



MAIN STORIES

**Fitch Upgrades
Mozambique to 'CCC+'**

**Violent Extremism:
Drivers and Links to
Transnational
Organised Crime**

**Mozambique Urged to
Safeguard Press
Freedom**

HIGHLIGHTS

- The discovery, as well as poor governance of natural resources is said to be a cause of the insurgency while limited links exist with transnational organised crime networks.
- Mozambique's deteriorating media freedom environment is a worrying development with urgent and concrete steps needed to reverse the situation.
- The planned sovereign wealth fund raised from mega-project revenues should be tailored to governance priorities.
- Cabinet approved a Strategy to Combat Money Laundering and Terrorist Financing (2023-2024).
- Insurgents have started an offensive in Nampula province while continuing to operate in the Cabo Delgado province.
- The Southern African Development Community (SADC) Mission in Mozambique (SAMIM) was extended for another year but will now operate under its Scenario Five as a peace-building operation.
- The European Union (EU) approved €15 million for SAMIM while a possible €20 million for Rwandese forces in Mozambique is under consideration.
- Mozambique ranks 116 out of 165 countries (1=best; 165=worst) in the Fraser Institute's Economic Freedom of the World: 2022 Annual Report.
- President Filipe Nyusi raised the possibility of a second floating platform in the Rovuma basin while Standard Bank predicts a start of LNG projects in the first quarter of 2023.
- The state collected 16 billion meticaïs (US\$250.6 million) in tax revenues from the Extractive Industries in 2020.
- Fitch Ratings upgraded Mozambique's Long-Term Foreign-Currency Issuer Default Rating (IDR) to 'CCC+' from 'CCC'.

MOZAMBIQUE



- An agreement with the World Bank will formalise the resumption of US\$300 million direct budget support over the next three years.
- Gross Domestic Product (GDP) growth is expected to be close to 3.8% in 2022, after the second quarter recorded a rate of 4.7%.
- An inflation rate of 11.7% by the end of 2022 is forecasted by Standard Bank while the National Institute of Statistics (INE) has forecasted 12.1%.
- Tanzania and Mozambique undertook to engage in new joint investment ventures in agriculture, natural gas and the blue economy.
- Mozambique and China discussed the deepening of bilateral military cooperation.
- Portugal announced a 40% increase in funds allocated to projects under the Strategic Cooperation Programme with Mozambique.

