth in Sub-Saharan Africa (SSA) has remained relatively low in recent periods, below its previous averages of above 5% due to the effects of the *zika* virus and drought conditions that prevailed. In 2017 growth is expected to pick-up to 2.8% compared to 1.6% in 2016. A further recovery in output is expected in 2018 with growth projected at 3.8%, bringing the medium term outlook to an average growth of 3.9%.

Within the region, the country’s major trading partner, the Republic of South Africa had realised a slower growth of 0.3% in the year 2016 compared to 2015. This has been a result of the severe drought experienced by the country in the year 2016 resulting in reduced agricultural production. Other factors affecting growth are mining, supply bottlenecks from a contraction in manufacturing and electricity output. However, predictions going forward indicate growth to expand by 0.8% in 2017 and 1.6% in 2018, following an average growth rate of 1.03% in the last three years.

6.3 Domestic Developments

The Swazi economy followed similar trends to the rest of the region. After achieving an average growth rate of 1.3% for the years 2014 - 2016, the domestic economy is estimated to have contracted by 0.65% in the year 2016 from a growth rate of

1.9% in 2015. This was due to the aggressive effects of the drought that affected the country during the year. The lack of rain reduced crop production significantly and also affected related industries. Maize production fell by as much as 60%, and industries such as sugar were expected to have significant declines in production.

Positive growth is expected in the manufacturing sector which is not linked to agro-processing. Electricity and water services were severely affected due to the lack of rainfall. Growth outlook remains uncertain with constraints likely to be compounded by Government's fiscal challenges. Though the depreciation of the Lilangeni currency against major currencies provided an impetus for growth of the country's exports, this could not offset the strain on the economy influenced by drought conditions and increasing commodity prices. Growth in the domestic economy is expected at 1.7% and 3.4% in 2017 and 2018, respectively, reflective of the already highlighted challenges.

6.4 Tax and Customs Environment

The international taxation environment under which the SRA operates is continuously changing. In a globalized world there is an urgent need for harmonization and coordination of tax policies, however too often the global and regional instruments are lacking. New tools help countries address compliance problems by analysing gaps, comparing indicators with peers, and assessing their own performance.

World leaders have recently described tax avoidance as immoral, unfair and negating the goal of achieving shared prosperity. Tax evasion has always been considered criminal and administrations have developed measures to detect and curb these illegal activities. The financial crisis has however contributed to the tax compliance issue receiving a sharp focus. The extent to which the international community tolerated tax avoidance through base shifting, illicit financial transfers, treaty abuse and transfer pricing has significantly lessened.

Countries are increasingly worried about tax evasion, not only from multinational groups, but also from domestic companies as observed by some Tax and Customs administrators. In line with these concerns, there are recent global initiatives pushing for a more transparent international tax environment (Base Erosion and

Profit Shifting {BEPS}, AEOI (Automatic Exchange of Information {AEOI}). One of the key challenges in international taxation is transfer pricing. The 3rd TAX GAP Conference identified transfer pricing as a core tax issue given the massive growth in international trade. The conference discussed how tax administrations can better equip themselves to become more transparent, as also to deal with the increased data flows and information that will result from the new arrangements.

Domestic resource mobilization is about more than simply raising money. The World Bank has recently stressed the link between taxation and good governance, saying that *"participation in the process of domestic revenue collection that involves citizens and the state interacting, i.e., participation in state building, is essential for development and inclusion."* Tax reforms or tax system changes need to be made mindful of current capacity. The optimal choice of tax regime may be different when administrative capacity is low. The increasing globalization of economic activity adds a further layer of complexity that developing countries need to manage in building and maintaining their revenue systems. Proposals to change the revenue system in a developing country need to recognize that, like developed countries, tax reforms are highly political endeavours.

7. Internal and External Analysis of the SRA

It is paramount to conduct an environmental analysis when developing a strategic plan for the organisation. This presents an opportunity to view all factors that are highly likely to affect and impact the strategic direction being mapped.

During the crafting of the strategic plan an environmental analysis was conducted. Various leaders of the organisation (Governing Board members, Executive Committee members and Senior Management) were interviewed. To understand the environmental context, several SRA documents, governing legislation and past strategic initiatives were reviewed. The methodology applied to analyse the current and past strategic initiatives included the following:

a) **Structured Interviews** - interviews were conducted on 60% of the identified primary stakeholders to obtain a perception of the SRA leadership. These identified stakeholders included the Governing Board members, EXCOM members and Senior Management;
b) **Document Review** – this included the review of various legislative, strategic and operational documentation pertaining to the SRA in order to understand current and past strategic initiatives as well as the context within which the SRA operates;
c) **Contextual Review** – this included studying the website, mandate and other sources to clearly understand the environment within which the SRA operates;
d) **SWOT Analysis** – compilation of an analysis extracted from the interviews and document reviews to understand what needs to be addressed during the strategy development session.

