



MAIN STORIES

Mozambique Needs a New Growth Model for Sustained, Inclusive Growth

First Gas from Floating Platform in October, But No Consensus on Return to Main Onshore Project

HIGHLIGHTS

- Mozambique's existing growth strategy does not generate productive jobs or support accelerated poverty reduction; hence the need for a new approach.
- Limited off-shore liquified natural gas (LNG) exports should start in October 2022 but onshore production remains problematic due to the insurgency.
- The Frelimo Youth Wing supports a third term for President Filipe Nyusi while other party structures, as well as the president remain silent on the issue.
- President Nyusi wants to postpone district assembly elections but faces strong resistance from opposition parties as it may be constitutionally illegal to do so.
- Various civil and political pressure groups want the proposed amendment of the Anti-Terror law delayed as it infringes on basic freedoms.
- Former Finance Minister Manuel Chang will be extradited to the United States (US) following a ruling by the Constitutional Court of South Africa.
- Insurgent incidents noticeably increased across five districts with new recruits coming from the Democratic Republic of the Congo (DRC). Isolated attacks now occur south of Pemba.
- A new wave of insurgent attacks in the previously 'safe' Ancuabe district has uprooted nearly 10 000 people.
- Ugandan military support for local Mozambican militia forces could worsen the conflict's ethnic dimension.
- Australian-listed Syrah suspended all personnel and logistical movement through areas affected by an insurgent attack on a mine in the Ancuabe district.
- President Nyusi appointed Bernardo Lidimba as Director General of the State Intelligence and Security Service (SISE) with Joia Haquirene as deputy.
- The United Nations Children's Fund (UNICEF) intends to provide US\$387 million for the new National Cooperation Programme for Mozambique (2022-2026).

MOZAMBIQUE



- The US will give US\$29.5 million for humanitarian food assistance and US\$14 million a year for 10 years for reconstruction in Cabo Delgado.
- The new International Monetary Fund (IMF) financial programme could lead to adjustments that will affect the population negatively.
- Foreign Direct Investment (FDI) in Mozambique was US\$5 102 million in 2021, up from US\$3 035 million in 2020.
- Oxford Economics indicated that average inflation will be above 9% (2022), with prospects for social unrest due to the impact of prices on the transport sector.
- By 21 June 2022, the country had recorded 227 161 positive COVID-19 cases. Of these cases, 224 387 people have recovered while 2 210 people have died. The total number of tests carried out was 1 340 855.
- On 31 May 2022, President Nyusi praised Russia for understanding Mozambique's position of 'neutrality' in relation to the military conflict in Ukraine, reiterating the option for resolving differences through dialogue.
- Mozambique and Rwanda signed a memorandum of understanding (MOU) to promote economic and trade relations.
- Mozambique was elected to serve as non-permanent member of the UN Security Council (UNSC), beginning in January 2023.

