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MOZAMBIQUE 2024



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Mozambique 2024

As we step into the last quarter of 2024, Mozambique stands at an important moment, aiming to develop a more diversified and resilient economy. Strategically located along Africa's southeastern coast, Mozambique shares borders with several countries, including Tanzania, Malawi, Zambia, Zimbabwe, South Africa, and Eswatini. This unique location allows the country to leverage regional trade opportunities and potentially boost foreign investment substantially long term. And indeed, Mozambique's ambitions are mostly long term. The country is navigating global economic uncertainties and its own domestic challenges by pursuing a balanced approach to growth, making the most of its natural resources while focusing on expanding sectors like agriculture, tourism, energy, and infrastructure.

Mozambique is guided by its ambitious Economic and Social Plan 2024 (PESOE 2024), which highlights a clear commitment to sustainable growth and diversification. With a projected GDP growth rate of 5.2% for 2024, Mozambique is not only building on recent economic progress, but also addressing core challenges like poverty, job creation, and social inclusion. A major element of Mozambique's economic strategy is the enhancement of its infrastructure to support a broader range of economic activities. Significant investments are being channeled into improving road networks, expanding ports, and upgrading energy infrastructure, all aimed at boosting both local and international trade.

Historically, Mozambique's economy has relied heavily on its rich natural resources, including natural gas, coal, and minerals. However, there is now a deliberate shift toward diversifying the economic base to reduce vulnerability to fluctuations in commodity prices and to foster inclusive

growth.

Mozambique's journey toward economic growth is supported by partnerships with international organizations. The government has actively collaborated with institutions like the World Bank, the IMF, and the African Development Bank to secure funding for essential infrastructure projects and social initiatives. Moreover, Mozambique is focused on creating a more favorable business environment to attract FDI. Recent reforms have aimed at simplifying business registration processes and strengthening legal protections for investors, which are beginning to show positive results.

The outlook for Mozambique in 2024 is cautiously optimistic. With a clear focus on diversification, infrastructure development, and expanding the energy sector, the country is well positioned to attract international investment and sustain its growth trajectory. The government's steps to boost the business environment, along with strategic international partnerships, will be key in shaping Mozambique's economic future in the years to come.

The Business Year: Mozambique 2024 was produced with support from our long-term partner, APIEX, and the Ministry of Science, Technology and High Education and provides a detailed analysis of the country's investment landscape, featuring insights from top policymakers and industry leaders. It aims to offer a comprehensive overview of Mozambique's economic potential, outlining both the opportunities and challenges that lie ahead. As Mozambique continues to move toward economic diversification and sustainable development, it remains a compelling destination for investors looking to participate in the country's growth story. ✪

This publication has been produced by The Business Year International's expert cadre of journalists, writers, editors, and designers. The content contained within is original and was compiled by our team on the ground.

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MOZAMBIQUE 2024



12



52



60

- 1** From the editor's desk
- 5** Executive summary
- 7** Timeline
- 8** Filipe Nyusi, President of Mozambique • Inside perspective

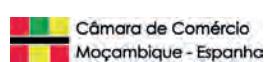
10 ECONOMY

- 11** Rising potential • Chapter summary
- 12** Gil Bires, Director General, Investment and Export Promotion Agency (APIEX) • Interview
- 13** Crystelle Coury, Executive Director, Chamber of Commerce & Industry France-Mozambique (CCIFM) • Interview
- 14** Nuno Alvarez Piñera, Managing Director, Mozambique-Spain Chamber of Commerce • Interview
- 15** Land of opportunities • Focus: Investment environment
- 17** Faheema Sulemane, Executive Director, American Chamber of Commerce (AmCham) Mozambique • Interview
- 18** Miguel Rodrigues Murargy, CEO, Sintagma Holding • Interview
- 20** Paulo Reis, Office Managing Partner, EY • Interview
- 22** Navigating challenges & embracing opportunities in a dynamic economy • Communiqué: EY Mozambique
- 24** Eduardo Alberto Calú, Managing Partner, SAL & Caldeira Advogados • Interview
- 26** Onório Ernesto Manuel Boane, General Director, MozParks • Interview
- 27** Helder dos Santos, Managing Director, G4S Mozambique • Interview

34 FINANCE

- 28** Dipak Lalgi, Country Managing Partner Audit and Assurance, Mazars Mozambique • Interview
- 29** TBY Analytics: Mozambique 2024
- 30** Consultancy • Forum
- 31** Accountancy • B2B
- 32** Voices from the sector
- 35** Get involved • Chapter summary
- 36** Marco Abalroado, Country Managing Director, Access Bank Mozambique • Interview
- 38** Manuel Soares, CEO, Moza Banco • Interview
- 40** Ridha Tekaia, CEO, Société Générale Moçambique • Interview
- 41** Carlos J. Nhamahango, CEO, Letshego Bank • Interview
- 42** Banking • Forum
- 43** Martin Mandivenga, CEO, Britam Mozambique • Interview
- 44** Mufaro Chauruka, Managing Director, Emeritus Resseguros • Interview
- 46** Financial ESG • Focus: Environmental, social, and governance
- 48** Miguel Navarro, CEO, Arko Companhia de Seguros • Interview
- 50** Insurance • Forum
- 52** Sérgio Gomes, Managing Director, Vodafone M-Pesa SA • Interview
- 53** Bene Machatine, CEO, Bayport Financial Services Moçambique • Interview
- 54** Salim Cripton Valá, Chairman, Mozambique Stock Exchange (BVM) • Interview
- 57** Pioneering economic and financial journalism in Mozambique • Communiqué: Media4Development (M4D)
- 58** ICT & INNOVATION
- 59** The long game • Chapter summary
- 60** Daniel Daniel Nivagara, Minister of Science, Technology, and Higher Education • Interview
- 61** Lourino Chemane, President, National Institute of Information and Communication Technologies (INTIC) • Interview
- 62** Eduardo Vicente, Country General Manager, Bravantic • Interview
- 64** Emidio Amadebai, General Manager, Raxio Mozambique • Interview
- 66** Artificial intelligence, authentic crime • Focus: Cybersecurity
- 68** Agnelo Laice, General Manager, MultiChoice • Interview
- 69** Mahomed Zameer Adam, CEO, Yango • Interview
- 70** Nuno Lima Carregal, Founder & Managing Director, Dalima • Interview
- 72** Lucas Chachine, Chairman, Vodacom Mozambique • Interview
- 73** Vitor Luís Timóteo, Chairman, Movitel • Interview
- 75** Technology • B2B
- 77** Voices from the sector

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78 ENERGY & MINING

- 79** A vital link • Chapter summary
- 80** Danilo Correia, General Manager, Puma Energy Mozambique • Interview
- 81** Moussa Konate, Managing Director, Vivo Energy Mozambique • Interview
- 82** Boris Atanassov, Director, GreenLight Africa • Interview
- 83** João Das Neves, CEO, AutoGás • Interview
- 84** Something old, something renewed • Focus: Renewable energy
- 85** Renewable energy • Infographic
- 86** Energy • Forum
- 87** Ovídio Rodolfo, Country Manager, Sasol • Interview
- 88** Voices from the sector
- 90** The land of possibilities • Focus: Mineral wealth
- 92** Geert Klokk, President, Chamber of Mines of Mozambique • Interview
- 93** Mining • B2B

94 INDUSTRY

- 95** A plan for the future • Chapter summary
- 96** Silvino Moreno, Minister of Industry and Trade • Interview
- 97** Pedro Custodio, Executive Director, Association of Producers and Importers of Alcoholic Beverages of Mozambique (APIBA) • Interview
- 98** Hussein Chalha, CEO, VIPSPAR • Interview
- 100** Francisco Júnior, Country Manager, Pernod Ricard • Interview

102 Guilherme Soares, CEO, Oceana Distribution • Interview

104 Paulo Fernandes, Managing Director, Check-Out Lda • Interview

106 Zulfikar Patel, Director, Mopani Internacional, Lda • Interview

107 João Seara, CEO, Mega Distribuição de Mozambique • Interview

108 Industrial ambition • Focus: Industrialization

110 Marco Correia, Board Member, Duys Moçambique • Interview

111 Salvador Cunica, Managing Director, MLS Scaffolding • Interview

113 Built to last • Focus: Infrastructure rehabilitation

114 Voices from the sector

119 Construction • B2B

120 TRANSPORT

- 121** To the hinterlands and beyond • Chapter summary
- 122** Remy Bayiha Kodock, Country Manager, Kerry Project Logistics • Interview
- 123** Corridor of potential • Focus: Beira Corridor
- 125** Tiago Martins, Group CEO, Transtrevo • Interview
- 126** Hanifo Ismail, Managing Director, DHL Express Mozambique • Interview
- 128** Bertrand Fleury, Country Manager, Africa Global Logistics • Interview
- 130** Transport & logistics • Forum
- 132** Antonio José Ferreira Simões, General Manager, Rangel • Interview

134 AGRICULTURE

- 135** Field of dreams • Chapter summary
- 136** Mwaura Githendu, General Manager, Olam Agri • Interview
- 138** Agricultural revolution 2.0 • Focus: Digitalization in agriculture
- 141** Agriculture • B2B

142 HEALTH & EDUCATION

- 143** Clean ambitions • Chapter summary
- 144** Healthcare • Forum
- 145** Innovative healthcare • Focus: Technology and innovation in medicine
- 146** In-house talent • Focus: Training
- 149** Carvalho Madivate, Dean, Instituto Superior de Ciências e Tecnologia de Moçambique (ISCTEM) • Interview

150 TOURISM

- 151** Trip of a lifetime • Chapter summary
- 152** Eldevina Materula, Minister of Culture and Tourism • Interview
- 154** Antonio Fonseca, General Manager, Meliá Maputo Sky, Mozambique • Interview
- 156** Fayaz Hamide, Founder, F&F Eventos • Interview
- 158** Travel agencies • B2B
- 161** Voices from the sector
- 162** Hot spot • Focus: Digitalizing tourism

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EXECUTIVE SUMMARY

Mozambique is hoping to leverage its natural resources to boost growth across the board.

Mozambique's 2024 economic outlook is shaped by political and economic developments, including national elections and the Total Energies gas project. The Plano Acelerador Económico (PAE) aims to leverage Mozambique's resources and strategic location to foster investment and development. Key areas include industrialization to reduce import dependence, develop agro-industries, and enhance food security while creating jobs and stimulating rural economies. Infrastructure investments in roads, ports, and energy are important for supporting industrial activities and improving trade competitiveness. Youth entrepreneurship is a focus, with efforts to provide resources and skills for young innovators.

AGRICULTURE

Agriculture is vital to Mozambique's economy, providing livelihoods for 80% of the population. Initiatives like the Sustenta Program have been launched to enhance productivity, sustainability, and market access for smallholder farmers, integrating them into the value chain and providing essential resources. Mozambique is also adopting climate-smart agriculture practices to improve productivity and reduce environmental impact. Public-private partnerships are key to modernizing the sector, especially in irrigation. With only 10% of its arable land currently cultivated, Mozambique has significant potential for expansion and growth, supported by government initiatives and a private sector aimed at boosting its competitiveness in the global agricultural market.

ENERGY & MINING

Mozambique is emerging as a significant energy hub in Southern Africa, taking advantage of its rich natural resources and strategic location. Lately, the country has been focusing on renewable energy sources such as solar, wind, and hydropower, alongside growing interest in natural gas and LNG. These initiatives are designed to address domestic energy needs and support neighboring countries like South Africa, which faces energy shortages. The sector's efforts include expanding renewable energy capabilities and boosting natural gas exports. Concurrently, the mining sector is attracting significant international investment due to Mozambique's extensive mineral resources, including coal and graphite. The government is improving the business environment for mining through better transportation networks and policies that ensure local communities benefit from mining activities.

FINANCE

Digital banking is on top of the finance sectors' priorities, which is broadening access to financial services, particularly for women and rural populations. Mobile phones and digital channels are connecting more people to formal banking systems, promoting financial inclusion. Women, in particular, are benefiting from tailored financial solutions that support gender equality and economic participation. Despite these leaps forward, financial liter-



acy remains a key focus, with various initiatives aimed at educating individuals, especially in rural areas. This education is crucial for integrating these communities into the formal economy and supporting small business growth. Additionally, Mozambique's insurance sector has considerable growth potential, particularly in microinsurance. With insurance penetration below 2%, microinsurance presents an opportunity to cover SMEs and individuals in the informal sector, promoting economic inclusion and long-term growth.

HEALTHCARE AND EDUCATION

Mozambique is focusing on improving healthcare and education under its Economic and Social Plan. In healthcare, the emphasis is on expanding access to remote areas and integrating modern technologies like telemedicine and artificial intelligence to enhance service delivery and patient outcomes. The Ministry of Health is also addressing climate resilience to mitigate the health impacts of climate change. In education, reforms aim to increase access and quality, mostly in rural areas, and promote distance and technical education. Efforts include addressing the shortage of educators and emphasizing vocational training to prepare students for the workforce. International organizations are supporting these initiatives to improve infrastructure, teacher training, and educational policies. Mozambique is committed to achieving universal access to quality education and is actively engaging in global education events and partnerships.

INDUSTRY

Efforts toward industrialization aim to boost economic growth, reduce poverty, and improve the country's global economic standing. The country aims to diversify its economy from traditional sectors like agriculture and natural resources by expanding its industrial sector. Key to this effort are industrial parks and public-private partnerships such as Mozparks. Mozparks, a collaboration between the Mozambican Government Agency for Investment & Export Promotion and private-sector partners, has attracted over USD500 million in investment, created more than 10,000 jobs, and spurred growth in textiles, agro-processing, and light manufacturing. Since 2015, industrial production has grown at an average annual rate of 7%, supported by increased investment and reforms to improve the business environment and attract FDI. Future plans include integrating technology into industrial processes to enhance productivity and competitiveness, positioning Mozambique as a key player in Africa's industrial sector.

ICT & INNOVATION

Mozambique is promoting innovation to drive economic growth and technological advancement, particularly within the ICT sector. The government is supporting local innovations through initiatives like the Innovation Catalogue, which encourages collaboration across the innovation ecosystem and showcases new ideas from individuals, institutions, and technology-based companies. A major development in Mozambique's ICT sector is the construction of new data centers, crucial for strengthening digital infrastructure. These facilities improve operational efficiency for local businesses, attract foreign investment, and support the growth of tech start-ups and R&D.

TOURISM

Thanks to its 2,750km of Indian Ocean coastline, stunning beaches, vibrant culture, and rich biodiversity, Mozambique is emerging as a significant tourism destination. In 2023, FDI into the local tourism sector reached USD940 million, indicating growing confidence in Mozambique's tourism potential. Different initiatives, including visa exemptions and improved air connectivity, have contributed to this trend, with airport passenger numbers increasing by 20% over the past year. Infrastructure issues, such as limited transportation networks, also restrict access to key tourist sites. The government is addressing these challenges by developing one-stop border posts with neighbor-

ing countries to improve cross-border travel and enhance the tourist experience. Tourism now contributes over 4% to Mozambique's GDP and provides significant employment opportunities.

TRANSPORT

Mozambique is advancing its transport sector to capitalize on its strategic position in the Southern African Development Community, with the aim of becoming a regional logistics hub. Significant investments are being made in infrastructure, including roads, railways, ports, and airports. Key projects include the Maputo and Beira Corridors, which are essential for facilitating trade. The Transport Sector Master Plan outlines ambitious goals, such as the decarbonization of transport in Maputo by 2030, aligning with global environmental standards to reduce the urban transport carbon footprint. Recent efforts, such as the introduction of digital licensing, are designed to streamline processes and reduce bureaucratic delays, reflecting the country's commitment to improving efficiency and capacity. ✎

GDP PER CAPITA (2022)

SOURCE: WORLD BANK

USD558.30

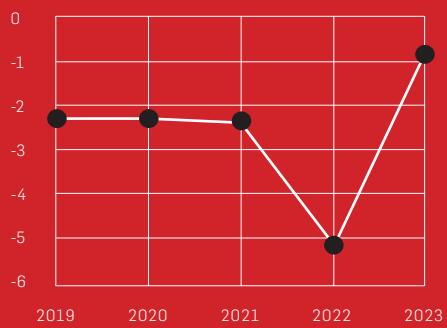
INFLATION (2022)

SOURCE: WORLDDATA

3.87%

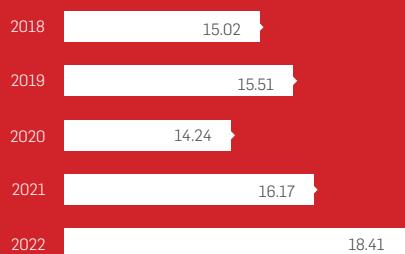
MERCHANDISE TRADE BALANCE (USD BN)

SOURCE: FOCUS ECONOMICS



GDP (USD BN)

SOURCE: THE WORLD BANK



**JANUARY
2024**

A memorandum of understanding is signed between USAID and SDC to enhance cooperation and accelerate development in northern Mozambique

**MARCH
2024**

The African Development Bank and Mozambique reinforce their partnership to promote regional infrastructure development and trade

**MAY
2024**

Mozambique and the Comoros sign a memorandum of understanding on political and diplomatic consultations

**JULY
2024**

President Nyusi speaks during a ceremony to mark CFM-Logistics' entry into maritime operations at the northern port of Nacala. The President hailed it as "proof that Mozambican companies can respond to the demands of petroleum operators"

**OCTOBER
2024**

Presidential and parliamentary elections set for October 9

**FEBRUARY
2024**

President Nyusi inaugurates a new geology laboratory in Maputo to support the regulation of mining activity and run geological, seismic, and magnetic analyses

**APRIL
2024**

Angola's foreign minister visits Maputo for the 10th Session of the Angola/Mozambique Joint Commission of Cooperation

**JUNE
2024**

The Bank of Mozambique unveils a new series of metical banknotes and coins

**AUGUST
2024**

Mozambique and South Africa prepare to sign an energy agreement

STEADY *progress*



BIO

Filipe Nyusi is the ruling president of Mozambique. He successfully completed his first term from 2015-2019 and was reconfirmed president for a second term for 2020-2024. A native of Cabo Delgado, he is the fourth president of Mozambique and the first from the north of the country. Prior to assuming office, Nyusi served as minister of defense from 2008 to 2014 in the cabinet of President Armando Guebuza. Previously, Nyusi worked for the state-owned Mozambique Ports and Railways authority (CFM). He became executive director of CFM-Norte, the northern division of the company in 1995 and joined the company's board of directors in 2007. He is also a lecturer at the Nampula campus of Universidade Pedagógica, a fellow of the Africa Leadership Initiative, and a member of the National Committee of Fighters of the National Liberation Struggle. Nyusi holds a mechanical engineering degree from Antonín Zapotocký Military Academy in Brno, former Czechoslovakia, and a master's degree from the Victoria University of Manchester in the UK.

ONE OF OUR KEY STRATEGIES for diversifying the economy is focusing on agriculture, which supports a large portion of Mozambican families. In the 2022/2023 Agricultural Campaign, we saw several positive developments: the coverage area of extension services increased from 23.2% to 30%, the area planted grew by 2.1%, reaching 5.9 million hectares, and the integration of families into value chains rose by approximately 38.5%.

In the livestock sector, there was a 3.7% increase in meat production, with pork production seeing a significant growth of 15.3%. Egg and chicken production also grew by 4% and 3.6%, respectively. Industrial production reached MZN109.336 billion, reflecting a 4% decrease. The main contributors to this output were the basic metallurgy division (34.3%), food processing (24.6%), beverages (14.4%), and non-metallic minerals (10.1%). Moreover, the industrial transformation sector experienced significant dynamism due to new investments. These included two cement factories, one in Nacala and another in Changara; an iron and steel processing unit in Moatize and another for titanium, iron, and zircon in Chibuto; a tile factory in Moamba; a pharmaceutical production unit in Matola; and two poultry feed production units in Chimbunila and Guarué, among other ongoing developments.

In terms of investment by sector, manufacturing ranked second, accounting for approximately 28.9% of total investment from January to November 2023. The Revolving Fund for Agricultural Marketing and the Special Credit Line for Agricultural Marketing, with a total funding of MZN23.7 million, facilitated the marketing of more than 15 million tons of various agricultural products, boosting trade and generating income for producers.

Another notable sector is tourism, which saw a 78.2% increase in tourist arrivals, resulting in an increase in the total number of guests and overnight stays, with a corresponding 9.4% annual increase in accommoda-

Mozambique's economy is diversifying through significant agricultural, industrial, tourism, and infrastructure advancements, major road and bridge projects, and expanded electrification.

Filipe Nyusi
PRESIDENT OF MOZAMBIQUE

tion and restaurant revenues. These results are due to several factors, namely economic acceleration reforms; new investments, as evidenced by the opening of 78 new tourist establishments; marketing activities, including participation in five international fairs, as well as domestic events like FACIM and FIKANI.

The progress in the sectors we have just discussed is closely linked to the availability of economic infrastructure. Therefore, we have been paying special attention to roads and bridges; energy; water and sanitation; transportation and communications; and airport, port, and maritime infrastructure. In the area of roads and bridges, there has been a significant improvement in road accessibility, thanks to various road rehabilitation and maintenance interventions, including bridge construction.

Notable achievements include: emergency repairs on several critical sections of the National Highway 1, such as Chissibuca-Lindela, with 60km completed; Inchope-Caia, with 320km under construction, reducing travel time from 12 hours to 7; Chimuara-Nicoadala, with 176km completed; and Rio Lúrio-Metoro, with 74km under construction. In Cabo Delgado province, we have paved the Roma-Negomano road, part of the Northern Corridor, and commenced works on the Roma-Nambungale and Nambungale-Mueda sections. In Niassa and Nampula, we have completed the Malema-Cuamba Road and started construction of the Angoche-Nametil road and a bridge over the Lúrio River, linking the districts of Nipepe and Lalaua. In Nampula and Zambezia provinces, we have rehabilitated 1,135km of rural roads, and the Quelimane-Nicoadala and Nicoadala-Namacurra sections of the N1 are currently under rehabilitation. In Tete Province, the periodic maintenance of the Matema-Cassacatiza road, linking Mozambique to Zambia, was completed. We are also in the advanced stages of resource mobilization to rehabilitate the Changara-Cuchamano road, including the bridge over the Revúbué River, con-

necting us to Zimbabwe. In Manica Province, we are constructing a bridge over the Metuchira River on the Beira-Inchope-Machipanda road. Meanwhile, in Sofala Province, we are constructing four bridges over the Metuchira, Nhanduè, Nhancule, Dzimbue, and Musangadiji rivers, located in the districts of Nhamatanda, Gorongosa, Machanga, Marínguè, and Chibabava, respectively. In Inhambane Province, we have completed the construction of a new bridge over the Save River, spanning 1km and named the 6th of August Bridge in honor of the Maputo Peace Agreement. We have also rehabilitated the old Save Bridge. In Gaza Province, we have completed the rehabilitation and periodic maintenance of the Praia do Bilene-Macia-Chokwé-Macarretane road.

In the energy sector, we highlight two key initiatives:

the Energy for All Program, which aims for universal access by 2030; and efforts to increase generation capacity and transmission lines, with the goal of positioning the country as an energy hub in the region.

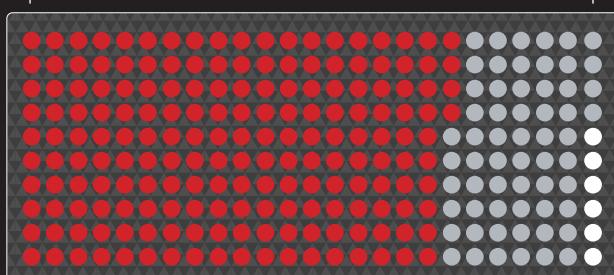
To date, we have electrified 62 administrative posts, ensuring that over 1.2 million families now have access to electricity. Additionally, this year alone, we have electrified seven more administrative posts and have formed over 343,000 household connectiDons. As a result, 53% of Mozambicans now have access to electricity, meaning that more than half of the population has access to energy. ✕

** Excerpt adapted from annual report given by President Filipe Nyusi to the Assembly of the Republic on the general situation of the nation on December 20, 2023.*

2019 PRESIDENTIAL & PARLIAMENTARY ELECTIONS RESULTS

Candidate:	FILIPE NYUSI	Candidate:	OSSUFO MOMADE	Candidate:	DAVIZ SIMANGO
Party:	FRELIMO	Party:	RENAMO	Party:	MDM
Seats	184	Seats	60	Seats	6

250 seats



71.28% Filipe Nyusi

22.28% Ossufo Momade

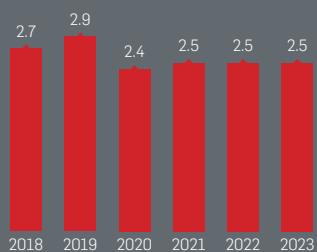
4.19% Daviz Simango

NEXT
ELECTIONS:

OCTOBER 2024

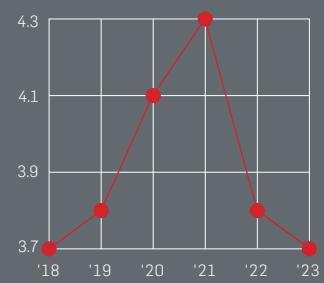
INCOMING FDI (USD BN)

SOURCE: CEIC DATA, 360 MOZAMBIQUE, WORLD BANK



UNEMPLOYMENT RATE

SOURCE: WORLD BANK, CEIC DATA, KNOEMA



GDP BREAKDOWN (%)

SOURCE: WORLD BANK, KNOEMA



■ 26.73 Agriculture
■ 22.79 Industry
■ 40.56 Services

Maputo, the capital of Mozambique, has a population of just over 1 million



Economy

RISING POTENTIAL

This year is decisive for Mozambique's economy, as observers are expecting significant political and economic developments. With national elections in October, the political landscape is uncertain, yet cautiously optimistic. At the same time, the country is anticipating the advancement of the Total Energies gas project, an initiative expected to bring substantial economic benefits and growth.

Mozambique's economic outlook is positive, supported by efforts in various sectors to foster growth and development. According to the African Development Bank, the country's fiscal deficit is projected to narrow, thanks to cautious monetary policies and ongoing fiscal reforms. These efforts aim to stabilize the macroeconomic environment, which is essential for attracting investment and ensuring sustainable growth.

Furthermore, the government's Plano Acelerador Económico (PAE) aims to accelerate economic growth by focusing on key sectors such as agriculture, energy, and infrastructure. PAE is designed to harness Mozambique's abundant natural resources and strategic geographic location to drive sustainable development. This comprehensive plan underscores the government's proactive approach to economic management and its commitment to creating an enabling environment for investment and growth.

One of the main areas of focus is industrialization, with the country striving to reduce its reliance on imports through local production. The government's strategy involves enhancing agricultural productivity and supporting the development of agro-industries. This approach not only aims to boost food security, but also create jobs and stimulate economic activity in rural areas. As Onório Manuel, CEO of MozParks, articulates, "As developers and operators of Mozambique's industrialization drive, we will create jobs and foster economic growth. Our strategic location enables us to base industries here and

export products using our logistics to neighboring countries, positioning Mozambique as a hub for regional trade."

The World Bank has also mentioned the importance of infrastructure development in enhancing Mozambique's competitiveness. Investments in roads, ports, and energy are crucial for supporting industrial activities and facilitating trade. Improved infrastructure will also facilitate better access to markets for local producers, thereby enhancing their ability to compete regionally and globally.

Another important aspect of Mozambique's economic strategy is the focus on youth entrepreneurship. With a large, young, and growing population, the country has a significant opportunity to support these entrepreneurs in driving innovation and economic diversification. The World Bank's support for youth entrepreneurship initiatives aims to equip young people with the skills and resources needed to start and grow businesses, which will create new opportunities for employment and contribute to the overall dynamism of the economy. Mozambique's economic prospects for 2024 are made by a combination of political, economic, and social factors. The upcoming elections, the development of new projects, and the efforts to industrialize the economy and promote sustainability all contribute to a dynamic and evolving economic landscape.

While challenges remain, there is a strong sense of optimism and confidence in the country's ability to achieve sustained growth and development. The strategic focus on infrastructure, industrialization, youth entrepreneurship, and sustainable practices is positioning Mozambique for a prosperous future. As the country continues to navigate these developments, it stands poised to harness its potential and drive meaningful progress for its people and the broader region. *

DRIVING *further* *growth*



Enhancing operational strategy to attract more investments to Mozambique

FACIM's latest edition attracted 1,530 exhibitors from 22 countries

BIO

Gil Bires has a degree in law and a postgraduate degree in international trade law. He has considerable experience in the area of investment/export promotion and facilitation acquired over several years of activities at the then Investment Promotion Center (CPI), where he began his career in 1999 as legal adviser and, later, director of project management services, having also served as a deputy director general of the Office of Accelerated Development Economic Zones (GAZEDA) from 2013 to 2017. He was appointed Director General of APIEX in 2021.

Can you provide an update on the progress made since you took office in 2021 and the strategies implemented since then?

I prioritized consolidating the organizational structure and operational strategy of the institution to fully pursue its statutory responsibilities, particularly the promotion and facilitation of investments and exports, with a focus on providing assistance services to investors and foreign trade operators. Among the activities carried out, notable ones include organizing business forums and roundtable discussions, participating in international fairs, and hosting workshops to promote awareness of the legal framework and business environment in Mozambique, among other initiatives. It is noteworthy that the reforms approved by the government to improve the business environment have significantly contributed to achieving the objective of attracting new strategic investments, particularly notable is the Accelerated Economic Measures Package (PAE), whose impact has been reflected in the increasing trend of potential investors' interest in exploring investment opportunities. Also notable are the actions taken to reform investment legislation, which culminated in the approval of the new Law No. 8/2023, of June 9 - Private Investment Law and its regulation. This allowed the country to adjust its existing legal framework by adopting best international practices to facilitate investments after about 30 years of the previous law. This was indeed a significant milestone, and our attention is currently focused on the Export Promotion Strategy, another instrument that we consider of great importance for promoting national exports, as well as the Investment Promotion Strategy.

Who are APIEX's current partners, both in the national and international context?

At a national level, APIEX collaborates with various business associations, chambers of commerce, and public and private institutions, among other entities, which are our partners in various promotional initiatives we have been developing, both inside and outside the country, with the aim of projecting the country's image as well as its economic potential, with the aim of attracting new investments and promoting national exports. Internationally, APIEX collaborates with various entities in the promotion of investments and exports. For example, in the past three years, APIEX has strengthened mechanisms

APIEX has consolidated its position as a leading agency in investment promotion and facilitation, contributing to projecting the country's image as a preferred investment destination.

Gil Bires

**DIRECTOR GENERAL,
INVESTMENT AND EXPORT PROMOTION
AGENCY (APIEX)**

of institutional cooperation with sister agencies from Malawi, Zimbabwe, Zambia, Kenya, Rwanda, Botswana, South Africa, and Russia, among others. Currently, discussions are underway on new cooperation instruments aimed at facilitating the exchange of information and strategic partnership in various areas of investment promotion and exports. We have also been focusing on partnerships with various international cooperation organizations, which have supported us in various initiatives within the scope of APIEX's mandates in perfect harmony with our institutional mandate.

How can the country's strategic location advantage drive the diversification and structural transformation of Mozambique and neighboring African economies?

National ports stand out as strategic infrastructures through which the landlocked neighboring countries and beyond depend on for foreign trade operations. These infrastructures play an important role in the transport and logistics sector. The country needs to continue investing in improving its rail-port infrastructures, roads, and energy transportation network. These conditions will drive the development of various sectors, with a focus on agriculture, agribusiness, industry, tourism, services, among others. In fact, investments in the modernization of the ports of Beira, Maputo, and Nacala, aimed at increasing cargo handling capacity, attest to the priority that the infrastructure network holds in the government's strategy to facilitate investments and businesses in the country, especially in the current context of implementing the African Continental Free Trade Area Agreement.

What are APIEX's main objectives for 2024?

APIEX's vision is to continue promoting actions aimed at projecting the country's image as a preferred destination for investments and attracting new investments in sectors considered priorities by the government, namely agriculture, industry, energy, infrastructure, and tourism. Our strategic objectives for 2024 are to conclude the process of reforming investment legislation, particularly complementary instruments of regulation of Law No. 8/2023, of June 9 - Private Investment Law, with a greater focus on new tools in the digitization of investment approval processes as well as monitoring of already approved projects, in order to ensure greater retention and expansion of investments. *

STRONG *network*

Crystelle Coury
EXECUTIVE DIRECTOR,
CHAMBER OF COMMERCE & INDUSTRY
FRANCE-MOZAMBIQUE (CCIFM)



Established in Maputo in 2015, CCIFM aims to promote bilateral trade and strengthen business ties between France and Mozambique by building a strong network of partners.

Can you provide an overview of CCIFM and its primary mission in promoting bilateral trade between France and Mozambique?

CCIFM was created in Maputo in 2015 at the initiative of French companies established in Mozambique. Our vision is to promote bilateral trade and strengthen business, commercial, and industrial exchanges between France and Mozambique. CCIFM facilitates access of French companies to the Mozambican market from export to office set-up and search of local partners. Over the years, we have developed a powerful network of institutional and corporate partners in both Mozambique as well as France, to best defend the interests of our current 140 member companies. Our member base encompasses blue chip companies, mid-caps, SMEs, and entrepreneurs from a wide variety of economic sectors: energy, transport and logistics, professional services, healthcare, automotive, agribusiness, IT, and more. We welcome predominantly French and Mozambican companies, today at respectively 39% and 36% of our membership base, and have quite a significant number of companies from other nationalities, too. There are currently around 70 subsidiaries of French companies or companies set up by French entrepreneurs in Mozambique, employing around 5,000 people. We are part of the CCI France-International network, made up of not less than 118 French chambers of commerce and industry in 93 countries. We naturally work in close collaboration with the French Embassy in Mozambique to best support French companies wishing to establish themselves or do business in Mozambique. Our mission is to build a network of connected businesses to generate opportunities, and we organize a multitude of events each year.

Which sectors in Mozambique hold the most potential for French investment and partnership?

The Mozambican economy presents a wide array of business opportunities for French companies. The first sector that comes to mind is the energy field at large: from E&P in gas, to renewable energies and all topics related to the energy transition. Technologies and specific services related to the energy

sector are sought after locally, and the French expertise in those fields can be put into the spotlight and generate business leads. The success of the recent trade mission of EVOLEN, the French Association of Energy, is a good testimony of the high level of interest of French companies in the energy sector. Transport and logistics is another sector filled with business opportunities in Mozambique for French companies, whether maritime, road, air, or railway. Significant investments are being made and will continue to be made in all infrastructures of the country. One of the key projects that was led between 2020 and 2023 was a local content training cooperation program between Mozambique and La Réunion island. In a nutshell, a partnership agreement with the aim of developing regional cooperation was put in place between CFM, the state-owned company managing the rail system and its connected ports, and Grand Port Maritime De La Réunion (Port Réunion). CCIFM was commissioned to implement and deliver the cooperation program. In addition, CCIFM organizes a series of business and networking events for our business community year-round. One of the key events we organized in April 2023 with the French Embassy in Mozambique and with the support of the French Ministry of Foreign Affairs, was the multi-sectoral Business Forum Mozambique-France, which welcomed close to 40 French companies in Maputo for two days of B2B and B2G meetings.

What are the main challenges and opportunities for French companies operating in Mozambique?

There are numerous business opportunities as well as challenges. I have seen businesses flourish in Mozambique, though they need resilience and patience. One must work with a local partner and collaborate with well-established international or local advisory firms for the legal, fiscal, and taxation aspects. They must also collaborate with the organizations part of the local ecosystems, especially the French Embassy and Economic Service, the French Foreign Trade Advisors local group, and of course, CCIFM. Our French community locally is small, but we are united as one. *

Founded in
Maputo in

2015

Part of the
118
member
CCI France-
International
network,
headquartered in
Paris, France

BIO

Crystelle Coury has been living in Mozambique for four years and was appointed Director General of CCIFM in 2022. She graduated from Toulouse Business School in France & Strathclyde University in the UK and has 20 years of professional experience in business development, communications, and public relations in over 20 countries. She has spent the majority of her career in the media and publishing fields.

EXPLORING *opportunities*

Providing market information, support, and guidance to Spanish companies interested in the Mozambican market, the Mozambique-Spain Chamber of Commerce also promotes bilateral trade and business relationships between the two countries.

Nuno Alvarez Piñera
MANAGING DIRECTOR,
MOZAMBIQUE-SPAIN CHAMBER OF COMMERCE



Can you provide an overview of the Mozambique-Spain Chamber of Commerce and its mission?

The chamber's mission is to serve its members by providing market information. It was established by Spanish businesspeople and companies already based in Mozambique to answer the lack in Spain of official information about the country. One of our primary goals is to gather and disseminate this information to our members and any Spanish company looking to do business in Mozambique. Additionally, we aim to offer onsite support and guidance to companies, sharing insights into the country's strengths and weaknesses. Our practical approach, based on experience, benefits newcomers to Mozambique.

What initiatives has the chamber taken to promote bilateral trade between Mozambique and Spain?

Networking events are a cornerstone of our efforts. These events facilitate connections between our business community, the Mozambican community, and businesses from other countries. We collaborate with other chambers of commerce to promote and foster business relationships. Previously, there was no forum for Spanish businesspeople to connect with others in Mozambique. The main advantage is that these events allow people to meet and explore potential business opportunities. We also offer support to Mozambican companies looking to do business in Spain, although the balance in numbers is currently skewed.

What have been some of the chamber's achievements?

We have supported several Spanish companies on their approach to the Mozambican market, whether looking for a com-

mercial partner or on the establishment of their branch in the country. Potential investors value the perspective of Spanish businesspeople already established in Mozambique. The growth of our business community is the best evidence of the success of our work.

How do you see the future of Spanish investment in Mozambique?

The trade balance between the two countries has traditionally been favorable to Mozambique. To put it in perspective, in 2023 Mozambique exported to Spain five times more than it imported from this country. The main reason for this situation is the fact that Spanish businesses are primarily focused on their traditional markets. It is essential to showcase Mozambique's potential beyond oil and gas, namely in tourism and agricultural sectors where Spain holds extensive expertise. Additionally, the EU and Mozambique signed an economic agreement in 2018, reducing tariffs on their trade. This presents opportunities for both regions; however, meeting European technical requirements poses a challenge for many Mozambican companies, and we support them in navigating these hurdles. In sum, the trade/investment between both countries will increase significantly in the coming years, and the Spanish Chamber of Commerce will certainly assist companies of both countries in this journey.

What are your strategies for 2024-2025?

We aim to enhance our commercial initiatives for more effective outcomes. Thinking creatively, we plan to organize a trade fair for Spain. Such an event could attract various commercial missions, allowing for direct business-to-business interactions. Such initiatives are crucial for discovering new companies, particularly smaller ones

not listed elsewhere. We want to engage more with Mozambican businesspeople, who are increasingly seeking business opportunities.

What message would you give to Spanish investors interested in Mozambique and vice versa?

