



IN TRANSFORMATION  
INITIATIVE

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# MONTHLY UPDATE

## MOZAMBIQUE



### MAIN STORIES

**US\$51 Bn of Foreign  
Investment, But How  
Much Is Real?**

**Mozambique's Top  
Politicians Look Set to  
Escape Justice**

## HIGHLIGHTS

- Government claims about foreign direct investment is allegedly not according to fact as most of it is either borrowed or assets/money 'laundered' via Mauritius.
- The "hidden debt" trial is drawing to a close but high-profile culprits seem set to avoid accountability for their role in the affair.
- The "hidden debt" judge has refused access to official documents requested for a linked-case in the United Kingdom's Commercial Court of London.
- The insurgency is continuing in both the southeast and northwest of the conflict zone despite the operational successes of the Joint Forces.
- Mozambican forces have taken control of governance in areas recaptured from insurgents, inclusive of economic activity.
- The Niassa Special Reserve is threatened by the insurgency, leading to socio-economic problems and a humanitarian crisis.
- The World Bank's Global Economic Prospects (GEP) project economic growth for Mozambique at 5.1% in 2022.
- The International Monetary Fund (IMF) could provide US\$317 million in concessional financing to Mozambique during negotiations to start soon.
- The resumption of TotalEnergies' investments in Cabo Delgado may resume in 2022 but under a radically changed operational environment.
- Tax revenue from the Liquid Natural Gas (LNG) projects for 2022 is expected to reach US\$35 million, the first such state revenue of the LNG projects.
- The Mozambican Tax Authority (AT) collected more than 278 billion meticaais (about US\$4.3 billion, at the current exchange rate), during 2021, which was 105 per cent of the target figure of 265 billion meticaais.

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- The volume of trade between Mozambique and Dubai reached US\$600 million in 2020, while enhanced trade prospects are foreseen for 2022.
- By 20 January 2022, the country had recorded 220 908 positive COVID-19 cases. Of these cases, 194 629 people have recovered while 2 140 people have died. The total number of tests carried out was 1 191 681.
- Tesla signed an agreement with Australia's Syrah Resources, which operates one of the world's largest graphite mines in Mozambique.
- Brazilian miner Vale has finally sold its Moatize coal mine and the Nacala logistics corridor to Vulcan Minerals, a unit of India's Jindal Group.
- According to the National Statistics Institute (INE), inflation in 2021 was 6.74%, mostly due to higher food prices.
- President Filipe Nyusi, in a message to Russian President Vladimir Putin, expressed his intentions to strengthen ties of friendship and cooperation with Russia.

