



IN TRANSFORMATION
INITIATIVE

MONTHLY UPDATE

MOZAMBIQUE



NOVEMBER • No 11/2021

MAIN STORIES

**Fitch Solutions'
Mozambique Country
Risk Report for Q4
2021**

**Credit Suisse
Mozambican 'Tuna
Bond' Scandal Is Likely
to Linger**

HIGHLIGHTS

- Fitch Solution's Short- and Long-Term Economic Risk Indexes for Mozambique have been scored 38.8 and 45.2 out of 100 due to external dynamics vulnerability.
- Credit Suisse's involvement in Mozambique's "hidden debt" scandal will linger on despite the Bank's payment of fines.
- President Filipe Nyusi replaced three key ministers and plans to restructure the Defence and Security Forces (FDS) ostensibly to entice multinational companies to restart the liquefied natural gas (LNG) projects.
- The Global Organised Crime Index 2021, ranked Mozambique 21st out of 193 countries (1st being worst).
- Former President Armando Guebuza's upcoming testimony in the "hidden debts" trial may create turmoil in Frelimo if he implicates President Nyusi.
- The utilisation of Improvised Explosive Devices (IED) by insurgents is a worrying development as insurgents conduct attacks in new areas.
- The FDS continues operations against Renamo Military Junta members, while the Disarmament, Demobilisation and Reintegration (DDR) is progressing slowly.
- Some 930 000 internally displaced people (IDPs) will need food aid until at least May 2022.
- While the LNG companies are still committed to exploiting Mozambique's oil and gas fields, they remain vague on the timeframe to restart the projects.
- The government will not rework its US\$900 million Eurobond, despite delays in the LNG projects.
- Mozambique was admitted to the Kimberley Process during a plenary session in Russia.
- Mozambique's gross domestic product (GDP) rose 3.36% in the third quarter of 2021.

MOZAMBIQUE



- By 25 November 2021, the country had recorded 151 503 COVID-19 cases. Of these cases, 149 461 people have recovered while 1 940 people have died. The total number of tests carried out was 970 816.
- The European Union Training Mission in Mozambique (EUTM) will train 11 rapid reaction units for deployment within two years.
- Russia expressed its readiness to support Mozambique in the fight against terrorism through cooperation in the field of intelligence.
- The European Union (EU) established a €40 million assistance measure under the European Peace Facility (EPF) in support of Mozambique.
- Portugal signed a new bilateral Strategic Cooperation Programme (PEC) with Mozambique to the value of €80 million for the period 2022-2026.

