



### MAIN STORIES

UK–Mozambique  
Development Partnership

The Islamic State's  
Global Network

## HIGHLIGHTS

- The United Kingdom's (UK) Strategy for International Development (IDS) in Mozambique has a developmental, and peace and security approach.
- Mozambique's insurgency supported by the Islamic State (IS) is intricately linked to the organisation's wider global financial support system.
- Parliament withdrew the bill creating a sovereign wealth fund (FSM), while civil society also opposed the bill due to too much state control.
- President Filipe Nyusi asked London's High Court to block allegations that he accepted unlawful payments in the US\$2 billion "hidden debt" scandal.
- Macomia district has seen significant insurgent activity in July 2023, but with a relatively quiet period since the beginning of August 2023.
- About 400 000 internally displaced people (IDPs) returned to their areas of origin in the last five years but about 800 000 IDPs have yet to be resettled.
- 7.25% of the Mining Production Tax and the Petroleum Production Tax revenue is to be allocated to the provinces and districts, and 2.75% for local communities.
- Efforts to restart the TotalEnergies LNG project are underway while negotiations regarding relevant additional costs for subcontractors are ongoing.
- Mozambique is set to spend US\$2.268 billion servicing its public debt in 2023, equivalent to 11.8% of projected Gross Domestic Product (GDP).
- The European Union (EU) is to disburse €430 million to support the Mozambican State Budget in 2024 in support of development programmes.
- GDP rose 4.67% in the second quarter of 2023, culminating in a cumulative economic growth of 4.42% for the first half of the year.

# MOZAMBIQUE



- Current revenues of the state grew 8.8% in the first quarter driven by a 3.1% increase in taxes collected.
- Foreign direct investment (FDI) reduced by 66.8% in the first quarter of 2023, compared to the same period in 2022.
- The Financial Intelligence Office of Mozambique (GIFIM) expects the country to exit the Financial Action Task Force (FATF) “grey list” by the first half of 2024.
- 14 mining companies were fined for failing to declare the quality and value of the ores produced, which led to the state losing significant tax revenues.
- Russia and Mozambique held security and economic consultations while also negotiating the possible conversion of Mozambican debts to Russia into finance for development projects.
- The United States (US) and Mozambique discussed the implementation of the US’ Global Fragility Act (GFA).
- The Czech Republic discussed economic cooperation with Mozambique to counter the influence of Russia and China in the country.