7.1 Environmental Analysis

When conducting the environmental analysis, a lot of attention was given to the strengths and weaknesses of the organisation's internal environment. Internal stakeholders were requested to rate various internal aspects of the organisation and this provided a perceptual quantification of the organisation's internal environment. The ratings listed in table 1.0 serve as a primary indicator of the organisational ability.

Table 1.0: Environmental Analysis of the SRA Strategy

Indicator	Explanation	Percentage
1. Relevance	The SRA's ability to stay relevant to its sponsoring environment.	65
2. Performance	The SRA's ability to deliver on its mission.	58
3. Intelligence	The SRA's ability to develop and retain the needed tacit and implicit intelligence.	53
4. Resources (energy)	The SRA's ability to manage its resources (money, assets and people).	64
5. Sponsorship	The SRA's ability to ensure strong relationships with stakeholders and to secure external goodwill.	55

The overall operational ability was rated at 59%, which is considered a normal indicator for a semi-autonomous institution in existence for approximately 6 years since inception in 2011. The SRA's strongest operational ability is relevance while the weakest operational ability is the development and retention of tacit and implicit intelligence. Evidence from the analysis indicates very little to no processes in place to retain institutional memory and people experience. There was evidence of stronger processes for implicit intelligence. Moreover, it seems that current performance is highly dependent on the tacit intelligence of standing key employees. This situation presents a serious risk of rapid declining performance should a critical mass of these employees decide to leave the organisation.

Regarding the organisation's leadership, the ratings indicated that strategy, project management, financial planning, process and procedural development and accounting practices were indicated as the organisation's strongest internal functioning. On the other hand, meeting management, mentorship and coaching, talent management, succession planning and e-libraries were perceived to be the weakest operational abilities.

Regarding the external environment, perceptions were obtained and interviewees were questioned on the opportunities and threats of the SRA's political, economic, sociological, technological, supplier, customer, competitor, substitute products and industry environments. Due to the unique variables it was not possible to quantify such through a rating system.

7.2 Interview Analysis

The interviews were conducted telephonically with leaders of the organisation, being Governing Board members, Executive Committee members and Senior Managers. The general impression was that the leadership is highly qualified and experienced within their respective domains and more than capable of executing their allocated tasks. Regarding the amount of work satisfaction and general contentment within allocated roles the perception concluded was that the leadership of the organisation has the ability to choose the right people for the right leadership roles. There also seemed to be an above average understanding of the SRA values and outcomes. Regarding the strategic direction of the organisation most interviewees simulated the current mandate of the SRA. Reservations were expressed regarding ability to implement the new strategy, given the strategic planning approach to be adopted.

7.3 Strategy Analysis

An analysis of the SRA 2015/16 to 2017/18 Strategic Plan indicated the mission statement benchmarks well against similar international organisations. It is clearly defined, provides authority to current operations and processes in line with the SRA mandate. Similarly, values are well defined and considered adequate to manage behaviour within SRA. An observation made was that the values do not directly impact on a SRA employee's performance appraisal. The vision is clearly articulated and creates a desired state. A critique of the vision presented a scenario whereby it might imply that the organisation is primitive, untrustworthy and customer-allergic; hence a case for its revision as it is a primary driver for strategy and change.

Regarding the strategic objectives when benchmarked against the elements of a world-class strategy it was observed that they are clearly articulated and measurable with their action targets; latter clearly quantified enabling measurement with ease. A critique of the objectives was that they are too many and the scope might be too wide for an EXCOM team to manage.

The strategy's weakest point is in inability to separate operational targets from strategic initiatives. Most of the strategy are operational targets, in which case most of the target definitions will be as valid in 10 years or so as they were during the strategy development process. In a way this defies the construct of strategy being a change initiative that will ensure the relevance of operational functioning.

Also the SWOT analysis is not being directly addressed within the strategy and strategic initiative has no clear translation process, i.e., linking with operational processes and projects. There is no clear translation process from problems identified within the environmental analysis to strategic objectives to operational objectives. It is not clear how exactly the current strategic objectives will achieve the currently stated vision, giving the eventual conclusion that "there is very little strategy in the strategy."

