



MAIN STORIES

When Debt and Terrorism Intersect: The Case of Mozambique

Who Will Frelimo Pick for Mozambique's Next President?

HIGHLIGHTS

- A comprehensive approach that addresses both economic and security concerns is essential for restoring stability in Mozambique.
- President Filipe Nyusi has struggled to build consensus around any of his preferred candidates to succeed him.
- Both Frelimo and Renamo will decide on their presidential candidates for the October election in May 2024.
- The Sovereign Wealth Fund (SWF) will be operational by end of April 2024, but concerns about the independence of SWF governing bodies remain.
- The government believes that the wave of kidnappings suggests the existence of strong links between legal and illegal businesses in the same industry.
- The period of Ramadan led to a significant decrease in insurgent activities with Islamic State-Mozambique (IS-M) embarking on a proselytising campaign.
- The World Bank stated that Mozambique faced substantial development challenges, including limited structural transformation and widespread poverty.
- Mozambique is ranked 15/163 countries (1=worst) in the 2024 Global Terrorism Index (GTI), indicating a high impact from terrorism.
- Rwanda is to increase troop deployment to Mozambique, funded by the European Union (EU), in the wake of the SADC Mission in Mozambique (SAMIM) planned withdrawal by July 2024.
- The Turkish Defence Industry Agency is to supply military equipment to Mozambique and help to develop the country's defence sector.
- The global Human Development Index (HDI) ranked Mozambique 183/191 countries and territories (1=best).

MOZAMBIQUE



- Foreign Direct Investment (FDI) grew 2% to US\$2.5 billion in 2023.
- Mozambique is to play an important role in the supply of gas, given the decline in production in some African countries.
- Mozambique is among the five African countries with the highest debt/GDP ratio in 2024 at 92.4%.
- The government wants to remove the country from the Financial Action Task Force's (FATF) grey list by June 2024.
- Authorities will tighten controls on the purchase of vehicles and property in cash as part of the fight against money laundering and terrorist financing.
- A third of the population has access to banking services and 93% to services provided by Electronic Money Institutions (EMIs).
- Credit Agricole will not finance Exxon Mobil and Eni's Rovuma project in Mozambique, citing commitments to refrain from new fossil fuel developments.
- Canada approved US\$65.8 million in funding for Mozambique for international development projects to support country-led strategies and solutions.
- Japan will provide US\$1.7 million to Mozambique for sustainable development and humanitarian support to the crisis in Cabo Delgado province.
- The United States intends to provide US\$22 million in new funds to support "stabilisation efforts" in Cabo Delgado province.