Having initially planned a two-year stay, I have now been here for 12 years. Mozambique has a way of captivating and transforming visitors. Unlike other countries in the region, in Mozambique one will find an economic, tax and legal system similar to the Spanish one. Language is not an obstacle to communication. Spaniards are well received in Mozambique, mainly due to the extensive collaboration between the two countries in terms of Development Cooperation. Mozambique is on the brink of significant growth, with promising projects in the oil and gas. Beyond natural resources, Mozambique boasts potential in agriculture, tourism, and renewable energy. Spanish expertise in agriculture, for instance, could be invaluable. With the right knowledge and management skills, there is vast potential for success here. *

BIO

Nuno Alvarez Piñera is a senior executive with extensive experience in general management, administration, human resources, and commercial and financial areas, developed over 29 years mainly in the banking industry in Europe and Africa. He was general manager of IMOBCI from 2014-2016 and CEO of International Commercial Bank Mozambique from 2012-2014. Piñera graduated in business administration and holds a post-graduate degree in banking.

LAND of opportunities

Mozambique is already known for its vast gas reserves, second only to Qatar. However, it is brimming with investment opportunities in other sectors as well. Its nearly 3,000km coastline offers opportunities for investors in virtually every part of the economy.

Mozambique is quickly positioning itself as one of the region's strongest contenders for FDI. Thanks to its plentiful natural resources and ideal location, the country has already enjoyed substantial interest from investors around the world, and now the government is proactively encouraging more.

Energy is the dominating force of Mozambique's economy, with 23 billion tons of coal reserve potential—Mozambique's biggest export commodity—and LNG reserves estimated at approximately 180 trillion cubic feet, second only to Qatar. Mozambique's 3,000km coastline also provides ample opportunity for solar and wind power, in addition to the country's hydroelectric potential. Already the Cahora Bassa Hydroelectric Dam provides a capacity of 2,075MW, and there are plans in place to develop a second dam, Mphanda Nkuwa, on the Zambezi River, which is expected to add another 1,500MW. The Energy Transition Strategy of Mozambique, valued at USD80 billion, includes the AMEA Power solar project, involving about 125MW of solar power plants that will provide electricity to over 150,000 homes in Mozambique.

But while Mozambique is already a well-established contender in the energy field, the country offers potential in numerous other sectors as well, including agriculture. Despite having 360,000sqkm of farmable land, currently only about 10% is being used for formal agricultural activities, and agriculture only constitutes about 25% of the nation's GDP, as most of the activity in this sector is informal subsistence farming. Mozambique's diverse climate ranges offer a wide range of agricultural production opportunities, and its position on the coast would allow for easy exportation, yet the country still imports more than it exports.

Tourism is another sector with largely untapped potential awaiting investors. With its long beaches, numerous national parks and reserves, rich biodiversity, and unique culture, the country is prime for touristic development. Sustainability is key, however, with eco-tourism being of particular interest for the government in order to protect the country's wildlife while also creating jobs and attracting investment.

With all of this development, the need for other basic services stands set to grow in tangent. If the country grows as projected, additional developments in healthcare, education, transportation, and housing will be required as well. Driven by the social distancing measures of the COVID-19 Pandemic, internet penetration has been increasing in Mozambique, and the ICT sec-

tor at large has become yet another area seeking further investment as the country rapidly digitalizes. Of course, if Mozambique truly intends to capitalize on any of this interest and excitement, it will need to improve its infrastructure—something the government has already begun investing in heavily. Beluluanne Industrial Park was the country's first industrial park and, thanks to its success, the government asked public-private partnership MozParks to replicate this model in other spots around the nation, with the Topuito Industrial Park opening in Nampula in 2022. As Managing Director Onório Manuel told TBY, "Our focus with the Topuito Industrial Park is to establish a value chain for the Kenmare project. The primary aim was to stimulate community development, generate jobs in Topuito area and Nampula, and provide income to the government by relocating suppliers closer to the project and reducing imported goods. To achieve this, we are encouraging investors to establish their operations in Topuito."

The local business climate is favorable to investors with seven free trade zones, legislation in place to avoid double taxation of income, as well as a recently enacted visa waiver for travelers from nearly 30 countries designed to bolster the tourism industry. In 2017, the minimum amount required to obtain an investment visa in Mozambique was reduced from USD50 million to USD500,000—all positive signs that the government is encouraging and supporting additional investors to achieve their ambitious goals.

Mozambique itself is an outstanding destination for business, and its geographic location, railways, sea and airports provide ample opportunities for additional expansion within the region. The country's extractive industries, including natural gas, coal, and precious stones, are already well-known for their potential, but Mozambique has all the right ingredients to become a major player in industries such as agriculture, tourism, and infrastructure as well, along with the numerous other sectors that come with such development, including healthcare and IT.

Those seeking to invest in Mozambique should do so with a long-term strategy and a commitment to sustainability and best business practices. Luckily, numerous entities stand ready to provide support for the right investors, including the Africa Business Community, Investment and Export Promotion Agency (APIEX), MozParks, Dubai Chambers, and various international embassies. **X**

The Port of Maputo is one of Mozambique's main logistics hubs and the largest port in the country



PRIME *investment destination*

Faheema Sulemane
EXECUTIVE DIRECTOR,
AMERICAN CHAMBER OF COMMERCE
(AMCHAM) MOZAMBIQUE



Can you provide an overview of AmCham Mozambique?
We were formed in 2019 during the US-Africa Business Summit in Maputo. Our chamber of commerce is dedicated to fostering dynamic business connections, driving economic growth, and enhancing bilateral trade relations between Mozambique and the US. Although we were affected by the COVID-19 pandemic, resulting in a two-year dormancy period, we restarted our activities in October 2022. Since then, in just 18 months, we have more than doubled our membership to currently include 45 companies, with 25 American-based companies. AmCham Mozambique is the only chamber in the country accredited by the US Chamber of Commerce in Washington, DC. We collaborate closely with the US Embassy in Mozambique and with some USAID agencies in Maputo in various projects. Our mission is to create an inclusive and dynamic business ecosystem, enabling both American and Mozambican enterprises to thrive. We have been fairly busy, in addition to networking events, we also hold content and educational events, fostering partnerships with associations to connect American companies with local and international businesses, and actively supporting projects that promote trade and investment between Mozambique and the US. We aim to be the primary destination for American businesses seeking opportunities in Mozambique and for Mozambican enterprises looking to enter the US market. Additionally, we nurture relationships with US government entities in Mozambique to advocate for favorable business policies. As we continue to grow, our goal is to become a more influential association, offering our members the resources and opportunities they need to succeed both locally and internationally. We are proud of our progress and are always available to support the business needs and objectives of our members.

How do you foresee bilateral relations between the US, Mozambique, and Africa evolving as a whole?

Bilateral relations between the US, Mozambique, and Africa are poised for significant growth, driven by increased US interest and investment across the continent. Numerous American companies

AmCham has emerged as a pivotal entity in the country, fostering an inclusive and dynamic business ecosystem for both American and Mozambican enterprises.

are already investing in African countries, and Mozambique is attracting more attention, evident from the rising engagement at conferences and meetings with US government representatives. Our relationship with the US has always been excellent and is growing consistently, with expectations of more American companies showing interest in Mozambique. One of our main goals is to promote Mozambique as a prime investment destination, working with various partners, including the Mozambique government, to attract more investors. We are exploring the idea of creating a dedicated investment forum for Mozambique, which would host annual events and implement follow-up programs to ensure sustained engagement and support for investors. Feedback indicates that while initial events are valuable, the lack of follow-ups often hinders long-term investment plans. By addressing this, we aim to provide continuous support for investors, enhancing their confidence and commitment to Mozambique. As the US continues to invest heavily in Africa and focuses more on Mozambique, we foresee robust bilateral relations that will foster economic growth and stronger business ties between the US, Mozambique, and the broader African continent.

What are AmCham's priorities in 2024?

In 2024, AmCham Mozambique has several key priorities as we continue to grow and expand our influence. With 45 members and a rapidly increasing membership, one of our primary goals is to diversify our membership base. Having been with AmCham since its inception, I have been leading the project, and we are now focused on establishing a more permanent structure and expanding our team to enhance our visibility and support our growth. We plan to organize our first AmCham golf event in August and have plans to organize our first Thanksgiving gala dinner this year to increase our footprint and attract more partners to support our initiatives. Our ultimate goal is to be a prominent business association that promotes Mozambique in the US and abroad, while also bringing American investments to Mozambique. Bringing more people to Mozambique is a critical first step in our strategy for this year. *

Organizing
1st
AmCham golf
event and
Thanksgiving
dinner

Created in
2019
during US-Africa
Business Summit

BIO
Faheema Sulemane is a distinguished leader and visionary, serving as the Executive Director and one of the founders of AmCham Mozambique. With a long background in the travel and aviation industry, she represented Delta Airlines for six years in Mozambique, opening its first ticketing office in 2018. Sulemane is currently Managing Director at Afamba Group. Her academic credentials include a post-graduation in business administration from Instituto Superior de Ciências e Tecnologia de Moçambique (ISCTEM) and a degree in international relations and diplomacy from University Joaquim Chissano. Her leadership at AmCham Mozambique highlights her accomplishments in fostering economic growth and international cooperation.



OPENING doors

In the last decade, Sintagma Holding has worked hard to invest in capital-intensive industrial projects in Mozambique and play a key role in its industrialization and economic development.

BIO

Miguel Rodrigues Murargy holds a BA (Hons) in economics at University of London (UCL) UK, and an MBA at the Institute of Finance and Management in Geneva, Switzerland. He has over 15 years of experience as an executive and entrepreneur in the logistics, infrastructure and renewable energy sectors in sub-Saharan Africa with Mozambique as a focus market. Murargy has been actively involved in the development of Mozambique's young entrepreneurial ecosystem. He is also a board member of CCIFM.

Miguel Rodrigues Murargy
CEO,
SINTAGMA HOLDING

What are Sintagma Holding's main activities in the country?

Sintagma Holding was founded in 2014, and we refer to ourselves as an industrial investment holding company. Our vision was to promote and invest in niche capital-intensive industrial projects in Mozambique and play a key part in its industrialization and economic development. Ten years down the line, we have diversified our portfolio and the sectors we are now actively involved include: logistics, renewable energies, construction, and, as of recently, oil and gas services.

As the chairperson of Afrigotel, can you tell us more about it?

Afrigotel, a subsidiary of Sintagma Holding, is a cold chain third-party logistics provider (3PL) that opened in Maputo in late 2016 with a state-of-the-art facility comprising over 8,000cbm of cold storage. Our first business venture, the facility features 13 chambers catering for both frozen and refrigerated products as per our clients' needs, with added value services such as inventory management and stock controls, all the while adhering to best practices of hygiene and food safety. The initial years of operations were extremely challenging, as 3PL in cold chain was a fairly new concept in Mozambique, and clients were skeptical of entrusting us fully with their products. Our commitment to good service and quality, as evidenced by our ISO:9001 certificate in quality management, paid dividends as business started to pick up and nowadays, we work with many multinationals and some of the biggest food retailers and distributors in Mozambique. During COVID-19, we worked closely with UNICEF and the Ministry of Health as a key partner in the storage of vaccines. We opened our second facility in November, next the Port of Maputo with a storage capacity of 6,700cbm. Today, with these two facilities, we can handle over 7,000 tons of products. Furthermore, the Maputo corridor is an important corridor for the fruits and citrus sector from South Africa, and we are positioning ourselves to ensure we are also involved in that booming opportunity. We are now engaged in an

"For Sintagma as a whole, 2024 will be the year when we consolidate our accounts."

aggressive expansion strategy with facilities due to open in Pemba, Nampula, and Beira within the next 18 months, with our long-term goal of having a facility in every province in Mozambique.

Who are Sintagma Holding's local and international partners?

Our local and international partners are selected on a project-by-project case. In the case of Afrigotel, the project was developed in-house from conception, design, financing, construction and operations. We are a co-founding partner of WHN Solar, a Mozambican renewable energy project developer, which is currently developing a 30-MW solar PV power project in Nacala, northern Mozambique. The company was awarded a grant from the US Trade and Development Agency (USTDA) in 2018 to carry out the full feasibility studies, involving several international consultants, and we are now entering into the power purchase agreement (PPA) negotiations with the local power utility, EDM. This will be our biggest project to date as we are talking about a USD50-million solar PV power plant. Meanwhile we are also developing two new solar PV power projects, though still at preliminary feasibility study phase.

What are your thoughts on the pace of industrialization in Mozambique?

When we started Sintagma Holding, we had major plans and ideas for Mozambique's industrialization, as we all recognized that it does not make sense to import everything we consume when the country has vast natural resources and raw materials. Recently, we became an active member of Mozambique Industrial Association (AIMO), and its re-

juvenated policies will be a catalyst and an incentive to produce and transform locally. If Mozambique wants to compete with world markets, it needs to keep up with innovative technologies. The pace is slow, though Mozambique is moving in the right direction and has enormous potential for growth.

What was the objective behind establishing SISM?

Sintagma joined forces with another reputable Mozambican company to create Soluções Integradas e Serviços Moçambique (SISM). In anticipation of a potential oil and gas boom in Mozambique with the vast reserves discovered in the Rovuma Basin, we placed significant focus on SISM in 2018, investing heavily

in the company's structure and certifications. The purpose of the company was designing and implementing client driven solutions and services to the extractive industries, in order to assist and partner up with international companies wanting to establish in Mozambique. Our range of support varies from market research, legal assistance, company registration, permits and licensing, institutional relationships, networking support, senior local staff allocation, to accounting and admin support services, as well as procurement and logistics.

What do you want to achieve in 2024?

Our current priority is the expansion of Afrigotel and the opening of our Pemba facility this year, the first step toward

completing a nationwide cold storage network. Regarding renewables, our objective for 2024 is to sign the PPA and reach financial closure in our Nacala Solar PV Power Project. Our goal is to have an energy portfolio of over 200MW within the next five years. On the construction side, we want to consolidate our operations and make sure the company has a strong foundation in order to take the next big step, which is securing larger contracts within the oil and gas and industrial sectors. For Sintagma as a whole, 2024 will be the year when we consolidate our accounts. This is a milestone for us in affirming the integrity of our holding company. We intend to be a key player in the industries that we are involved in today. *



YOUR STRATEGIC INDUSTRIAL PARTNER

10 YEARS OF PROMOTING INDUSTRIALIZATION & ECONOMIC DEVELOPMENT IN MOZAMBIQUE



ACTIVE IN: LOGISTICS / RENEWABLE ENERGIES / CONSTRUCTION / O&G SERVICES / MINING

ORGANIC *growth*

180
employees at EY
Mozambique,
where
93%
are nationals

Investing
in digital
developing tools
for internal use

BIO

Paulo Reis has been Office Managing Partner of EY Mozambique since 2018, having joined the firm in 2009 and being promoted to Partner in 2011. Since 2020, he has also been the Assurance Leader. He began his career in auditing in 1992, after completing a degree in Economics at ISEG, Technical University of Lisbon. He is a Certified Auditor by OCAM and a Chartered Accountant by OROC, in Portugal.



Can you elaborate on EY's journey since it was established in Mozambique?

EY has been permanently in Mozambique since 1991. We started with a small local structure where most of the technical staff were expats, mainly from member firms in Portugal and South Africa. Now, we have around 180 people in the office, of which only 12 are expats. EY provides all the typical service lines, including: audit, which is assurance, where we have a team of 80 people; business consulting and technology consulting, where there are around 30 people; a team of three people in strategy and transactions; and tax, which has a team of around 25 people. The remainder are administrative and support. We work in an integrated manner, and when needed we have access to more people from the PAM Cluster (Portugal-Angola-Mozambique), comprising around 2,000 professionals. For large international projects and when required, we can rely on EY's global network of more than 400,000 people. Our strategy is to grow the practice organically, develop our people, and recruit locally.

How is EY adapting its services to meet the evolving needs of clients in Mozambique?

Digitalization has to be examined internally and externally. For example, EY has developed tools where, for example, we cannot document our audit on paper. We have software that works through the cloud where anyone on the team can review our work from anywhere. Externally, clients are digitalizing as well, and we have been acquiring internal capability to serve our clients in the areas of technology consulting, cybersecurity, investigation of security breaches, and more. We have a team that has been serving clients not only in Mozambique, but also in other countries in terms of IT consulting. We created the Technology Cluster recruiting a dozen talented young professionals from university and trained them, and they now serve clients around the world. We must be prudent about the process and are constantly upgrading even our internal systems that are not linked

EY Mozambique has evolved from a small expat-driven structure since its establishment in 1991 to a robust team of around 180 professionals, most of them locals.

Paulo Reis
OFFICE MANAGING PARTNER,
EY

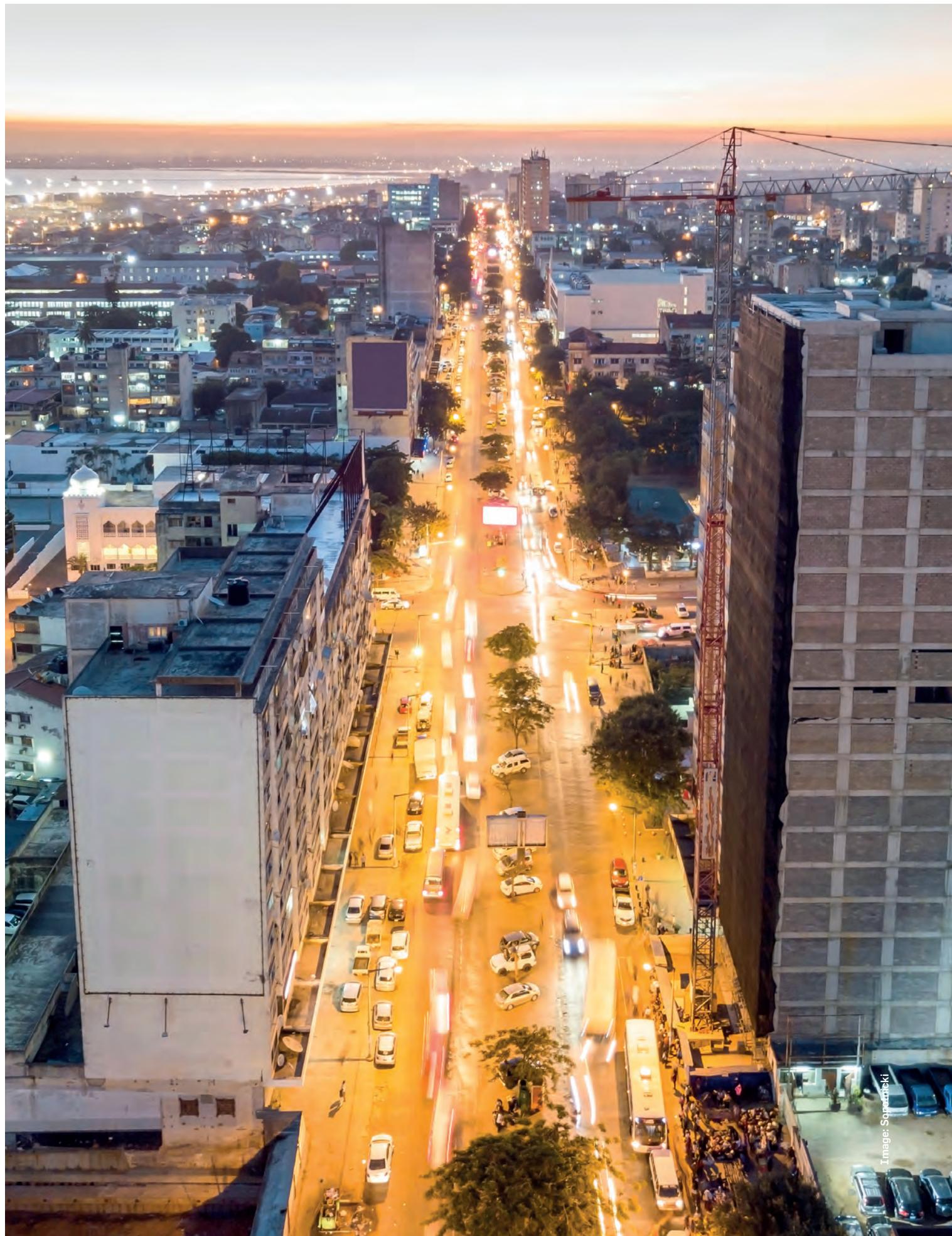
directly to client work. We are constantly upgrading our internal management systems to manage the business in a more digital manner.

EY has been recognized for its commitment to diversity and inclusiveness with its initiatives. Can you tell us more about that?

The Be Like the Woman initiative rings all the bells at EY. Our values include a strong sense of diversity and inclusiveness. We support women in the business space who are entrepreneurs or have corporate careers to move to the next step and have tools that enable them to reach the higher ground of their environments in business or a corporation or entity where they work, so they can reach the top. Our program has reached the end of the first cycle and its success has been recognized by leaders at EY who plan to launch similar initiatives, for instance in Angola. At EY, the breakdown of our senior staff is 50:50 men vs. women, while at the executive level the figure drops to 35%, which is not bad in our local environment. We have women in leading positions including finance, branding, marketing, communications, and human resources. EY was one of the first audit and consulting firms in the country to internally appoint a female partner.

What specific programs or partnerships does EY engage in to foster career development for young professionals?

Our main fields of recruitment are universities, and being close to them allows us to identify the best talent. Around 80% of our team today joined EY when they left university. We have other initiatives in partnership with AIESEC, an international economics management student association, to support youth with employability skills training as well as career guidance. We also recently launched the Green Skills Passport, an EY and Microsoft free and online learning program in sustainability and entrepreneurship for young students and professionals to develop green skills. We bring people to the organization who have the talent and help them grow their careers and capabilities. *



NAVIGATING CHALLENGES & *embracing opportunities* *in a dynamic economy*

Mozambique, a country with a complex history and abundant natural resources, is on the road to economic transformation. And at the heart of this transformation is EY Mozambique, a member firm of EY's global network, which plays a key role in shaping the country's economic landscape.

Present in Mozambique for more than 30 years, we remain committed to building a better working world, as well as a better world for our community.

EY Mozambique was founded in 1991 under the auspices of EY Global and started our operations in a small office with a small team, where we relied mostly on the support of consultants from EY Portugal and EY South Africa to deliver our professional services.

The team and the office grew as Mozambique and its economy recovered from the Civil War and took its first steps towards economic and social growth and development.

In 2003, to accommodate market demand and the growth of the EY team, we moved to our current offices on Rua Belmiro Obadias Muianga, where by 2004 we had grown to over 100 employees!

Throughout the years EY played a key role in assisting the Government with implementation of relevant Tax Reforms (1995-1996 and 2001-2002), creating a more efficient and fair tax system to support the country's economic development and fiscal sustainability.

We've also assisted the Government with the implementation of International Accounting practices with global standards, which helped attract foreign investment, improve financial transparency, and enhance the comparability of financial statements across borders.

In 2004-2005 with the introduction of IFRS in the banking sector, in 2008-2012 the introduction of IFRS

in the Mozambican business sector which resulted in the creation of the current accounting standard in force (PGC-NIRF), and in 2013-2014 with analysis and construction of the future implementation model of the IPSAS - International Public Sector Accounting Standards.

Always committed to fostering local talent, we have been building our team with local resources, recognizing that a qualified workforce is essential for the country's progress. We invest in training and development programs for our employees, providing recent graduates and Mozambican professionals with opportunities to excel in their careers and contributing to the creation of a robust professional community in Mozambique.

We currently have a team of 180 professionals, 97% of whom are local professionals familiar with the unique challenges and opportunities that Mozambique presents, from navigating the regulatory complexities to capitalizing on the potential of the emerging market.

And this is our greatest attribute and what has distinguished us in the market: **Our People**.

Around 1,000 employees have worked at EY, and we have been able to identify these talents, develop them and prepare them to meet the expectations and demands of the market.

Over these more than 30 years, EY has established a strong presence and partnership link in Mozambique, leveraging its global experience to provide local expertise and customized solutions tailored to local needs, helping the nation progress. We provide strategic guidance to both the public and private sectors and with experience in sectors such as energy, mining and agriculture we help our clients optimize operations,

'91

Founding and opening of office on Avenida Patrice Lumumba

'94

Move to offices in 33 Andares Building

**TAX REFORM
'95/6**

Support the Government in the implementation of VAT, including training actions throughout the country

**TAX REFORM
'01/2**

Support the Government in the implementation of the IRPS/IRPC by participating in training sessions throughout the country

33 YEARS CREATING VALUE

manage risk and drive innovation.

Despite all its potential, Mozambique faces challenges such as political instability, infrastructure deficits and the threat of climate change, which is where EY Mozambique's consulting services are crucial in helping companies and government entities address these issues effectively. Risk management, cybersecurity and financial services are particularly valuable in creating resilient strategies for sustainable growth.

In addition, EY Mozambique has the enormous responsibility of meeting the expectations inherent in its status as market leader and the reputation it has achieved since it was founded.

This is clearly the hallmark of this firm's DNA: the will to keep winning and growing! That's why the market has distinguished us year after year as the best auditing and consulting firm for over 10 years.

EY Mozambique recognizes the importance of sustainable development and is actively involved in initiatives that promote social and environmental responsibility. The company's sustainability services are designed to help clients achieve their long-term goals while making a positive impact on the community and the environment. EY's approach aligns with Mozambique's national development goals, supporting efforts to improve education, healthcare and economic inclusion.

EY is committed to contributing to the development of Mozambique's economy. The company supports the development of local talent through training and mentoring programs and engages in corporate social responsibility initiatives that benefit the wider community. *

'03

Inauguration of the current offices in Rua Belmiro Obadias Muianga

'04/5

Support the Government of Mozambique in the introduction of IFRS in the banking sector

'04

100 employees

'05/6

Support the Government of Mozambique in the process of reversion of the Cahora-Bassa Hydroelectric Power Plant to the Mozambican State

'08/12

Supporting the government in the introduction of IFRS in the Mozambican business sector, which resulted in the creation of the current accounting standard in force (PGC-NIRF), including an extensive training and dissemination plan. In the adoption process, EY also supported around 60 entities, including some of the country's largest companies.

'13/4

Support the government of Mozambique in the analysis and construction of future implementation model of International Public Sector Accounting Standards

'19

Integration into the EY cluster in Portuguese-speaking countries (Portugal and Angola)

'24

33 years of continuous activity in Mozambique, attracting & developing over 1,000 professionals, with numerous contributions to valorization of talent & creation of sustained growth

GUIDING hand

Navigated Mozambique's evolving legal and economic landscape with resilience and agility

Integrated advanced digital platforms and innovative tools into its operations

BIO

Eduardo Alberto Calú is the managing partner of SAL & Caldeira and the partner responsible for the Tax Practice Group. He has been deeply involved in the reform of the tax framework for the oil and gas and mining sectors in Mozambique, representing industry interests. He has acted as a tax expert in Mozambique tax matters in international arbitrations and is registered with the International Chamber of Commerce. He has more than 16 years' experience as a lawyer. He holds post graduate degrees in transfer pricing and in international trade law at the Faculty of Law at Eduardo Mondlane University, and a law degree from the Faculty of Law at Eduardo Mondlane University.



Can you provide a brief history of SAL & Caldeira Advogados in Mozambique and its journey to becoming a prominent player in the legal sector?

SAL & Caldeira Advogados established itself as a leading law firm in Mozambique through professional rigour, strategic focus, and commitment to excellent client service. Founded with a vision to provide zealous and dependable legal representation, our firm has navigated Mozambique's evolving legal and economic landscape with resilience and agility. Over the years, we have leveraged our deep-rooted local knowledge and international best practices to emerge as a trusted advisor for a diverse clientele. Our path to prominence depended and depends on being trusted business advisors to our clients. Obviously, none of this would have been possible without the support of our loyal clients and of our team of committed lawyers and support staff.

The firm offers a wide range of legal services. Could you highlight some of the key areas of specialization and how they cater to the diverse needs of your clients?

SAL & Caldeira Advogados specializes in the full range of legal disciplines our clients need to do business in Mozambique. We excel in corporate and commercial law, guiding clients through complex transactions and strategic business initiatives. We provide strategic and legal counsel on banking and foreign exchange regulations, ensuring compliance and facilitating seamless financial operations. In tax law, we offer sophisticated advice on tax structuring and efficient planning, tax compliance, including sector-specific tax advice for clients in mining, oil and gas, agriculture, industry and other sectors. Our litigation and arbitration expertise supplies robust representation, zealously safeguarding our clients' interests. Additionally, our proficiency in labor and immigration law supports clients in navigating related issues and regulatory compliance, including labor audits and strategic workforce management.

Navigating regulatory compliance is crucial for businesses operating in Mozambique. How does SAL & Caldeira assist its clients in staying compliant with local laws and regulations?

At SAL & Caldeira Advogados, we are committed to assisting clients proactively to navigate Mozam-

SAL & Caldeira Advogados has established itself as a leading law firm in Mozambique by leveraging deep local knowledge and international best practices to provide a comprehensive range of legal services in the country.

Eduardo Alberto Calú
MANAGING PARTNER,
SAL & CALDEIRA ADVOGADOS

bique's regulatory landscape. We provide strategic guidance on regulatory compliance across various domains, including taxation, labor, and corporate governance. We ensure that clients remain abreast of regulatory developments, mitigate compliance risks, and optimize operational efficiency. We carry out pre-emptive, comprehensive and custom-made legal audits and provide tailored solutions to address regulatory challenges. We contribute to legal reform—often participating in drafting proposed legislation—track legislation, and produce both "flashes" and more analytical content to keep our lawyers and clients abreast of legal developments.

The legal industry is being transformed by technology. How is SAL & Caldeira leveraging technological advancements to enhance its services and improve client experience?

At SAL & Caldeira Advogados, we recognize that the legal industry is undergoing a transformative shift propelled by technological advances. Embracing these innovations, we have strategically integrated technology into our operations to enhance service delivery and improve clients' experience. We have implemented advanced digital platforms and innovative tools that streamline legal processes from case management to document automation. This digital transformation enables us to optimize workflow efficiency, reduce turnaround times, enhance accuracy in legal documentation and reduce costs. Technology plays a pivotal role in facilitating safe and efficient communication with our clients. Through secure digital channels and virtual meeting platforms, we ensure seamless collaboration and real-time updates on case progress. We prioritize data security and confidentiality in all client interactions. Robust cybersecurity measures safeguard sensitive information, ensuring compliance with regulatory standards and maintaining client trust. Our commitment to protecting client data underscores our dedication to integrity and professionalism. Looking ahead, we are committed to leveraging technology as a catalyst for future growth and innovation. Our strategic focus includes further enhancing digital capabilities and integrating emerging technologies for enhanced legal insights and efficiency. *

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**BIO**

Onório Ernesto Manuel Boane is the general director of MozParks Holding. Previously, he held the role of deputy general director and infrastructure development director. Before joining MozParks, he was with the Club of Mozambique Lda as manager of the real estate portfolio of the group companies, a property consultant at PAM Golding Properties, and EOD instructor for Mozambican police officers in the National Mine Action Authority (IND). Boane holds a master's degree in project management, an MBA from ISG and a degree in business management from Eduardo Mondlane University.

Onório Ernesto Manuel Boane
GENERAL DIRECTOR,
MOZPARKS

What have been the main developments at MozParks in the last few years?

We have undergone significant changes in that time, particularly in terms of our organizational strategy. We transitioned from Beluluane Industrial Park to MozParks to align with our company's expansion strategy, inspired by the success of our project in Maputo. This project, Beluluane Industrial Park, is Mozambique's first and largest industrial park to date. Building on this success, the Mozambican government tasked MozParks with replicating this model nationwide. In 2021, we initiated an expansion plan, starting with the development of a similar park in Nampula alongside the Kenmare Heavy Sand Project. Construction began in 2022, and the park opened in September of that same year. Our focus with the Topuítio Industrial Park is to establish a value

chain for the Kenmare project, which has been operating since 2007. The primary aim was to stimulate community development, generate jobs in Topuítio area and Nampula, and provide income to the government by relocating suppliers closer to the project and reducing imported goods. To achieve this, we are encouraging investors to establish their operations in Topuítio. The park, approved as an industrial-free zone by the government of Mozambique, offers tax exemptions to enhance competitiveness for investors. We continued our dream of industrializing Mozambique with a demand-driven strategy. Among other projects, we constructed the Beluluane Industrial Park in Maputo and Topuítio Industrial Park in Nampula. We launched the first Cabo Delgado Parks project, Afungi Industrial Park, in May 2023, which is linked to the LNG project. This is part of a broader initiative, Cabo Delgado Parks (CD Parks), encompassing five projects across the province. Cabo Delgado is rich with diverse major projects. Within the Cabo Delgado Parks initiative, our top priority is the Afungi project, where construction began in May. We are currently focusing on basic infrastructure while awaiting TotalEnergies' first merger to accelerate construction. ✎



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African Union Organization Avenue (OUA), No. 121 Maputo, Mozambique

📞 +258 84 3233 534 📩 info@mz.g4s.com



KEEPING *a close watch*

Helder dos Santos
MANAGING DIRECTOR,
G4S MOZAMBIQUE



G4S is recognized globally as a leading security company. Can you elaborate on the significance of the Mozambican market within the broader context of G4S' international operations?

G4S Mozambique is part of the Allied Universal Group, with representation worldwide, particularly after the G4S International takeover. We have been in Mozambique for over 30 years, forming part of a southern African cluster. Besides South Africa, Mozambique is one of the largest markets for G4S in Africa, alongside the DRC and Kenya. We employ nearly 9,000 people, impacting around 45,000 lives when considering the multiplier effect on families. Our presence spans the entire country, operating in every province and most districts.

Given Mozambique's unique security landscape, can you provide an analysis of the primary security challenges and how G4S is addressing them?

Security in Mozambique can be analyzed on two levels. The first is the insurgency in the north, which is a specific and ongoing issue requiring unique solutions involving the armed forces. The second level concerns overall security across the country, which is challenged by high unemployment and a young population. With around 50% of the population below 16 years old and unemployment likely above 30%, social stability is hard to achieve. The insurgency impacts the economy by deterring foreign investment, which in turn exacerbates crime due to a lack of employment opportunities. Non-compliance with labor law, health and safety principles and the voluntary principles on safety and human rights (VPSHR) across the industry is a major concern. Despite there being over 600 security companies in Mozambique, less than a handful comply with legislation, such as minimum wage and fair labor practices. The vast majority of security companies overwork and underpay their security officers, leading to issues like forced overtime and lack of social security, amounting to what is essentially slave labor. This is not only stated by ourselves but other bodies including labor unions. This unethical behavior makes it challenging for compliant companies like G4S to compete and it is, therefore, vital for companies, particularly multinationals, with whom we partner to conduct a thorough due diligence to ensure fair labor practices

G4S has been recognized for its success in Mozambique for the last 30 years by taking an approach that integrates technology with traditional security methods.

and compliance with the law.

Balancing security challenges with the economic opportunities in Mozambique is crucial. How does G4S navigate this dynamic to create value for its clients?

Mozambique is rich in resources, and many sectors are growing rapidly. This in turn entices companies to be present in Mozambique while at the same time new projects and prospects for growth attract many other companies. In this sense, partnering with the right security company is crucial. We provide value through innovative and integrated security solutions.

G4S is known for its innovative approach to security. What cutting-edge solutions are you introducing to the Mozambican market, and how do they improve security and cost-efficiency?

Our approach to innovation includes integrating technology with traditional security methods. We are investing in AI-driven cameras that monitor driver behavior and remote monitoring systems like drones, which are used in sectors like mining, agriculture, and energy. Drones not only enhance security but also provide opportunities for staff development, such as training drone pilots, thereby uplifting their earning potential. Additionally, we have intelligent safes that streamline cash management, providing liquidity benefits to retail chains by making cash available in their bank accounts immediately.

How does G4S educate and support companies looking to invest in Mozambique to ensure their operations remain secure?

Multinationals often recognize the G4S brand, making it easier for us to connect with them. For local companies, we focus on building relationships at the C-suite level, demonstrating how our services can enhance their core business operations. We highlight the benefits of security solutions, such as reducing operational losses through technologies like remote camera monitoring, K9 operations, and drone surveillance amongst many other solutions. Educating companies involves showing them how integrated security solutions can cut costs and improve productivity, thereby allowing them to focus on their core business, which security underpins. ✎

30
years in
Mozambique

9,000
local hires

Solutions such as AI, drone, K9, technology, and risk consulting

BIO

Helder dos Santos, a Chartered Accountant (CA(SA)) since 2000, is a seasoned financial and executive leader with extensive experience across Mozambique and beyond. Fluent in English, Portuguese, and Afrikaans, he holds multiple qualifications, including a commerce master's and executive training from Duke University. He currently serves as Managing Director at G4S in Mozambique, driving transformative growth, digitalization, and performance culture. With a career spanning key roles at Barclays, BANCABC, and PwC, his expertise includes leadership in finance, strategic management, business turnarounds, and regulatory negotiations. He is also a non-executive director at Indico Seguros.

COMMITMENT to excellence

Mazars continues to steadily expand its client portfolio in Mozambique while maintaining a strong market position and focusing on employee development and training.

Dipak Lalgi

COUNTRY MANAGING PARTNER AUDIT AND ASSURANCE,
MAZARS MOZAMBIQUE



How has Mazars evolved in Mozambique since its establishment in 2015?

Since its inception, Mazars' client portfolio has been steadily growing. Currently, Mazars holds a strong market position, closely following the Big Four and Big Five firms. Mazars ranks among the top 10 globally and sixth within the country. Recently, Mazars expanded its focus to include the banking and insurance sectors. Winning auditing contracts with major banks like Moza Bank and other financial institutions has been a significant achievement. Moza Bank, now in its second year with Mazars, has expressed satisfaction with the quality of services, compared to larger firms in the market. This client feedback is highly valuable to Mazars and underscores its commitment to excellence. Expanding into the banking sector in Africa not only benefits Mazars' revenue growth at the country level, but also enhances Mazars' global presence.

What other industries is Mazars focused on in Mozambique?

We began by serving small entities, gradually gaining experience and expanding our knowledge of various markets. Over time, we diversified our services to include audit, accounting and consultancy in construction, consumer, energy, infrastructure and environment, financial services, healthcare and life sciences, industrials, public and social sector, real estate, technology, media and telecommunications, transport and logistics, and so on. Today, we can confidently say that we have expertise across all sectors.

How does Mazars' presence in Mozambique align with its extensive global network?

Mazars in Mozambique began nine years ago, so although it is not a large company locally, we are part of a global network present in over 100 countries, with a significant footprint in Africa, spanning more than 25 countries. Globally, Mazars

employs more than 50,000 professionals—33,000-plus in Mazars' integrated partnership and 17,000-plus via the Mazars North America Alliance—to assist clients of all sizes at every stage in their development.

What challenges has Mazars faced since its establishment in Mozambique?

Mazars' challenge in Mozambique includes developing the personnel, with a focus on enhancing their technical skills, capacity and retaining top talent. The majority of our employees receive mandatory training from the Mazars Group, supplemented by internal training programs aimed at continually improving their skills and capabilities.

How is Mazars employing technology to improve workplace efficiency and sustainability practices?

We strive to embrace the potential brought by the latest technological breakthroughs to always better serve our clients and enhance our teams' productivity. Our league of 10+ tech hubs around the world comprises teams that have the skills to apprehend new technology and explore the opportunities they bring for our clients and teams. Across our offerings, we develop tools that offer greater data analytics capabilities, provide deeper insights and assist decision-making, while allowing our teams to work collaboratively and concentrate on higher added-value tasks. Our focus on sustainability extends to offering consulting services to clients, capitalizing on emerging opportunities in this field. Already, some companies in South Africa have benefited from these services and there's growing demand within Mozambique to integrate sustainability reporting, particularly for European companies.

