



### MAIN STORIES

#### Macro Poverty Outlook

#### Energy Transition: A Unique Opportunity for Mozambique

#### No Clear Exit for SAMIM

## HIGHLIGHTS

- Mozambique's economic prospects are positive, reflecting the start of liquefied natural gas (LNG) exports and high commodity prices.
- LNG as a global transitional energy could raise Mozambique from a poor country to a middle-income country over the next 15 years.
- According to the World Bank, domestic prices, particularly of food, will remain high, affecting the purchasing power of the poor, who on average, spend a larger share of their budget on food.
- The National Elections Commission (CNE) remains under-funded while struggling with logistical and security issues.
- Mozambique has been placed on the international "grey list" for failing to combat money laundering and terrorist financing crimes.
- The SADC Mission in Mozambique (SAMIM) has no clear exit strategy despite continuous insurgent activities.
- Insurgents have continued their activities, albeit at a low level, in specific locations leading to more internally displaced people (IDPs).
- The humanitarian situation continues to deteriorate in the northern conflict areas with a lack of international funding threatening food security there.
- The extractive industries would make the biggest contribution to the growth of Mozambique's Gross Domestic Product (GDP) in 2023.
- The European Union (EU) signed six financing agreements with Mozambique worth more than €148 million for development programmes.

# MOZAMBIQUE



- Belgium signed a €25 million cooperation programme with Mozambique over five years, focussing on developing renewable energy and waste management.
- Germany is to provide €199 million for social and economic development sectors in Mozambique.
- The first cargo of LNG produced by the Coral South Floating Liquefied Natural Gas (FLNG) project departed for Europe.
- The United States (US) lobbied Mozambique for closer cooperation on peace and security issues following its election to the UN Security Council.

