

# MONTHLY UPDATE

IN TRANSFORMATION  
INITIATIVE

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## MOZAMBIQUE



### MAIN STORIES

**Economic Update:  
Setting the Stage  
for Recovery**

**Security and  
Community:  
Safeguarding  
Operations in  
Mozambique**

**Covid-19**

**US State Department:  
Terrorist Designations  
of ISIS Affiliates  
and Leaders  
in Mozambique**

### HIGHLIGHTS

- The US Department of State has designated the Islamic State of Iraq and Syria – Democratic Republic of the Congo (ISIS-DRC) and the Islamic State of Iraq and Syria – Mozambique (ISIS-Mozambique) as Foreign Terrorist Organizations. The Department has also designated ISIS-DRC and ISIS-Mozambique as Specially Designated Global Terrorists (SDGTs), while also designating respective leaders of those organizations, Seka Musa Baluku and Abu Yasir Hassan, as SDGTs.
- Experts say sustainable liquified natural gas (LNG) operations should be safeguarded by tangible benefits to communities and the prioritisation of local empowerment.
- There was a significant increase of Defence Force (FADM)/ Private Military Contractor (PMC) operations in Cabo Delgado but insurgents launched counter-attacks.
- A PMC with close British military ties announced on 23 February ‘a multimillion-dollar contract with an African government to provide a range of military training and advisory services’. It is very likely that this government is Mozambique. The contract probably involves two PMCs. The South African Paramount Group has already supplied armoured vehicles and aircraft, with linked training, and has trainers in Mozambique. Burnham Global, based in Dubai, is run by former British soldiers.
- Total has reached an agreement with the government over securing the Afungi LNG area in Cabo Delgado.
- Amnesty International (AI) accused the government, Dyck Advisory Group (DAG) and the insurgents of ‘war crimes against civilians’.
- Mozambique scored 43/100 in the Freedom House Democracy Index. Mozambique is among the countries that have seen the

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greatest decline in the political rights and freedoms of its citizens over the past decade.

- The Catholic Bishop of Pemba has been withdrawn due to a long campaign against him by the government.
- A proposed draft media law is a concern for press freedom in the country.
- Two prominent members of the Renamo Military Junta surrendered but their leader Mariano Nhongo remains deviant.
- The World Bank has indicated that Mozambique's economy is expected to be in recession in 2021.
- The Heritage Foundation's 2021 Index of Economic Freedom scored Mozambique 51.6/100, which is below the regional (55.7) and world (61.6) averages.
- Agreement was reached with the Paris Club of creditor countries to extend the country's debt moratorium until June 2021, deferring some US\$250 million in payments.
- The government requested Brazil to restructure its US\$224 million debt.
- International Monetary Fund (IMF) discussions on a financial assistance programme have been postponed at the request of the government.
- By 11 March 2021, the country had recorded 63 174 Covid-19 cases. Of these cases, 48 451 people have recovered while 707 people have died. The total number of tests carried out is 445 498.
- An estimated 1.3 million people are in urgent need of humanitarian assistance and protection in the three northern provinces of Mozambique.
- Mozambique's Investment Attractiveness score from the Fraser Institute's annual mining survey deteriorated but improved in other areas measured.

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- Fitch predicts a 'transformed economy' based on the LNG projects but poor governance and security problems could scupper this prospect.
- Portugal is to send 60 Special Forces trainers by April 2021 to train FADM soldiers.
- South Africa is 'monitoring' the developments in Cabo Delgado but 'remains at a loss' as to what Mozambique requires in terms of assistance.
- Turkish diplomats in Mozambique spied on critics of President Recep Tayyip Erdoğan.
- South Africa's new High Commissioner to Mozambique, Sipiwe Nyanda, presented his credentials to President Filipe Nyusi.