How do you envision the future of foreign investment in the country?

2024 presents challenges due to upcoming elections and disruptions in projects, particularly in the north; however, Mozambique holds immense potential to become a leading African nation. Despite current hurdles, the country's resilience and potential for growth remain promising. Mozambique is on a positive trajectory toward becoming a top destination for investors and realizing its full potential.

What are Mazars Mozambique's objectives and priorities for 2024?

We aim to strengthen our presence in Mozambique steadily, without overextending ourselves. Our approach is appreciated by the market, as we prioritize integrity, independence, and respect for clients. At Mazars, independence is a core value, allowing us to offer objective perspectives and maintain our integrity. We uphold diversity, responsibility, and technical excellence, always conducting our work with respect. ✎

BIO

Dipak Lalgi has 39 years of professional experience, including over 25 years in external audit (17 years at Ernst & Young and seven years at Mazars) and two years of experience in internal audit. He was appointed to his current role in 2017, before which he was director and a member of the board of financial and logistics of Ribemoz SA and Grupo NEF. His earlier roles include founding the corporate internal audit department of the INSITEC Group, financial and executive director at CETA - Engenharia e Construção, SA in 2011-2012, and coordinating administrator for the restructuring of the accounting and financial area and other professional areas at CETA, among positions. Lalgi is a certified auditor, a member of the Association of Licensed Certified Charter Accountants, and a member of the Mozambican Association of Internal Auditors Certified Accountants.

TBY ANALYTICS *Mozambique 2024*

127 interviews were conducted for *The Business Year: Mozambique 2024 Analytics*.

BUSINESS CONFIDENCE INDEX

How confident are you about the outlook for business in Mozambique this year (1-5)?

3.6
AVERAGE RATING

SECTORS TO WATCH

 FINANCE **4**

 IT & TELECOMS **3**

 ENERGY & MINING **4**

 INDUSTRY **3**

 TRANSPORT **3**

 AGRICULTURE **3**

 HEALTH & EDUCATION **2**

 TOURISM **3**

ADVANTAGES & CHALLENGES

What are the most commonly mentioned advantages and challenges of doing business in Mozambique?

ADVANTAGES

- Abundant natural resources
- Strategic location
- Growing consumer market
- Government incentives
- Economic reforms
- Infrastructure development
- Favorable trade agreements
- Agricultural potential
- Tourism opportunities
- Young workforce

CHALLENGES

- Some infrastructure deficiencies
- Regulatory red tape
- Corruption
- Political instability
- Access to finance
- Skilled labor shortage
- High costs of doing business
- Logistics and supply chain issues
- Legal and contract enforcement issues
- Weaknesses in health and education systems

Consultancy

Consultancy firms in Mozambique have grown over the years to feature more local teams offering a wide range of expertise to better support clients and benefit local communities.



Vicente Sítioe
EXECUTIVE DIRECTOR,
SDO MOZAMBIQUE



Santiago Herranz
CEO & SENIOR PARTNER,
TEMPUS GLOBAL GROUP



Inês Trindade
COO,
ALDELIA GROUP



João Machado
CEO & MANAGING
PARTNER,
DELOITTE

SDO MOZAMBIQUE has grown by more than 40% in the last few years, most notably in terms of its staff. From about seven consultants a few years ago, we now have 16 consultants plus one external consultant. Businesswise, we have also consolidated further by entering into areas that we did not operate in before, such as outsourcing services and general human resources consultancy. We are currently one of the major players in Mozambique, with a solid portfolio of clients. We have earned the trust and confidence of clients, with many coming back to renew their contracts. In 2023, we had 24% success rate on all proposals we delivered to clients, which is a solid figure for our sector. In 2024, we hope to continue growing further. One of our motivations for expansion was pandemic given that during that period, few companies were requesting HR services or recruitment. We are extremely strong in those areas, including training and development, and position ourselves as strategic human resources service providers.

TEMPUS GLOBAL GROUP is a one-stop shop for human resources managers of local, national, and international companies. We make sure human resources departments receive sufficient information to make good decisions and provide extensive information related to the current situation of the employment market and major trends. We currently organize the country's first Employee Benefits and Human Capital Survey. Tempus Global Group has been running this initiative for three years with a higher participation of 30 new companies annually. When we started in 2021, we were at 140 companies, but now we have over 210 companies participating in this survey. We gather the feedback and benchmark each of the companies against the market and their own sector based on five pillars: compensation and benefits, career, work environment, culture, and work-life balance. That gives them a clear picture of their position against the market, which enables them to formulate a strategy to change their behavior and strategies to attract and retain talent.

ALDELIA is a Franco-British company that offers recruitment services. It started particularly for the IT sector, though due to our success, we also diversified into other sectors. We became support for European companies wanting to settle and expand into African markets, Latin America, and the Middle East. Aldelia is a global company with local teams and an understanding of the local frameworks, both in terms of taxation and legislation. Africa remains our strategic market, with approximately 30 offices serving our partners in sectors such as oil and gas, energy sector, mining, telecommunications, banking, FMCG, and agribusiness. Within the HR scope, Aldelia focuses on recruitments across all levels, from executive search all the way to mid-level positions and unskilled as well, when the projects so require. In addition, our solutions include outsourcing of manpower, payroll solutions, recruitment process outsourcing, immigration services, as well as digital solutions that we have designed to address specific areas in specific sectors within specific regions.

DELOITTE IN MOZAMBIQUE has been investing in digital capabilities, helping our clients to address challenges and make the most of opportunities raised by disruptive technologies, exponentially enhancing productivity and accelerating the pace of business innovation. We have also been supporting our clients in terms of not only making sure their investments in the country are happening where they need to, but also that they benefit local communities, thought our unique skills that help our clients to create shared values and social impact, while having a strong business outcome. We have been investing in the country for more than 28 years, building local skills, not only technically, but also in management and leadership. We have heavily invested in upskilling our 140 people—of which only three are foreigners—which ultimately gives back to society. Our strategy is to take advantage of our deep knowledge, our thought leadership and relevant experience in the main projects in Mozambique to support our clients to achieve their goals.



Quintino Cotão
COUNTRY MANAGING PARTNER,
KPMG



Patricia Quirino
PARTNER,
PwC

ACCOUNTANCY

KPMG and PwC provide a wide range of advisory services to support foreign investment and local businesses in Mozambique, leveraging their international expertise in sectors like banking, oil and gas, and agriculture.

What services do you offer to clients in Mozambique?

QUINTINO COTÃO: KPMG was the first of the Big Four to establish a presence in Mozambique 34 years ago. We provide auditing, accounting, tax consultancy, and general management consultancy services. Although information in the market is at times hard to come by, we believe KPMG is the largest of the Big Four companies in terms of revenue, sales volume, and number of employees. We have a well-established presence in the market, serving both the public sector, with many government projects, as well as institutions, public companies, and the private sector, where we are strongest. We mainly support foreign investment because Mozambique's economy is primarily composed of micro, small, and medium-sized enterprises, with few large companies. We primarily work with companies of a certain size, especially those with significant foreign investment. We leverage our worldwide network of clients and other international companies that, while not our clients globally, want to work with a reputable firm like KPMG in Mozambique. From the beginning, we assist in the establishment of these companies, managing their records, tax accounting, and later, auditing or consultancy. We support them at every stage with a comprehensive range

of services, acting as a one-stop shop and growing alongside our clients.

PATRICIA QUIRINO: PwC started operating in Mozambique more than 30 years ago and has established itself as the market leader both in audit and tax services. In the last few years, we have grown tremendously in advisory, technology, mergers and acquisitions, cybersecurity, sustainability services, tax advisory and compliance, and legal services, with a strong presence in the banking and oil and gas sectors. We anchor our business on an international network of expertise and are simultaneously fully committed to support the growth of local talent. In order to remain well integrated within our international network, we adopted rigorous systems and processes to ensure prompt insights sharing (e.g., real-time information sharing across jurisdictions) and that we met all quality standards to which the firm is worldwide committed to, with relevance to our audit services. We have also been establishing new and reinforced alliances at international level with players such as SAP, Microsoft and Salesforce, allowing to combine their IT capabilities/infrastructures with our knowledge about business needs and the market itself. Simultaneously, we are also strongly committed in continuing to grow our own specialized technological teams. PwC intends to be

the biggest demonstrator of how technology can support clients' businesses and be a catalyst of progress.

What opportunities do you see for future investors?

QC: Looking at the GDP figures for the last few years, the sector growing the most is the extractive industries, including gas and heavy sands exploitation. Traditional sectors, which generate more jobs and income for the population, follow. The basis of the economy is still agriculture, with most of the population engaged in farming. This sector has significant potential but requires substantial investment. Investing and doing business in agriculture is challenging due to the need for efficient infrastructure, such as access roads and energy. Transporting products from the countryside to markets or ports for export is not easy. The government needs to address these infrastructure issues, as investors alone cannot handle this work. Nonetheless, there is considerable potential in agribusiness. Additionally, training and development of human resources are crucial. Today, more young Mozambicans have higher education. Students who train at KPMG enhance their university education, acquiring new knowledge before entering the job market. Our company acts like a second university.

What are some of the unique challenges facing businesses in Mozambique?

PQ: One of the key challenges is climate change, as Mozambique has been hit with cyclones with growing frequency. This ultimately affects supply chains in the country and directly impacts the population. Another major issue is public security that led to the suspension of two major LNG projects in the north of the country due to force majeure. Mozambique possesses natural gas reserves to be a major market player as Qatar is, but needs stability and security to have a jumpstart growth. On the positive side, Mozambique has a modern legal framework across tax, exchange control, labor, commercial, mining, and oil and gas. These areas are specifically regulated, with extensive support of the IMF and the World Bank. This gives investors a great deal of confidence. PwC is strongly committed to be a reliable and knowledgeable advisor, not only to all Mozambican public and private entities, but also to external stakeholders (investors and financers), supporting the achievement of common goals, including the deployment of structural projects. *



Luis Magaço Junior
CEO,
AUSTRAL CONSULTORIA, LD

How does AUSTRAL ensure the delivery of optimal service to its clients while adapting to their needs?

We prioritize internal training by investing heavily in a selected group of consultants, ensuring they are well prepared. Additionally, we maintain ISO 9001:2015 certification, following strict procedures and methodologies inherited from COWI Denmark. Our commitment to quality is upheld through annual recertification.

What value does the ISO certification and adherence to the UN Global Compact, including the SDGs, add to the company?

We prioritize environmental sustainability in all our projects, refusing those that could harm nature. For example, when asked to conduct an environmental study for relocating a fish market to the beach, we declined due to concerns about sewage drainage into the sea. AUSTRAL is committed to environmentally responsible practices, reflecting our dedication to sustainable development. We advocate for eco-friendly initiatives, including paper recycling, enforced through company policy. With an in-house environmental department, we provide expert recommendations on environmental matters, ensuring our projects align with responsible practices and meet international standards.



Guilherme Luiz Drehmer
COUNTRY CHIEF EXECUTIVE,
BUREAU VERITAS

What challenges are you finding while operating in Mozambique, that other countries are not facing?

The market in Mozambique is special, it is a country that has many opportunities in different sectors, there are large and important projects under development, structural projects for the country's development, but for various reasons they have not yet started. Therefore, currently serving customers and existing projects, mainly in the mining, energy and industrial sectors, we seek to diversify our business into other sectors, while awaiting the major projects that are under development in the country. Therefore, in my opinion the challenge now is the size of the existing market, as already mentioned, there are some large projects under development in the country, especially in the oil and gas and energy sectors, for example. This will certainly change the business environment in Mozambique in the future.

What opportunities do you anticipate for the future in Mozambique?

The large projects linked to the oil and gas and power generation sectors, for example, the Mphanda Nkuwa hydroelectric project and the Mozambique LNG project, are promising. Recently the government selected Total Energy and EDF to drive the Mphanda Nkuwa project, in this project we will be able to provide different types of services, in the same way as the Mozambique LNG project, which is led by Total Energies. Today, we have a specialized team with more than 30 engineers accredited in various certifications that allow us to meet the demands of large projects.



Alex Malgit
FOUNDER, MD & CEO,
ROYAL ALBRI INVESTIMENTOS
LIMITADA

What are some of the company's recent achievements?

Our significant achievement lies in successfully attracting investors to Mozambique's oil and gas sector, a challenging endeavor over the years. In 2023, we celebrated a major milestone as one investor signed a contract with the government for onshore gas exploration. This accomplishment validates our persistent efforts to persuade investors to seize opportunities in Mozambique. The entry of such a prominent group into the country's oil and gas sector is truly remarkable and is a culmination of our longstanding endeavors.

Has Royal Albri Investimentos Limitada implemented any digitalization initiatives for its operations in Mozambique?

For digital tools, we utilize our website and dedicated personnel to regularly monitor and update it. This includes keeping an eye on competitor activities and identifying areas for improvement. Our primary focus in 2024 is on the technological aspects of the modular refinery project. The advanced technology we are adopting will enable the refinery to process various types of crude oil, not just Mozambican crude. This flexibility allows us to refine oil from different sources such as Nigeria and Angola. Embracing cutting-edge technology is crucial for streamlining operations and enhancing efficiency in our endeavors.



Abdulla Momade
CHIEF REPRESENTATIVE - SADC,
DUBAI CHAMBERS

Can you tell us about the initiatives aimed at promoting trade and investment between Mozambique and Dubai?

Our office was inaugurated back in May 2016, and our main mission is to be the gateway between Dubai and Mozambique, and in this case, the Southern African region, because this is a regional office. Through the office, we promote Dubai as a business hub, as the Emirate for any Mozambican company to set up their own company if they wish to play in the international market, and also to have access to regional markets. We also provide, or try to look for business opportunities for Dubai entities because one of our major roles is to help and support Dubai companies to expand internationally. So, in our case, in Mozambique and the Southern African markets. Some of the services we offer are to create business platforms and events. We also organize trade missions, mostly to Dubai, which is easier. We work on market intelligence because this is also important for our business and investment community. We also do B2B facilitation and matchmaking. Bilateral trade volume between 2018 to 2022 grew from USD550 million to USD1.3 billion, and we consider ourselves to be a key stakeholder, and as part of the success of this growth.



Chivambo Mamadhusen
CEO,
GRUPO VIDERE

Who are your current partners, and what partnerships is Videre Group seeking?

Our divisions include power, mining, aviation, and catering. In the power sector, our main partners are mostly South African-based funds and investment houses. In the mining sector, we always prioritize Chinese partners for their aggressiveness and know-how, specifically for precious (gold), alkali metals (lithium), and silicate minerals (graphite). We have restarted our coal mine production with our main investor from South Africa. Our strategy for 2024 is to focus on the minerals of the future, such as graphite and lithium, and empower and grow our existing operational mines.

How do you help the communities where you operate, especially for the mining sector?

We have two kinds of social responsibility strategies. One is aligned with the government's vision to support the local community, while the other is aligned with our own sentiments. We work in remote communities, and the first part of our strategy is to legalize the illegal miners into associations that work with us on a service and partner level. The second is to develop infrastructure in local areas based on education, health, and access in alignment with the government's policies on CSR in the extractive industry. Our third step is to empower local suppliers through the supply of goods and services.



Paulo Lopes
MANAGING PARTNER & CEO,
RSM GLOBAL

How does RSM differentiate itself in the market, and which specific types of clients do you target?

In Mozambique's diverse market, our focus sectors include banking, insurance, oil and gas, and NGOs. Approximately 80-85% of our clients are international, reflecting the predominantly foreign nature of the economy. While the market lacks clear sector definitions due to its prevalence of micro-companies, we prioritize partnerships with clients in these key sectors. Our mission centers on understanding and addressing our clients' challenges through close collaboration and empathy. This personalized approach sets us apart, fostering strong, enduring relationships beyond mere financial transactions.

What are RSM Mozambique's main goals for the year?

Our aim is to create a lasting impact in the market, building a reputation as a dependable and desirable employer. This objective complements our financial targets but requires careful balance, as financial success is necessary but not sufficient. Our focus lies on fostering a positive internal culture, where employees are engaged, fulfilled, and committed to the company's growth. Our main challenge is nurturing talent, ensuring their loyalty and fostering professional development through continuous training and knowledge sharing.



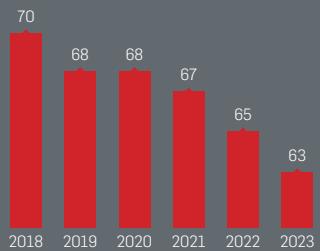
Nuno Quelhas
CEO,
WHATANA INVESTMENTS

What is the current focus of Whatana?

Whatana is an investment holding company that started in 2005, and in the last two decades, we have undertaken some 10 investments and divested from some. Currently, we have four active projects including Vodacom, M-PESA, Bayport, as well as ownership in a distribution business called On Time. Our focus lies predominantly within the consumer-based sectors, catering to the needs of Mozambique's 35 million citizens, with an eye on the projected population growth to 70 million by 2050. We anticipate potential economic growth, particularly with the development of oil and gas projects, which could bolster GDP per capita and enhance Mozambique's overall prospects. While we remain concentrated on our existing sectors, we have recently collaborated with Adanian Labs to drive technological transformation in the country. Our strategy revolves around three core dimensions: expanding technological infrastructure coverage, enhancing financial services, and fostering a digital economy conducive to innovation and entrepreneurship. We aim to address unemployment by empowering individuals to participate in the economy as entrepreneurs. Through our partnership with Adanian Labs, led by John Kamara, we aim to cultivate a skilled workforce in technology, with a particular emphasis on coding. Investing in building a critical mass of skilled individuals is paramount for the long-term success of Mozambique's digital transformation journey.

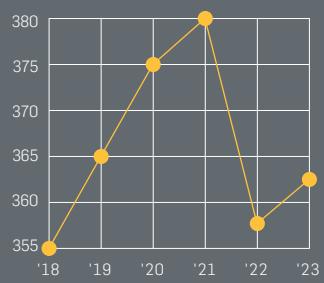
% OF PEOPLE UNBANKED

SOURCE: WORLD BANK, STATISTA, GLOBAL FINANCE MAGAZINE



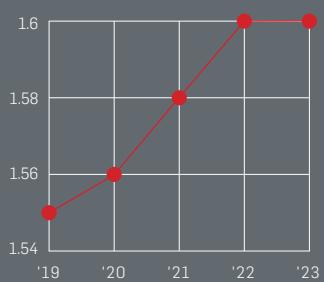
BANK ASSETS (MZN BN)

SOURCE: FURTHERAFRICA



INSURANCE PENETRATION RATE (%)

SOURCE: GLOBAL DATA, 360 MOZAMBIQUE



Maputo is Mozambique's financial center

Finance

GET INVOLVED

The country's financial sector is undergoing transformations that promise to reshape the economic landscape and offer new opportunities for investors. One of the most remarkable developments in Mozambique's financial sector is the rapid adoption of digital banking. Digital banking has appeared as a powerful tool for bridging the gap between the unbanked and formal financial services. The change toward digital platforms has enabled banks to extend their reach to previously underserved populations, offering them access to banking services through mobile phones and other digital channels. Women, who have historically been excluded from the financial system, are benefiting from it, too. The Mozambican financial sector is increasingly focusing on women-oriented products and services, empowering women to actively participate in the economy. By providing women with tailored financial solutions, banks are not only promoting gender equality, but also enhancing the overall economic participation of women in Mozambique.

Financial literacy remains a necessity in Mozambique. Various initiatives have been launched to educate the population about financial management, with a particular emphasis on reaching young people and women. These initiatives aim to help individuals with the tools they need to make informed financial decisions, manage their resources effectively, and engage more fully in the economy. Marco Abalroado, the Country Managing Director of Access Bank in Mozambique, emphasized the importance of financial literacy in this context, telling TBY that; "Financial awareness and education campaigns have also been our focus, with the aim

of increasing financial literacy and helping customers, particularly young people and women, to make informed decisions about personal and business financial management." In rural areas, where access to traditional financial services is limited, financial literacy programs are especially important. While educating individuals about the benefits of digital banking and how to use these platforms, banks are helping to integrate rural populations into the formal economy. This facilitates the growth of small businesses, enhances household income, and contributes to the overall economic development of these communities. This is essential for long-term economic growth.

Elsewhere, the insurance sector in Mozambique is still in its infancy. Insurance penetration remains very low, at less than 2%. However, this also presents a significant opportunity for growth, particularly in the area of microinsurance. Microinsurance is increasingly seen as the future of the insurance sector in Mozambique. It offers a way to provide insurance coverage to small and medium-sized enterprises (SMEs) and individuals in the informal sector that are usually excluded from traditional insurance products. Mufaro Chauruka, Managing Director of Emeritus Resseguros, underscores the importance of this segment, mentioning, "There is more to be done in terms of microinsurance and the informal sector. The scope for growth is there and it will continue growing."

There are ample opportunities for investors to participate in this growth story. By focusing on financial inclusion, literacy, and innovation, Mozambique is laying the foundation for a more inclusive and resilient economy that can support sustainable growth in the years to come. **X**



FOR THE *long run*

Access Bank has significantly expanded its presence around the world through acquisitions and new operations, while also focusing on digital innovation and financial inclusion initiatives, especially for women and youth.

BIO

Marco Abalroado is the country managing director of Access Bank Mozambique, part of the Access Bank PLC Nigeria Group. He holds a degree in business management and industrial engineering from Instituto Superior de Ciências do Trabalho e da Empresa and a post-graduate degree in project management from Instituto Superior de Gestão (Portugal). Abalroado has extensive professional experience in the banking sector, having started his career as a financial services manager at Accenture Management Consultants for five years, taking part in various projects in Portugal, Angola, Spain, Brazil, and the UK. His previous positions include deputy director at Millennium BCP, global project manager in Banco Espírito Santo (BES), and creating the IT (2011–2016) and operations (2011–2013) departments Moza Banco.

Marco Abalroado
COUNTRY MANAGING DIRECTOR,
ACCESS BANK MOZAMBIQUE

Access Bank has highlighted its commitment to reinforce its presence in the SADC, with a major expansion plan. What have been the results of this expansion thus far?

Access Bank has a global presence in 19 countries, including key locations such as the UK, France and China, and additional representative offices strategically situated in India, the UAE, and Lebanon. We entered the market with greenfield operations in Ghana, Sierra Leone, Cameroon, Namibia, Guinea, and Mozambique and started brownfield operations in Ghana, Zambia, DRC, Rwanda, Angola, Botswana, South Africa, Kenya, and Tanzania. Mozambique was the first country in Access Bank's second wave of expansion. In 2021, we started a completely new operation with a new license. We acquired BancABC to strengthen our position and became the seventh largest bank operating in Mozambique. Currently, we have 11 branches in six provinces—five in Maputo, two in Beira, and one each in Manica, Tete, Nampula, and Nacala—and more than 120,000 customers. In South Africa, we acquired Grow Bank, and in Botswana, BancABC. In Tanzania, Standard Chartered will be acquired and in Kenya, Gambia, and Rwanda, Standard Chartered has already been acquired. In 2023, we finalized the acquisition of BancABC, which still operates as Atlas Mara Zambia, consolidating our position as one of the five largest banks in Zambia. Recently, we expanded to Angola, where we acquired two banks: FiniBanco and Standard Chartered.

The pandemic has changed the way banks operate. How important has the digital transition been for Access Bank?

The pandemic led to a positive change. Many people started doing more transactions via mobile banking, and there was a boost in e-wallets and telecoms as well. Telcos adapted faster than banks, and we soon realized the need to view them as partners. We formed a partnership with MPesa and now plan to form another one with Movitel, where Access Bank will focus on micro credit and micro lending. This has been a major success in Mozambique and Africa.

How does Access Bank differentiate itself in

the market, particularly in light of the changing landscape of global banking?

Access Bank has found an opportunity to act as Africa's gateway to the world and be an African bank that can provide services for Africans and African banks. While most banks are reducing their presence in Africa, we are expanding our presence. Regionally, there are many transactions taking place, and one can gain a major advantage if they are a strong player in all those countries. Regarding innovation, from a group standpoint Access Bank has disrupted the concept of banking and transformed us into a holding specialized in innovation in different sectors. We have invested in digital innovation to facilitate the customer experience. Notable in this regard is the Access Africa platform, a service that simplifies cross-border transactions within African nations, enabling fast and seamless money to and transfers from Mozambique to international destinations. Additionally, in Mozambique we have a nano-loan service called Txuna, a microcredit service designed to provide fast and affordable financing solutions for small financial needs. In Mozambique, we were also the first bank to implement contactless card and POS technology and proudly received a distinction from the Central Bank of Mozambique for our unwavering dedication and significant contributions to the successful implementation of the innovative SIMOrede platform.

How does Access Bank support financial literacy and inclusion, particularly for youth, women entrepreneurs, and businesses?

For individuals, we have initiatives that have been running for years such as the W-Initiative, a project designed for Women, which has been going since 2021. To date we have received more than 4,000 applications and trained many women to better operate their small businesses as well as awarded them with prizes that will allow them to grow their businesses. Financial Awareness and educational campaigns have also been our focus, with the aim of increasing financial literacy and helping customers, particularly young people, and women, to make informed decisions about personal and business financial management. *



The
Mozambican
metical



Manuel Soares
CEO,
MOZA BANCO

MAKE IT *happen*

Moza Banco is leveraging technology and partnerships with fintech companies to enhance financial accessibility in underserved areas by implementing mobile banking solutions and developing agent networks in remote regions.

BIO

Manuel Soares has been the president of the executive committee at Moza Banco since 2021. In 2014, he was the Executive Board Member (CFO) with responsibility for logistics and procurement and treasury finance control and planning at Banco Comercial e de Investimentos (BCI). At the same bank, he was the director in areas as finance, treasury, control and planning, risk management, settlement, and cash management between 2001 and 2014. Soares was also the first PMO for the Lider+ Project. He started his professional career at Ernst & Young Mozambique in 1997 as financial auditor.

What digital services and products has Moza Banco developed in recent years, and how did they address the needs and concerns of the lower segments?

Our primary project in the past year involves financial literacy programs in the north and center of Mozambique, conducted in local languages. Moza, being a Mozambican bank, engages mainly with local stakeholders. While Portuguese literacy suffices in Maputo, adapting to rural areas necessitates speaking their language, which is what we have been focused on. We commenced in 2023 and aim to expand to more areas now given the impact it has had. Another new initiative that we are pursuing is identifying local influencers to host radio programs, promoting economic awareness and collaboration with banks. One further concern is updating our marketing language regarding finance. Financial literacy in Mozambique is relatively low, so selling a product such as a deposit requires framing it differently. Instead of citing the 10% interest rate, we emphasize the benefit: deposit MZN100 now, receive MZN110 in the future. This adaptation applies to credit as well. We adjust our language daily, particularly with fixed interest rates, considering fluctuations in the central bank's rate. It is challenging but essential work. For these specific programs, we are focused on 19 local languages. Moza boasts one of the highest numbers of branches in rural areas, benefiting all banking institutions. The more people understand banking, the more receptive they are to all institutions; therefore, all institutions reap the rewards without needing to individually persuade or educate. Our vision at Moza Banco is rooted in recognizing Mozambique's cultural diversity. While other banks may opt for Portuguese or English or focus on influencers from Maputo, a Mozambican bank must embrace cultural diversity. While we initially believed financial literacy in Portuguese sufficed, we have since learned otherwise. In 2023, in collaboration with the Fernando Leite Couto Foundation, we staged a theater play for children aimed at teaching basic financial principles. While the presentation was in Maputo in 2023, in 2024 we aim to extend it to other areas as well. This is an additional method to impart fundamental financial knowledge.

"Moza boasts one of the highest numbers of branches in rural areas, benefiting all banking institutions."

Furthermore, still on the path of investing in education, we will support vocational training and the creation of leadership opportunities for women and girls, with the aim of ensuring that they reach their full potential and thus actively contribute to the nation's progress. In implementing the Fazer Acontecer II (Make it Happen II) campaign, we have established a partnership with the Clarisse Machanguana Foundation, a non-profit organization led by the only Mozambican to play in the WNBA, which works tirelessly to Turn Dreams into Reality: Empowering Young People through Sport. By making this partnership happen, we want all Mozambicans and friends of Mozambique to join us and Clarisse Machanguana on the journey to empower young people through sport. At Moza Banco, we believe in the ability to "make it happen," not just in words, but above all in actions that shape a better future for all.

How is Moza Banco leveraging technology and partnerships to improve financial accessibility, especially in underserved areas?

Considering the country's size and the economic status of many districts, traditional banking is not always feasible. The solution lies in interoperability, which has been our focus in recent years. In 2022, we initiated agreements for small loans via mobile phones, aiming to reach clients in areas where we lack physical presence. Currently, we are exploring further steps, such as establishing agent networks in remote rural areas. This would simplify banking for people, allowing them to conduct transactions locally instead of traveling to our offices. Additionally, it addresses concerns about money laundering. Moreover, we are collaborating with various fintech companies to enhance financial accessibility. Recognizing the impossibility of physical presence everywhere, part-

nerships with fintechs enable us to foster a more inclusive financial ecosystem. While some projects are on hold, we have been modernizing our banking system since 2023. By 2025, we anticipate introducing new products in collaboration with fintechs. There is considerable opportunity in municipal and tax collaborations with Moza and fintechs. As the banking landscape evolves, Moza aims to lead the modernization of Mozambique's finance sector, essential for collaboration with other banks. Our products prioritize simplicity and accessibility, ensuring availability 24/7, anywhere.

What is Moza Banco's strategy to build trust and confidence in the Mozambican banking sector?
Our vision involves showcasing our Mozambican bank as a beacon of good risk management practices and embracing

cultural diversity, exemplified by our language program. We are determined to highlight our advantages. Historically, Mozambique lacked trust, leading to the recruitment of executives from larger, foreign banks to instill confidence. Now, we are leveraging reputable figures from the market to foster growth. Our responsibility is to continue this legacy.

Looking ahead, what are the key opportunities and challenges that you foresee in Mozambique?

Mozambique, like many African countries, requires patience. The notion of investing now for returns in two to three years is not realistic here. Understanding the local market is crucial, and if expertise is lacking, we must develop it, which takes time. Mozambique is on the brink of significant change; the GDP is poised to double. With

strong technical teams in the central bank and supportive state departments, we have a foundation for sustainability over the next 20-30 years, fueled by substantial investments. Currently, Mozambique heavily relies on imports. However, we aim to revitalize local industries to create jobs and reduce dependence on finite resources. Promising examples like Dubai illustrate the potential for growth. Historically, Mozambique exported rice until 1976; similar opportunities still exist. While we import medicines at high costs, there is potential for local production. Understanding our country's capabilities and dimensions is crucial. Mozambique possesses significant potential in tourism, energy and abundant water resources. These opportunities attract investments and pave the way for growth, offering a brighter future for Mozambique and its people. ✎

**Believing in
a better world
is making
it happen.**

Making it happen means embracing challenges with the confidence that every obstacle is an opportunity. Join Moza on the journey to empower young people through sports, and together we can turn dreams into reality. Support the Clarisse Machanguana Foundation.

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MOZA



NEW *vision* *forward*

Société Générale has been operating in Mozambique for 15 years and is transitioning its operations to Vista Group, with a focus on maintaining service quality and ensuring a smooth transition for employees and clients.

BIO

Ridha Tekaia is a multinational expert in the financial sector, having held various leadership positions over the last 30 years, such as CEO at Reunions - Mayotte, in Moldova and Algeria, commercial head director in the Czech Republic, and head of corporate in Cameroon. He was appointed CEO of Société Générale Mozambique Bank in 2022 and is supported by an ExCo team in the management of the bank.

Ridha Tekaia
CEO,
SOCIÉTÉ GÉNÉRALE
MOÇAMBIQUE

Can you elaborate on Société Générale's current operations in Mozambique?

Société Générale was established 15 years ago following the initial investment of our partner Mauritius Commercial Bank (MCB), which was also started in Mozambique. Naturally, when Mozambique began to show some positive economic and growth signs, mainly driven by oil and gas and Total, we came in, and our partner MCB was already here and just shared this bank. We took over 66% of the equity and started this adventure together; however, Société Générale operates the governance by itself, even though we have shareholders. This is the setup we wanted to implement in this bank, in particular our own principles and values. This is why the management team is partially made up of expats.

How will Vista Group's acquisition impact Société Générale's operations and services in Mozambique, and what can customers expect during this transition period?

This is a strategic decision by the group to divest its operations in Mozambique and several other African countries and reorient the strategy elsewhere. We have different objectives worldwide. The group wanted to secure the future of the employees who have been here for over 10 years and looked for a group to acquire the bank and ensure that point. We also wanted to have a smooth transition in terms of client perspective and operation. The Mozambican team is essential because it will be the vehicle to keep the company running. We focus on compliance, risk, image risk, and reputational risk to ensure the bank remains consistent and robust. We wanted to empower our team and have held several workshops, coaching sessions, and leadership training for managers. Those components are set to secure a smooth transition for the client and ensure continuity in the operation for servicing them. Client experience is one of the main important points we are focusing on. I am thrilled with our position today. In December, we received the Capital Finance maga-

zine award for the year's best team. We appreciated the recognition because it was a collective success. We also created the House of SMEs, an initiative to be closer to the local economy and not just multinationals. Our third achievement is a premium business center. The goal is to offer our corporate clients an entire service value chain, from their employees, managers, and suppliers like SMEs. Typically, SMEs serve our prominent clients in transport, logistics procurement, and giant multinational corporations. Unfortunately, Mozambique is still not focusing enough on SMEs.

When and how will the transition from Société Générale to Vista Bank be managed?

The brand belongs to Société Générale, so the new brand should be Vista Bank or Vista Group Bank. The most important thing is to check the checkbooks and cards for all clients. We will soon finalize an agreement to make it smooth. Today, we are orienting it to make it run smoothly within six months. It is a fundamental, simple thing to make life easy for everyone, including clients and us. Our focus is to ensure quality service.

How do you instill a sense of commitment among the Société Générale Mozambique team to ensure they prioritize serving clients effectively?

I have invested heavily on empowering the Société Générale Mozambique team, regardless of whether they are the executive committee, mid-management, or employees because the bank is relatively small. I know the majority of the employees. We empower them and make them feel like they have ownership of their work, regardless of their responsibility. We want to see a commitment to doing their best to serve the client. I try to put myself in my clients' shoes each time, as the critical element is thinking like a client. When I visit some branches, I visit them as a client. I usually take a first glance to see what is going on because having these fresh, objective eyes is essential to looking at things from an external point of view. *



IMPROVING access

Carlos J. Nhamahango
CEO,
LETSHEGO BANK



Letshego Bank has been focused on the development of the Digital Mall; an all-in-one platform aimed at enhancing financial inclusion in Mozambique's rural areas.

What have been some recent developments in Letshego Bank?

In 2023, we began building a new platform that we are calling the Digital Mall, an all-in-one platform. 66% of the Mozambican population lives in rural areas, and there are districts without any branches at all. This is a major constraint to achieve financial inclusion because people need access to financial institutions; however, brick-and-mortar branches are expensive, requiring infrastructure such as telecommunication, roads, and more. The Digital Mall solves this problem by having many shops all in one place that also provide services such as lending, deposits, insurance, and payments. We also have a service called Beyond Banking that connects specific people. The app can serve medical professionals, enabling patients to find doctors and have a consultation with them regardless of where they are. The doctor must be a Letshego customer because patients will pay the doctor for the consultation. This is useful for less serious ailments that do not require patients to go to hospital. Customers can upload all their information to the system, where it is all saved upon their consent, and we receive it on our end.

Will this service be launched in 2024?

We plan to launch it in 2024. We also tested internet banking in the Digital Mall where customers can do quick transactions. Right now, only lending is available, and we have been in contact with the Central Bank in early 2024 to gain approval. The Central Bank must approve any feature, terms, or conditions. We are developing deposits and mapping the insurance in the Digital Mall. Customers can do everything they want in the same place. We hope to bring in 1 million users to this platform. We want to reach agents, stores, and people in more isolated areas in order to boost financial inclusion. We also want to add more services such as cash in/cash out, which will be a game changer for us. We also have the support of MasterCard with the national switch.

How are you training your employees in order to provide the best banking solutions?

At the group level, we partner with a company called Coursera, which has around 4,500 courses on its platform that are provided by reputable universities around the world. These are self-learning courses. For staff like branch managers and regional managers, we have identified certain topics that are mandatory. We also have some mandatory training for the team to provide consistent customer service. Putting the customer first requires solid training. We also have to provide training for regulations. We have a marketing and product department as well as a department that only focus on enhancing products, improving and creating campaigns, testing products, interacting with the central bank, and taking products to the market. We started training branch managers, regional managers, head of departments, chairman, and the boards in 2023. The board also meets for two days to discuss everything that we achieved in the past year and develop a vision for the coming year.

How do you see the banking system and the financial inclusion in Mozambique's future?

Our central bank must take risks, as any innovation depends on the regulatory environment. The current regulatory burden does not truly encourage growth or innovation. Mozambique is the only country in southern Africa that does not use cloud technology, for example, which would give us scalability and elasticity. It would enable us to have more customers and provide other products; however, but because the regulation does not allow it, we cannot provide this. On a more positive note, the sector is moving in the right direction. If we all join our efforts, the customer will benefit in the end. In the digital era, I do not see us integrating with a monopoly of one insurance company in the Digital Mall; rather, I envision us providing customers with multiple options for insurance. The customer can read the terms of conditions and decide which one they prefer. ✎

Digital Mall will bring together multiple services in one place

100%
run by
Mozambicans

BIO

Carlos Nhamahango has been CEO of Letshego Bank since 2018. He joined the bank in 2011 as chief financial officer. Before that, he held various management positions, namely CFO, regional manager, head of private clients and banking services, accountant, and risk officer at former Banco ProCredit, where he worked from 2001 until when he joined Banco Letshego. He has a degree in business administration from Universidade Á Politecnica, a banker certificate from Germany, and leading digital practitioner and digital money course from Digital Frontiers Institute. He has attended GIBS Program ELDP and various leadership in-house courses from TLDC and Hay Group and as well other technical courses in risk, accounting, and people management.

Banking

Offering a wide range of services and solutions, banks in Mozambique are doing their part to improve financial inclusion and boost economic development via loans and investment.



Rotimi Morohunfola
CEO,
UNITED BANK FOR
AFRICA (UBA)



Elisio Langa
GENERAL SECRETARY,
MOZAMBICAN BANKING
ASSOCIATION (AMB)



João Rodrigues
CEO,
FIRST CAPITAL BANK



Pedro Carvalho
CEO,
ABSA BANK

UBA'S BRANCH NETWORK spans 20 African countries and major international destinations. We cover most of sub-Saharan, Anglophone, and Francophone Africa and Mozambique, the only Portuguese market. Our global presence includes France, the UK, the UAE, and the US. The American franchise gives us great pride because we are the only financial institution from Africa with a full banking license in the US. That has positioned UBA in a way that enables a high amount of flow of funds and investments from the rest of the world into Africa and payments from Africa to the rest of the world. UBA has a blank check in terms of loans for Mozambican businesses. This is based on the belief of the entire UBA organization that the real driver of an economy is the SME space. We have many partnerships that enable us to lend to specific key segments of SMEs. Overall, we help ensure SMEs can fulfill their capabilities and contribute to economic growth.

