



### MAIN STORIES

#### Presidential and Parliamentary Elections

#### Atrocities at Afungi Peninsula LNG Plant

## HIGHLIGHTS

- Preliminary election results show that Frelimo won a two-thirds majority in parliament with Daniel Chapo set to become the new president.
- TotalEnergies is plagued by alleged atrocities in 2021 against the population by the Mozambican military at its Afungi gas plant, and may face legal action.
- Public sentiment in Mozambique reflects growing frustration with the country's direction and widespread dissatisfaction with economic conditions.
- Localised violence is possible following Venancio Mondlane's (independent presidential candidate) call for protest action, and the killing of his lawyer.
- International and local observers agree that widespread manipulation and fraud characterised the elections, although mostly conducted in a peaceful atmosphere.
- Prinvest is to appeal the London Commercial Court's order to pay US\$2 billion to Mozambican for its involvement in the so-called debt scandal.
- President-elect Chapo has promised to prioritise the scourge of kidnappings that affects businesspeople while also favouring negotiations to end the insurgency.
- Insurgents did not target the elections while the Rwandan forces have redeployed to hotspot areas along the coastal districts.
- The lack of a management agreement between the government and the Bank of Mozambique hampers the Sovereign Wealth Fund's supervisory bodies.
- Exxon Mobil is to finalise the technical design of the natural gas extraction project in northern Mozambican within a year.

# MOZAMBIQUE



- TotalEnergies secured almost 80% of the US\$14 billion needed for the Mozambique LNG project with production expected to start in 2029.
- President-elect Chapo wants to renegotiate natural gas and mining contracts for megaprojects to protect the interests of the state.
- The Bank of Mozambique's 39.5% mandatory reserves in foreign currency is constraining the manufacturing industry's imports of raw materials.
- Mozambique has risen to 3rd place in Standard Bank's latest Africa Trade Barometer.
- Mozambique and Uganda signed a Memorandum of Understanding to allow visa-free travel between the two countries.
- Mozambique did not meet the minimum requirements of fiscal transparency for 2024 in the United States Fiscal Transparency Report.
- The Financial Action Task Force (FATF) commended Mozambique for improving the way it conducted risk-based supervision to get off the "grey list."