The balanced scorecard (BSC) system used seemed to even distort the organisational focus: the focus now became the four generic perspectives and not the organisational outcomes such as revenue collection, customs administration, taxpayer compliance and high performance organisation versus financial, customer, internal processes, and learning and growth. The BSC does not distinctively clear operational activities from strategic initiatives. However, it can be used as a monitoring and evaluation framework.

In regard to the above and foregoing analysis, strategy developed should clearly distinguish between operational targets and strategic projects. In effect the strategy becomes project-based. The implication is that each strategic objective becomes a project and managed through project management methodology. In developing the strategy, a methodological translation process where the mission and vision are used as a starting point.

7.4 SWOT Analysis

In conducting the SWOT analysis, both the internal and external environments were interrogated.

Internal Environment:

The environmental analysis was strongly based on interviews with leaders of SRA, but consolidated and influenced by the consultant who also investigated physical documents to this effect. In terms of the above ratings, the SRA's overall operational ability was rated at 59%.

The SRA's ability to stay relevant and manage their resources were rated highest, whilst their ability to develop and retain intelligence were rated the lowest. In this regard strategy, financial planning, process management and accounting practices were rated highest (all above 70%), whilst succession planning, talent management, mentorship and coaching was rated lowest (below 50%). This holds the risk that loss of key personnel could implicate a rapid decline in organizational performance. SRA is a relatively new organization and the probability is high that key people were head hunted. There are weak indicators of succeeding these people within the immediate future.

External Environment:

Analysis of the external environment was highly dependent on the expertise and experience of those who lead the SRA. Inputs from the Governing Board was highly valuable here. With the SRA being a highly regulated and Government influenced institution, opportunities within the external environment is minimized to the SRA's ability to negotiate, influence and advise. This makes the SRA's influential ability highly dependent on effective leadership and their ability to engage and negotiate. Even the minimization of potential threats are highly dependent on the SRA's leaders' influential ability.

Negotiation skills at political level is therefore the SRA's highest weapon to influence and control its external environment.

8. Organizational Identity and Definition

Following is an outline of what we do (our mission), where we want to go (our vision), how we do this (our values), how we translate our mission into a process family (our competency construct), and how all fits together (our strategic model).

The SRA Vision

100% voluntary compliance for a better Swaziland.

The SRA Mission

To provide an effective and efficient revenue and customs administration, driven by a high-performance culture that promotes compliance through fair, transparent and equitable application of the law.

The SRA Statement of Values

Value	Description
Performance Excellence	Strive for professionalism.
Relationships	Focus efforts on delivering high-level customer service and recognizing the impact of actions on internal and external customers.
Innovation	Continuously implement new ideas that re-engineer service offering and the way in which SRA operates.
Integrity	Promote honesty, trust and openness.
Transparency and Accountability	Open in operations and communication whilst being responsible for actions and decisions.

The SRA Competency Construct

Figure 3.0 shows how our strategic core process and, auxiliary and remedial processes interact, to ensure effective revenue collection.

Figure 3.0: SRA Process Construct

Our process construct shows how the processes that drive the SRA, interact with each other. Our business is to collect revenue on behalf of the Government of Swaziland. But, to do this effectively, we must have a support structure. This would include aspects such as finance; human resources; supply chain management; etc. Also, we must manage our customers and stakeholders. Now, in a world that does not change, this would be all that is necessary. But, as we know, this is not the case. Things change and obstacles emerge. Where this happens, we must transform and manage our risks.

This model presents five processes. These processes encapsulate the sum of all work, within the SRA. They present one core process; two auxiliary processes; and two remedial processes.

Core Process:

- Collect Revenue.

Auxiliary Processes:

- Provide Support.
- Manage Customers.

Remedial Processes:

- Transform.
- Manage Risk.

9. Strategic Direction

The "V5" system was used to determine our strategic direction. It entails a translation of five vision statements: namely;

- V1 – ultimate desired reality.
- V2 – desired reality 15 years from now.
- V3 – desired reality 10 years from now.
- V4 – desired reality at the end of strategic period.
- V5 – 12-month vision, becoming irrelevant by the end of the first year of the strategic plan.

This creates a ladder of strategic intent aimed at eventually achieving our ultimate vision. It ensures that strategic energy is directed and driven to smaller achievable super objectives.

Our target for the current strategic period is to achieve V4, which will typify the end of our strategic period.