ESTABLISHED IN 1999, AMB is an organization that aims to foster its members, particularly in the technical and training. The association's primary focus is to facilitate discussions on legislation, ensuring that it is understood in the most comprehensive manner possible. Any common doubts or concerns are addressed through the association to the relevant authorities. Our membership comprises the main banks in Mozambique. We currently have 21 associated members and are looking to expand. These 21 members represent over 99% of the deposit and credit market share, essentially making up almost the entire market. We have signed a training services contract with the International Finance Corporation (IFC), a member of the World Bank Group. This agreement is all about empowering our associates. Together with IFC, we have identified key areas for training that align with our goals. IFC will provide training, share their knowledge, and transfer vital skills to our AMB members. This will help us improve and broaden our banking products and services.

FIRST CAPITAL BANK started around 11 years ago when it acquired the license of Malaysian Bank ICB (International Commercial Bank) in 2013. The last two or three years have been relevant, and the business has grown significantly. We provide a wide range of services and products, including lending transactional and savings products. We are mostly a corporate bank, with a core strength in trade finance services, where we have specialized and tend to be strong. That leverages our strong FX market share where we have been consistently third or fourth in the market for the last 18 months. These two aspects are key in the Mozambique market and are pivotal in this economy. Innovation in First Capital Bank is not just about technology, but the way we go the extra mile and deliver solutions to our customers' problems and needs. We remain close to customers and understand their needs. We have a number of payment solutions and have revised processes to accommodate needs.

WE TRANSITIONED the brand from Barclays to Absa in 2019, although our license was issued in 1975 right after Mozambique gained independence. We were the first commercial bank in Mozambique. At the time, the government decided it was essential to have a commercial bank to support the country's development, and we have worked hard to make this brand and bank known to the market. Absa is an African bank, with a presence in 12 countries across the continent that serve over 12 million clients from more than 1,000 branches and approximately 37,000 employees. From 2021 to 2024, the focus has been helping our clients recover from the pandemic. Now, we expect to grow in 2024 as we did in 2023. Our goals are to continue our growth trajectory, launch new products, and expand our client base. The more digital our services become, the more affordable they will be, as we can share economies of scale with the client. We want to continue to be a bank known for the quality of its client relations.

NEWER *solutions*

Britam has made investments in technology and innovation by upgrading core systems, deploying partner portals for brokers and agents, launching new insurance products, and expanding trade credit insurance offerings.

Martin Mandivenga
CEO,
BRITAM MOZAMBIQUE



What recent investments has Britam made in technology and innovation?

Our primary focus has been on technology, innovation, and customer service. Britam has devised a five-year strategy spanning 2021-2025, with a continued emphasis on customer satisfaction and placing them at the forefront of our operations. Technology and innovation are integral aspects that we cannot overlook. We are constantly seeking new solutions to ensure customer happiness. We recently upgraded our core systems and are finalizing a project to deploy partner portals, primarily aimed at our brokers and agents, to facilitate basic functions and client consultation. Financial inclusion has been a key government objective, and Britam is committed to contributing to this goal. We anticipate that the deployment of these portals will also assist us in expanding our distribution network. Britam has set ambitious goals, including recruiting around 1,000 financial advisors or insurance agents. We have also focused on innovation, launching four or five new products in recent years. One notable partnership is with the Nation-

al Bureau of Malawi to sell the COMESA yellow card, providing third-party insurance for travel to COMESA countries. Britam in Mozambique is the sole provider of this card, which streamlines insurance for transporters across multiple countries, offering the convenience of local currency payments. Additionally, we have expanded our trade credit insurance offerings, introducing two new products aimed at protecting businesses selling on credit and providing short-term financing solutions, especially beneficial for small suppliers. Currently, we are developing a pilot project funded by the International Labour Organization, aiming to extend insurance access to the informal sector, particularly in agriculture. Moreover, our recent introduction of a hospital cash plan provides financial support during hospitalization, addressing income gaps, especially crucial for SMEs.

How does Britam utilize social media platforms to engage with younger generations in Mozambique?

We aim to engage with all segments of

society, particularly focusing on opportunities for young people in the insurance sector. By involving them as insurance agents, we believe they can earn substantial income without requiring capital investment. Looking ahead, our social media strategy emphasizes educational content and interactive competitions to showcase not only our products, but also the potential career opportunities in insurance. We want to demonstrate that individuals can leverage the insurer's resources to generate income and build a successful career path. *

BIO

Martin Mandivenga is a financial executive whose career in insurance spans over two decades. He is the CEO of Britam Mozambique and has been leading the entity for six years. He is well versed in the dynamics of the insurance markets in Africa and is passionate about bringing innovative insurance solutions to address the unique challenges of the continent.

Britam
With you every step of the way

SEGURADO SAÚDE 5 EM 1

1. Cobertura de seguro de Saúde;
2. Cobertura do seguro Funeral;
3. Cobertura de seguro de Viagem;
4. Seguro de Acidentes Pessoais e;
5. Uma segunda Opinião Médica Internacional.

Termos e condições aplicáveis. ////////////// Salvaguardando Sonhos e Aspirações.

ACESSO A UMA LARGA REDE DE PROVEDORES INTERNACIONAIS SEM EFECTUAR NENHUM PAGAMENTO

Índia; Zimbábwe;
Malawi; Eswatini.
África do Sul; Portugal;

CONNECTING *the dots*



Emeritus Resseguros continues to play a crucial role in Mozambique by investing in local financial markets, offering reinsurance capacity and training programs, and supporting skills development in the insurance industry.

BIO

Mufaro Chauruka began his career in underwriting in Zimbabwe in 1992 as a trainee underwriter and rose through the ranks until 2006, when he was seconded to Mozambique to set up Zimre Mozambique, now Emeritus Resseguros, as the founding Managing Director, a position he holds to date. He has over 30 years reinsurance experience. Chauruka holds an MBA from the University of Zimbabwe, a bachelor of business studies, honours degree from the University of Zimbabwe, an associate diploma in insurance from the Insurance Institute of South Africa, and a fellowship diploma in insurance from the Insurance Institute of South Africa. Chauruka currently serves as a non-executive board member of the Insurance Association of Mozambique and Radar Holdings (Zimbabwe).

Mufaro Chauruka
MANAGING DIRECTOR,
EMERITUS RESSEGUROS

Can you provide an overview of Emeritus Resseguros since its establishment in the country?

Emeritus Resseguros is the only resident reinsurance company in Mozambique. We started trading on May 1, 2007. We are part of Zimre Holdings (ZHL), which began operations in Zimbabwe in 1984 as a state reinsurance company. The company grew and spread into Malawi and Zambia before entering the Mozambican space and thereafter Botswana. We realized that there was no reinsurer in Mozambique, and so there were opportunities. Emeritus Resseguros has experienced significant growth over the years and plays an important role in reducing foreign currency outflow as reinsurance premium. A significant portion of the premium generated is invested in the financial markets in investment instruments such as Treasury bills, corporate bonds, commercial paper and money market among others. As a reinsurer, we play a key role of mobilizing funds for investment in the Mozambican economy. We are always available for our clients, the local insurance companies, reinsurance brokers as well as external clients. In addition to providing reinsurance capacity, we also run training programs for our clients locally and those in other markets we serve. We are therefore an important partner supporting clients and stakeholders with skills development and capacity building. Emeritus Resseguros partnered with the Insurance Institute of Zimbabwe and introduced a Certificate of Proficiency (COP) and Diploma in Insurance. To date, over 300 Mozambicans working in the insurance industry have attained their COP certificates as a result of this initiative and others are now pursuing diplomas in insurance studies. We also introduced the same program in Angola. We not only provide technical support to our clients but most importantly as a reinsurer, we settle huge claims.

What innovative strategies can insurance companies employ to address emerging risks in Mozambique's market?

We have introduced new products in Mozambique such as political violence

insurance (PVT). We provide that capacity because initially, it was not there. We have been promoting directors' and officers' liability insurance in the market, though the uptake is not as strong as we expected. Directors and officers can be sued by shareholders if they make wrong decisions, so this insurance is there to protect directors against that exposure. We must work on insurance products such as cyber insurance because cybersecurity risks are increasing. It is a new area for the insurance industry, and we need to first understand the risks and how to mitigate against losses before launching cyber insurance in the market. There is a role to be played in consumer education. Among many innovative strategies, we offer risk management surveys and advise the insured on their exposures and mitigation measures. Another important aspect of risk surveys is that the insured also gets to understand their target risks.

What are your plans for Emeritus Resseguros in Mozambique, and what are the key areas of growth for the future?

Our business is not just limited to Mozambique as a reinsurer; we do business with other countries in Africa, with a particular focus on sub-Saharan Africa. We are also making efforts to make inroads in Angola. The company has been recapitalized. The shareholders brought in an additional USD2 million as fresh capital to enable us to underwrite more business thus making us more competitive. That should drive our growth as our clients will have more confidence in our ability to meet our obligations as and when they arise. Clients need a reinsurer that is strong financially. For us, there is still more business in the local market. Our key growth areas will be engineering (construction insurance) and marine insurance due to the growing imports into the country. The oil and gas investments in Cabo Delgado province prompted us to start writing political violence risks and broad form liability of which broad form liability is an insurance requirement for all the subcontractors working with oil and gas companies. ✎

Motorists in Mozambique are required to carry Third Party Liability insurance



FOCUS

Environmental, social, and governance

Financial ESG

Even though ESG is fairly embedded in more developed countries, it is still a new concept in Mozambique. But the finance sector is preparing itself for it.

Round the world, governmental leaders and civilians alike are discussing sustainability and the importance of corporate responsibility. While these concepts might be new to Mozambique in practice, the country is quickly catching up to international standards and worldwide best practices. Multiple events have been held in recent months around the topic of ESG, and government initiatives such as the Corporate Governance Institute of Mozambique (IGC) have been put in place to provide training, guidance, and support to companies in improving their governance practices. Industry-wide, companies are putting in place measures that go beyond simply maximizing profits, aiming to add value to society as a whole.

Recognizing the importance of FDI for the development of Mozambique, the government has been implementing sweeping changes, such as offering tax incentives or infrastructure improvements to make the country more attractive for investors, and is also seeking to streamline its regulatory framework to facilitate doing business in the country. However, that alone will not be enough to woo investors from abroad. Corporate governance is key to ensure transparency, accountability, and fairness in the business environment. The implementation of these measures help to improve Mozambique's reputation and foster the burgeoning trust in the marketplace. Toward this aim, the Mozambican government has also been working to strengthen ESG practices to further reduce risks for investors.

While oil and gas doesn't seem to be going anywhere soon, recently, there has been a shift toward green, renewable energy projects, and the prioritization of investments related to said projects. As the world learns to mitigate environmental impacts, it must also adopt sustainable projects and policies. Mozambique has vast opportunities for renewable energy production projects, from solar to wind to hydro, but these projects often face challenges in the financial area.

In November 2023, the Standard Bank group announced that a total of USD13.3 billion would be made available to finance sustainable projects related to ESG activities in all African countries where the bank is present, including Mozambique. Standard Bank's Executive

Head of Investment Banking, Fanile Shongwe, stressed that governments and companies must work to offset the environmental impacts of their actions, and view green energy transition as a means of creating opportunities that help improve not only financial investment, but also well-being. Top of Form

More recently, Maputo has been host to multiple events seeking to underscore the importance of ESG in the modern economy. In March 2024, representatives from entities both public and private came together in Maputo to discuss the challenges SMEs face in Mozambique, and ways the business environment could be improved. The Chairman of the Board of Directors of the Mozambican Stock Exchange, Salim Cripton Valá stressed that the ESG agenda is the key to overcoming these challenges, with transparency, integrity, and inclusion all factoring into the equation for a successful, healthy economy. He emphasized that ESG is a topic that must be treated seriously by organizations, and added that the adoption of the ESG best practices has an important effect on the stock exchange's activity and its interest in embracing a circular economy. Representative of the Ministry of Mineral Resources and Energy, Marcelina Mataveia, told participants that the government has been working to provide an attractive legal framework for investments in energy infrastructure projects, green energy in particular.

In April 2024, Maputo saw another pivotal forum, the E&M-PwC Banking Forum. The first edition of the Banking Forum was centered around the theme "Banking and the Challenges of ESG and Digital Transition in Mozambique" and brought together leaders from some of the largest national banking institutions in the country, including Standard Bank, BCI, Millennium BIM, Access Bank, FNB, and Nedbank, in addition to the Mozambican Association of Banks. At a time when ESG is at the forefront of everyone's minds, these leaders shared strategies, initiatives, and plans regarding sustainable development, the digital transition, and financial inclusion. While each bank had a slightly different presentation, there was a general alignment of perspectives regarding the importance of ESG and sustainability. BCI CEO Francisco Costa spoke of solar

energy pilot projects and the impact of European regulations on Mozambique's ESG goals, especially his company's commitment to carbon neutrality in the coming years. Along the same lines, CEO João Martins of Millennium BIM, emphasized the importance of re-thinking consumption patterns to ensure sustainability, and detailed actions his bank is taking to actualize those ideas, including investments in solar panels to eventually achieve carbon neutrality. Acknowledging the high up-front costs, he stressed that these changes are not just necessary, but also the right thing to do.

Access Bank also plans multiple initiatives aimed at financial literacy inclusion, particularly in underserved communities. Per CEO Marco Abalroado, since 2021, the bank has received more than 4,000 applications for its W-Initiative, a project designed to assist female entrepreneurs operate and grow their businesses. And the bank goes beyond the financial aspect, also committing to environmental sustainability, including resource management and waste reduction measures, and projects in healthcare and education as well. "We

have established a dedicated governance and sustainability committee at the board level, tasked with making decisions that prioritize not only business interests, but also environmental and social impacts," Abalroado told TBY.

Ultimately, ESG provides the right direction for business, as it stimulates job creation and reduces the catastrophic effects of climate change. ESG plays a crucial role in enhancing investor confidence, protecting shareholders' rights, and fostering sustainable business practices in the country. If implemented early, and correctly, the adoption of solid ESG standards provide Mozambique with the potential to become an even bigger recipient of FDI and a shining example of sustainability to the world. "Looking ahead, we remain steadfast in our commitment to integrating ESG considerations into all facets of our operations, thereby fostering sustainable economic growth and a more just and equitable society in Mozambique," Marco Abalroado told TBY—a view that companies ought to share if they wish to succeed in Mozambique. *



Mufaro Chauruka

Emeritus Resseguros, S.A is the first and only resident reinsurance company to be established in Mozambique that provides reinsurance and risk management solutions. We are a professional and dedicated partner in Mozambique and Sub-Saharan Africa's reinsurance market. We partnered with the Insurance Institute of Zimbabwe and introduced professional courses in insurance in Mozambique. Over 300 professionals have attained Certificate of Proficiency (COP) and others are pursuing Diploma studies. Emeritus Resseguros is proud to be making such a significant contribution towards skills development in Mozambique.



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A Member of the  Group



Miguel Navarro
CEO,
ARKO COMPANHIA DE SEGUROS

NICHE *focus*

Arko is focused on uplifting young Mozambicans by providing opportunities in the insurance industry and ongoing employee training and development.

BIO

After acquiring a master's degree in engineering, José Miguel Hopffer Navarro spent 15 years working in the food processing industry, from breweries and soft drinks to the snacks industry. He joined the insurance industry in 1998 when he was invited to join a team that would lead the process of change of an insurance company. He was invited to finalize the merger of Impar and SIM and came to Mozambique in 2002. He subsequently also led the formation of the Mozambican Association of Insurance Companies. In 2005, Navarro was invited to head Hollard Mozambique. At the same time, he assumed the presidency of the Mozambican Association of Insurance Companies. Since 2010, he has dedicated himself to establishing a Mozambican insurance company, as a promoter and founding partner.

Can you tell us about the origins of Arko and its mission?

Arko was established in 2017 by a group of individuals committed to creating a Mozambican insurance company. We currently have branches in four key locations: Maputo, Nampula, Beira, and Tete. Our mission is to uplift young Mozambicans by providing opportunities in the insurance industry. Despite facing several challenges since our inception, we continue to grow and evolve each year.

How does Arko understand innovation, and what have been its latest products or services?

At Arko, we believe innovation lies in forging strong partnerships with distribution channels, as we do not have a dedicated one. Our focus is on microinsurance, but this requires significant investment. We are working toward accumulating enough capital to venture into this area. While we have explored other sectors, we found that the market is not quite ready for internet-based communication channels. We are continuously exploring to find our niche.

What have been some challenges, and how have you navigated through them?

One of our biggest challenges is the competitive market. Gaining market share requires strategic connections and a unique underwriting approach that allows us to accept risks others might avoid. This is where our innovation shines—we accept these risks under specific conditions that ensure profitability. We have ventured into risk areas that others shy away from, studying them meticulously to ensure we can operate profitably.

How has Arko approached training and development for its employees, and what results have you seen from these efforts?

Employee training and development is an area where we have invested signif-

icant effort and resources. We initially experimented with bringing in international trainers, though we have since developed a more effective model. We now provide basic training locally and sponsor our employees to attend renowned global insurance training facilities. This approach has yielded impressive results.

Insurance literacy is still a challenge in Mozambican society. How do you envision the future of the insurance sector in Mozambique, given this context?

In my travels to South Africa, I have observed their widespread acceptance of insurance. In contrast, Mozambicans typically only purchase insurance when it is mandatory. The challenge for us is to instill a culture of insurance literacy from a young age, guided by those who already understand its value. Progress may be slower in Mozambique due to cultural differences; however, the potential for growth is immense.

What are your plans for Arko?

My initial dream was to establish a small insurance company, though regulatory requirements for capital allocation make this increasingly challenging. To survive, we must either grow significantly or consider merging with another company. If the country's economy grows, we will have the opportunity to expand to a level that allows us to finance the business adequately. We have a solid reinsurance program with AAA-rated reinsurance companies, though it is insufficient. In the coming years, Arko will need to either expand significantly or merge with a like-minded company.

Are you ready to partner with other companies?

Yes, we are open to partnerships, though it is crucial that any potential partner shares our culture and values. This is non-negotiable, as it is the most valuable aspect of our company. We must find a company that aligns with our ethos. ✎

Life insurance is a small but growing segment of the wider insurance sector



Insurance

With the current insurance penetration rate in Mozambique standing at less than 2%, insurance companies see significant room to grow and develop in the market.



Janfar Abdulai
CHAIRMAN,
MOZAMBICAN
INSURANCE COMPANY
(EMOSE)



Simba Manunure
CEO,
SANLAM MOZAMBIQUE



Ruben Chivale
CEO,
ÍNDICO SEGUROS



Manuel Gamito
CHAIRMAN,
FIDELIDADE ÍMPAR

EMOSE, being the oldest insurance company in the country, has a nationwide presence with branches across the nation and focuses on bank insurance, mainly through intermediation. The company's extensive presence in Mozambique ensures quick claims settlement, facilitating client satisfaction. Amid regulatory and industry changes, Emose has adapted over the years, embracing digitalization to enhance customer service. This approach ensures accessibility and flexibility for clients without digitalization barriers. Insurance, in fact, is still little known and discussed. There is still a literacy deficit on the importance of an insurance company, as well as in the financial area in our country. Insurance penetration rates are no more than 1% in Mozambique. For that reason, we say that insurance in Mozambique is not bought but sold. We educate and explain the benefits of having insurance and how it creates more comfort and security for one's family, business, property, and so on.

SANLAM has established an innovation and growth division aimed at expanding our reach through strategic initiatives and partnerships. Our recent collaboration with M-PESA for the sale of micro insurance, particularly funeral insurance, was highly successful, with 14,500 policies sold between October 2023 and January 2024, and we are keen to extend this model to other partners. Additionally, our bancassurance partnerships with Letshego, and Bayport, Standard Bank, Nedbank, Access Bank, MBC Bank, among others, have been fruitful and show great potential for the future. Currently, Sanlam Mozambique covers 0.25 million lives and with initiatives in the Mobile Money space, and our goal is to reach 100,000 more in 2024 alone. As an insurance company, our primary focus is to sell insurance and mitigate risks. Through these strategic partnerships, we are able to achieve critical mass without the need for heavy investments in infrastructure, leveraging our partners' existing resources and reputation.

OUR STRATEGY in this business is always to think long term, which is why we brought in the concept of sustainability and ESG. When doing anything, we think about the coming five, 10, or even 15 years and the impact we can bring to the community. We are in the business to make money; however, at the same time we must also look after our people. That is why we have the Índico Seguros Foundation to help our community. We help homeless people, provide hot meals, assist refugees, and hold educational activities. We also help build schools and supply educational materials and scholarships. As well, we work with universities to support female students. Our business model is based on sustainability, looking after the environment, and proper governance. We are emerging from three or four years of reinforcing our foundations and making sure we have the right governance, strategies, and business models.

FIDELEDADE MOÇAMBIQUE is a Mozambican company, created in 2022 as a result of Fidelidade's acquisition of 70% of the defunct Seguradora Internacional de Moçambique. This acquisition brought to the Mozambican market a reinforced commercial brand, Fidelidade Ímpar, adding value to Impar's 30-year experience with more than 200 years of Fidelidade's experience in the insurance sector and which, currently, operates in 15 countries. In Mozambique, Fidelidade Ímpar presents a wide range of insurance products in the life and non-life sectors. We are present in eight provinces with our own branches. We have a strategic partnership with the banking sector to sell our products, which allows for wider penetration throughout the national territory with more than 450 branches, more than 120 intermediaries (brokers), and a network of health-care providers with more than 250 service points. Fidelidade Ímpar has more than 370,000 customers assisted by more than 250 direct employees.



Busani Ngwenya
MANAGING DIRECTOR,
GLOBAL ALLIANCE
SEGUROS



Jorge Mavie
HEAD OF RISK AND
COMPLIANCE,
PALMA COMPANHIA DE
SEGUROS



Amon Rupiya
DIRECTOR-GERAL,
DIAMOND SEGUROS

WE CONTINUALLY improve our core insurance system to enhance its resilience, considering the threat of cyber-attacks on financial services. We protect ourselves from these threats and ensure our systems can integrate with other platforms as needed, facilitating ease of use for our internal staff. Achievements include the introduction of chatbots. The first stage was to create a chatbot for providing quotations, which is working perfectly. Our current focus is developing an end-to-end chatbot, which will serve as a distribution channel, tapping into a younger demographic. We also have a complaints management system that automates our complaints handling process, tracking cases from registration to resolution. Additionally, we have introduced an online system for cross-border third-party motor insurance, mandatory for entering the country. We are partnering with mobile money companies to sell insurance through their channels, which is particularly exciting for the unbanked or those living far from Maputo who need services such as funeral or motor policies.

PALMA Companhia de Seguros operates in the short-term segment of the Mozambican insurance market. We were licensed in 2018 but only started operating in 2019. We entered Mozambique with the mission to establish ourselves as a standard of excellence within the market by bringing innovation and agility to the way we provide products and services. In 2023, we became the eighth-largest insurance company in the short-term segment and the 10th in terms of cross rates and premiums. We also have a presence across all provinces in Mozambique. In 2023, we accumulated around MZN1 billion in assets. This is an achievement that we are proud of because it shows our resilience and stability within the market. In terms of our other milestones, we now have 40,000-plus clients in our database. What gives us confidence that we can grow the market is that we saw a huge spike in demand for health insurance with COVID-19. In addition, insurance companies are starting to diversify and show customers that we not only provide insurance but also offer other value-added services.

DIAMOND SEGUROS celebrates a decade of service since obtaining its regulatory license in 2014. Our offerings encompass a diverse range of products tailored for both individuals and corporate clients. The personal lines segment caters to individuals seeking coverage for personal property, vehicles, and accident protection. In contrast, our commercial product line focuses on insurance solutions for commercial buildings, office contents, employees, and construction projects, including engineering and green energy initiatives. Acknowledging the unique needs of various businesses, we provide specialized services for both large corporations and SMEs. Additionally, our personal lines are further categorized to address the distinct requirements of individuals in both the formal and informal sectors. Our strategic objectives include providing health insurance coverage to a minimum of 17,500 individuals annually while expanding our presence across all provinces of Mozambique, both physically and digitally.

GAME changer

Targets

75%
of adult
population

**Partners with
institutions
to reach every
corner of the
country**

BIO

Sérgio Gomes is the Managing Director of Vodafone M-Pesa Mozambique, bringing with him more than 15 years of solid international experience in Europe, the Middle East, and Africa, with a strong focus on the financial and banking sectors. He is an Economist and holds an MBA from NovaCatólica in collaboration with MIT - The Lisbon MBA. He is dedicated to promoting financial inclusion as a major driver of economic growth and social development, advocating the strategic use of digital environments and platforms as acceleration models.



How does M-Pesa work, and who is its target audience?

M-Pesa, launched by Safaricom in Kenya in 2007, has evolved into a transformative financial service that has become the preferred method for making payments across Africa, including Mozambique, where it has been operational for over a decade. With 17 years of experience in providing financial solutions on the continent, M-Pesa has significantly impacted the way financial transactions are conducted, particularly in regions with low formal banking penetration and a dominant informal economy. Initially, M-Pesa was designed as a simple yet powerful digital wallet for sending and receiving money, primarily catering to the needs of people sending remittances. In its early days, M-Pesa allowed users to deposit cash into their mobile wallets, withdraw cash, and transfer money to others, offering a convenient alternative to traditional banking services. This functionality addressed a crucial need in Mozambique, where access to formal banking services was limited and the informal economy was prevalent. As M-Pesa gained traction and trust among its users, its scope of services expanded significantly. What began as a basic tool for money transfers evolved into a comprehensive platform that integrates a wide range of financial transactions into daily life. M-Pesa's expansion into bill payments, merchant transactions, and utility payments has made it an indispensable tool for many Mozambicans. By enabling individuals to conduct a variety of financial activities through their mobile phones, M-Pesa has effectively bridged the gap between the banked and unbanked populations, providing a secure and accessible platform for those who previously had limited or no access to formal financial services. Today, M-Pesa in Mozambique is more than just a Mobile wallet; it represents a crucial component of the country's financial infrastructure. The platform has become a lifeline for millions of Mozambicans, facilitating not only personal transactions but also contributing to broader economic development by integrating financial services into various aspects of daily life. Looking forward, M-Pesa aims to further solidify its role as the cornerstone of digital financial solutions in Mozambique.

What have been the latest accomplishments of M-Pesa?

M-Pesa's fundamental mission to guarantee access to financial services and opportunities for everyone has made it the preferred way to make payments across the continent.

Sérgio Gomes
MANAGING DIRECTOR,
VODAFONE M-PESA SA

M-Pesa has achieved significant milestones that underscore its transformative impact in Mozambique. In 2023, we broke the 10-million subscriber barrier, with 6 million active users accounting for 40% of the adult Mozambican population. Despite these achievements, M-Pesa aims to expand further, targeting 75% adult penetration. Initially established as a mobile wallet for basic financial transactions, M-Pesa has evolved into a comprehensive financial services provider, enabling users to pay bills, utilities, and more. One of M-Pesa's most notable recent accomplishments has been the diversification of its financial services portfolio. M-Pesa introduced lending services under the name Txuna, specifically targeting the segment of its customer base that lacks access to traditional finance. Impressively, M-Pesa has maintained a low non-performing loan rate (NPL) of only 3-4%, showcasing the effectiveness of its lending proposition. Furthermore, in 2023, M-Pesa launched the market's first microinsurance and digital insurance products, starting with funeral coverage. This initiative addresses a critical need in Mozambican society, providing essential financial protection to users and their families during challenging times. By integrating lending, savings, and insurance into its range of services, M-Pesa continues to empower individuals and communities, enabling them to pursue economic opportunities and improve their financial resilience.

M-Pesa has been collaborating with companies and institutions to provide services. Who are its main partners in the country?

One of M-Pesa's pivotal strategies to enhance its services and broaden its impact in Mozambique is the establishment of a dynamic and inclusive business platform. This approach has involved forming a wide array of strategic partnerships with various stakeholders, including insurance companies, banks, and fintech institutions. These collaborations are fundamental to delivering a diverse suite of financial products and services, positioning M-Pesa as a comprehensive financial ecosystem. M-Pesa also actively engages with the broader fintech community, both within Mozambique and beyond, to leverage new technologies and business models and enhance its service offerings. *

**BIO**

Bene Machatine has been the CEO of Bayport Financial Services Moçambique (Mcb) SA since 2020. He was also Bayport's chief commercial and operations officer from 2017-2019 and the chief credit officer (CCO) from 2016-2017. Before joining Bayport, Machatine held progressive positions at Barclays Bank Mozambique SA and International Commercial Bank SA. Machatine holds a degree of management from the School of Economics at Eduardo Mondlane University, a diploma in investment and business development cycle from the Business Institute of India, and a degree in engineering.

Bene Machatine
CEO,
BAYPORT FINANCIAL SERVICES
MOÇAMBIQUE

Can you provide an overview of Bayport's services in the country?

Bayport is a payroll lending institution that works in the Mozambican financial sector and is supervised by the Bank of Mozambique. Established in 2012, it is majority owned by a holding company called Bayport Management Limited. We have been experiencing growth since 2016, which is when we revisited our strategy to better take advantage of the opportunities we saw at that time. Bayport has 11 branches in the country, one per province, and a huge footprint of more than 100 banking agents. We play a major role in terms of financial inclusion because we bring financial services to remote areas where otherwise there

would not be any, and we are committed to doing so. In terms of coverage, our immediate goal is to have at least one banking agent per district or over 128 agents.

How does Bayport partner with national and international partners to enhance its services and reach in Mozambique?

Locally, to source our funding, we need to partner with local entities who can support us financially. Internationally, we have partnered with European entities like Norfund, EMF and Sweedfund. With Sweedfund, we have a project called Woman for Growth to improve the gender imbalance and better promote women in business, increasing their participation in management levels and giving them room to contribute to the growth of their business. We also partner with local governments, such as with our project called Bayport Schools. We identify schools that do not have adequate infrastructure and work to support them so students can have lessons in an appropriate environment. We also collaborate with entities that work on environmental initiatives. Our goal is to contribute to a better society that will not only benefit us but future generations as well. ✎

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more than banking

A GROWING *list*



The Mozambique Stock Exchange, over a quarter of a century old and now a public company, has big growth plans.

Salim Cripton Valá
CHAIRMAN,
MOZAMBIQUE STOCK
EXCHANGE (BVM)

Can you provide a brief overview of BVM's operations?

Our role is to stand by entrepreneurs and investors, providing them with products, services, and instruments. BVM is still relatively small, given that the financial culture here is dominated by banks, and when people need financing, they automatically think of banks. Most do not know that since 1999, the state created a stock exchange as an alternative financing option for entrepreneurs and a mechanism to ensure that investors who save can invest their savings through listed securities. There are currently 16 companies listed on the local exchange on three key exchanges. The stock market capitalization as a percentage of GDP, one of the main indicators of stock exchanges, has grown from 10.1% to 28.59% today. We have seen a big boom in market capitalization. In 2016, we had 6,495 investors with listed securities; today, we have 26,074 investors with listed securities. All numbers have increased significantly: trading volume, market liquidity, and the number of listed securities. In 2019, we had two major operations. The public offering of HCB shares brought in over 16,000 investors and raised USD55 million through the capital market; it was the largest we had in terms of scope, inclusion, and use of technological means. We also had the public offering of shares in Mozambique Breweries, the largest in terms of the amount involved, USD124.5 million.

What financial education initiatives do you promote?

We have a series of financial education initiatives from various sources, channels, and methods. We work closely with young people, for example, at universities, where we give lectures and provide information. We currently have a program with the Ministry of Education and Human Development to incorporate content on the capital market, savings, investment, and financing into school

curricula and particularly into secondary school student manuals. We are working with universities to ensure sustainability and capacity building for anyone studying economics, management, accounting, auditing, or law.

What are the Mozambique Stock Exchange's plans to issue green bonds, and what is their potential impact on sustainable development in Mozambique?

This is an unavoidable challenge. We have a planning, studies, market analysis, and trends department. Our team is working on this and observing global developments. We see a great opportunity to introduce sustainable bonds to our market. Along with this awareness, we received strong messages from institutions interested in doing the same. We believe this can help energize the market, especially the secondary market. We have conducted various studies and analyses and have prepared for the introduction of these new mechanisms by making regulatory adjustments. For example, the main instrument guiding the capital market's functioning is the Securities Market Code, approved in 2009. We plan to work with the government next year to review and update the market to be more dynamic and close existing gaps, promoting the market. We prioritize introducing new services, products, and innovative financial instruments like sustainable bonds. This initiative is driven not only by our belief that this product is interesting and can energize the market, but also by the interest of various stakeholders, such as companies, investors, sovereign funds, investment funds, insurers, pension funds, and banks. We cannot ignore the importance of energy, sustainability, and climate change. The country has suffered from the effects of climate change. Sustainable bonds will help generate long-term financing for companies to focus on new projects, products, and services that can contribute to a sustainable and green economy. **X**

BIO

Salim Cripton Valá is President of the Administrative Council of the Moçambique Stock Exchange SA (BVM) and a professor at the Faculty of Economics of the Eduardo Mondlane University (UEM). He has published seven books.

The Mozambican capital markets are nascent but offer great potential



A Informação Que Traz Valor Aos Seus Negócios



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DIRECÇÃO COMERCIAL

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Moçambique

PIONEERING ECONOMIC *and financial journalism in Mozambique*

Media4Development (M4D), founded in 2020, has quickly established itself as a prominent player in Mozambique's media sector, focusing on economic, financial, and investment news. Despite its relatively recent entry into the market, M4D has become a reliable source of high-quality, accurate information that is vital for the business community not only in Mozambique but also across other Portuguese-speaking nations like Angola, Portugal, and Cape Verde. The company's mission is clear: to provide timely, insightful content that helps its audience make well-informed decisions in an increasingly complex and evolving business landscape.

M4D's primary audience includes professionals in the economic and financial sectors, expatriates, and investors who are particularly interested in the opportunities emerging in Mozambique. The company has strategically tailored its media outlets to meet the needs of these groups. *Economia & Mercado*, one of M4D's flagship publications, has quickly become a key resource for economic news in Mozambique. The magazine offers in-depth analysis of economic policies, business developments, and investment trends, delivering valuable insights that keep readers well-informed about the dynamics of the Mozambican economy.

In addition to *Economia & Mercado*, M4D operates several digital platforms, including *Diario Económico* and *360 Mozambique*. These platforms have broadened the company's reach, with a combined monthly readership of around 85,000. Notably, *360 Mozambique* has made a significant impact by offering economic and financial news entirely in English, targeting the expatriate community that plays a growing role in Mozambique's economic landscape.

One of the hallmarks of M4D's success has been its unwavering commitment to maintaining high journalistic standards, even in a challenging business environment. Mozambique's media landscape is not without its complexities, but M4D has consistently upheld its editorial independence. This commitment to impartial reporting has earned the company a strong reputation for integrity, allowing it to cover sensitive issues with the necessary depth and balance.

Beyond its publications, M4D has also made a name for itself by organizing corporate events and initiatives that have deeply resonated with its audience. Among these is the ESG Talks series, which addresses critical environmental, social, and governance issues within

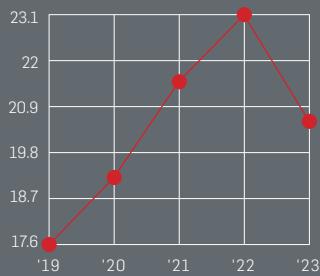
Mozambique. These discussions have become a key platform for exploring sustainability and corporate responsibility, areas of growing importance for businesses and investors alike. The ESG Talks series has sparked vital conversations and provided crucial insights into how ESG principles are shaping Mozambique's economic future. Another significant initiative spearheaded by M4D is the annual Banking Forum Mozambique, which gathers the most influential figures in the country's financial sector. This event has become essential for discussing both the challenges and opportunities within Mozambique's banking industry. By facilitating these high-level dialogues, M4D has reinforced its position as a leading voice in economic and business journalism, further strengthening its ties with the business community.

Looking to the future, M4D is keen to expand its media presence into new markets, particularly within other Portuguese-speaking countries. This expansion is part of a broader strategy aimed at solidifying M4D's position as the premier source for business, economic, and investment news. In the near term, M4D plans to continue its leadership in these areas, with a particular focus on emerging sectors such as renewable energy, logistics and infrastructure, tourism and conservation, and natural gas exploration. As Mozambique continues to experience rapid development, the demand for reliable economic and financial information is expected to grow, and M4D is well-positioned to meet this demand. By staying true to its mission of delivering high-quality journalism, M4D is set to remain a trusted resource for professionals, expatriates, and investors. The company's dedication to editorial independence, combined with its innovative approach to media, ensures that it will continue to be a leader in the industry for years to come. As M4D moves forward, it is not merely documenting Mozambique's economic progress but actively contributing to it, shaping the narrative, and driving the conversation that will define the country's future.

In a relatively short period, Media4Development has become an essential fixture in Mozambique's media landscape. Through its commitment to providing accurate and insightful information, M4D has built a solid foundation of trust and respect among its audience. As the company continues to grow and evolve, it will undoubtedly play a pivotal role in the ongoing economic development of Mozambique, offering the business community the knowledge and insights they need to thrive in a rapidly changing world. *

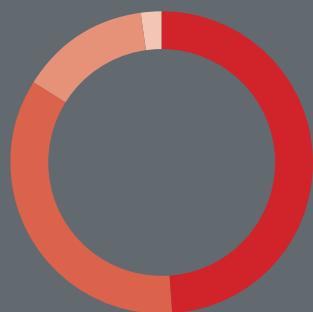
INTERNET PENETRATION RATE (%)

SOURCE: WORLD BANK, DATAREPORTAL



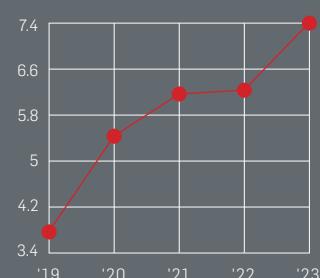
MOBILE TELECOMS SECTOR MARKET SHARE

SOURCE: BUSINESS WIRE, TELECOM TRAINER, RESEARCH AND MARKETS



AVERAGE BROADBAND SPEEDS (MBPS)

SOURCE: STATISTA, SPEEDTEST GLOBAL INDEX



The Tmcel building in Mozambique.
The mobile telecoms operator formed after a merger between TDM and mcel in 2019.

ICT & Innovation

THE LONG GAME

Innovation involves creating or introducing new concepts, ideas, products, processes, or services into the market. It can involve the application of scientific, technological, and business knowledge to solve problems, improve efficiency, enhance customer satisfaction, or create new market opportunities. Unfortunately, historic circumstance has meant technological leaps forward rarely come from sub-Saharan Africa, but the government is keen to encourage homegrown innovation in the hope of kickstarting key sectors such as ICT.

To stimulate a widespread culture of innovation and entrepreneurship, the authorities have developed various initiatives, including incubators and start-up hubs to allow innovations to thrive in a deeper ecosystem. Participants are encouraged to attend science, technology, and innovation fairs and exhibitions internationally, in a unique tie up between the public and private sectors. Yet it is infrastructure that remains the greatest hurdle to Mozambique's lofty ambitions.

