

MONTHLY UPDATE

IN TRANSFORMATION
INITIATIVE

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MOZAMBIQUE



MAIN STORIES

Pretoria 'Puzzled'
by Mozambique's
Silence on Aid to Fight
Islamist Insurgency

Ending Violence Will
Require United Effort

Sowing the Seeds of
Industrial Farming in
Mozambique

Covid-19

HIGHLIGHTS

- The long-awaited counter-offensive by the government's security forces will probably commence within the next two weeks, but the recapture of Mocímboa da Praia from the insurgents' control will be a complex and potentially time-consuming undertaking.
- Counterinsurgency efforts suffered a blow with the sudden death of General Eugénio Ussene Mussa.
- An agreement was reached to reinforce security measures around the LNG projects.
- Total is to establish a logistics base in Mayotte for its offshore LNG operations.
- Prinvest has placed President Filipe Nyusi at the centre of the US\$2 billion debt scandal.
- New restrictive COVID-19 measures, including a mandatory curfew, have been introduced to curb a spike in cases.
- By 11 February 2021, the country had recorded 45 785 COVID-19 cases; 27 814 people had recovered and 480 people had died.
- The Democracy Index 2020 ranked Mozambique 122 out of 166 countries globally (1 is best), and 26 out of 44 in the Sub-Saharan Africa regional ranking.
- Transparency International's Corruption Perceptions Index ranked Mozambique 149 out of 180 countries (1 is best).
- A United Nations report on people trafficking indicates that 73% of Mozambican nationals trafficked were exploited for forced labour.
- Human rights in Mozambique deteriorated in 2020, largely due to the conflict in Cabo Delgado.

MOZAMBIQUE



- Developing proper infrastructure could make Mozambique an industrial farming hub for the broader region.
- Mozambique's GDP will grow -1.3% (2020) to 3% (2022) while inflation will decrease from 4.8% in 2021 to 3.8% in 2022.
- Mozambique's debt-to-GDP ratio could rise to 112.3% in 2021, dropping to 99.7% in 2022.
- Standard & Poor's estimated that the economy had likely grown by 1% in 2020 with real GDP growth of 5.5% possible from 2021.
- Standard Bank's economic studies unit revised its growth forecast for Mozambique's economy for 2021 downward from 2% to 1.8% in response to the security situation in the north of the country and the effects of the COVID-19 pandemic.
- The Confederation of Economic Associations of Mozambique requested an exhaustive study on the implications of the African Continental Free Trade Agreement (AfCFTA).
- The European Union (EU) is awaiting the Mozambican government's agreement for logistical support, health and military training.
- Mozambique is to apply for a non-permanent seat of the United Nations Security Council.