V1 - Ultimate Vision

100% voluntary compliance for a better Swaziland.

V2 - 2033 Vision

90% voluntary compliance with minimum enforcement of 10%.

V3 - 2028 Vision

An eye on every cent - taxable and non-taxable.

V4 - 2021 Vision

Compliance is easier and costs less.

V5 - 2018 Vision

Efficient revenue mobilisation.

10. Core Targets

Core targets for the SRA strategy are presented in table 2.0. These targets emanate from processes of SRA, and will remain the same year after year. However, their quantification will be revised on an annual basis to ensure higher levels of efficiency.

Table 2.0: Core Targets for SRA Strategy

No.	Target	Quantification			Quantity Unit	Point of Measure
		2018/19	2019/20	2020/21		
1.	Efficiency ratio.	4.5%	4.5%	4.5%	Cost of collection as a percentage of revenue collected.	31 March
2.	Revenue to GDP ratio.	15%	15%	15%	Revenue collected as a percentage of GDP.	31 March
3.	Voluntary compliance.	60%	60%	60%	Revenue of voluntary compliance over potential revenue.	31 March
4.	Trading across borders.	Top 30	Top 30	Top 30	Country's rank in 'trading across borders' report.	31 March
5.	Paying tax index.	Top 60	Top 60	Top 60	Country's rank in 'paying tax index' report.	31 March
6.	Efficient HR management.	75%	75%	75%	Satisfactory – results from climate survey.	31 March

It is important to note, that there are no specific activities listed at each of these core targets. The reason for this, is that our processes are already in place, and it is the aim of processes to execute these targets. These targets, are therefore only an indicator of the capacity of our processes at any specified period. Hence, to achieve our targets, we must simply do the work that we have set out to do through our process construct.

Where we can increase our targets, without increasing our resources, or activity; we then reach a higher state of efficiency.

11. Strategic Objectives and Action Programmes

To ensure the relevance of SRA, we have developed three (3) strategic focus areas. The focus areas were collectively translated to four strategic objectives, which were then transformed to strategic projects with detailed action programmes. These have associated outcomes whose delivery is key to realising the strategic goals.
These focus areas, objectives and projects emanate from our environmental analysis and attempts to attain our 3-year strategic 'master' goal of making *"compliance easier and costs less.*

Our three (3) strategic focus areas are:
1. Voluntary Compliance;
2. Creating a High Performance Organisation; and,
3. Enforcement.

The focus areas were translated to the following four (4) strategic objectives as indicated in table 3.0.

Table 3.0: Strategic Objectives, Strategic Focus Areas and Programme Outcomes of the SRA Strategy.

#	Strategic Objective	Strategic Focus Area	Programme	Programme Outcomes	Programme Director	Target Date
Pi1	Enable voluntary compliance and deter non-compliance through automation of revenue collection systems.	• Voluntary Compliance • Enforcement	Automation	• Make it easy to comply. • Make it hard to hide.	Nompumelelo Dlamini	30 March 2021
Pi2	Conduct research on taxpayer behaviour in order to understand reasons for non-compliance.	• Voluntary Compliance • Enforcement	Research	• Segmented taxpayers according to behaviors. • Specific taxpayer interventions. • Enhanced risk profiles.	Gugu Mahlinza	11 February 2019

Pi3	Transform the processes and structure of SRA to make the organization more efficient.	Creating a High Performance Organisation	Business Transformation	• Re-engineered organizational processes and complementing structure. • Improved internal efficiencies.	Brightwell Nkambule	30 March 2021
Pi4	Build desired culture and capacity for the SRA team.	Creating a High Performance Organisation	Human Capital	• Right people on the right roles. • Capacitated personnel. • Performance excellence.	Edward Sithole	30 October 2020

Project management methodology is used to ensure that projects are executed on target, on budget and within pre-determined quality and quantity targets.

- It is crucial that the Commissioner General (CG) gets direct feedback during EXCOM meetings. For this reason, all the programme directors are senior managers.
- All the programmes listed above will improve our operational processes; and in turn, this will support our ability to achieve greater targets.
- All the above programmes are unpacked in detailed project plans. We have not listed any action steps here, since this would dilute the specific action, that we have listed in the various project plans.

12. Strategy Costs

The indicative costs for implementing the strategy within the set period are indicated in the table below. The identified strategic projects are costed at an estimated figure of E155 million as shown in table 4.0. However, these indicative costs will be further refined at the presentation of different business cases when approval for implementation is sought from the SRA governance structures.