The ICT sector has gone through a rapid evolution in Mozambique, with access to the internet and mobile telephony, while still low relatively, having made marked strides forward in recent years. Continued improvement in this area is key to realizing the government's vision of an

economy backed by science and technology and diversified beyond traditional agrarianism. The Minister of Science, Technology, and Higher Education, Daniel Daniel Nivagara, told TBY: "Innovations crucially lead to increased production and enhanced business competitiveness, while nurturing the individual potential of young people. I am confident that innovation across all sectors, whether in ICT, agro-processing, healthcare, or trade, for example, is incredibly important."

One pivotal development in Mozambique's ICT landscape is the inauguration of new data centers, with more under construction and set to open soon. These facilities are crucial for strengthening the country's digital infrastructure, providing secure data storage and processing capabilities. By hosting local and international businesses, data centers play a key role in attracting foreign investment and boosting economic growth.

The presence of these state-of-the-art facilities not only enhances the operational efficiency of Mozambican enterprises, but also fosters innovation across various sectors. From enabling advanced research and development initiatives to supporting the burgeoning tech start-up ecosystem, data centers are instrumental in positioning Mozambique as a hub for digital transformation in East Africa. **X**



Daniel Daniel Nivagara
MINISTER OF SCIENCE,
TECHNOLOGY, AND HIGHER
EDUCATION

BUILDING *blocks*

The Ministry of Science, Technology, and Higher Education is focusing on developing human capital, boosting economic growth, and promoting good governance and decentralization through initiatives in education and ICT innovation.

BIO

Daniel Daniel Nivagara has been Minister of Science, Technology, and Higher Education since 2020. He obtained his bachelor's degree from the Pedagogical Institute of Maputo in 1995 before continuing his studies at the University of Nantes in France, earning a master's degree in 2001 and a doctorate in 2007. Nivagara is a university lecturer by profession and was a staff member at the Pedagogical University of Maputo from 1995-2020. During this time, he served as head of the basic education department from 2004-2008 and rose to the position of dean of the faculty from 2008-2017. Nivagara has also been a lecturer at public and private educational institutions, coordinating undergraduate and postgraduate courses, supervising dissertations, and doctoral theses, and directing scientific events such as conferences and seminars.

Within the framework of the government's five-year program, what are your fundamental priorities based upon which the ministry operates? Our activities are part of the government's five-year 2020-2024 program, which has the central objective of improving the country's socio-economic growth. Within the framework of this program, the Ministry of Science, Technology, and Higher Education is working on two fundamental priorities and a pillar defined in the government's channel program. The first priority is developing human capital and social justice. The second priority concerns boosting economic growth, productivity, and income generation. And the pillar on which we operate within the government's five-year programs is the promotion of good governance and decentralization. Based on this, we have developed a set of activities regarding human capital training, through our higher education institutions, to guarantee access and equity, and distribution of training opportunities for everyone. Naturally, through scientific research, we have been active in ensuring that arising scientific and technological solutions can boost the productive sector and thus increase income, while at the same time capitalizing on young people to increase their employability. The greatest contribution has been made through ICT via the modernization of public administration, promoting the use of a more secure and resilient internet and expanding to various public sector institutions, at the central and provincial level. There is a series of accesses and accessibility to information that the districts, the population in general, now have, without the need to physically visit the various institutions.

What are some examples of ICT innovations highlighted by the ministry?

In terms of ICT, there has been significant innovation. For instance, we have innovations in the development of digital platforms facilitating product buying and selling, business management, among other areas. Our goal is to continually foster an environment conducive to promoting innovation across all sectors. Through our national science and technology park company, which includes a technological

innovation center, young people presenting ideas in the ICT field are incubated for technological solution development. The idea is to contribute to driving economic growth, productivity, and job creation. I am confident that innovation across all sectors, whether in ICT, agro-processing, healthcare, and trade, for example, is incredibly important. And when we focus on information and communication technologies, we are talk of alignment with the concepts of digital governance and the digital economy.

What are the future plans for the Ministry of Science, Technology and Higher Education?

In terms of higher education, our focus remains on human capital development and social equity. Our goal is to continue awarding scholarships while ensuring the evaluation and accreditation of 150 undergraduate and postgraduate courses for those outside the higher education sector. Additionally, we plan to provide 5,000 computers to students, primarily those from low-income backgrounds, through our One Computer per Higher Education Student program. Furthermore, we will establish another reference center specifically for Polytechnic education, located at the Songo Polytechnic Higher Education Institute. Moreover, we intend to train 100 educators in educational innovation, particularly focusing on the rising use of information and communication technologies in higher education. In driving economic growth, productivity, and income generation, we aim to strengthen our governance framework for science, technology, and innovation. We also plan to enact a science and technology law and establish a national scientific repository to showcase the scientific potential of all higher education and research institutions. Meanwhile, in terms of good governance and decentralization, we aim to empower 450 girls in ICT programming. We have initiated coding camps for girls to develop their programming skills, including robotics, digital intelligence, AI, and IoT, enabling them to generate web programming solutions. We also plan to train 113 ICT staff and create 12,000 institutional email accounts to facilitate communication. *

CLOSING *the gap*

INTIC oversees electronic transactions law implementation, cybersecurity, digital certification, governance, and international cooperation in Mozambique to ensure a secure and advanced digital society.

Lourino Chemane

PRESIDENT,

NATIONAL INSTITUTE OF INFORMATION AND COMMUNICATION TECHNOLOGIES (INTIC)



Could you elaborate on the role of INTIC in Mozambique?

INTIC is responsible for regulating, supervising, and overseeing the ICT sector in our country. It is a relatively new entity, established in 2020 through a specific government decree. One of our main functions is to ensure the implementation of the electronic transactions law, which was approved by the government in 2017. This law aims to create a legal environment that guarantees the security and convenience of citizens and institutions when they engage in both social and economic transactions in cyberspace. We have prepared to meet this challenge by establishing four key areas of intervention. The first is regulation and supervision, supported by a dedicated legal and normative framework that we plan to develop by 2028. The second is the cybersecurity and data protection division, which focuses on both legal, technical and operational aspects to ensure our country's cybersecurity and protect citizens' data. The third division handles licensing and certification, tasked with establishing a digital certification system for Mozambique, ensuring electronic documents are legally valid and recognized. The fourth, equally important, is digital governance, where we work on action plans and policies to strengthen the digital society ecosystem and respond to technological advancements, including AI, digital government, internet governance initiatives, including the management of the .mz domain, Mozambique's ccTLD.

Can you discuss the importance of international cooperation for INTIC and their impact on Mozambique's digital transformation?

International cooperation and collaboration is crucial for our country to keep pace with global digital society challenges. We have cooperation and collabo-

ration activities with Ghana, Rwanda, South Africa, Brazil, Portugal, the US, and UK at the bilateral level, just to name a few. Our government signed a memorandum with Huawei, which helped us to prepare a white paper on the digital economy two years ago. This document has been instrumental in helping us to evaluate and formulate digital services initiatives aligned with international best practices. In 2018, our government approved the Information Society Policy and Strategic Plan, which includes 120 projects across various sectors such as education, health, industry, commerce, governance, and digital infrastructure. We are also forming similar partnerships with other entities and countries to broaden our global perspective and enhance our interventions in the digital realm.

What were the main outcomes of events like the National Internet Governance Forum, and how will they influence the future of cyber governance in the country?

Ensuring effective internet governance in Mozambique requires the participation of all societal stakeholders. We created a platform for annual forums starting in 2021, bringing together representatives from the public sector, private sector, academia, and civil society to discuss our progress and future steps in internet and information society development. These forums have produced valuable insights, influencing our legislative agenda. For instance, we are currently drafting the Data Protection Law, the Cybercrime Law, and the Cybersecurity Law based on concerns raised during these forums. We are also in the process of joining the Budapest Convention, following the invitation to our government by the Council of Europe in February 2024, and participating in the UN International Convention to combat cybercrime. We

actively engage in international internet governance forums, aligning our national efforts with global best practices. For example, the 2022 forum focused on AI prompting us to draft proposals and coordinate actions to address AI-related challenges.

What do you foresee for the future of ICT in Mozambique?

Speaking as a Mozambican citizen, the global trend is an increasing reliance on technology, accelerated by innovations like AI. I envision Mozambique being part of this digital revolution, contributing to global policies and benefiting from technological advancements. To achieve this, we need to prepare our citizens, not just through university education but also by raising awareness about cybersecurity. While we encourage technological development, we must ensure these technologies are used responsibly to avoid harm. I hope Mozambique will lead in this area, and I am committed, along with my team, to making this happen. *

BIO

Lourino Alberto Chemane has been President of INTIC since 2021. He has been an assistant professor at the engineering faculty of Eduardo Mondlane University since 2015, where he joined in 1993, and has been a member of the scientific research career before becoming a member of the teaching career. Chemane obtained his PhD in computer and systems sciences at the University of Stockholm, his master's degree in electronic governance from Escola Politécnica Federal de Lausane (EPFL) in Switzerland, a master's in computer and systems sciences from the University of Stockholm, a master's in electronic engineering from the University of Pretória, and a bachelor's degree in electrotechnical engineering from Eduardo Mondlane University (UEM).

DIGITAL *transformation*



Eduardo Vicente
COUNTRY GENERAL MANAGER,
BRAVANTIC

Bravantic has grown over 28 years into a global group with a strong presence in varied sectors, with plans to further expand its technology adoption and digital transformation initiatives.

BIO

Eduardo Vicente is an experienced and versatile professional with a history of success in various sectors. Currently, he serves as Country General Manager at Bravantic Evolving Technology SA in Mozambique, where he strategically leads the company, manages operations and drives business development. His career spans more than 28 years, with positions of increasing responsibility in local technology companies. Vicente has received computer management professional training and is a certified data center professional and certified data center specialist.

As one of the founders of Bravantic, can you talk about the creation of the company?

Bravantic is a solid group of companies across multiple geographies. There is a legacy of 28 years of history that began with the company called Informantem. The founders of Bravantic were four friends who worked for a company called Blue Chip in Portugal. Blue Chip was involved in IBM systems and solutions, and the team decided to chart its path, creating Informantem, which is today the Bravantic Group. At the helm of this journey has been António Trincheiras, who with his critical and pragmatic thinking, has driven the group's growth from day one to the present, with the group now being led by a woman, Dr. Dyane Myrian. In 2009, we embarked on a major project in Mozambique that gave us the necessary basis to develop in this market. Bravantic now has 400-600 employees, 30 of which are employees in Mozambique; however, including our current partnerships, we have reached 80 people working across the country. We have companies in the Bravantic group, 100% owned and other jointly owned companies, where we cover the most varied sectors of activity such as biomedicine, training and development of software applications, cybersecurity, licensing, data center, support and maintenance, endpoint solutions, cloud solutions, IT services and operations, and digital transformation solutions, among others. We are in Brazil, Portugal, Africa, Cape Verde, Angola, Mozambique, and Dubai. In Mozambique, we work mainly in Maputo, but with projects in the other provinces. Regarding innovation, we mainly deal with data centers and digital transformation.

What future projects or initiatives is Bravantic working on?

We started a company called Bravantic Link. It is still in development, and we are in the final phase of all licensing.

"In Africa, we work mainly on infrastructure, tools, and digital transformation. However, at the same time, we focus on AI, robotics, cybersecurity, and critical infrastructure."

We are also involved in solutions involving AI as well as several other integrated solutions that meet trends in the IT sector for the next five years. Given that our core business is data centers and service continuity, we decided to create more synergies between data center services and customers, so we acquired a 3,000-sqm space to build four to six data centers and create a private cloud, as an example, the one used in the banking sector. Our target is companies that, giving value to their business, have financial sustainability that allows them to demand the best of what exists on the market in terms of IT solutions. We also prepared for the security operations center (SOC) and the corresponding cybersecurity protocols, as we already have a lot of experience and work in this area in different geographies over the last six years. In Mozambique, we have been implementing a team dedicated to cybersecurity since last year.

As a leader in the technology sector, what is Bravantic's vision for the future of technology adoption and digital transformation in Mozambique?

The communications cloud will be the future. We are developing more and better platforms that help customers and partners in their digitalization process and digital transformation. However, it is

challenging because a company cannot digitally transform without preparing its foundations and the mindset of its employees. Most people still do not have IT knowledge, so we have created a platform that offers training. We have also adopted an educational approach for customers in terms of digital transformation. Every person's needs are different. The implementation may be the same, but the starting point is how we create this transformation because ultimately, we want to have a positive impact across the entire

organization. People are our most valuable. About our ongoing cultural transformation, we rely on internal and external partnerships to reinforce the critical thinking of our teams. Furthermore, half of Bravantic's employees are women and, of the 30 people, only one is an expatriate. As a result, our work is entirely a product of Mozambique. We implement ESG in the group and rely on people, who are the basis of any transformation.

What are your short-term plans?

We want to continue to grow based on the trends we are already successful at. For example, AI, robotics, cybersecurity, and cyber resilience are essential parts of our business. However, development portals and applications are the top priority for the entire group. In Dubai, we are working in the financial area. In Africa, we work mainly on infrastructure, tools, and digital transformation. However, at the same time, we focus on AI, robotics, cybersecurity, and critical infrastructure. *

Bravantic® //Evolving Technology

The World Has Changed & We Evolve

Bravantic is a prominent national integrator in the IT sector, with certifications such as ISO 9001, ISO27001, NATO. Our solutions and services are tailored to every client and we have a presence in Portugal, Angola, Mozambique, Cape Verde, Brazil, and Dubai.

We have more than 200 qualified, responsible, and happy collaborators, all oriented toward the client.

Our purpose is to place today's technology at the service of sustainability and people's well being, always.

COMMERCIAL OFFERS Consultancy • Information Security Cybersecurity • Technology Enterprise IT Systems • Licensing Training • Products • Cloud Solutions • End Point Solutions Datacenter and Infrastructure • IT Services and Operations, BPO • Support and Maintenance

STRATEGIC *enablers*



Pan-African project focused on building advanced data center facilities

Committed to sustainability, with power usage efficiency comparable to northern Europe

BIO

Emidio Amadebai is the General Manager for Raxio in Mozambique and Angola. He successfully led the construction and the implementation of Raxio's largest and most advanced Tier III data center in Mozambique. Amadebai also oversees the progress on the construction and delivery of Raxio's Angola data center. Before joining Raxio, he worked in the energy sector as managing director of Engie for four years and spent eight-plus years in IT and telecoms projects. His overall background and experience spans across management, service delivery, and commercial roles in the IT, telecoms, and renewable energy industries.

Can you give us an overview of Raxio Group and the strategy that the company followed in entering Mozambique? Raxio was established in 2018 by US investment firm, the Roha Group, which focuses on developing business in Africa, in areas of inadequately addressed demand. Roha is a private US entity that started a pilot project in Uganda in 2018. Roha then joined forces with Meridiam as a second equity investor, who are keen at supporting the idea of enabling Africa on its digital transformation journey, which is what lead to the expansion idea. Raxio decided to assess at the African market as a whole and split it into different tiers, the first being Nigeria, Morocco, and Kenya, namely the biggest economies in Africa. The second tier comprises countries where there is a lack of digital infrastructure and data center facilities that are secure, carrier neutral, and certified to global standard. Raxio's vision was to undertake a journey to build advanced data center facilities across these tier-two markets that include Ethiopia, Uganda, Mozambique, Angola, Tanzania, DRC, and Cote d'Ivoire. These are really exciting regions, as there are a great deal of developments here in terms of network connectivity, new subsea landing cables, and fiber routes, all which are catalysts in bringing about the transformation and digitalization of services that the continent requires. Raxio's foresight enabled it to commit to developing a portfolio of data centers across the Tier 2 market as the demand for capacity grows and be a strategic enabler to businesses across both the private and public sectors.

What are the main risks associated with relying on in-house server facilities, and how does Raxio mitigate these issues?

The risk of downtime where businesses rely on in-house facilities is significantly higher than most organizations might expect. The risk of losing one's equipment to electrical failure, human error, or security are just some of the factors that makes

Raxio Group offers secure, carrier-neutral, and globally certified data centers across Africa while prioritizing sustainability with a focus on green energy solutions.

Emidio Amadebai
GENERAL MANAGER,
RAXIO MOZAMBIQUE

in house facilities more vulnerable to risk. Typically, such issues are a mix of connectivity failing and/or power failures. In order to mitigate such risks, Raxio brings together a vast array of connectivity providers in the country to our facility and asks them to double everything. They bring one route of fiber from one connection station, and then another fiber from another spot. There are extra connectivity sources, and in the event that one gets cut, the other one still works, ensuring not just high reliability in terms of power or cooling but also connectivity to all our customers

Are you planning to use another type of energy in the future?

We have been engaging with Onório Manuel, Beluluane Industrial Park Director, to have a plant that is deployed in the park. Raxio would be one of the first adopters of that plant. The energy mix in Mozambique is good, with over 80% of green hydro power. Our investment from debt lenders is sustainability-linked debt, which means we need to pay attention to that on a much more rigorous scale than other entities. Our cooling systems have been designed with equipment that uses state-of-the-art technology to ensure we have the highest levels of efficiency. The Raxio Data Center in Mozambique promises a level of power usage efficiency that is typically seen in northern Europe, where the climate is much cooler. We are attempting to reach that level of efficiency here through the use of better and more advanced technology. Africa is starting to catch up with ESG regulations and requirements and will soon be there. We place sustainability at the heart of the design of our facilities as well as the way we manage and operate them. To go a step further, we have deployed an ESG officer at every site who monitors are sustainability, compliance, and health and safety to ensure that, as a business, we do not neglect our core values of around delivering green and sustainable solutions. **✗**

Almost 75% of Mozambique is covered by mobile telephony reception



ARTIFICIAL INTELLIGENCE, *authentic crime*

With its level of digitalization rapidly growing, Mozambique has to take greater steps to prepare itself for cyber attacks.

As countries around the world increasingly digitalize their operations, a new threat emerges: cybercrime. While new technologies such as generative AI, cloud computing, the Internet of Things, and block chain databases make for exciting headlines and buzzwords, these new digital products are being introduced into an environment with tech-savvy cyber criminals poised ready to exploit any weaknesses. In Mozambique, as anywhere else in the world, common cyber threats include malware, phishing attacks, ransomware, and social engineering. These threats aim to compromise sensitive data, disrupt operations, and/or extort money. Thus, the need for robust cybersecurity measures is becoming increasingly important to safeguard against cyber attacks, data breaches, and other malicious activities in the digital space.

Just because internet penetration in Mozambique is relatively low does not mean that it is safe from cybercrime. Knowing this, organizations and individuals in Mozambique are working toward enhancing their cybersecurity measures, as well as raising awareness of these issues. A cybersecurity summit, Cyber Revolution Summit 2024, was held in Maputo in February 2024. There, several industry leaders and security experts spoke at length about various topics, including cybersecurity innovations, data privacy and security, risk management, network security, threat detection and intelligence, and vulnerability management. According to the summit's website, the country is victim to roughly 1.5 million cyber attacks per month, making it one of the most vulnerable countries in the world for attacks of this nature. While most attacks go unreported, official data shows that the Mozambican Public Ministry registered a total of 367 cases related to cyber crime in 1H2023 alone.

In December 2023, speaking at a ceremony in introduce the Single National Payment Network—a new system aimed at unifying electronic payments in the country—Bank of Mozambique Governor Rogério Zandamela warned listeners about the dangers of cyber attacks, saying “cyber risks are real. Banks and other financial institutions must be ready, both in

technological and human terms, to respond to these challenges.” He also noted the devastating cyber attack on the Central Bank of Lesotho, emphasizing the importance of vigilance in the face of cybercrime. But despite the growing prevalence of cybercrime, digitalization shows no signs of stopping. More and more organizations and individuals rely on network connectivity for socialization, work, shopping, banking, and more. Even the government sees the virtual platform as the way forward. Daniel Daniel Nivagara, the Minister of Science, Technology and Higher Education, told TBY, “The greatest contribution has been made through information and communication technologies via the modernization of public administration, promoting the use of a more secure and resilient internet and expanding to various public sector institutions, at the central and provincial level.”

In the face of this, it is even more important that these organizations, individuals, and businesses stay vigilant and implement strong cybersecurity measures to mitigate these risks effectively. Organizations can protect against social engineering attacks by conducting regular cybersecurity training for employees to raise awareness about social engineering tactics, educating staff on how to identify suspicious emails, phone calls, or messages. Implementing strong authentication measures and establishing clear communication protocols can also help prevent attacks from being successful.

One company that has been engaged in this type of training is IT consulting firm Bravantic. Mozambique general manager Eduardo Vicente spoke to TBY about Bravantic's experience in cybersecurity, including its security operations center and the way Bravantic has been implementing a dedicated cybersecurity team in Mozambique specifically since 2023. When asked about what he foresees in the years to come, he replied, “The communications cloud will be the future. We are developing more and better platforms that help customers and partners in their digitalization process and digital transformation. However, it is challenging because a company cannot digitally transform without preparing its foundations and the

mindset of its employees. Most people still do not have IT knowledge, so we created a platform that offers training. We have also adopted an educational approach for customers in terms of digital transformation." Vicente's company, as well as many others, are taking the necessary steps to guard their assets and data against cyber criminals and he encourages others to do the same.

Firewalls and encryption protocols are some of the ways organizations can bolster their defenses against cybercrime. There are also companies offering regular cybersecurity training for employees to raise awareness about potential threats and best practices for secure online behavior. Paulo Reis, Office Managing Partner of EY told TBY his company is also moving into the area of IT consulting with a team serving clients in Mozambique as well as other countries. "Externally, clients are digitalizing as well, and we have been acquiring internal capability to serve our clients in the areas of technology consulting, cybersecurity, investigation of security breaches, and more. We have a team that has been serving clients not only in Mozambique, but also other countries."

Unfortunately, while it is easy to offer advice like "do not give your personal information to strangers on the internet," the implementation of these suggestions often goes unheeded, especially by people who are not accustomed to fending off these types of scams, including the elderly and people for whom internet has only just been made available. To address this, companies may consider purchasing cyber insurance, something some insurance brokers are beginning to offer. "We still have to work on insurance products like cyber insurance because cybersecurity risks are increasing." Mufaro Chauruka, Managing Director of Pan-African reinsurer Emeritus Resseguros, told TBY, noting that cyber insurance is something his company plans to offer in Mozambique in the future.

The internet is here to stay, but so are the cyber-criminals operating within it. Knowing how to safeguard against these cybercrimes is critical for individuals as well as businesses and governmental agencies. By adopting a proactive approach to cybersecurity, organizations in Mozambique aim to strengthen their defenses to protect sensitive information and ensure the secure operation of digital infrastructure. ✎



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Agnelo Laice
GENERAL MANAGER,
MULTICHOICE

MultiChoice has been a leader in Mozambique's media and entertainment industry for 29 years, offering innovative services while contributing significantly to the local economy.

Can you provide an overview of MultiChoice's presence and operations in Mozambique's media and entertainment industry?

The MultiChoice group has been present in Mozambique for 29 years now, and we were the pioneers in video entertainment and satellite TV in Mozambique. Our story in Mozambique is heavily rooted in the development of local community. We are also pleased by the fact that we are the market leaders in Mozambique, demonstrating the trust that clients place in our ability to deliver the best, not only in terms of local content but also the delivery method to our clients. We operate using two of our main brands: DStv, which is a more premium brand; and GOtv, which is more mass market. DStv has been in the market for 29 years, while GOtv has been in the market for nine years now.

What innovations has the company introduced in Mozambique's entertainment industry?

We are extremely proud of being an innovative company. Innovation is truly at the core of our DNA as a business, and we have been leading the industry in Mozambique in that sense. We were the first video entertainment subscription type of business on television. In Mozambique, we were the first company to launch a dual view PVR decoder. We were also the first to launch DTT, the terrestrial satellite television in Mozambique, through our GOtv brand for the mass market segment. We have launched a decoder that we call 3-in-1 for customers to watch three different types of content in the same house. We also follow market trends, such as offering more services and making it much easier for clients to watch our content on other digital platforms as well. MultiChoice recently launched value-added service, which we call DStv Stream. It essentially offers clients the ability to watch our content on cellphones or smart TVs, among many other innovations that we have launched in the market. We are clearly transforming our business as part of our strategy to become a platform enabler and not a traditional content provider. Our aim is to transform the

streaming game in Africa and be the number-one streamer on the continent. We relaunched the platform in partnership with leading partners globally, including Comcast, NBCUniversal, and Peacock, which is NBC's streaming platform.

How does MultiChoice contribute to the local economy, both in terms of employment generation and economic impact?

MultiChoice is one of the largest companies operating in Mozambique, with 168 full-time employees as well as almost double that number of outsourced employees; however, the economic linkages of our company to our system and economy are invaluable. We have more than 700 agents spread nationwide, and each of them employs between two to five people. For most of those agents, our business is their main income source. In addition to those agents, we also have some 550 certified installers. We have the ability to reach different geographical areas of Mozambique. As a company, MultiChoice has a direct economic impact on the country's GDP, and we are by far one of the largest tax contributors to this country. We are extremely proud of our role in developing the local community.

How does MultiChoice engage with the local communities and contribute to social development initiatives?

MultiChoice is perhaps one of the largest investors in the creative industry in Mozambique. In 2022, we launched the first dedicated local content entertainment TV channel in the country the first of its kind. We have a number of free-to-air channels in Mozambique, though they are more generic. Over and above, we have a social responsibility program called the MultiChoice Talent Factory where we select students, not only from Mozambique, but also in the other countries where we operate, to attend courses. Every year, we select two Mozambican students to participate in courses that are fully paid for by the company. At the end of the courses, some of the more experienced students go on to start their own business. *

MORE *to explore*

Mahomed Zameer Adam
CEO,
YANGO



Yango is a company that transforms global technology into everyday services. What is the main strategy behind Yango's operations?

Yango is an international tech company with a global operational office based in Dubai, present in over 20 countries in Africa, the Middle East, and Latin America. We specialize in ride-hailing and delivery services. Mozambique presents an amazing opportunity due to high unemployment and no prior ride-hailing competition. Overcoming regulatory challenges, Yango became the first digital platform to obtain registration, collaborating with local authorities and the Institute of Technology. Yango focuses on technology, partnering with local taxi companies for operations, fostering economic growth and independence. Currently, we have around 20 local partners. Through a B2B model, Yango trains and supports partners until they operate autonomously. Yango endeavors to empower partners to establish physical offices and operate independently. Yango's prepaid system enables transportation companies to purchase travel time credits, facilitating driver access to the app. This innovative approach addresses payment challenges in African markets and promotes economic development. We are increasing automation, providing transportation companies with a web-based control system for easy management, accessible even via mobile devices. However, using a computer is more practical. This system tracks driver activity and revenue, with Yango partners increasing their revenue. This commission structure is attractive compared to other platforms. The control system allows Yango partners to monitor each car's location on a map, view driver earnings, platform and partner fees, and track car expenses.

How has the perception of mobility solutions in the country changed since Yango's arrival?

Prior to Yango entering Mozambique, transportation options were limited, with local companies' inefficiency leading to high trip costs and inconvenience. With Yango, requesting a car is now swift, with cars arriving within minutes, unlike before when drivers might have been distant, requiring multiple costly trips. Yango's entry has democratized transportation, making it accessible to all income levels and eliminating the need for personal drivers. While some challenges persist, such as

driver behavior, Yango has incentivized driver participation, expanding the market. Improving driver education and cars' quality will take time but are integral to long-term growth and service quality enhancement objective

How do you envision the future of the sector and its potential to revolutionize urban mobility in the country?

We hold a positive outlook on Mozambique, observing increased government interest in collaborating with digital platforms due to their widespread benefits. Our business is expanding, with plans to introduce other services in 2024 and potentially more in 2025, alongside expanding to other regions in Mozambique. We recognize the challenges these local apps face in terms of scalability and affordability when compared to larger international platforms such as ours. The reality is that the investment and maintenance required to sustain such apps can be daunting, often surpassing the capacities of individual companies within Mozambique's market. Consequently, we believe that a more practical strategy is to incorporate Mozambique-specific features into established international platforms that operate across multiple countries. This approach not only ensures the viability, affordability, safety, efficiency, and accessibility of these services but also supports the growth of local innovation by providing a robust framework that can accommodate and enhance local offerings.

What are Yango's priorities for 2024?

We aim to enhance our service quality through several key initiatives. First, we have and continue to implement additional safety measures for drivers, users, and passengers. Second, we plan to introduce electronic payment methods and improve payment technology for our partners and drivers. Third, we want to launch additional Yango tech features. Additionally, we plan to expand to new cities, targeting those with high population density alongside our current locations in Maputo and Matola. In 2023, we innovated by introducing tuk-tuks to our app in Mozambique, recognizing the demand for this mode of transportation. Collaborating with local tuk-tuk operators, we have addressed their needs while adapting our services to the local market, a strategy we employ globally to meet diverse country-specific requirements. *

An international tech company, Yango focuses on transforming global technology into everyday services in Mozambique, particularly in ride-hailing and delivery.

Present in over
20

**countries in Africa,
Middle East, and
Latam**

Plans to launch
additional services
in 2024 and 2025

BIO
Mahomed Zameer Adam assumed the role of CEO in 2023, entrusted with leading Yango's operations in Mozambique. With nearly a decade of international experience in advisory and business development, Adam brings a wealth of expertise to his position. Prior to joining Yango, he spent four years at EY, where he held various roles in Portugal and Mozambique, culminating in his tenure as manager of the strategy and transaction department. He also enriched his professional journey with valuable experiences at Galp Energy in Portugal and Uniplaces in Spain. Adam holds a master's degree in finance from EADA Business School in Barcelona, Spain, and a bachelor's degree in management from ISCTE Business School in Lisbon, Portugal.

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1st
3D screen in
southern Africa

Setting
standards
for content
quality and
management

Aims to expand
to Angola

BIO

As the founder and managing director of Dalima and head of Yasuke Investments, Nuno Lima Carregal has cultivated a diverse and influential career. With 25 years as an entrepreneur and 23 years in the advertising industry, his journey began at DDB where he excelled as an account manager, account director, and later, creative director. His passion for innovation led him to establish Dalima, which has been at the forefront of his business ventures for the last 15 years. Through Yasuke Investments, he has also nurtured a portfolio of companies, including Ultra Wellness, expanding across various sectors such as entertainment and trade.



What developments has Dalima gone through in the last few years?

In recent years, Dalima has undergone significant growth and transformation. We have expanded our network and upgraded more than 80% of our hardware, consistently introducing new models and technologies every two years to enhance quality and control. Our efforts have not only driven substantial expansion but also improved management and received positive market response. Our operations are concentrated in the Maputo area, the hub of our financial decision-making. We specialize in bringing clients closer to their customers through targeted advertising and comprehensive support tools. Additionally, we develop effective strategies and content, maintaining a leading edge by being the first in southern Africa to introduce 3D screens. Dalima creates 90% of the content displayed on our screens and has been actively involved in numerous social responsibility projects. The post-COVID-19 era has marked a significant shift in advertising strategies. While television remains predominant, with Mozambique hosting 16 open channels and additional satellite services, the advertising focus is diversifying. We pride ourselves on cultivating long-term relationships with our clients, ensuring sustained success and growth. Our business also includes a rental division, expanding our service offerings. Despite the modest national economic growth, Dalima has consistently achieved substantial annual growth, with a 30% increase in 2023 and an anticipated 28% in 2024. We continue to innovate and expand our services, including static billboards, to stay ahead of the competition.

What are your expectations for the sector in Mozambique?

The future of the sector in Mozambique appears promising, especially given the dynamic nature of the market and the inherent potential of the region. As Maputo and Mozambique continue to develop, there are abundant opportunities for growth and innovation in various industries, including advertising and media. By being strategically positioned in this evolving market, we will be well-prepared to adapt to rapid changes driven by emerging trends. This readiness not only positions us as a significant player in the industry but

Dalima has undergone significant growth in recent years by expanding its network, introducing advanced technologies, and pioneering 3D screens in southern Africa.

Nuno Lima Carregal
FOUNDER & MANAGING DIRECTOR,
DALIMA

also highlights the importance of maintaining a positive and patient approach.

Do you plan to expand into other countries in the region?

At Dalima, our strategy is to initially focus on thoroughly understanding and mastering the local markets where we choose to operate. Before considering expansion into other countries in the region, we are concentrating on ensuring that we deliver the highest quality content and most advanced screen technology, such as our upgrade from LED to SMD screens with enhanced color quality. This commitment to excellence in our offerings and understanding local preferences is essential as we prepare to enter new markets like Angola. Our approach is to solidify our presence and leadership in each new market, leveraging our unique capabilities and innovations, before expanding further. We are dedicated to setting a strong foundation that ensures we maintain our competitive advantage and high standards across all regions.

What are your plans for the year?

As Dalima celebrates its 15th anniversary, we are excited to launch a comprehensive series of actions that reflect both our heritage and our future. In 2024, we are implementing significant updates across all our services, introducing new information and dynamics, and enhancing our design language with advanced AI technologies. As we celebrate this milestone, we are more committed than ever to pushing the boundaries of what is possible, ensuring that Dalima remains at the forefront of our industry and continues to deliver exceptional value and experiences to our clients and stakeholders. In 2024, we are poised to capitalize on the growing awareness and demand in our Company Ultra Wellness, for sports nutrition, supplements, and vitamins, particularly highlighted by the recent global health challenges. Our plans include broadening our physical and online presence to enhance accessibility and convenience for our customers. We aim to leverage the evolving Mozambican middle class's interest in health and wellness, despite it being a niche market. We anticipate this demographic's expansion will drive increased consumption of our products. *

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dalima 

MAKING *a difference*

**Vodacom
Mozambique is
shifting towards
digitalization**

**With
12M
subscribers,
Vodacom is the
leader in the tele-
communications
sector in
Mozambique**

BIO

Lucas Chachine holds a degree in management from Universidad Eduardo Mondlane. Before being appointed chairman of Vodacom Mozambique, he was Partner & Director at Novabase Moçambique, a member of the board of FNB Mozambique, president of the board at Mozambique, Companhia de Seguros-Insurance, and partner & director at Majune Safaris-Niassa, among other positions. Chachine is also president of the Chamber of Commerce and Industry Mozambique and South Africa and was a member of the board of the Regional Tourism Organization of Southern Africa, president of tourism working group at Confederação das Associações Económicas de Moçambique, and president of Associação dos Indústrias Gráficos de Moçambique, among others.



Can you provide additional details into Vodacom's strategic approach within the Mozambican market?

Over the past 20 years, Vodacom has become an important player in Mozambique, operating in a market where a well-established incumbent was the dominant force. From the beginning, our plan closely matched Vodacom's approach in all markets: to be the leader. Our main goal has been to maintain a high-quality network and service throughout the country, reaching even the farthest areas. Expanding our network across Mozambique posed initial challenges due to the country's vast geographical area; however, through strategic investments, we succeeded in nearly blanket coverage, achieving our goal of becoming the leading telecom operator in the market today. With approximately 12 million subscribers connected, this milestone shows our leadership in meeting the communication needs of Mozambicans. Beyond traditional telecommunications services, we introduced M-Pesa over a decade ago, an innovative digital payment platform widely recognized in Kenya and Tanzania, and now gaining traction in Mozambique. M-Pesa helps people who lack bank accounts by making it easier and safer for them to do financial transactions. It also helps connect individuals and organizations to the formal financial system.

Can you elaborate on the initiatives aimed at improving digital inclusion and connectivity in the country?

The 2Africa project represents a significant milestone in connectivity, involving a consortium including major global players like China Mobile International, Meta, MTN GlobalConnect, Orange, center3 (STC), Telecom Egypt, and Vodafone/Vodacom, along with WIOCC. This submarine cable is pivotal in linking Africa with Europe and Asia, facilitating regional connectivity significantly. The "Faz Crescer" initiative, started by the Vodacom Foundation in 2018, has evolved to focus on providing computers, unlimited connectivity, and internet access to underserved areas, especially public secondary schools in all provinces. We are partnering with the Ministry of Education and working with 123 schools nationwide. Our goal is to expand to 500 schools by 2025. We have also worked with the national communications regulator, INCM, to create free Wi-Fi squares in important city areas. This initiative aligns

Vodacom has become a major player in Mozambique by employing digitalization as a catalyst for further social and economic development and connecting every corner of the country.

**Lucas Chachine
CHAIRMAN,
VODACOM MOZAMBIQUE**

with our launch of 5G technology, which is meant to make advanced telecom services more accessible across Africa. We currently have 12 Wi-Fi squares in place to support this effort.

Can you elaborate on the objectives of Vodacom's foundation and its impact on transforming lives in Mozambique?

Recognizing the need for focused social investments, we established a dedicated entity to carry out projects. Financially, we allocate 1% of our gross revenue exclusively to our foundation, underscoring our commitment to social impact. Education stands at the core of our mission, complemented by our alignment with governmental priorities on health during health crises, exemplified by our collaborations during disease outbreaks. The foundation also intervenes in cyclone-related challenges, where we realized the importance of digital resources in crisis resilience. Our group actively engages in partnerships with organizations such as Goodbye Malaria in the region, leveraging technology to pinpoint and address specific community needs. During global crises, our foundation collaborates closely with governments and international organizations, bolstering public health efforts. Our long-term strategy integrates projects, partnerships, and governmental requirements, reinforcing our dedication to societal advancement. The recent establishment of our foundation significantly enhances our capacity to secure support and donations, enabling us to scale our initiatives. This newfound social focus harmonizes with ongoing endeavors in women's empowerment and entrepreneurship. Initiatives like Orange Corners, conducted in partnership with the Dutch embassy, cultivate innovation, promoting economic empowerment. Looking ahead, we aim to expand our scholarship programs and cultivate a robust educational ecosystem. We want to continue leveraging partnerships and strategic initiatives to foster profound and sustainable change, driving development across our communities.

What is the group's vision for the future of telecommunications in Mozambique and across Africa?

In Africa, lack of infrastructure has led to improvements in telecommunications, especially through mobile networks. Mobile phones are increasingly common, even in rural areas. Digitalization is paramount in this context. **×**



Vitor Luís Timóteo
CHAIRMAN,
MOVITEL

Can you provide an overview of Movitel's services in the country and its contribution to the Mozambican telecoms sector?

Movitel has been in Mozambique for 12 years now. Since we were the last to enter the market, we saw an opportunity in rural areas given that the markets in major cities were dominated by other companies. At the same time, the government was targeting greater inclusion of the rural population. Our strategy at the time was to penetrate Mozambique through the rural population and slowly expand into cities. Today, Movitel is present in both rural areas and cities.

BIO

Vitor Luís Timóteo has extensive professional experience, including stints such as professor of general accounting and financial calculation at Mozambique Telecommunications Institute; accountant and manager at Recauchutagens de Mozambique; accountant and later hotel manager at the State Secretariat of Tourism and the National Company Tourism, as well as positions at several hotels in the group. He obtained a degree in law from Eduardo University Mondlane and a master's degree in legal sciences from Eduardo Mondlane University.

What have been some of Movitel's achievements in Mozambique in the last 12 years?

In 2020, during the pandemic, the telecommunications sector was called upon to bridge connectivity gaps as people could not travel. At that time, this was a major opportunity for us. Movitel greatly assisted universities and schools, which was an extremely gratifying achievement for us. Everyone was isolated, and telecoms played a major role in bringing people together.

How did Movitel adapt to the evolving needs of its clients?

