

MONTHLY UPDATE

IN TRANSFORMATION
INITIATIVE

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MOZAMBIQUE



MAIN STORIES

Mozambique Needs a Marshall Plan to Counter Islamic Insurgency

ISS – Terrorism in Mozambique Needs African Solutions

Armed Forces Gain Visibility in the Operational Command in Cabo Delgado

COVID-19

HIGHLIGHTS

- Experts say a 'Marshall Plan' is needed to generate mass employment for local young people to prevent them from joining the insurgency.
- The Mozambique Armed Defence Forces (FADM) is poised to become more active in support of the Police in the fight against the insurgency.
- Paramount Group is to support the FADM in its counter-insurgency operations.
- DAG's (Dyck Advisory Group) operations in Mozambique is being investigated by South Africa's National Prosecuting Authority (NPA).
- Total withdrew some staff from the Afungi Peninsula LNG plant following a nearby insurgent attack.
- Mariano Nhongo (Renamo Military Junta leader) declared a ceasefire and expressed a desire for dialogue with the government.
- The Mozambique-South Africa border has been closed as COVID-19 cases rapidly increased in both countries.
- Mozambique's Human Development Index (HDI) value is 0.456, positioning it at 181 out of 189 countries and territories.
- Agriculture and rural transport will be covered in the next US Millennium Challenge Corporation (MCC) package of development projects for Mozambique.
- The economic outlook for 2021 remains negatively affected by COVID-19 uncertainty, security challenges, a fragile fiscal position and limited space for monetary policy support.

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- High indebtedness carries the risk of negative economic performances in 2021.
- By 14 January 2021, the country had recorded 23 726 COVID-19 cases. 18 282 people have recovered while 205 people have died. More than 295 000 tests have been done.
- Mozambique expects to receive a vaccine against COVID-19 by May/June 2021.
- Bank of Mozambique has been urged by President Filipe Nyusi to direct monetary policy towards keeping inflation low.
- Bank of Mozambique's new SIMO network processing solution has been introduced.
- Portugal will take a leading role as President of the Council of the European Union (EU) to mobilise international support for Mozambique.
- The United States (US) wants to grow its partnership with Mozambique to counter terrorism and prevent violent extremism in northern Mozambique.
- Mozambique and Tanzania discussed solutions to the insurgency at leadership level.