Table 4.0: Indicative Costs of Strategy Projects.

INDICATIVE COSTS OF STRATEGY PROJECTS					
PROGRAMME	Project	Cost (E)	2018/19	2019/20	2020/21
AUTOMATION	Automated Revenue Machines (ARM)	12 400 000	400 000	9 000 000	3 000 000
	Automated System for Customs Data (ASYCUDA)	33 000 000	33 000 000	-	-
	Data Warehouse (DWH)	6 550 000	2 550 000	2 000 000	2 000 000
	Mobile-Tax (M-Tax)	5 000 000	1 600 000	2 800 000	600 000
	Revenue Management System (RMS) Enhancements	13 500 000	9 000 000	4 000 000	500 000
	Value Added Tax (VAT) Electronic Billing	2 200 000	200 000	500 000	1 500 000
	Total	**72 650 000**	**46 750 000**	**18 300 000**	**7 600 000**
RESEARCH	Research	7 256 250	7 256 250	-	-
	Total	**7 256 250**	**7 256 250**	**-**	**-**
HUMAN CAPITAL	Employee Profiling	7 275 000	7 275 000		
	Skills Audit	5 000 000	5 000 000		
	Capacity Development	3 500 000	3 500 000		
	Work Study	8 290 000	2 140 000	6 150 000	
	Total	**24 065 000**	**17 915 000**	**6 150 000**	**-**
BUSINESS TRANSFORMATION	Organisational Process Architecture	350 000	350 000	-	-
	Compliance Programme	7 700 000	7 700 000	-	-
	Quality Management System (QMS)	770 000	125 000	460 000	185 000
	Information Management	21 814 500	21 814 500	-	-
	Infrastructure	20 170 000	20 170 000	-	-
	Total	**50 804 500**	**50 159 500**	**460 000**	**185 000**
GRAND TOTAL		**154 775 750**	**122 080 750**	**24 910 000**	**7 785 000**

13. Strategy Monitoring and Evaluation

A strategic projects scorecard has been developed in order to stay relevant to the course of the strategic goal and is presented in table 5.0. The critical measure is the target date efficiency, which indicates whether programme activity is executed on time. It gives meaning to the programme completion figure. The target date efficiency figure should always be 100% or more. In instances where the target efficiency is rated below a 100% indications will be that the programme is behind schedule and will require the intervention of Executive Committee through appropriate decisions.

Table 5.0: Strategic Projects Scorecard

No.	Strategic Programme	Programme Director	Budget (E)	Target Date	Completed	Target Date Efficiency
Pi1	Automation	Nompumelelo Dlamini	72,150,000	30-Mar-21	0.00%	0.00%
Pi2	Research	Gugu Mahlinza	7,256,250	30-Aug-19	0.00%	0.00%
Pi3	Business Transformation	Brightwell Nkambule	51,104,500	30-Mar-21	0.00%	0.00%
Pi4	Human Capital	Edward Sithole	24,065,000	30-Sep-20	0.00%	0.00%
					0.00%	*0.00%*
Strategy Completed:		0.00%				
Target Date Efficiency:		0.00%				

The scorecard will be updated regularly and hence will serve as a monitoring and evaluation tool. In the scorecard, we clearly differentiate between strategic initiatives and operational processes.

Our strategic initiatives are managed as strategic projects. Due to the non-repetitive nature of strategy, project management methodology is internationally regarded as the best way to execute strategy. There are four strategic programmes, each managed by a member of Executive Committee (EXCOM). In this way the Commissioner General will get direct feedback on implementation progress during EXCOM sessions. Each programme is unpacked within a detailed plan and regular feedback is given within the strategic scorecard on programme completion. Apart from a programme completion percentage, the scorecard also demands a target date efficiency percentage. This figure will give meaning to the programme completion figure, since it will indicate whether project activity is executed on time. The target date efficiency figure should always be 100% or more. Where target efficiency is rated below 100%, it indicates that the programme is behind schedule. Most of these projects will be cascaded throughout the organisation as smaller projects, all aiming to executing the SRA strategy.

Our processes are managed through six (6) core quantified targets. These are annual targets that will recur year after year. Each year the targets quantity units will be adjusted, but the semantic construct (words) of the targets will mostly remain the same. Target execution is monitored quarterly and its achievement recorded in the strategic scorecard. At the end of each financial year, target execution should be 100% or more. Collectively, our core targets form our super goals and are a direct reflection of our operational efficiency.