The policies that the Mozambican government implemented to increase production and productivity eventually started to benefit rural populations, and more of them started to become more well off. They could afford the service that we provided. Initially, those living in rural areas had relatives in city who wanted to communicate with them and sent them money so they could use our services. That is how we started, and we have had a major impact on enabling people in rural areas to communicate with others. It gives us great pleasure and immense satisfaction to see more and more people being able to communicate and included in this global village.

As a leader in the sector, how do you foresee the future of telecoms in the country?

Everything revolves about telecommunication. Today, communities are growing beyond the natural boundaries of countries. We have a global village, and in order to interact with people, you need to have telecommunications systems in place. Telecommunications will continue to play an important role. Telecommunications will lead in every area including healthcare, research, education, banking, and more. Whenever telecommunications go down, the banking system collapses immediately. Mozambique has to catch up and integrate into the digital era. ✎

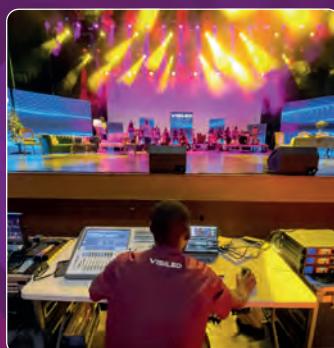
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Sérgio dha Costa
CEO,
TVSD



Hélder Tembe
EXECUTIVE DIRECTOR,
ZAP MOÇAMBIQUE

Technology

TVSD and Zap are two examples of companies that are optimistic about Mozambique and the opportunities that the market offers, particularly in telecommunications.

Could you provide an overview of the company and its main services and products in Mozambique?

SÉRGIO DHA COSTA: TVSD is a company with 24 years of experience. It started with the satellite television business, but moved into other areas such as telecommunication, radio, satellite communications, and tracking vehicles, among others. We have collaborated with suppliers in those areas and started a telecommunications business in Mozambique. In some big projects, the money can come from external donors, like the African Development Bank. In 2022, we did a weather radar scheme in Beira, which was an important project because of the Cyclone Idai. This equipment provided information to avoid problems. We always try to be advanced to keep up with the market. Sometimes large companies such as oil and gas enterprises come to us for sophisticated systems, so we always try to be updated and we also deliver after-sales support, offering A to Z solutions. In INAMAR, all the fishing vessels, whether Spanish, Japanese, or Chinese, need to have a tracking unit that sends information when they fish on the Mozambican coast. In 2024, we signed an agreement with a French com-

pany, and local fishing companies have to buy that system from us. We have people working in Total and True North, so we are starting to see some movements in the north, but over the past three years, we have been focusing more on projects rather than daily business. The Maputo group has around 50 people and in Tete we have 45 people who work at the mines doing all the maintenance 24 hours a day.

HÉLDER TEMBE: Zap started in Angola in 2010 and came to Mozambique a year later. Zap has been an important platform for Mozambican consumers given the young demographic and the importance of entertainment to it. In the beginning, the company was perceived as an Angolan company; however, we are gradually working to shift that mindset and establish our identity as a Mozambican company. It is vital that we, as a company, transmit to the market the perception that Zap is here to stay. The local TV penetration rate is low compared to other countries, which means there is potential to grow. As the country electrifies, more people in rural areas will purchase television sets. Zap does not have a presence in those areas, and our goal is to expand in line with the plans of

Electricidade de Moçambique (EDM) or other entities that are bringing electricity to the country. Mozambique has an extremely young population, and we are adapting our strategies to that population because we know that the way people watch TV is also changing. We always strive to adapt to new technologies.

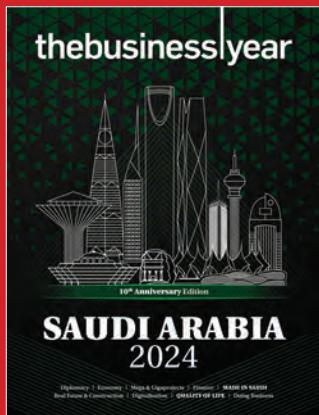
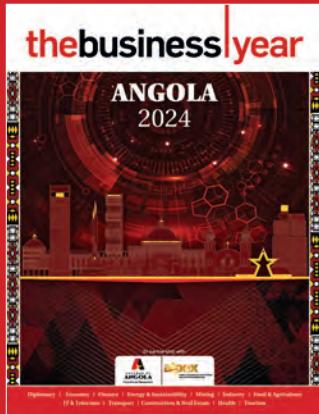
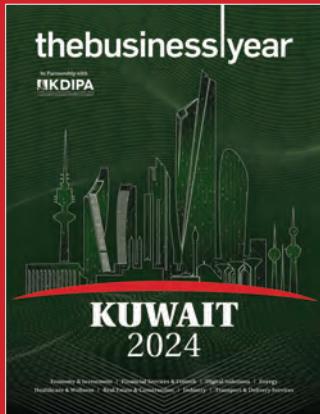
How does the company deal with talent acquisition?

SDC: Sometimes we have companies asking for something that the local market lacks. This is something beyond our control, which is a challenge for us in terms of meeting the requirements. When it comes to technology, we do all the brand training online, and sometimes when necessary, we move beyond the border. We worked with Vaisala, a Finnish company, and we brought our technical team to Helsinki for a one-month training. We are starting to see more and more people with skills in the market. The problem with our market is that there is too much theory and not enough experience. For new employees, we sometimes turn to local companies though it is still a challenge. For example, we earlier introduced Power BI but had to bring in an expert from Angola to conduct the training here. It is a challenge to do training for the local market because Mozambican companies tend not to invest.

What technology is Zap employing to distribute its content and make entertainment accessible to the growing population?

HT: When it comes to technology, we are looking into different formats to reach out to our consumers. For example, to reach the most remote areas, satellite is the best way to do so. However, in urban areas, we are also looking into other alternatives that are better and more cost effective. Zap Angola has a channel that comprises 90-95% is Angolan content, and we are working to replicate this in Mozambique. We currently do not have our own channel here and instead have partnerships with other local channels. Our main objective for 2025 or so is to introduce our own channel to become more appealing to locals. That will also reinforce our objective of changing the perception that Zap is a Mozambican company. In this regard, Mozambican consumers recognize Zap's commitment to excellence; our company has been awarded recognitions by consumers such as Best Satellite Experience and Best TV packages. **✗**

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Luis Leal Leonor
CEO,
2IBI MOZAMBIQUE

What opportunities are available in Mozambique?

Opportunities abound in Mozambique across various sectors. While oil and gas projects often garner significant attention, particularly in Maputo, our base in Beira remains unaffected by such developments. Our focus lies in leveraging the logistics, port, and inland capabilities, regardless of oil and gas activity. Rather than solely banking on oil and gas, diversification into sectors such as agriculture and tourism is crucial. Mozambique boasts untapped potential in agriculture, exemplified by existing sugarcane plantations near Maputo and Beira, with vast areas available for further development. Similarly, tourism holds promise with its wealth of scenic destinations, although infrastructural improvements are needed to attract international visitors beyond South Africa. By investing more effort in these sectors, Mozambique can broaden its economic prospects beyond oil and gas dependency.

What are your strategic goals for 2iBi, and what do you aim to achieve in 2024?

We have ambitious growth goals for our business, including expanding our team and initiating market outreach to South Africa, Zimbabwe, Zambia, and Malawi to promote our proprietary logistics operations products.



José Inacio Almeida
GENERAL MANAGER
ICOLO

Can you provide a general picture of iColo Mozambique and the region?

iColo started its operations in 2015. We have three campuses in Kenya, which are highly interconnected hubs with both local and international networks. The Nairobi Campus has 80+ networks connected and our campus in Mombasa hosts one of the largest subsea cables, 2Africa, making it one of the most connected sites in East Africa. We also cater to the co-location needs of medium to large enterprise customers, hence our decision to enter the Mozambique market.

What was the main factor that led the company to establish itself in Mozambique?

iColo wanted to build the first truly carrier-neutral data center in Maputo. Our facility was built as a landing station for the 2Africa cable. The median age in Mozambique is 19 years old, meaning this is a young and ever-growing community. In the last 10 to 12 years, the population has gone from 21 million to 30 million. Our campus will play a huge role in the way the people of Mozambique interact with the internet, providing an open, secure, and carrier-neutral environment to meet our customers' ever-growing needs.



Fernando Bilale
CHAIRMAN,
ABARICOM

What challenges has AbariCom surpassed in Mozambique, and how did you navigate them?

One challenge was a lack of human resources, but we did some training in-house and sent people for training. Other constraints are more on the regulatory side; however, our regulators are working quite well and are making investments in the training of their specialists. They stage numerous conferences, provide training, and establish partnerships with other regulators. Another challenge we face is high interest rates that are making it impossible to realize extensive investments. There is also a challenge of deploying anything in Mozambique because of prohibitive cost. The landscape is the main challenge of our country in terms of telecommunication, which is why we lack nationwide connectivity.

How do you see the future of the IT sector?

This sector continues to face many challenges, and it is going to become more competitive. Providing added value in terms of safety and cybersecurity is the future, and competition will stiffen due to convergence between the TV companies and content suppliers. Because we believe in our country, we are going to solve most of our problems by 2025. The economy and the market will grow, and then we can explore the advantages of a growth market.



Emilio Jorge
MANAGING DIRECTOR,
BUSINESS CONNEXION
MOZAMBIQUE LIMITADA

How do you assess the role of digital innovation?

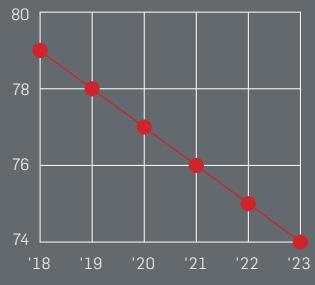
Digital innovation plays a pivotal role in driving economic growth in Mozambique. Regulations need to be in line, and we feel there is still a huge gap there. Still, we expect the regulator and the policymakers to be vocal about their intent to provide confidence for investors. Today, Mozambique is well-integrated from a financial perspective, with seamless integration between mobile money operators and the formal banking sector. You can send money from your mobile account to your bank account and vice versa. There are many unbanked people in Mozambique, and this integration allows even the unbanked population to run their businesses effectively. That is because technology has come and disrupted the way we were used to working.

What are the key growth areas and the strategic plans that you have for BCX in Mozambique in the coming years?

We have made a great investment in the establishment of our cloud capability. We also have works in progress to establish platforms that can be utilized specifically by micro banks and micro lenders. We want to provide access to digital channels, which would be expensive for these micro-institutions to implement on their own. We will also continue fostering our application development capabilities. We also want to be able to expand to other markets as well.

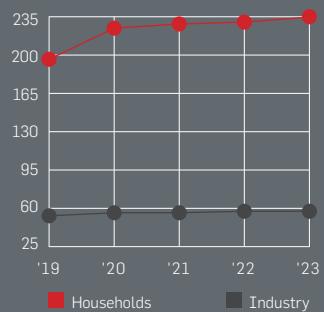
RENEWABLE ENERGY AS PERCENTAGE OF TOTAL ENERGY GENERATION

SOURCE: IRENA, IEA, OUR WORLD IN DATA



ENERGY CONSUMPTION BY TYPE ('000 TJ)

SOURCE: OUR WORLD IN DATA, IEA, KNOEMA



ENERGY IMPORTS BY COUNTRY (TOP 5, AS % OF TOTAL)

SOURCE: ENERDATA, TRENDENECONOMY, IEA

South Africa	23
China	15.3
UAE	10.3
India	7.99
Singapore	6.11

A technician hooks up a power line in Maputo



Image: Ivan Bruno de M

Energy & Mining

A VITAL LINK

Sustainable energy solutions and resource optimization have become key targets for Mozambique in recent years, much like the rest of the world. With abundant natural resources and a strategic geographical location, the country is striving, through modernization, to position itself as a leading energy hub in Southern Africa and a key player in the global mining industry. Despite challenges faced over the past few years, especially by SMEs in the energy sector, Mozambique's potential in renewable energy and mining remains strong.

Mozambique's energy sector has encountered significant challenges in recent years, including an unstable security situation in the north of the country that severely disrupted the development of the nascent LNG sector. In response to these challenges, new initiatives and strategies have emerged, aiming to capitalize on the country's renewable energy potential. Mozambique's geographical location and natural resources offer the country an edge, particularly in solar and wind energy. The government and private sector are focused on leveraging these resources to meet both domestic and regional energy demands. The potential to transform Mozambique into a regional energy hub is becoming increasingly apparent, especially in light of energy shortages in neighboring countries like South Africa. Danilo Correia, General Manager of Puma Energy Mozambique, highlighted the company's forward-looking strategies, telling TBY; "We plan to not only invest in solar panels to produce electricity and help reduce the carbon footprint, but also work on the transition to liquified petroleum gas (LPG)." The energy transition in Mozambique is on a path to position the country as a leader in Africa's future energy landscape. Key projects are underway to expand the country's energy infrastructure, including investments in solar, wind, and hydropower. Addi-

tionally, Mozambique is exploring opportunities in natural gas and LNG, which could further solidify its role as a major energy exporter.

Parallel to the growth of the energy sector, Mozambique's mining industry has seen a surge in activity and interest from international investors. The country's rich mineral deposits have attracted significant attention, making Mozambique a key destination for mining companies. The strategic location of Mozambique not only benefits its own economy, but also positions the country as a vital link in the global supply chain for essential minerals.

Geert Klok, President of the Chamber of Mines of Mozambique, emphasized the collaborative efforts between the government and the mining sector, stating, "We collaborate closely with the government, particularly the Ministry of Mining Resources and Energy, to enhance the business environment for mining companies. Mozambique boasts significant opportunities across various sectors, notably mining, with abundant mineral resources." In recent years, Mozambique has seen an influx of international companies entering the mining sector, leading to an increase in mining activities and production, which has significantly contributed to the country's GDP. While coal remains one of the most important exports, other minerals like graphite are gaining prominence, especially as global demand for battery materials grows. The government's role in facilitating this growth cannot be overstated. Mozambique is making it easier for mining companies to operate and expand their activities, including efforts to improve transportation networks, such as rail and port facilities, which are critical for the export of minerals. The government is also working on policies to ensure that the benefits of mining are felt throughout the country, particularly in local communities. *

ENERGY *power- house*



Innovation and digitalization are among top priorities

Enhancing capacity to distribute fuel securely in 2024

How has the importance of Mozambique for Puma Energy's global operations evolved?

Mozambique is a vital market for us. It is one of the markets that offers the most opportunities for Africa, and in addition to being naturally geographically well-positioned as a regional hub for energy, the domestic market is expected to grow further. There are great plans to develop the country and immense demand for energy. Puma Energy will continue to invest in Mozambique, given that it is one of the countries in our portfolio with high potential.

Puma Energy Mozambique has acquired Air BP's Aviation Fuel Assets in the country. Can you share insights on the impact and significance of this project?

We are delighted to have acquired these aviation assets in Mozambique and look forward to growing our business in the country. Airlines around the world know they can trust Puma Energy Aviation's commitment to reliable supply of high-quality fuels. This acquisition will enable us to extend our offer to more aviation customers in Mozambique. Puma Energy's strategy is to focus growth on our downstream markets, including aviation, and this acquisition is an excellent example of that strategy. Puma Energy Aviation will continue to invest in training and equipment to ensure airports in Mozambique remain some of the best served in Africa. The facilities will continue to operate to the highest industry IATA and JIG standards. Puma Energy's commitment to safety, reliability, and efficient service will continue.

What initiatives has Puma Energy Mozambique undertaken in the area of clean and low-carbon energy solutions?

We plan to not only invest in solar panels, but also work on the transition to LPG. LPG is a cleaner product that is significantly healthier and safer than coal or firewood when used to cook food. Currently, the law allows us to only sell electricity generated from solar panels to the state company, which does not make it financially viable; however, starting from 2025, we expect this to change, allowing electricity from solar panels to be sold directly to consumers. We have invested in a company that

Mid- and downstream oil company Puma Energy is optimistic about Mozambique's potential as a regional energy hub.

Danilo Correia
GENERAL MANAGER,
PUMA ENERGY MOZAMBIQUE

produces solar panels and is involved in projects. This is an area that we are taking seriously for Mozambique.

What is your outlook on the future of Mozambique's energy sector?

I am extremely optimistic. Mozambique is well-positioned to become an energy hub in the region, though it requires a great deal of investment in different levels of infrastructure. The country has the capacity to produce hydropower and distribute electricity throughout the region, in addition to its solar capabilities. Mozambique can easily become an energy powerhouse not just regionally, but globally as well. The biggest requirement to grow, specifically for Africa, is energy, and this is where we should invest. Mozambique can certainly become an energy hub for the region and a global player.

What advice would you give to investors looking into entering the local energy sector?

It is vital to not just look at Mozambique as the target market, but the region as well. Africa is growing at around 5%, which is an immense opportunity. Geographically, we are well-positioned for different international markets. The other important thing about investing in Mozambique is ensuring that one is aligned with the country's social agenda. One of the biggest reasons behind certain failures is investors overlooking the social challenges and the social impact that they are bringing to an investment.

What are the strategic goals for Puma Energy in Mozambique for the coming years?

For the next two to three years, we want to do the basics right; namely, improving our ability to deliver fuel safely. It is all about improving our ability to offer what customers want, and enhancing our efficiency, being sustainable, and being responsible with the environment. We want to grow the business and our market share by understanding the market's characteristics and what Mozambicans want. We also plan to get more involved with social responsibility programs. *

BIO

Danilo Correia is General Manager of Puma Energy Mozambique, an integrated group energy company providing fuel services in Mozambique to the retail market, business-to-business, aviation, storage and lubricants. Over the last 20 years, Correia has accumulated a vast experience in developing businesses in Mozambique. He holds a bachelor's degree (Hons) in computer science.

VIVA *vivo*

Moussa Konate
MANAGING DIRECTOR,
VIVO ENERGY MOZAMBIQUE



Vivo Energy is acquiring and expanding in Mozambique to align with its vision of becoming Africa's leading and most respected energy business.

Established in 2011, Vivo Energy is the company behind the Shell and Engen brands across many African markets. Can you elaborate on the company's evolution in Mozambique? Vivo Energy, founded in 2011 by Vitol, Shell, and Helios Investment Partners, acquired Shell's downstream operations across 15 African countries. As part of its expansion strategy, Vivo Energy purchased Engen's operations in eight countries, including Mozambique. Our takeover of Engen's activities in Mozambique occurred in March 2019, marking our entry into the market and assuming operational control from Engen operations.

Can you talk about Vivo Energy's vision and what steps Vivo Energy Mozambique is taking to align with it?

The vision is to be "Africa's leading and most respected energy business." Indeed, Vivo Energy Mozambique's journey aligns with our group's vision. Over the past five years, we focused on developing our retail business. We expanded from 19 retail stations, primarily concentrated in Maputo province with only one site each in Beira and Tete, to over 50 retail stations across the country, despite challenges such as COVID-19 and economic disruptions. Retail is the skeleton of our business model. We needed to build a respectable footprint first as the foundation, then focus on building our resilience. To build resilience in our business, we have diversified our portfolio. We recently ventured into aviation fuel and have been promoting Shell lubricants, leveraging our exclusive distribution rights across Africa.

What initiatives has Vivo Energy undertaken in the mining sector?

Vivo Energy is one of the key players in mining sector in Africa. In West Africa, we have developed tailored solutions to assist mines in transitioning to greener energy alternatives from traditional sources. We are actively engaging with mining companies in the region to introduce hybrid solutions aimed at reducing their environmental footprint. For example, Shell's latest Ultra lubricant, derived entirely from natural gas, boasts zero carbon emissions. Our goal is to encourage the adoption of such eco-friendly technologies within mining operations.

How does Vivo adapt to the new necessities of its clients and adapt to new market trends?

As a company, our goal is to proactively innovate

rather than simply react to market changes. We strive to stay ahead of the competition by providing solutions that exceed customer expectations. For example, in the mining sector, we offer solutions that not only improve the business case, but also extend the life of mines. By doing so, we transform previously non-viable situations into economically feasible opportunities.

What are the current obstacles or challenges facing the industry in Mozambique and how is the company overcoming them?

One key challenge we face in developing mining activities is the VAT regulation surrounding the industry. Mines benefit from VAT exemptions, shifting the burden onto suppliers who must pay VAT on their supplies to the mines but are not reimbursed immediately. This delay, coupled with high bank interest rates, significantly increases business costs. Addressing these issues, alongside challenges related to foreign currency availability, would incentivize investment. Moreover, streamlining the process for residential permits, currently requiring annual renewal, would reduce bureaucratic burdens and enhance flexibility for investors, ultimately fostering a more conducive environment for business growth in Mozambique.

How does Vivo Energy create lasting social and economic benefits for the Mozambican communities?

Our retail growth strategy emphasizes community development. Each retail station we build is not just a business endeavor, but a social project aimed at enhancing local infrastructure and benefiting the neighborhood. We prioritize hiring from the surrounding community, typically employing 30-40 individuals per station, thereby positively impacting numerous families. Before opening a new station, we engage closely with the community to understand their needs and concerns. This approach fosters a sense of belonging and ownership among residents, who appreciate our investment and view us as integral to their community. Additionally, we partner with NGOs and organizations like A Casa Amarela to support initiatives such as orphanages and community schools. For example, our security team, HSSE, collaborates with schools to educate children on road safety, environmental awareness and safety precautions. *

Collaborating with mining enterprises to implement hybrid solutions

Emphasizes long-term relationships with customers

BIO

Moussa Konate has over 25 years of experience in downstream business across Africa. He currently the managing director of Vivo Energy Mozambique, working to drive the success of Vivo Energy Mozambique's transformation journey since September 2020. Before Mozambique, he was managing director of Vivo Energy Cape Verde from 2017 to 2020. Konate has lived and worked in Mali, Madagascar, Ivory Coast, and Ghana as a country finance director between 1999 and 2017, but also as retail business finance manager for Shell Africa from 2011-2012.



Boris Atanassov
DIRECTOR,
GREENLIGHT AFRICA

EXPERT voice

A regional consultancy and project development firm, GreenLight Africa primarily specializes in energy projects and environmental services.

BIO

Boris Atanassov is the founding director of GreenLight Africa. He holds a master of science from Stockholm University specializing in energy transition. His focus areas include renewable energy, bio-energy, climate financing and market development as well as social and environmental impact assessments. He has worked on notable projects such as managing a productive use of energy (PUE) fund for resettlement sites in Manica province, a hydro electrification project in Niassa, and the implementation of a large-scale biofuels project in the north of Mozambique, among others.

What have been GreenLight Africa's latest investments in the past year?

As a consulting and project development firm, our largest investment has been in people. Our team has expanded to 17 full-time collaborators, 15 field staff, and a larger network of part time specialists. GreenLight Africa operates as a service provider, primarily focusing on the energy sector and environmental services. One of our reference projects has been the provision of technical assistance to the government of Mozambique in its renewable energy auction program (PROLER), establishing a reverse auction platform for larger scale independent power producers (IPPs) ranging from 20-50MW. We have now transitioned from larger solar and wind projects to developing a similar concept for mini-grids, specifically for smaller village-level solar and small hydro projects. Our company played a crucial role in developing regulations for off-grid energy, providing legal support that enabled private sector investment in energy generation. This achievement was approved by the Council of Ministers in 2021, unlocking a series of funding opportunities that companies can apply for to bridge the affordability gap between the cost of energy services and ability to pay by vulnerable communities currently without access to electricity. This past year, we have also expanded our operations into the biofuels sector following a recently emphasized biofuel blending mandate under the country's economic stimulus package (PAE). Leveraging on our decade long expertise, we are implementing projects on behalf of investors, engaging in agricultural activities and offering policy support to the government. Currently, we are conducting a national feasibility study to support the government in developing a financial prospectus and roadmap for sector development. A November 2023 decree approved the blending of biofuels in fossil fuels starting at 10% ethanol in gasoline and 3% of biodiesel in diesel. This provides investor confidence to develop dedicated plantations, processing facilities and supporting infrastructure.

Who are your primary clients?

One example of a project that we are currently working on is for the International Renewable Energy Agency (IRENA) and oversees the research at 40 healthcare centers. The objective is to design a mod-

el for the electrification of rural off-grid health facilities, of which many still exist in Mozambique. Despite funding from international organizations, our work primarily benefits governments and local companies. In this case, the beneficiary of the study is the Ministry of Health (MISAU) and the Ministry of Mineral Resources and Energy (MIREME) whom together need to tackle the challenge of operational inefficiencies at hospitals and clinics that are not connected to the national electricity grid. For other similar assignments our clientele extends to the World Bank, IFC, GiZ, KfW, Enabel, and UN agencies such as IOM and WFP. As local consultants, we participate in multi-donor funded programs like Get.invest and Get.transform, which together provide a holistic support to the countries energy sector.

How has the regulatory landscape evolved in your current sector, and what specific contributions has GreenLight made for the government's current use?

As a consulting firm, we actively contributed to the development of comprehensive regulations and government strategies. Over the years, our focus has been to create an enabling environment in the energy sector, resulting in an almost complete regulatory package. Recent achievements include the new electricity law which facilitates private sector investment, the off-grid energy regulation that simplifies the concession approval process for mini-grid developers, and the biofuels regulation that sets a blending mandate. Currently, our involvement extends to the distributed generation regulation project and well as the national clean cooking strategy.

What are GreenLight's plans for 2024 and 2025?

We aim to maintain our high-quality service and have expanded our offerings with a new foundation, focusing on fund management. With sufficient expertise, we are now conducting a pilot fund, supporting communities in cyclone-affected resettlement sites in Manica and Sofala provinces. The fund subsidizes companies providing productive energy solutions like solar irrigation, refrigeration and milling to small business owners and interested community members. As for the other sectors of operation, our focus is on scaling up project implementation, emphasizing practical services alongside our continued consulting offerings. ✎

ENERGY *transition*

João Das Neves
CEO,
AUTOGÁS



With ambitions to convert over 60,000 vehicles in the next two decades, AutoGás leads the process of converting and fueling gas-powered conveyances in Mozambique.

Can you provide an update on AutoGás' initiative to transition Mozambicans to gas at lower costs?

The company is growing steadily, albeit gradually. Since we started this initiative in 2020, we have overcome public skepticism over changing to gas. Over time, we managed to convince people by experience and providing evidence that gas was safer than other fuels. Today, the economy is facing a major challenge, and many people are beginning to change to gas. Therefore, we are increasing the number of stations, and also the number of vehicles running on gas. One of the biggest challenges in this business is investment, yet we have managed to sign strategic partnerships with an experienced international company that is converting thousands of vehicles a year and operating more than 80 gas fueling stations in Africa. That has allowed us to increase the company's capital, among other benefits. We are ultimately growing our network of stations. Meanwhile, the energy transition agenda is assisting the shift from petrol to alternative sources, including electricity.

How did you manage to bring awareness to the Mozambican population about the benefits of gas?

You need to believe in this to be successful. You need to be proud of what you do and understand that this has an impact on the country. Once you start going down that road, you don't look back, you work until you achieve your objectives. The biggest challenge is the fact that in markets such as Mozambique, there are no grants or government support to stimulate the growth of businesses like ours. In other countries, there are often environmental funds and other incentives available. In the case of Mozambique, we are talking about a 100% private initiative. And to start from zero with a new concept is quite a challenge.

In 2023, AutoGás had 3,500 cars fueled by natural gas in circulation. Can you tell us about the project and the challenges you faced?

One of the biggest challenges of this project was the cost of conversion because most cars running in Mozambique are second-hand and imported from elsewhere. The cost of the car is relatively

low because people buy a second-hand car that costs USD3,000-4,000, while the gas conversion costs USD1,500—a large percentage of the purchase price. Very few people can afford this, having already made a tremendous effort to buy the car. For many years, many people have been interested in converting their car, but simply could not afford to. One of the things that we eventually managed to do is subsidize the cost of the conversion to half the price. It is a cost that we pay today, but as more people are consuming gas, we hope it will turn a profit in the medium to long term. Second, we have opened new stations. We are doubling the capacity of the existing stations since the number of users has increased drastically since 2022. In Maputo, we are looking to open two new stations this year. Then in 2025, there will be more stations along the EN1.

AutoGás plans to construct 70 filling stations and convert 60,000 vehicles nationwide over the coming 20 years. What initiatives are taken to achieve this?

We firmly believe that is the way forward. 70 stations is the potential market. The availability of gas in the northern triangle, Nacala, Nampula, and Pemba, is of considerable interest. Yet, while many companies are keen to approach us and see what we can do to convert their fleets to gas, we do not have available gas there. So, until Nacala has an LNG terminal, the process remains difficult. Compounding the problem, existing fleets in Nacala do not justify an LNG terminal. Thus, additional consumers are needed to reverse the situation. Therefore, this is what we are looking to achieve—to stimulate other players to become involved.

What are your objectives for 2024?

In 2024, we are concentrating on the conversions in greater Maputo where the majority of vehicles in Mozambique are concentrated. We will also gradually start moving north towards Nassa-ro. This year we have an ambitious plan to convert 1,000 vehicles, and are making all efforts to achieve this by subsidizing the cost of conversion and upping our marketing activity. *

Subsidizing conversion costs, halving prices to facilitate widespread adoption

Introduced diesel conversion in 2024, targeting 1,000 vehicles converted by year-end

BIO

João Das Neves is a Mozambican mechanical engineer with more than 35 years' working experience in the private sector. For over a decade, he managed a leading car distributor in Mozambique for brands such as Ford, Mitsubishi, and MAN Truck & Bus. Since the early 2000s, he has been devoted to implementing natural gas for vehicles Mozambique as CEO of AutoGás.

FOCUS

Renewable energy

SOMETHING OLD, *something renewed*

The country has vast potential for renewable energy due to its climate conditions.

Many different projects are underway, attracting significant investment.

Though Mozambique is perhaps best known in the energy world for its vast coal and gas reserves, the country also has massive potential for renewables that remains largely untapped. Mozambique has nearly perfect natural conditions to become a major supplier of renewable energy, with its lengthy coastlines, powerful rivers, sunny plains, and abundant agricultural fields.

Per World Bank estimates, Mozambique has the potential for roughly 23GW of solar power, 19GW of hydropower, 4.5GW wind power, and a biomass potential of no less than 2GW. While the exact number is hard to pin down, as of 2024, it is estimated that only 30-50% of Mozambicans have access to reliable electricity, despite this massive potential. State electricity company Electricidade de Moçambique (EDM) has committed to full electrification of the country by 2030. According to EDM, renewable energies already account for over 70% of Mozambique's electricity matrix, and that number will only continue to grow as it works to deliver that commitment.

To achieve its ambitious goals, the government, though the Energy Regulatory Authority, launched the Renewable Energy Auction Program (PROLER) to support bids for renewable energy tenders in September 2020. This program covers four generation projects: three solar and one 40-60MW wind farm. PROLER entered its second public tender phase for the development of additional solar power plants in late 2023.

In terms of existing renewable energy generation, hydro leads the way in Mozambique, with the country already producing roughly 2,200MW, around 91% of which comes from the Cahora Bassa Hydroelectric Power Station on the Zambezi River. According to PROLER's website, an additional 5.6GW of hydropower projects have been selected for tenders, with around 100 further sites in consideration for development. This 5.6GW includes the planned 1,500MW Mphanda Nkuwa Hydroelectric Power Station and the proposed 1,245MW extension of Cahora Bassa.

With solar irradiation varying between 1,785 and 2,206kWh/sqm/year, Mozambique has an excellent opportunity to harness the power of the sun as well. Since commencing operations in 2019, the Mocuba Solar Power Station produces 40MW of electricity a year, enough to power over 170,000 homes. From 2022 to 2023, Mozambique added an additional 55MW through two further solar plants, Cuamba and Metoro. On top of this, power development company Ncondezi Energy secured a land agreement in January 2023 to develop a hybrid solar project of at least 300MW of

capacity on 950ha in Tete, bringing the total solar capacity of these projects and more to 599MW, per the Renewable Energy Atlas' estimates.

With a global portfolio of 1,800MW in 17 African power plants, two of which are in Mozambique, Globeleq is one of the companies most active in the sector. TBY spoke with Country and Business Development Director, Samir Salé, who stated, "Our goal is to contribute to powering Mozambique together with EDM by positioning our generation plans in key areas that allow to strengthen EDM's network but also its ability to supply sustainably its consumers—the Mozambican people."

Globeleq is also involved in wind power, with the Namaacha Wind Farm currently under development and expected to enter into commercial operations by 2025. The 120-MW wind farm will be the country's first utility-scale wind power project.

Biomass is another energy source that may not get quite as much attention as its solar, wind, or hydro brethren, but is no less valuable to the government's goal of diversifying and expanding Mozambique's energy matrix. A decree in late 2023 approved the blending of biofuels in fossil fuels starting at 10% ethanol in gasoline and 3% of biodiesel in diesel. Boris Atanassov, Director of environmental consulting company Green-Light Africa, spoke to TBY about this change, saying, "This provides investor confidence to develop dedicated plantations, processing facilities and supporting infrastructure. Biofuels present an exciting opportunity for large mining and oil and gas companies to reduce emissions. By replacing fossil-based fuels with biofuels, these projects benefit local communities by creating agricultural markets, capacity building and financing opportunities, addressing both social and environmental goals simultaneously." In light of this change, his company has begun expanding operations in the biofuels sector under the country's economic stimulus package.

In light of ample science-based evidence regarding climate change, many countries have already begun pursuing cleaner energy solutions. Additional jobs are being created—jobs that will be around for a while given the societal shift green energy—helping to industrialize unindustrialized nations and improving the lives of their people. By following along with these global trends, Mozambique could see itself become a world leader in this sector as well. It certainly has the natural resources to do so, and the European Development Fund has pledged EUR15 million to help the country develop its renewable energy. *

RENEWABLE *energy*

Mozambique has the potential to cover its energy needs by its abundance of renewable energy sources.

Government goal of full electrification by
2030

Current electrification
30-50%

Percentage of renewable energy in the matrix
70%

MOZAMBIQUE'S POTENTIAL TOTAL RENEWABLE ENERGY GENERATION

Solar	23GW
Wind	4.5GW
Hydro	19GW
Biomass	2GW

CURRENT RENEWABLE ENERGY GENERATION

Hydro	2.2K MW
Solar	241MW

PLANNED PROJECTS:

MPHANDA NKUWA HYDROELECTRIC POWER STATION

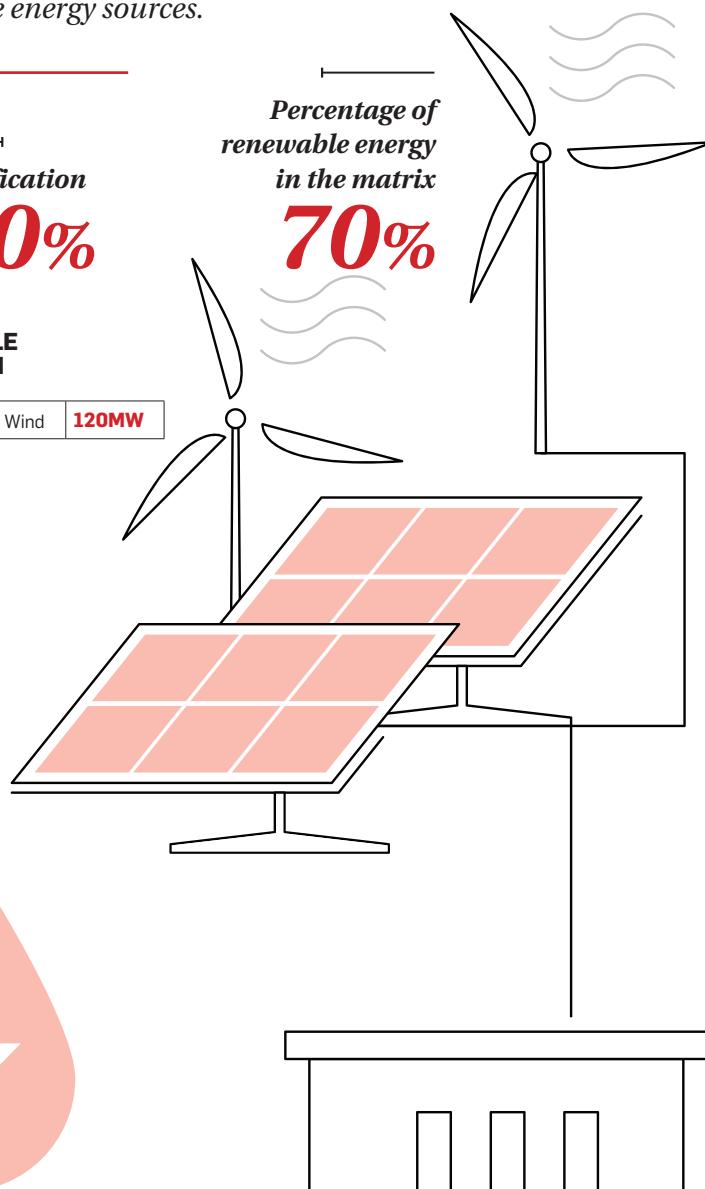
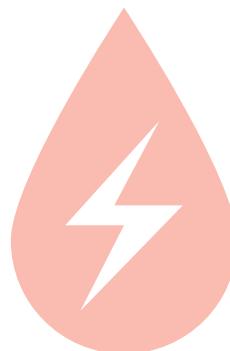
Capacity: **1,500MW**
Location: **TETE**
Developer: **MPANDA NKUWA HYDROELECTRIC**
Project status: **PERMITTING**
Expected completion date: **2031**

CAHORA BASSA DAM

Opened: **1974**
Current installed capacity: **2,075MW**
Expansion cost: **USD125 MILLION**
Completion date: **2025**
Additional capacity: **1,245MW**

NCONDEZI ENERGY'S SOLAR PROJECT

Location: **TETE**
Size: **950HA**
Potential capacity: **300MW**



Energy

Mozambique is blessed with gas reserves as well as abundant sources of solar and wind; however, the challenge lies in being able to connect and transmit this energy from source to customer.



Pedro Pereira Coutinho
MANAGING DIRECTOR,
SOURCE ENERGIA



Samir Salé
COUNTRY AND BUSINESS
DEVELOPMENT DIRECTOR,
GLOBELEQ



Aderito Manso De Sousa
GENERAL MANAGER,
MOTRACO

PRESENTLY, we operate in three main areas, the first of which is as an independent power producer (IPP) where we develop, finance, construct, own, and operate power plants, selling energy to the government utility Electricidade de Moçambique (EDM). The second area is addressing the energy security challenges of commercial and industrial clients. The third area is rural electrification, where we extend power access to off-grid populations through our solar home system. On the IPP front, we have established a groundbreaking 19MW solar project with a large-scale battery in Cuamba, the first of its kind in Mozambique. Additionally, we are advancing toward the final stages of developing Mozambique's inaugural wind farm, a 120MW project representing a USD285 million investment. Regarding rural electrification, our initial entry into the solar home system market has already provided around 100,000 connections, benefiting approximately 0.5 million people. With a steady monthly connection rate of around 4,000-5,000, we are experiencing promising growth. From an energy perspective, Mozambique is a regional powerhouse, supplying energy to neighboring countries through transmission lines. The new electricity law enables Mozambique to harness its energy resources and export directly to neighboring countries, presenting significant opportunities for power generation from hydro, solar and wind sources; however, realizing these opportunities necessitates substantial investments in infrastructure, particularly in distribution and transmission lines.

IN MOZAMBIQUE, specifically, we have two solar plant projects in operation, as well as a gas-to-fire power plant in construction at the moment that should be operational by early 2025. Mozambique has an electrification rate of about 51%, which offers investors a great deal of space to grow. There is also a transmission challenge that needs to be overcome to deliver power to the final user. Our goal is to contribute to powering Mozambique together with EDM by positioning our generation plans in key areas that allow to strengthen EDM's network, but also its ability to sustainably supply its consumers—the Mozambican people. Mozambique could become the biggest supplier of clean energy for the region. Given the significant natural resources potential the country has, its well-positioned to develop a great energy matrix leveraging from renewable fonts and the massive natural gas reserves. Gobeleq is working with EDM to explore different projects that will allow for an influx of foreign exchange to the country. Mozambique is blessed with excellent solar, wind, and hydro resources and offers significant renewable energy potential, and we will continue looking into that space to grow. Gobeleq is working on what we hope will be the first large-scale wind farm in Mozambique, in Namaacha. We guarantee efficiency in operations by investing a great deal of time on establishing the right culture of safety in our operations, and having the right skill sets. Therefore, we focus on localizing resources in our project as much as possible ensuring that the technology and know-how transfer is done right.

MOTRACO is a joint venture company between EDM from Mozambique, Eskom from South Africa, and EEC from the Kingdom of Eswatini. It is mainly a transmission company that has concessions and licenses in all three countries to operate for 50 years. Initially, energy supply was unreliable in Mozambique and Eswatini; however, after MOTRACO came into the picture, the quality of supply improved substantially, triggering other investments and multiplying factors. Our fiber-optic cable comes from South Africa and goes through Eswatini to Maputo. It will facilitate the transit of telecoms services between Mozambique, Eswatini, and South Africa. Considering the high quality and reliability of our infrastructure, it will significantly impact the quality of service that Tmcel will provide to its customers in Mozambique. Mozambique is a developing country, and access to electricity is still growing. There have been substantial improvements, though it is still below what should be acceptable or required. There is much more progress to be made in the country, and as one of the key stakeholders, MOTRACO will continue playing a role by cooperating with EDM and being a reliable partner. There is a major plan for Mozambique and EDM to use the infrastructure of MOTRACO and other players to deliver power to the SADC region. The government targets renewables making up 20% of all energy generation by 2030, and MOTRACO stands ready to assist.

**BIO**

Ovídio Rodolfo is a seasoned leader with over 30 years of experience in the energy and oil sector and an MBA in mechanical engineering. In 1988, Rodolfo joined BP in Mozambique, where he held key managerial positions over a 20-year tenure, overseeing engineering, operations, marketing, and aviation divisions. Rodolfo subsequently advanced to roles at the Independent Petroleum Group Kuwait and later as VP of operations at Petromoc. His strategic acumen and dedication to sustainable growth led him to his current role as VP and country manager at Sasol in Mozambique.

Ovídio Rodolfo
COUNTRY MANAGER,
SASOL

Can you provide an overview of Sasol's operations, key focus areas in Mozambique and some of the significant milestones or achievements Sasol has accomplished over the years?

Sasol's decision to enter Mozambique in upstream started around 1990. When we started in Mozambique, the gas use was non-existent and there were no industries utilizing gas. Twenty years down the line, over 22-25% of the gas from Pande-Temane is monetized in the country, primarily gas to power, producing electricity for the development of Mozambique. When we talk about Sasol's contribution to the energy matrix, we are talking about the contribution of Pande and Temane gas fields into the energy mix. This is our biggest contribution since we started operations in Mozambique.

Can you provide insights into Sasol's initiatives to help decarbonize aviation and invest in renewable energy in Mozambique?

Sasol is actively pursuing these initiatives as part of its strategic vision to achieve net zero fossil fuel operations by 2050. Sasol is focused on utilizing significant quantities of green hydrogen, renewable energy, and sustainable carbon while producing sustainable aviation fuels and chemicals for both global and local markets. Sasol's objective is to balance people, planet, and profit on our pathway to net zero.

How do you envision Sasol's role in driving economic growth in Mozambique's energy landscape in the coming years?

Sasol is implementing its initiatives to promote local content, based on a five-year local content plan co-created with the government of Mozambique, which aims to stimulate the growth of national companies. The plan prioritizes local suppliers, labor and resources, with a view to boost the growth of local industry, creating jobs and promoting community development. In addition, the local content plan seeks to transfer technological knowledge and train the local workforce, contributing to the sustainable development of the oil and gas sector in the country. ✎

VIVO ENERGY MOZAMBIQUE CELEBRATES 5 YEARS OF SUCCESSFUL OPERATIONS

Vivo Energy Moçambique, the company that owns the commercial license for Engen, proudly marks its 5th anniversary, reflecting on a remarkable journey of growth, innovation, and commitment to providing high-quality energy solutions to the Mozambican market.

Since its creation in 2019, Vivo Energy Mozambique has been a key player in the country's energy sector, providing reliable and sustainable solutions that drive the nation's progress. The company has successfully navigated challenges, embraced new opportunities, and earned the trust of its customers and partners.

Over the last five years, we have significantly expanded our retail fuel network from 19 to more than 50 service stations nationwide. This expansion was designed to meet the growing needs of consumers and also to strengthen the company's presence in various communities in Mozambique.



DISCOVER A NEW EXPERIENCE WITH ONE CARD FUEL MANAGEMENT



In our mission to serve the community, we partner with organizations such as the Associação A Casa Amarela, through which we support orphans and disadvantaged children and nurture their bright future.

In our commitment to excellence, we incessantly dedicate ourselves to serving and investing in the community by employing young people from neighbouring communities in all our service stations, supporting the systematic reduction of unemployment in the country. We believe in the power of diversity and inclusion, recognizing the valuable contributions of women in all facets of our operations.



As an Exclusive Authorised Distributor of Shell lubricants in the country, we have been providing lubricants to our customers through B2B. Since one of our objectives has always been to better leverage this partnership to continue being ambassadors of excellence, we have recently expanded our reach by bringing to the market a unique standard of service and top-notch lubricants with the Shell Points of Oil Change Centre.



"Moussa Konate, Managing Director of Vivo Energy Moçambique"

"It is a privilege to celebrate five years of success, these years which have not only been a chapter of growth, but also a journey of community empowerment, changing the lives of more than 1500 local youth families who contribute to the development of the Vivo Energy Moçambique project, venturing into the aviation and retail lubricant lines of business. As this could not have done alone, we extend our gratitude to all the stakeholders who have played a pivotal role in its success, including customers, employees, suppliers, and government partners."



Marcelino Gildo Alberto
CHAIRMAN,
ELECTRICIDADE DE
MOÇAMBIQUE (EDM)

What strategies has EDM implemented to improve energy distribution in Southern Africa?

Mozambique has enormous energy potential and a privileged geographic location. We border six countries, providing favorable conditions for our country to become a Regional Energy Production Hub in Southern Africa and an international reference. Current projections suggest that by 2030, electricity demand in Southern Africa will increase by about 50%, presenting a significant opportunity for electricity commercialization for Mozambique. Anticipating trends in the electric sector, we are implementing projects that will reinforce and consolidate EDM's and the country's position in the regional market. In this context, the 450MW Temane Thermal Power Plant (CTT) based on natural gas is under construction. This project includes the 400kV Vilankulo-Maputo Transmission Line, whose commissioning and commercial operation will begin in the second half of 2024. The CTT project is expected to increase the installed electricity production capacity by about 16%, contributing to meeting the demand of around 1.5 million families under the Universal Access to Energy Program by 2030 and national industrialization.



Filipe Francisco
EXECUTIVE DIRECTOR,
ASCENDING

How do you envision the future evolution of education and training in Mozambique?

Despite the abundance of educational institutions in Mozambique, the quality often falls short. Our aim is to bridge this gap by striving for international standards and by developing our proprietary Ascending Academy set of standards, and in the last two years, we have made significant progress in various aspects such as quality, delivery, assessment, and trainer development. By investing in local talent, we can create a sustainable workforce that aligns with the needs of the country where gender inclusive and energy transition programs are fundamental.

What are the company's objectives for 2024?

We are driven by ambition, a core value of ours, as evidenced by our continuous exploration of new training areas and programs. At Ascending our goal remains consistent: to reestablish partnerships with major energy companies, offering both training and workforce solutions. In 2024, our aim is to see our training centers filled with youth engaged in impactful, long-term programs. We are actively engaged in shifting the mindset among our clients toward prioritizing ongoing training as a permanent fixture, rather than a sporadic endeavor.



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📍 Rua Jose Macamo 285, Maputo, Mozambique



Crushed ore being sorted as part of industrial gold extraction



THE LAND *of possibilities*

Mozambique stands at the forefront of significant ruby production in the mining sector, rivaling Myanmar and Thailand. Beyond rubies, the nation is rich in coal, graphite, and tantalum.

Mozambique is rapidly gaining recognition for its rich deposits of minerals. The country's mining industry is not only crucial to its economic growth, but also to its global standing as a premier source of rubies. Mozambique's mineral wealth extends beyond rubies to include coal, graphite, iron ore, titanium, apatite, marble, bentonite, bauxite, kaolin, copper, gold, and tantalum. This vast array of resources positions Mozambique as a land of immense potential and opportunities in the mining sector.

In 2022, mining made up 10.5% of the nation's GDP. The government predicts this contribution will rise to 18.6% in 2024, driven by higher outputs of key minerals like heavy sands, tantalite, gold, coal, and graphite. Heavy sands, which include minerals such as zirconium, ilmenite, and titanium, are essential for various industrial uses.

Mozambique's status in the global ruby market is largely due to the Montepuez ruby mine, one of the world's largest and most productive ruby deposits. The Montepuez ruby mine is located in Cabo Delgado province and spans 33,600ha. Managed by Gemfields in partnership with Mwiriti Ltd., the Montepuez mine has elevated Mozambique's profile in the gemstone industry. Gemfields holds a 75% stake in Montepuez Ruby Mining Limitada, with the remaining 25% owned by the local company Mwiriti Limitada. Since the commencement of operations in 2012, Gemfields has developed modern facilities and significantly impacted the surrounding communities. Montepuez ruby mine employs around 1,400 individuals, both directly and through contractors, with 95% of the workforce being Mozambican nationals. Gemfields' approach to ethical mining has set high standards, emphasizing sustainability and community development. The company's efforts in enhancing local infrastructure, healthcare, and education reflect its commitment to the welfare of the communities around the Montepuez mine.

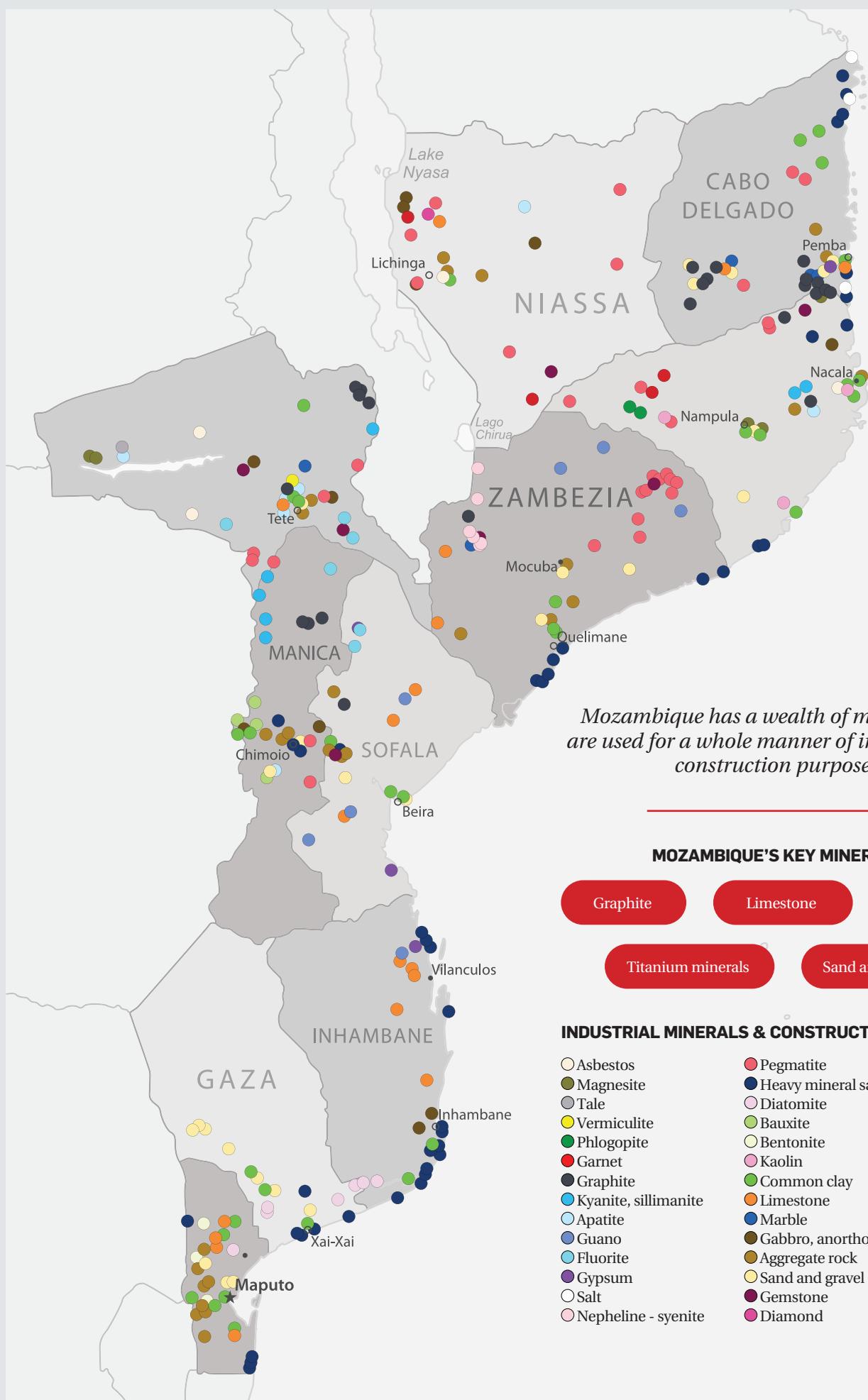
Mozambique's mining sector extends its economic promise beyond rubies to a diverse range of minerals. The coal reserves in the Tete province are particularly noteworthy. Vulcan Mozambique, led by CEO Mukesh Kumar, has expanded its coal mining operations significantly since acquiring the mines from Vale in 2022. Vulcan is a part of the Jindal Group, which has a market value of USD18 billion. The company's goal is to enhance sustainability while increasing production to 50 million-55 million tons annually over the next few years.

Kumar emphasizes the importance of sustainability and community engagement in their operations: "We want to give locals more empowerment and employment opportunities. This is why Vulcan Mozambique partners with various universities and activities to promote education, improve health and infrastructure, and create opportunities for better jobs," he told TBY. Vulcan Mozambique's investment in renewable energy projects, such as waste-to-energy plants, also underscores their innovative approach to mining.

Ensuring that mining operations positively impact local communities and the environment is paramount. Companies like Gemfields and Vulcan Mozambique are leading efforts in community engagement and environmental sustainability. Their initiatives are important for building trust and securing the social license to operate, which is as crucial as obtaining regulatory approvals.

Graphite is another mineral where Mozambique holds significant potential. The global demand for graphite, especially for electric vehicle batteries, positions Mozambique as a crucial supplier. Mozambique's graphite production is projected to exceed 329,000 tons in 2024, marking a substantial increase of 180.2% from the previous year's output. The Balama mine, operated by Syrah Resources, stands as one of the world's largest graphite mines, producing high-quality graphite essential for the growing electric vehicle market.

In addition to graphite, Mozambique's deposits of iron ore, titanium, and tantalum present vast opportunities. The Marropino mine's tantalum reserves are among the largest globally, crucial for the electronics industry. The mine contains approximately 21.7 million tons of ore, with a tantalum concentration of 0.019%. This positions the country strategically in the global supply chain for high-tech components. Mozambique's mining sector holds immense potential, but several challenges must be addressed to fully harness this potential. Infrastructure development is critical, requiring improvements in transportation networks, energy supply, and port facilities to support the expansion of mining activities. Political stability and regulatory transparency are also essential to attract and sustain foreign investment. The Mozambican government has demonstrated a commitment to supporting the mining sector by streamlining licensing processes and creating an investor-friendly environment. Mozambique's involvement in the Extractive Industries Transparency Initiative has improved transparency in the mining sector. *



Mozambique has a wealth of minerals that are used for a whole manner of industrial and construction purposes.

MOZAMBIQUE'S KEY MINERALS

Graphite

Limestone

Bauxite

Titanium minerals

Sand and gravel

INDUSTRIAL MINERALS & CONSTRUCTION MATERIALS

- Asbestos
- Magnesite
- Tale
- Vermiculite
- Phlogopite
- Garnet
- Graphite
- Kyanite, sillimanite
- Apatite
- Guano
- Fluorite
- Gypsum
- Salt
- Nepheline - syenite
- Pegmatite
- Heavy mineral sands
- Diatomite
- Bauxite
- Bentonite
- Kaolin
- Common clay
- Limestone
- Marble
- Gabbro, anorthosite, diorite, granite
- Aggregate rock
- Sand and gravel
- Gemstone
- Diamond

DIG on

Dedicated to improving the business landscape for mining and providing advantages to members

Organizing ESG workshops for members

BIO

Geert Klok has worked in the Mozambican mining industry for over a decade. Geert currently serves as the country director Mozambique for a graphite mining company and has been serving as Chairman of the Board of Directors of the Chamber of Mines of Mozambique (CMM) since October 2022. He is an experienced company director and holds the Certified Director designation from the Institute of Directors of Southern Africa. Klok graduated with a masters' degree in business economics and holds an LL.M in international business & trade law from the Erasmus University Rotterdam.



Can you provide an overview of the Chamber of Mines' main objective in Mozambique?

The Chamber of Mines was founded in 2012 to advocate for and promote the interests of the mining industry in Mozambique. Currently, we have 60 members, primarily comprising large and medium-sized mining companies such as Kenmare, Syrah Resources, Vulcan, Jindal, and Montepuez Ruby Mining. Our board oversees the chamber, representing major industry players. Collaborating with the Chamber of Commerce of Chemnitz, Germany, and supported by the German government, we enhance the chamber's capabilities and promote best practices in environmental sustainability, women's rights, and health and safety standards.

How does the chamber work to promote investment and create a conducive environment for investors in Mozambique's mining sector?

We collaborate closely with the government, particularly the Ministry of Mining Resources and Energy, to enhance the business environment for mining companies. Mozambique boasts significant opportunities across various sectors, notably mining. We actively engage with the government through conferences such as the Mozambique Mining and Energy Conference, where we serve as partners and speakers, leveraging these platforms to promote Mozambique's opportunities and advocate for necessary reforms to attract investors. We also extend our outreach internationally, participating in events such as the Mining on Top Africa conference in Paris and the Mining Indaba in Cape Town.

How does the chamber address sustainability and promoting environmentally responsible practices within Mozambique's mining sector?

We are currently organizing workshops for our members, including sessions with specialists on ESG. In Mozambique, we closely monitor global trends. We have a diverse array of companies operating here, mostly led by foreign investors, and their ESG practices often reflect their headquarters' locations. With the global energy transition, there is growing interest in Africa, including Mozambique, for critical raw materials, but sustainability is paramount. As such, the Chamber of Mines plays a vital role in assisting members in preparing for

The Chamber of Mines of Mozambique aims to improve the business landscape for the mining sector and provide advantages to its members, with a special focus on sustainability and corporate social responsibility.

Geert Klok

PRESIDENT,

CHAMBER OF MINES OF MOZAMBIQUE

supply chain certification requirements to continue exporting to Europe; however, there is a general lack of awareness in Mozambique about these impending demands, so we are focused on educating our members on these matters.

What are your expectations for the future of the mining sector in Mozambique?

I am optimistic about the growth potential of the mining industry in Mozambique, given its rich resources including heavy sands, graphite, gold, gemstones, rare earth minerals and lithium. Mining has the capacity to drive development by creating employment opportunities and fostering growth in rural areas; however, the future of the mining sector hinges on favorable government policies and the attractiveness of Mozambique as a mining jurisdiction, which is a key advocacy focus for our chamber. Our aim is for Mozambique to foster a conducive business climate to attract more development. However, achieving this necessitates a long-term perspective. Rather than focusing solely on short-term gains through increased fees and taxes, the emphasis should be on facilitating the mining industry's growth. To attract investment, stability and competitiveness are crucial since mining ventures span decades. Investors have other options, such as Tanzania, Madagascar, Namibia, or Zimbabwe. Therefore, maintaining consistent regulations and avoiding abrupt changes like tax hikes or local processing requirements is essential for fostering a favorable mining environment.

What are the Chamber of Mines' goals for the remainder of 2024, and what do you aim to achieve?

We have identified several priority areas, foremost among them is enhancing the efficiency of the mining cadaster. Currently, there is a significant backlog in applications, resulting in lengthy processing times and numerous pending applications. Our aim is to support the Ministry in streamlining the cadaster process and reducing fees, especially considering the substantial fee increases implemented in 2022, which are the highest in the region and hinder investment. Additionally, we are advocating for improvements in tax matters, particularly expediting VAT refunds for mining companies. Ultimately, our focus is on delivering tangible benefits to our members and enhancing the overall business environment for the mining industry. *



Gareth Clifton
COUNTRY MANAGER,
KENMARE RESOURCES



Mukesh Kumar
CEO,
VULCAN MOZAMBIQUE

MINING

Mining companies in Mozambique are increasingly investing in the health and education of the local communities where they operate to facilitate cohesive relationships, more job opportunities, and better long-term outcomes for everyone involved.

How do you partner with local stakeholders, government entities, and international organizations to promote sustainable development in mining, particularly in terms of generating employment opportunities?

GARETH CLIFTON We collaborate closely with MozParks, a venture established on land previously mined and rehabilitated by us, which has been returned to the government. Our aim is to encourage international and national suppliers, including those based in Maputo, to relocate closer to our operations, thereby amplifying the local economic impact. Through partnerships with MozParks, we incentivize clients to establish their presence within the park, offering longer-term contracts to justify their investment. Ultimately, MozParks serves as a conduit for transferring knowledge, skills, and economic activity from major economic hubs such as Maputo to Nampula province, particularly Topuто. Gender diversity targets aim for 20% female representation in the Moma workforce by 2025, with current progress at 17%, well above the mining industry average of 12%. Our sustainability efforts extend to supply chain compliance with environmental and human rights policies, emphasizing sustainable practices among subcontractors. We currently

employ approximately 1,650 full-time staff, with only 3% being expatriates, reflecting a workforce that is 97% Mozambican. Our comprehensive training programs cover specific job skills, graduate development, scholarships, and in-house trade skills training at our dedicated center. Despite the risk of talent poaching from the oil and gas industry, our low turnover rate is attributed to our positive work environment, competitive salaries, and stability. Since the Moma Mine began production in 2007, we have maintained a strong reputation for career prospects, training opportunities and employee satisfaction, ensuring a committed workforce.

MUKESH KUMAR We work in harmony with our stakeholders and accord highest priority to safety, environmental protection, community development, empowering people, developing opportunities, and supporting health and education initiatives. Our continuous engagement with the government, communities, and NGOs, along with our "Zero Harm" policy helps us not only in securing social license to operate, but also to promote sustainable development. We are of the strong opinion that winning confidence of local communities is a must for any organization and, thus, any develop-

ment plan must lead to inclusive growth. We want to give locals more empowerment and employment opportunities. This is why Vulcan Mozambique partners with various universities and activities to promote education, improve health and infrastructure, and create opportunities for better jobs. We will support local communities in any way we can as they are part of our business and real partners.

What are your companies' plans for 2024 and 2025?

GC In 2024 we are beginning preparations for the transition of WCP A to the largest ore zone in Moma's deposit, which is called Nataka. Nataka constitutes over 75% of Moma's Mineral Resources and by relocating WCP A to this area we are securing production from Moma for decades to come. Unlike the transfer of WCP-B in 2020, we plan to mine directly to Nataka from our current location without removing the plant from the water; however, this shift requires significant capital investment due to differences in ore characteristics, including higher slimes (clay) content. Key infrastructure upgrades include two new higher capacity dredges, a new desliming circuit, a tailings storage facility, power lines, substation and positive displacement pumping over 15-20km to our Mineral Separation Plant. The estimated investment for this transition amounts to USD315-330 million by 2027.

MK The most important target for us to grow is to reach to a level of 50 million-55 million TPY mining capacity by the end of 2024. Once achieved, we may produce around 10-11 million tons of coking coal and 11 million-12 million tons of thermal coal. This will make us as one of the largest coking coal suppliers across the globe. Further, we would like to kick start our future projects of power generation, electrification of the railway, and also explore possibilities in renewable energy. At the same time, we want the communities around us to be in a position where their lives can be improved significantly in terms of health, wellbeing, and livelihoods. For example, we have launched projects like rainwater harvesting so that communities have water available throughout the year. We are also training women to utilize their skills to earn a living, as women's empowerment is a major focus area. Our ultimate goal is for the community to grow and improve. **✗**

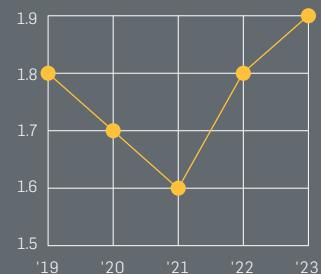
INDUSTRIAL PRODUCTION INDEX (2019=100)

SOURCE: CEIC DATA



MANUFACTURING SECTOR SIZE (USD BN)

SOURCE: WORLD BANK, OEC, TRADING ECONOMICS



TOP-5 MANUFACTURED GOODS BY VALUE (USD, 2022)

SOURCE: OEC

Raw Aluminum	1.9B
Coke and semi-coke	870M
Processed petroleum oils	560M
Aluminum wire	320M
Cement	130.5M

Workers handle a machine to fill bottles of mineral water in Manica, west Mozambique



Industry

A PLAN FOR THE FUTURE

Mozambique is focusing on industrialization to boost economic growth, reduce poverty, and improve its global economic standing. The country aims to diversify its economy and reduce dependence on traditional sectors like agriculture and hydrocarbons. Over recent years, Mozambique has made remarkable progress in developing its industrial sector, demonstrating a clear commitment to fostering a more sustainable and resilient economic framework. At the heart of this transformation are the establishment of industrial parks and the support of public-private partnerships. The current strategy in Mozambique emphasizes enhancing domestic production capabilities and adding value across various sectors. A cornerstone of this strategy is Mozparks, a public-private partnership between the Mozambican Government Agency for Investment & Export Promotion, APIEX, and private sector players. This initiative was designed to create an environment conducive to industrial growth, providing the necessary infrastructure and regulatory framework to attract both local and foreign investors. Mozparks is central to Mozambique's broader ambition of becoming a manufacturing hub in Southern Africa. Since its launch, Mozparks has had a transformative impact on Mozambique's industrial policy. According to government reports, Mozparks has attracted over USD500 million in investments, created more than 10,000 jobs, and spurred innovation in sectors such as textiles, agro-processing, and light manufacturing. This aligns with Mozambique's goal of moving away from a predominantly informal economy and toward a more structured and competitive market. Hussein Chalha, CEO of VIPSPAR, shared his insights on this transformation with TBY. "We expect that the informal market will start disappearing, and the formal market will grow. I believe there will be more shops and more competitors soon," he told us.

Despite these positive developments, Mozambique's industrial sector still faces challenges. The journey toward industrialization has been marked by issues such as insufficient infrastructure, limited access to financing, and a skills gap in the

workforce. These structural barriers have delayed industrial growth, making the economy dependent on imports and raw material exports. Nevertheless, Mozambique's strategic location presents unique opportunities for industrial expansion. Its proximity to major Southern African markets and access to key international shipping routes position the country as an emerging industrial hub. Over the past decade, Mozambique has experienced notable growth in its industrial output. The Ministry of Industry and Commerce indicates that industrial production has grown at an average annual rate of 7% since 2015, driven by increased investment in manufacturing and the development of industrial zones.

In addition, Mozambique's strategy for industrialization is bolstered by ongoing efforts to improve the business environment. Reforms have been crucial in attracting FDI. These reforms are further supported by targeted financial incentives, including tax breaks and subsidies for industrial companies, which have boosted investor confidence.

Looking ahead, Mozambique's industrial sector shows considerable promise. The government's emphasis on industrialization, particularly through initiatives like Mozparks, shows a strong commitment to economic transformation. There is a strong push to explore new markets and develop products with added value that can compete on an international level. Moreover, there is a growing recognition of the importance of integrating technology into industrial processes. Digital transformation, particularly in logistics and supply chain management, is anticipated to play a vital role in enhancing productivity and competitiveness. By enhancing technological uptake, Mozambique can overcome some of the inefficiencies that have historically impeded its industrial sector, positioning itself as a leader in innovative industrial practices within Africa.

With sustained investment in infrastructure, workforce development, and technological innovation, Mozambique is well-positioned to become a significant player in Africa's industrial landscape, drawing investment and stimulating economic growth in the years ahead. *

TRADE in



Focused on replacing imports and utilizing local raw materials

Regularly participation in international fairs to showcase local products

Building industrial parks as part of PRONAI initiative to attract global investors

BIO

Silvino Moreno was appointed Minister of Industry and Trade in March 2022. He holds a degree in mechanical engineering from Eduardo University, and an MBA from the Coventry Business School, Coventry University, UK. He also holds a MEng in Water supply equipment and systems, from Witwatersrand University, Johannesburg, South Africa. Prior to his appointment, he has worked in different fields, including management positions at many industrial production companies and service providers, where he held several positions at the level of the board of directors, and executive director of various departments.

Can you provide an overview of the role and responsibilities of the Ministry of Industry and Trade in Mozambique? The Ministry of Industry and Trade is the state institution tasked to lead and implement policies related to industry, commerce, and services nationally. Our responsibilities include industrial development, organization of national commerce, and overseeing and regulation of foreign trade. We are also the main connection point between the government and the private sector through a specific national directorate. As an economic ministry, we are focused on revitalizing the nation's industry, considered a primary activity after agriculture in our development plans. We create policies and legislation that foster industrial growth.

Can you elaborate on the government's plan to industrialize the country?

In 2021, we had the privilege of launching the National Program to Industrialize Mozambique (PRONAI), a specific program for industrialization. This initiative stemmed from a comprehensive analysis of the state of the country's industry. Our focus is on reviving and rehabilitating existing industries, establishing new ones, and aiding the growth of small enterprises. We envision creating industries that can replace imports, use local raw materials, and compete globally. The program has already shown promising results. For example, we are close to completing a new tile and brick factory in Moamba, a foreign investment that will create over 1,100 jobs. On top of this, we are excited about a new paint factory approved in 2023. This factory will change our current process of importing 100% of our paints to produce them locally. Our goal for the next five years is to restore our industrial base to pre-independence levels and have the industry contribute 12-14% to the GDP. This involves collaboration with other economic ministries, such as the ministry of agriculture, where we have investing heavily in agro-processing.

Could you explain the role of the ministry of industry and trade in promoting economic partnerships and trade agreements?

Mozambique actively engages in various economic partnerships, preferential trade agreements, and multilateral deals. Our national foreign trade

The Ministry of Industry and Trade is playing a vital role in Mozambique's industrialization agenda, helping to connect the government with the private sector, regulating foreign trade, and producing legislation that fosters industrial activity.

Silvino Moreno

MINISTER OF INDUSTRY AND TRADE

directorate plays a crucial role, conducting seminars to explain these agreements and organizing exhibitions with the full support of APIEX to showcase our products and services. These occasions serve multiple purposes: discussing our products, opportunities, and entrepreneurial progress, strengthening bilateral relations, and understanding how our businesses can thrive globally. As part of the government's PRONAI initiative, we plan to create industrial parks. This involves identifying potential in each province and determining suitable geographical areas for project implementation. Once we have established this, we promote it through APIEX at various trade fairs and seminars.

What is your perspective on the future trajectory of Mozambique's economy?

Our country has many opportunities. However, to capitalize on these, we must continually realign and update our priorities. Currently, we are experiencing a mineral boom. While this is a significant opportunity, we must not become overly focused on this single sector. Our country's growth and expansion are contingent on a diverse and robust economy. This means we must continue to invest in agriculture, ensuring we can produce enough food for our growing population. Simultaneously, we must prioritize health and education, as these are the bedrock of a thriving society.

What strategic initiatives does the Ministry plan to implement to improve industrialization and foster international trade?

We are undertaking a thorough review of several pieces of legislation to modernize our commercial activities. One key goal is to introduce an updated framework that includes digital commerce, a sector that is currently operational but lacks specific regulation. Concurrently, we are focusing on PRONAI's industrialization policy, which is set to last until 2030. Our goal is to facilitate the development of this sector by introducing supportive legislation and guidelines. Regarding service provision, we strive to improve efficiency, particularly in public interactions. Digitalization is a priority in this regard. We are working on fully digitalizing the e-BAU office, our one-stop service desk, to make sure it can be accessed nationwide. **×**

**BIO**

Pedro Custodio has been the executive director of APIBA since March 2022. He holds postgraduate degrees in business law, labor law, and international contract law. His areas of practice include tax law, procurement law, and agrarian law. He has a total of 24 years of professional experience in public administration and the private sector, spanning a wide range of sectors from higher education, to agriculture, to legal consultancy.

Pedro Custodio
EXECUTIVE DIRECTOR,
ASSOCIATION OF PRODUCERS AND
IMPORTERS OF ALCOHOLIC
BEVERAGES OF MOZAMBIQUE (APIBA)

What is the purpose of APIBA's partnerships with the National Institute of Tourism (INATUR) and the Chamber of Commerce?

The INATUR seeks to promote Mozambique around the world as a tourist destination and has partnered with member associations, including APIBA, to use and advance the Mozambique brand in their activities. APIBA's member companies have both national and international brands, such as Cervejas de Moçambique, which produces both local and global beers; Heineken; and Agro Serviços, which produces liqueurs from local berries. With the Chamber of Commerce, we view this partnership as an opportunity to interact with other companies. As a partner, we are able to benefit from activities such as discussions, training, forums, and more.

What strategic measures does APIBA implement to promote responsible drinking among the population?

In 2022, we held a campaign on illicit alcohol consumption in the context of responsible consumption of alcoholic beverages, though we focused on educating the population on the dangers of illicit alcohol. Another challenge is illegally trafficked alcohol, especially across the border with South Africa. The figures for the consumption of illicit or counterfeit drinks are still high, and as an association, we recognize that we still need to do much more. APIBA is currently in the process of establishing a relationship with an association that works in the field of drug and alcohol rehabilitation to take joint action and raise awareness of responsible consumption.

What are APIBA's goals for 2024?

In 2024, we want the association's action to go beyond Maputo. The country is large, and we need to do more to bring in more players, because there are also producers and importers of alcoholic beverages outside of Maputo. For 2024, we also want to focus on the environment. We plan to continue working with the municipality on environmental education issues and look for alternatives to the waste that is produced, especially non-returnable glass bottles. In addition, we plan to seek partnerships with organizations in other parts of the country, because everything we do is focused on Maputo. ✎

BRILLIANCE TAKES TIME

CHIVAS REGAL
 BLENDED SCOTCH WHISKY

IRISEWERISE

THE SALE AND CONSUMPTION OF ALCOHOLIC BEVERAGES TO MINORS UNDER 18 YEARS OF AGE IS PROHIBITED. DRINK WITH MODERATION.

EXPANSION *plans*



Has
17
 stores in
 Mozambique with
 plans to open five
 more by 2025

Soon expanding
 to other
 countries in the
 region

BIO
 Hussein Chalha left Lebanon
 amid conflict at the age
 of 13, moving with his
 family to Mozambique. His
 entrepreneurial spirit led to
 success in the retail sector with
 the family-owned VIP Group,
 which eventually formed a
 partnership with SPAR. He is
 currently the CEO of VIPSPAR.

Can you give us an overview of VIPSPAR's journey and current position in Mozambique?

VIP started at the end of 2011. Our first store was in Tete, then we went to Chimoio, Pemba, Nacala, and Nampula. We started our business with Spar about six or seven years ago and we now have 17 stores in Mozambique. We have plans for 2024-2025 to open at least five more. In terms of our position in the market, we are one of the top three players in Mozambique. Mozambique is still a largely informal market, but the formal market is growing, which is why we are expanding all over the country. We have over 1,000 employees in our company, and we are now changing our culture from mere buying and selling into a service culture. We are going from being family business to being a corporate. It is a change of mindset for all the people who work with us.

What current challenges does the Mozambican retail sector face, and how is VIPSPAR addressing those challenges?

The big challenge we have in Mozambique is logistics. Getting products on time and making them affordable is always a challenge, but we can always work on that. The informal market is a challenge for us, too. We have shop expenses, we pay taxes, and so forth, but the informal market does not. The economy is also one of the biggest challenges. When the economy goes down, most people do not have the power to buy. We try to promote our products and keep our margins down during those times, but we are doing well.

Are you implementing any innovations to enhance the shopping experience and the operational efficiency of the company?

We are changing from a family business to a corporate business, so we are implementing a new system that will facilitate access to our customers from a technological aspect. We are going to push more onto promotions and marketing with the technology that we plan to implement. Though we are facing challenges, everything is evolving with technology, and we are going to follow. Even in power, we are

From humble beginnings, VIP has been expanding rapidly within Mozambique and now looks to expand into Dubai, Tanzania, and Angola as it evolves from a family business to an international corporation.

Hussein Chalha
 CEO,
 VIPSPAR

thinking of using solar energy panels. We are also engaging a program of trying to reduce plastic bag use in our stores, so we are introducing paper bags. We are working on various parts of the service side with our employees to make them enjoy coming to work. These are the ways we are working to make a difference in VIPSPAR compared to our competitors.

Have you implemented any loyalty programs or customer engagement strategies to retain your customer base in the country?

We have recently created a new system that will allow the customers to have loyalty cards, gifts, and points. We do an annual 'win a car' promotion, and it is always rewarding to see people win a car just from buying a small amount. People can also win freezers. We are implementing loyalty cards, though it is difficult in Mozambique because of the internet connectivity challenges.

How do you foresee the future of the retail sector in the country?

We expect that the informal market will start disappearing, and the formal market will grow. I believe there will be more shops and more competitors soon. If the economy grows, it will be good for everyone, because it will encourage development. Everyone is waiting to see what is going to happen in 2024, especially with what is happening in Pemba. In 2025, we will open two shops in Maputo. We are already in Pemba, but we need to open a bigger shop.

Are you aiming to expand VIP out of Mozambique?

Yes, of course. We opened our first store in Dubai. It is a small store, and we are launching our second in 3Q2024. We are opening VIP Express in Dubai. We want to feel and see how things are going. The first store is doing well. We have plans to go to Tanzania, and, though the economy in Angola is not what it used to be, I believe we can still do something there. We have a good relationship with Spar, and the CEO supports us, but we are thinking of opening VIP more between Tanzania and Angola. *



Hussein Chalha
CEO and Founder
Vip Group, Retail, Vip Supermercado

The retail division of Vip supermarket limited (Vip Group) has the largest coverage in its core businesses in Mozambique. VIP is the pioneer of the hypermarket business in the region jointly with 'SPAR' as a franchise and has innovated a prestigious portfolio of shopping stores. Currently, VIPSPAR operates 10 stores across Mozambique, from north to south.



 **Cash on Delivery**
100% confidence

 **Free Delivery**
Maputo | Matola | Zimpeto

 **Fast Service**
Same Day Delivery

 **Quality Products**
Your SPAR

 **Hygienic Delivery**
Best procedure

AFRICAN *spirits*



Focusing on brand education and digital marketing

Investing in talent development

BIO

Francisco Júnior is a professional who studied at Universidad Politécnica. He has almost 16 years of professional experience, 12 of them in marketing and sales. He started his career at British American Tobacco in marketing and then brand management. Later, at Cervejas Mozambique, he was responsible for several brands as well as new product development. In 2020, he was appointed country manager for Pernod Ricard Mozambique. There, he has been involved in various projects, such as distribution optimization and route to market, among others, as trade marketing manager and later commercial manager for Mozambique. ✖

How has Pernod Ricard's digital presence evolved in the last few years?

The digital realm remains crucial for engaging consumers, especially in FMCG, where evolving consumer habits drive increased reliance on digital platforms. In our growing middle-class economy, access to the internet and information has expanded significantly. Recognizing this, we have maintained our investment in social media to stay connected with our consumers. However, our expectations for e-commerce growth have not been fully realized due to challenges such as regulatory barriers hindering digital payments and high logistics costs. While Mozambique lags behind countries like South Africa in e-commerce adoption, we remain committed to its potential as the future of consumer engagement. Informal delivery services, known as "txopelas," have emerged as a promising avenue, offering affordable doorstep delivery of various goods. We are leveraging this trend to understand the logistics involved, laying the groundwork for future e-commerce endeavors. Our strategy involves closer consumer engagement and empowering small entrepreneurs through partnerships with our distributors, paving the way for further investment in e-commerce, either through our own platform or by collaborating with local partners.

Can you highlight some recent accomplishments of the company?

Despite the challenges brought by the Pandemic, our young team in Mozambique demonstrated resilience throughout. Rather than laying off staff during the crisis, we maintained our full team, preserving benefits and believing in market recovery. This decision yielded profound benefits, fostering team development and stronger employee relationships. We not only retained all team members, but also promoted some to senior roles and began exporting talent to other business affiliates. This outcome underscores the importance of investing in people, as they drive business success.

Could you elaborate on Pernod Ricard's global strategy?

As a business, we strongly believe in Africa and have recently adapted our model, making tough decisions to better seize the opportunities available on the continent. Our focus is on the present opportunities in Africa, not just on future potential.

French beverage company Pernod Ricard is taking advantage of the plentiful opportunities present in Africa, especially Mozambique, by growing its digital presence as well as collaborations with local partners.

Francisco Júnior
COUNTRY MANAGER,
PERNOD RICARD

We recognize that the continent is experiencing growth, particularly in the expanding middle class, presenting opportunities for premium products such as ours. For us, Africa is not a future prospect—it is growing now. Despite external challenges, Mozambique holds particular importance, with current growth driven by a young population, emerging entrepreneurs and increasing buying power. We are not waiting for future developments like oil and gas; we are actively building and seizing opportunities now. While high potential returns come with high risks, we understand and balance these factors. Strengthening our commercial capabilities in various African markets is a testament to our commitment to the region and our belief in its potential.

How does the Mozambican population interact with your products, and how do you educate them about these premium offerings?

As a company, we have two crucial components: brand education and promoting responsible consumption. It is our responsibility to educate consumers about our premium products and the importance of responsible drinking. Through our active involvement in organizations like Association of Producers and Importers of Alcoholic Beverages, we prioritize educating consumers on these topics. Given the widespread access to information through the internet, our focus is on providing compelling reasons for choosing Pernod Ricard brands, emphasizing their unique heritage, quality, and social value.

How do you envision the future of the FMCG sector in Mozambique?

This sector is poised for rapid growth, we observe the emergence of new industries and brands catering to consumer needs beyond alcoholic beverages. FMCGs are crucial in meeting the demands of a growing population, which is expanding at a rate of over 2.5% annually, potentially reaching 60 million soon. As buying power increases with the creation of businesses and job opportunities, FMCGs are positioned to meet the rising internal demand. While much attention is given to the oil and gas sector, FMCGs play a vital role in supplying essential goods to consumers, driving economic stability and supporting the growth of the middle class. ✖

A safari operator pouring drinks for guests



INVESTING in industrialization

Oceana Distribution is a 100% Mozambican-owned distribution company that was founded in 2010 and represents several leading FMCG brands.

Oceana represents Baker's Biscuits, Five Roses Tea, Danone, and more

Plans to contribute to the industrialization of the country

BIO

Guilherme Pereira Soares is a Mozambican businessman, born in Maputo. He has been the sole owner of Oceana Distribution since 2022 and a partner since 2014. With over 27 years of experience in the FMCG commercial area, he has also worked as country manager for Mozambique, Malawi, and Angola for Cadbury Schweppes, Kraft Foods, and Mondelez International in South Africa. Soares graduated with a degree in communication and marketing from ISPU and also has a passion for construction, having built the 4,000sqm warehouse that currently serves as Oceana's headquarters.



Guilherme Soares
CEO,
OCEANA DISTRIBUTION

Could you provide an overview of the company and its services, products, and brands in Mozambique?

Oceana is a 100% Mozambican-owned distribution company, founded in 2010. We represent world leaders in FMCG with companies such as AVI International from South Africa, Baker's Biscuits, Five Roses Tea, Freshpak Tea, Danone from France, Kellogg's from the US, Arcor from Argentina, and PepsiCo.

What have been the main challenges and opportunities for consumer goods distribution in Mozambique, and how is Oceana Distribution addressing them?

One of the main challenges in terms of distribution is the road network. The quality of the roads makes it difficult to practice a standard price for our products nationwide. As a result, consumers in Pemba and Nampula pay more for the same products due to high transport cost influenced by the road conditions. A recent challenge that we importers have been facing is with regard to the new regulation imposed by INNOQ for conformity assessment on all imports, if not well controlled it might not rigorously cover all importers; therefore, creating gaps in the market. This will increase cost of most products in the market and, if the regulators are not flexible enough to respond to the manufacturers' requests on time, the economy will have shortages of products. Despite the challenges, Mozambique continues to be a country with strong growth and the space to develop new brands and products.

Do you have any plans to expand elsewhere in the region?

Yes, we do. We are present in five regions of Mozambique, namely Maputo, Pemba, Nampula, Beira, and Tete. In 2025, we will have a branch in

Chimoio and most probably in Quelimane, too. We intend to increase our sales representatives across the country.

With the country aiming to industrialize, what are Oceana's plans in this regard?

Mozambique has a completely different environment for business. To succeed here, you must know how business works. We have production projects that we intend to commence, but raw materials are locally scarce, creating the need to import or stimulate local producers/cooperatives. As an example, I can get sweets from Brazil that are cheaper in comparison to the same product produced in Mozambique, despite the freight cost that is included. We lack sufficient fresh milk to produce yogurt; therefore, we need to import it, which is a huge challenge. Industrialization is the future for Oceana, and this is the right moment to invest in the country. To invest would require an aggressive fiscal government implementation to provide the right solutions at the right price.

What is your advice for international investors considering entering the country?

An investor must first understand the market needs, because the Mozambican market is specific in nature. More than 75% of the Mozambican population depends on agriculture and fishing, and is, therefore, not affluent. One must guarantee to deliver exactly what the public requires. It is important to have the right partner to develop and consistently push the products towards success.

What are your strategic plans for 2024?

We want to be strong enough to remain active over the next five-year period, and aim to double the business every five years. *



WHERE GREAT BRANDS MEET

With over 15 years of experience working with top global FMCG brands, we proudly distribute and represent products that positively impact consumers lives worldwide. Our firm commitment and professionalism ensures a wide spread of our product throughout Mozambique.



CHECKING UP *on Check-Out*

Established in 2019, Check-Out is a Mozambican supermarket wholesaler with established locations in Maputo and ambitions to expand into every province.

Paulo Fernandes
MANAGING DIRECTOR,
CHECK-OUT LDA

—
Expanding services to all the provinces in Mozambique

—
Has a clear vision to diversify to other sectors

Can you give us an overview of Check-Out and its primary mission in the country?

Check-Out has been in the market since 2019. Our mission is to expand all over the country with low operation costs, huge distribution, and more competitive prices. We want everyone to have access to the most affordable products, such as fish and chicken feet. We are establishing ourselves as the number one distributor with the best prices for these types of products. We have one shop in Maputo already and we are planning to open three more. The dream is to open a shop in every province of Mozambique. We already have eight containers now, and we want to get two more. We want to have the same branding and same products in every single province. Our main focus is the informal market where we trade every day. We do have some clients that distribute to the supermarkets, and we also distribute to some supermarkets ourselves. We supply to supermarkets, shops, wholesalers, retailers, and everyone else. We import 80% of our stocks. Whenever we can buy locally, we do, but we import and source our products from all over the world. Our long-term vision is to have the imports directly from Maputo, Beira, and North Nampula.

What changes have you made to your fleet and distribution strategy?

We used to have a bigger fleet, but our roads were in poor condition, so we lost money in that business. We sold the bigger trucks we had and whenever we had to transport loads to the north, we sourced transport or we rented. At the moment, we have eight trucks for local distribution. By moving out of the big transport distribution, we are investing our operations in Maputo, Beira, and Nampula. Having two to four trucks for local distribution is a more cost-effective operation. We are going to employ more people because we are going to run our operations locally. We are not going to be doing the long-distance trips anymore.

What opportunities do you foresee for Check-Out in the country?

"If we can be in all provinces and understand better what our needs are there, we will not only develop the company itself, but we also will develop other sectors because we are investors."

Check-Out is a company that has been designed by us. Our team knows all the provinces and needs of this country. Check-Out is run by young people. In the next 10 years, Check-Out is going to be huge in terms of logistics and the food business. We do 1,000-2000 tons of imports and selling. If we can be in all provinces and understand better what our needs are there, we will not only develop the company itself, but we also will develop other sectors because we are investors. If our business is lucrative in those areas, we can invest in other things. Our company was born here, and we live here; we have no desire to live outside Mozambique. The government needs to create facilities for this to be attractive to investors, and the banks need to ensure there is money available together with the government. We have many products. We do plan to diversify to other different sectors, especially tourism, because we have the beaches, the sea, the islands, and the people. We have all the conditions to be huge in tourism. I see a huge opportunity there.

What advice would you give to someone who wants to invest in Mozambique?

My advice is you need to be cautious. It is difficult to operate in Mozambique because there are many risks. There are some conflicts in the north. You need to be cautious. You need to find the right partner and a well-established company. It is better to do a partnership with someone who understands the country because it is risky in all sectors. *

Artisanal souvenirs on
sale in Maputo



THIRST *quenching*

**Expanding
AquaPlus
factory with new
warehousing
and machinery**

**Moving toward
producing
healthier
product
alternatives**



Can you provide an overview of Mopani's evolution since its inception?

Mopani Internacional Lda was founded in Mozambique in 2008. It began with the production of Fizz, a popular soft drink. We started in Machava, but as our business grew, we relocated to Tchumene II and then, in 2014, to our current facility where we built our own warehouses. In 2016, we expanded further by opening a factory in Nampula to meet the increasing demand in the northern region. Since then, we have introduced additional brands, such as AquaPlus in 2020 and Cool Salsa in 2021. In 2023, we established a canning line in Nampula and began producing energy drinks in cans. Our workforce has grown significantly, from 45 to about 640 employees across our two plants. Looking ahead, we plan to open a new plant in Beira to better serve the southern, central, and northern regions of Mozambique. We aim to standardize product pricing nationwide, despite current transportation cost challenges.

What other expansion plans do you have in terms of products?

We are currently expanding our AquaPlus factory, which will increase its warehousing capacity from 3,000sqm to 10,000sqm. We are investing in state-of-the-art machinery to enhance our water production capabilities. AquaPlus, though relatively new, has shown positive growth, and we are planning to introduce larger container sizes, including 10-liter and 18.9-liter reusable options.

Additionally, we are expanding our warehouse in Nampula to focus on juice production, catering to the northern region's growing demand for healthier alternatives.

Can you elaborate on the new technologies Mopani has implemented?

Our manufacturing process involves three stages: bottle formation, filling, and packaging. We are upgrading to new machinery that will streamline these stages into a single process, reducing manual intervention and raising our facility to international standards. This advancement is part of our broader strategy to enhance efficiency and maintain

Founded in 2008, Mozambican company Mopani Internacional is transforming the local beverage industry through new products and brands. The company plans to expand its current capacity even further to serve the entire country equally.

Zulfikar Patel
DIRECTOR,
MOPANI INTERNACIONAL, LDA

high-quality production.

What challenges has Mopani faced since its establishment in 2008, and how has it addressed these challenges?

Since 2008, we have encountered several challenges, including transportation issues and political instability from 2010-2015, which impacted our operations. Frequent power outages and unstable electricity supply have also been hurdles. Moreover, difficulties in accessing foreign exchange for raw material imports have affected our costs. Despite these challenges, we continue to work closely with the government to find solutions and mitigate these issues.

What opportunities do you foresee in the manufacturing sector in Mozambique?

Mozambique has significant potential in manufacturing, although it has lagged behind neighboring countries like South Africa, Zimbabwe, and Zambia. For the economy to thrive, it is crucial to bolster local industries, which not only creates jobs but also ensures sustainability. The country has ample agricultural resources that could support local manufacturing, reducing reliance on imports and fostering economic growth.

What has been the response of Mozambicans to local brands?

Mozambicans have shown strong loyalty to local brands. They appreciate products from companies like Mopani that have remained steadfast through challenging times. Our commitment to maintaining affordable prices has also earned us trust and loyalty. Despite new competitors, our focus on customer satisfaction and affordability has helped us maintain a strong market presence.

What are your main goals for the next five years?

In the next five years, we aim to double our sales and become industry leaders in Mozambique. We strive to be innovative and set trends in the market. Notably, we have developed a product that is now also being sold in South Africa. Our goal is to continue expanding and leading the industry with our innovative approaches. ✎

**BIO**

João Seara has over 30 years of experience in retail in both food and non-food retail sectors in companies in Portugal, Angola, and Mozambique. From 1994 to 2015, he held various positions in Sonae MC, Portugal's leading retail company, culminating in the development of Sonae MC's internationalization program in Angola. Prior to joining Mega, Seara was also one of the founders of retail company Contidis/Candando, serving as CEO from 2020 to 2022. In 2024, he became Mega Distribuição Mozambique's general director, with the aim of developing new retail formats and expanding existing ones.

João Seara
CEO,
MEGA DISTRIBUIÇÃO DE
MOZAMBIQUE

Can you elaborate on the company's operations and the products it offers to the Mozambican economy?

Mega is composed of three types of businesses: convenience stores, cash and carry, and the distribution and representation of different brands. We currently have around nine convenience stores located in Maputo, with a goal to reach 25. We have opened two stores in 2024 and plan to open another eight. After that, we plan to expand to the provinces and major cities; however, Maputo remains our main focus at the moment.

What are some of the challenges that Mega faces?
One is a macroeconomic challenge related

to the country's conditions as a whole. Mozambique is always seeking to promote the idea that we will be a big producer of natural gas in the near future; however, this will take time. We are facing issues with getting euros or dollars to pay international bills because we are not exporting as much as we import, and there is a huge risk of currency devaluation to contain inflation. The second problem is the informal market. If a company wants to operate in Mozambique following the rules, it is challenging because the informal market does not follow the same rules. Regulation must be applied to all, but it is easier to enforce the law on the few formal retailers than the large majority of the informal ones.

What is the future of Mega in Mozambique?

Our vision is to be a reference in the food retail area. We plan to remain in the market, continue to invest, and grow the business as much as possible so that we are seen as the best food solutions provider. We are also planning to develop a private label as it is not sustainable to bring in brands from overseas in the long term. We have to build up our own brands; this is the only way we can sustain the business. ✎

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FOCUS

Industrialization

INDUSTRIAL *ambition*

With the country being in a trade deficit for years, the government's plan is to industrialize the country and drastically reduce imports.

The history of Mozambique has seen many ups and downs, from throwing off the shackles of more than 300 years of Portuguese colonization to the brutal civil war that followed. However, since peace was negotiated in 1992, Mozambique has enjoyed relative stability, rebuilding itself and developing its economy anew. Yet, despite growing at more than 7% a year since then, the economy is still largely based on informal subsistence agriculture. Manufacturing consistently contributes less than 15% of the country's GDP, though natural gas, coal reserves, and mining are projected to grow this number significantly. The discovery of vast gas reserves has expedited this process, with an ever-increasing amount of FDI flowing into the country to fund initiatives such as the Mozambique LNG project, the largest FDI project in Africa to date at a value of over USD20 billion. While this project is expected to bring significant benefits to the country in terms of attracting finance and creating jobs, the country must now play catch-up on its infrastructure and industrialization if it hopes to seize the opportunities such a massive project has to offer. Fortunately, the government, as well as various private sector actors, are well aware of these issues and are taking decisive actions to keep the country on track for the immense growth it is projected to see.

Mozambique is expected to grow around 7% annually from 2022 onward, with recent governmental reforms helping to attract these new investments. The Accelerated Economic Measures Package (PAE), which streamlines investment bureaucracy and reduce taxes in the industrial sector, and the National Program to Industrialize Mozambique (PRONAI), which aims to reduce the country's reliance on imported goods, are two initiatives that address these issues directly. PRONAI promotes industrialization by supporting projects that create jobs, infrastructure, and innovation in Mozambique. Launched in 2022, PRONAI aims to improve the business environment and equalize the country's lopsided trade deficit by increasing import substitution from 0 to 15%, increasing exports of industrial products by 15%, and increasing the GDP contribution of the manufacturing industry from 8.5% to

14% by 2030.

The government has reiterated that industrialization of the country is one of its main priorities, stating that industrial parks and localization are the foundations of continued sustainable industrial development. Already, Beluluane Industrial Park just outside Maputo is home to Africa's largest aluminum smelter, Mozal. Established in the early 2000s, Beluluane has been a bright spot for the country's industrialization efforts, and in 2022, on the back of its success, Topuito Industrial Park was opened in Nampula in order to establish a value chain for the Kenmare Heavy Sands project. These two parks operate as free trade zones, with developer-operator MozParks aiming to construct at least two more in the country and simultaneously expand Beluluane.

And industrial parks aren't the only thing the government has in the works; recent updates to the country's privatization and electricity laws also seek to aid the country's advancement, with the government targeting full electrification of the country by 2030. In addition, construction of new roads, bridges, and telecom networks are forthcoming as well. Through investment and reforms, the government seeks to transform the industrial sector by improved supply chain management and adding value to nationally procured products and materials. From 2019-2022, over 200 new ventures in the manufacturing industry were approved and implemented throughout Mozambique, and 63 investment projects with a total value of more than USD402 million were approved for the province of Cabo Delgado alone in the same timeframe. The government acknowledges challenges and constraints within the industry, but also vast potential and opportunity for Mozambique to diversify its economy through import substitution and export promotion.

These sentiments have been echoed by the various company leaders. As Oceana Distribution CEO Guilherme Soares told TBY, "One of the main challenges in terms of distribution is the road network. The quality of the roads makes it difficult to practice a standard price for our products nationwide. Consumers in Pemba and Nampula as a result pay a lot more for the same

products due to high transport cost influenced by the road conditions." However, he continued, "Despite the challenges, Mozambique continues to be a country with lots of growth and space to develop new brands and introduce new products." José Manuel da Costa Vieira Lino, CEO of Sociedade de Águas de Moçambique (SAM) agreed: "It is challenging to operate in Mozambique because there are no large-scale production industries or laws to protect the national industry. The market here relies heavily on imported products. However, we have seen progress."

In a speech given to the Dialogue on Prosperity in Africa in January 2024, Prime Minister Adriano Maleiane reaffirmed Mozambique's commitment to increasing industrial production, favoring local raw materials over imports. Maleiane stated that African countries must increase trade between themselves to guarantee the growth of the continent as a whole.

To this end, his government aims to promote regional relations in order to increase investment and add value to the raw materials Mozambique produces and exports. Thus, localization is crucial for further development of not just the LNG projects, but the industrialization of the country as a whole. The country must reduce its reliance on imports, add extra value to its own exports, and invest in localization for sustainable knowledge transfer if it wishes to take advantage of the surge of FDI it is receiving. Doing so alongside all of the massive infrastructure projects underway could propel the country to a leader position in the region and continent, and, more importantly, improve the lives of its 34-plus million inhabitants. As José Manuel da Costa Vieira Lino told TBY, "The best way to support Mozambique is to buy Mozambican products. Purchasing locally produced goods creates jobs, sustains the economy, and fosters the country's development." ✎



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BIO

With over 10 years of experience in investment management, and having served in management and advisory roles in the construction, real estate, and financial services, Marco Correia has been with Valoriza since 2016. As CEO, he has been involved in the construction of its investment portfolio and active management of its main business units. He holds a master's degree in business administration from Católica Lisbon School of Business and graduated in philosophy, politics, and economics from the University of Cape Town.



How has the company progressed in diversifying its investments since 2021?

Continual improvement is a priority, transitioning from a focus on traditional engineering services to optimizing industrial processes. In the port sector, Duys Moçambique has worked with Beira and Maputo ports and aims to expand its reach to others, such as Nacala and Pemba. The agro-industry is relatively new to us, and we are yet to start developing solutions for this sector. We are closely monitoring the government's PRONAI program to determine the opportune moment for our involvement. Duys Moçambique is making strides here, particularly in the tobacco sector with clients like Mozambique Leaf Tobacco. Despite challenges, such as the lingering impact of the global factors on the economy and local value-chain, Duys has started to see signs of stabilization in prices and logistics of raw materials and consumables.

Who are your current partners in the sectors where you operate?

We have several key partners, with MozParks being our primary collaborator. Additionally, we collaborate with governmental institutions like APIEX and local regulatory bodies, as well as tax authorities. Working within an industrial free zone, we emphasize the importance of meeting criteria for tax benefits and maintaining compliance, with MozParks and APIEX assisting us in this regard. Financial institutions are crucial partners for us, facilitating our importation of raw materials and goods and supporting our financial operations through letters of credit and imports documentation. In the industrial landscape, collaboration is essential, and we have built a network of supportive peers who share insights and assistance. The Industrial Association of Mozambique (AIMO) is one such valuable partner, where industries come together to address shared challenges and offer support. This collaborative spirit extends to our industrial community, where sharing resources and knowledge fosters mutual growth. We prioritize cooperation over competition, believing in open dialogue and coordination to drive success. Sharing industry best practices, even with unrelated businesses, enhances our adaptability and efficiency.

How has strategic collaboration between the private and public sectors evolved in recent years?

In 2021, Duys Moçambique expressed its interest in expanding into new sectors such as mining, ports, and agro-industry. Three years later, the company has been making impressive headway into these bold new areas.

Marco Correia
BOARD MEMBER
DUYS MOÇAMBIQUE

We are witnessing a slow but deliberate evolution, prioritizing organic growth akin to nurturing a plant. While we advocate for reforms, better energy solutions, and increased access to raw materials and technical assistance, we understand the challenges that the government faces. Progress requires patience and collaboration, aligning our efforts with the government's pace. Energy, sustainability, and digitalization are key focal points this year, all intertwined with the overarching goal of industrial development. Quality energy is imperative for industrialization, while sustainability ensures long-term viability. Digitalization enhances efficiency and competitiveness, with our company already implementing digital solutions extensively.

What advice would you offer to investors considering entering the Mozambican market?

In terms of business opportunities, success depends on an investor's risk appetite and openness to Africa's dynamic landscape. Africa offers significant potential returns compared to more mature markets like Europe, Asia, or the US; however, investing in Africa requires flexibility and understanding of local business practices. While Mozambique presents great investment prospects, it is essential to engage with an open mind and contribute something meaningful to the local economy. Merely investing money is not enough; active involvement and commitment to the country yield long-term benefits. Commitment to the country and active participation in its development are key to reaping the rewards of investment in Mozambique.

What are your goals for Duys in the coming years?

Our mission is to consolidate Duys and enhance our impact on clients by optimizing value through technological advancements, employee training and compliance adherence. This year, our focus is on integrating relevant new technologies, to drive transformation in traditional practices. We recognize the importance of training engineers, technicians, and management staff while prioritizing compliance to manage risks effectively. Compliance serves as a common ground for businesses, fostering ethical and transparent practices. This shared commitment to people, the environment, and company enables constructive dialogue and sustainable business partnerships. *

IF YOU *build it*

Through rigorous training and safety protocols, MLS Scaffolding is well-positioned to take advantage of Mozambique's rapidly developing industrialization efforts.

Salvador Cuinica
MANAGING DIRECTOR,
MLS SCAFFOLDING



Can you provide a brief overview of its journey in the Mozambican market?

MLS was established in 2018. Our inception stemmed from a crucial observation: while the country experienced growth in infrastructure and industries, there was a notable shortage of qualified labor in these sectors. As the first Mozambican company in the scaffolding sector, we successfully filled this gap by leveraging our local expertise and insights. By tapping into our deep understanding of Mozambique and its workforce, we have provided qualified labor to meet the growing demands within the country. Our mission is to address the country's demand for skilled labor in the scaffolding industry and related services.

What notable projects has MLS Scaffolding undertaken?

In 2018, CDM selected MLS for exclusive scaffolding services. This was a notable project for MLS, as CDM was planning to construct the largest factory in southern Africa. We were privileged to be part of this venture from 2019 until its completion in 2020, and we continue to collaborate with CDM. While this project was significant in showcasing our capabilities, our largest undertaking to date is with Vale, a prominent Brazilian mining company. In 2021, Vale entrusted us with supplying approximately 340 tons of scaffolding and the hiring of 80 employees for its operations. One significant project currently underway for us is the Rovuma Basin project, focusing on the floating platform. We take great pride in being the sole Mozambican company responsible for assembling the scaffolding on this platform, marking a pivotal achievement for us. Additionally, when Coral South began operations in Mozambique, we proactively sent our personnel for offshore training abroad. At that time, no local certifications were available. As a result, we remain the only company in the

country with certified personnel trained to work in offshore areas, further solidifying our expertise in this domain.

Can you provide more information about your training approach?

Our training approach varies depending on the certification requirements. For certifications not available locally, we send employees to South Africa for training. However, for certifications achievable within Mozambique, we collaborate with local companies for certification processes. Additionally, we occasionally host training sessions conducted by foreign companies at MLS when necessary.

Given Mozambique's efforts toward industrializing its economy, what is your vision for the future of the sector in which your company operates?

Initially, we were the second company in the sector, but now there are more than seven companies, both national and foreign, establishing themselves in Mozambique due to the evident business opportunities. Despite experiencing some fluctuations in capital, we remain optimistic about the sector's future. The emergence of the oil and gas industries is further fueling this optimism. Nevertheless, we firmly believe in the promising future of the sector and Mozambique's potential. Hence, we are expanding our activities, investing in digital marketing, and planning to establish our headquarters building in Matola.

What are your primary goals that you aim to accomplish by the end of 2024?

In 2024, we have meticulously crafted a strategic pursuit akin to MLS' internal blueprint, encompassing various initiatives. First, we are transitioning our office to a permanent space that we own. Additionally, we are embarking on a ground-breaking project focused on innovating

MLS training Center. Beginning this year, we will initiate comprehensive staff training programs. With our accumulated expertise, we are eager to share knowledge with individuals passionate about our field.

What are your expansion plans for the short term?

In our current setup, we have 112 permanent, full-time employees within our committee. Anticipating a significant expansion, we are confident that by year-end, this number will likely double. We are on the brink of securing a contract that demands an additional 98 employees, which we are poised to commence soon. Regarding our expansion plans, South Africa stands out as a primary target. We have already established a legal representative in South Africa, which is a crucial step in our expansion strategy. Our immediate focus lies in solidifying our presence in this market. Therefore, one of our key objectives for the year is establishing operations in South Africa by year-end, paving the way for full-fledged operations in 2025. *

BIO

Salvador Cuinica has been managing director of MLS Scaffolding since 2022, initially co-founding the company in February 2018. Prior to MLS, Cuinica had worked as a loan officer and later agro-business client advisor for ProCredit Bank, a credit control manager for Uni-Span Mozambique, and a sales engineer for PERI LTD. He holds a degree in business administration and human resources from Instituto Superior Alberto Chipande, and a certification in basic concept for formwork and scaffolding from PERI South Africa, as well as a certification in basic and intermediate seminary of formwork and scaffolding from PERI Gmbh, at Germany, Weissenhorn.

The Maputo–Katembe bridge,
which crosses Maputo Bay



BUILT to last

Mozambique's infrastructure rehabilitation efforts, spearheaded by the government and supported by various stakeholders, are pivotal in driving economic development and improving the quality of life for its citizens.

Along its nearly 3,000km coastline, Mozambique hosts multiple large seaports, including those in Nacala, Beira, and Maputo, with further ports being developed. Many ports are already linked to the country's railway, which helps facilitate movement of goods from the ports to Mozambique's neighbors, but there is room for improvement on its domestic connectivity. To this end, in February 2024, the African Development Bank lent the Mozambique Rail and Port Authority USD40 million for the Ressano-Garcia railway line, which links Maputo to Pretoria and comprises approximately 70% of CFM's overall rail transport volume. This is expected to bolster trade between the two nations, especially that of goods arriving at the Port of Maputo, another recent recipient of considerable investment. Approximately USD600 million is set to be invested in the port between 2024 and 2027. Regarding the country's industrialization efforts, a bright spot has been its two industrial parks, Belulune and Nampula. But these are often held back

by the poor state of the country's roads. That is why road rehabilitation is being seen as a priority for the Mozambican Ministry of Public Works, Housing, and Water Resources. Since 2020, the Ministry, along with its partners, has repaired around 2,300km of primary and secondary roads. In the same period, 580km of roads were paved and another 14,000km received maintenance. The Ministry also announced plans to build 16 bridges and the rehabilitation of another eight. These works, costing around USD400 million, are being financed by the World Bank and will cover the design, rehabilitation, and maintenance of safer, more climate-resilient roads. Elsewhere, Hidroeléctrica de Cahora Bassa, the company that operates the 2,075MW Cahora Bassa Hydroelectric Power Station, was awarded a loan of USD125 million in December 2023 to rehabilitate and modernize the dam's infrastructure. The renovations, set to conclude in 2025, are expected to maintain the power station's full generation capacity for at least another 25 years. **X**

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DUYS
MOÇAMBIQUE



VOICES FROM THE SECTOR



Afonso Khossa
CEO,
EMPÍRICUS INVESTIMENTOS

What investment opportunities are available in Mozambique?

Our country is rich in mineral resources, we have fertile land, agribusiness, and food processing. There are countless opportunities in the food sector; however, there are also some challenges, such as bureaucracy. I believe the government is doing its part and that over time it will realize it needs to make certain processes more flexible for micro-industries. Small food producers oftentimes find themselves lost amid bureaucratic red tape. They have no access to the local market, and to export they need to have access to a company that will give them access to these opportunities. This information needs to be shared and the processes need to be more flexible.

What recommendations would you offer to potential investors looking to enter the Mozambican market?

My advice is to have a technical consultant to assess the market that the investor would like to operate in. I would tell them that Mozambique is a land of opportunity, with prospects in agriculture, mining, financial services, tourism, and more. They should identify a specific area, speak to their local consultants, and join a chamber of commerce or the Confederation of Economic Associations to better understand how they can invest in Mozambique.



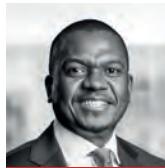
Paulo Oliveira
COUNTRY MANAGER,
GRUPO SALVADOR CAETANO

How do you envision Mozambique's automotive industry evolving in the coming years?

The automotive industry is constantly evolving, and even those of us in the sector cannot accurately predict the future, especially during this current energy transition. There is extensive discussion about electric cars nowadays, though it is uncertain if they are the ultimate solution. In Europe and other regions, the promotion of electric cars initially boosted sales due to state subsidies; however, with the withdrawal of these incentives, sales are declining. Mozambique is not yet equipped for an energy transition toward hybrid and fully electric models. We need to establish a refueling infrastructure to support these vehicles and revise import taxes to make electric vehicles more accessible.

What are the company's plans for Mozambique for 2024?

We always have a long-term outlook for Mozambique. By the end of 2024, we plan to bring in a few more brands to broaden our portfolio. We want to grow and expand our facilities by investing in more space and more workshops. We are also excited about the start of Total's gas project, which everything suggests will take place in 2024.



Ivan Buzi
MANAGING DIRECTOR,
MOTORCARE NISSAN

With the introduction of new and international brands, how do you envision the future of Mozambique's transportation sector?

It is challenging because, while our offerings are expanding rapidly, demand remains stagnant in the new vehicle market. Despite the introduction of brands like Haval and Proton in the last three years, there has been little to no growth. Some speculate this strategy anticipates future demand from major players like Total. However, simply increasing offerings without corresponding demand is not sustainable. Collaboration among industry associations is crucial to address collective issues and stimulate growth. Collective action is needed to drive meaningful results. The global shift toward EVs is evident, with charging infrastructure becoming ubiquitous in Europe. However, Mozambique lags behind, and progress will not occur through individual efforts alone. Despite our country's resources, we must recognize that mere possession of graphite and lithium does not guarantee entry into the battery manufacturing industry; substantial groundwork is necessary. Collaboration between industry and government is essential for Mozambique to become a significant player in this evolving sector. Currently, no Mozambican company has purchased EVs; these have been primarily acquired by UN-affiliated agencies and European governments.



Ricardo Oliveira
MANAGING DIRECTOR,
CENTROCAR

What challenges has the company encountered in Mozambique, and how did it navigate through them?

In Mozambique, few plan ahead, and it takes five to six months for machines to arrive. This lack of planning by clients makes it challenging for us, because at times we did not have machines in stock. Consequently, we have had to invest significantly in the company. In the last four years, we have managed to turn things around by adding volume to the company and investing in various areas such as agriculture, a sector that was previously untouched, as well as logistics and transportation. Unlike in Portugal, where a volume brand can sustain a large structure by selling perhaps 500 machines, we sell only 20-30.

How do you envision the future of the sectors you are currently involved in within Mozambique?

In the future, I expect the state to continue to provide support, though it will likely focus on backing more specialized companies to enhance productivity. To achieve greater productivity, there needs to be a shift toward fewer tractors, individuals with specialized training, and the emergence of better-managed companies. I foresee significant growth in the agricultural sector, with various international projects beginning to surface.



Jose Pereira
COUNTRY MANAGER,
TINTAS CIN

What has been the latest development of Tintas CIN in Mozambique?
2023 was an important year for us because we grew faster than the Mozambican economy. This success demonstrates how the people of Mozambique recognize our efforts, products, and services. The type of products we sell more are mostly for construction, for example paint for homes, public offices, buildings, and more. We have 13 stores, seven of which spread out from Beira to Pemba and six others in Maputo and Matola. Our focus areas are construction, maritime industry, and protective coatings—areas in which we are particularly strong. We also have a service where we engage with architects from the very beginning of the construction phase.

The government is trying to industrialize the country. What is your vision for industrialization in Mozambique in the coming years?
We produce 70% of the products we sell in Mozambique and import 30% finished products. The products we produce here are the same quality as those in Europe given our certification. In other kinds of industry, everything can be done in Mozambique. Investors have missed out on investing in Mozambique because of the taxes.



Rémi Guigue
COUNTRY MANAGER,
FOSELEV

What have been the main challenges that you have encountered?
The main challenge is the inconsistency of the market. It is important to have a subsidiary within the country to be able to follow the projects and to be at the right place at the right time. At the beginning of Foselev in Mozambique with the start of the Mega Project, we had a high employee turnover. We have now a strong and stabilized team. Around 97% of our workers are locals, and it has taken us many years to teach, train, and keep these people within our company.

What are the objectives of Foselev Mozambique in the next years?
We are trying to renew the fleet of equipment to be more efficient in terms of consumption and tracking system monitoring. In 2024, we received a new generation of mobile crane, so now we have to train the workers and technicians to adapt to the new technology. We are also developing an adapting system for maintenance and fleet management. The strategy is to continue to diversify and not focus on one sector only.



José Manuel da Costa Vieira Lino
CEO,
SOCIEDADE DE ÁGUAS DE
MOÇAMBIQUE (SAM)

How are SAM's CSR initiatives making a positive impact on the communities in Mozambique?

We have built a medical center near our factory and established libraries to provide people with access to books and educational resources. We support various initiatives in collaboration with the government whenever possible. In the communities near our water production facilities, we have implemented several water projects to supply local populations in need. The best way to support Mozambique is to buy Mozambican products. Purchasing locally produced goods creates jobs, sustains the economy, and fosters the country's development.

What are your goals for 2024 and 2025?

We primarily sold still water before, but as the market grew, we had to diversify our product offerings. We are currently launching sparkling water and once we master the production of that, we plan to start creating high-quality flavored water options, in line with global trends. We are also heavily investing in environmentally friendly products. Our company is guided by two key principles: being environmentally friendly and selling genuine, unaltered water from nature. We also have expansion goals. We already operate two factories, one in Namaacha and the other 30 kilometers north of Maputo.



Jaime Lima
MANAGING DIRECTOR,
TOPACK

Can you elaborate on Topack's operations in Mozambique?

We convert plastic materials in objects to other industries. The other operation that we are focused on, which has been our main investment since 2020, is recycling. A new facility is being built at this moment, and commissioning will be done in August 2024. It will be a fully dedicated plant for PET, which is the most used plastic in the food industry—mainly beverages, water, and soft drinks. In many Western countries it is mandatory to incorporate recycled material within the production of new materials, and I believe that it will be also mandatory in Mozambique in a few years' time.

What are your strategic goals for the next five years within the company?

One of the strategies is to consolidate the operations that we have. There are opportunities in Mozambique, but we need to consolidate what we have been doing in the last 25 years. This means to ensure the company is sustainable in terms of economics and the resources that we have. In terms of strategy, we want to continue focusing on our clients.



Frederico Jonet
CEO,
TÉCNICA INDUSTRIAL

How do you perceive the future challenges and opportunities in your specific sector within Mozambique?

The main challenge and opportunity in today's fast-moving world is the shift toward EVs. While Mozambique cannot ignore this trend, there are concerns among brands about infrastructure like charging stations, as well as local capabilities for technical support, training, and after-sales service. Successfully introducing and adopting EVs and plug-in hybrid vehicles in our market is crucial, given global green initiatives. The ability to respond swiftly and effectively to these changes will determine success in our industry.

How does Técnica Industrial integrate innovation into its daily operations?

Innovation is a cornerstone of our strategy, crucial for staying competitive. For example, our unique Uber-like service is unprecedented in our market. We are also launching a customer portal that provides fleet owners with comprehensive vehicle histories, including workshop status and total cost of ownership breakdowns. This tool helps identify spending patterns, whether in maintenance, accidents, or misuse, enabling proactive cost management and training adjustments. Our focus is on expanding service offerings beyond vehicle sales, ensuring we meet customers' evolving needs and enhance fleet management effectiveness.



Daniel Magaia
CEO,
INOX-MECC

Who are your main clients in the country?

We work in the water and oil and gas sector. In every sector we have different clients. For instance, in water, we work with Gigawatt, SS Construções, and other F&B companies that purchase many of our pumps. In oil and gas, we work with SMEs as well as large companies working in the sector. We are still following certain recommendations in order to become possible suppliers of other big companies such as Mozal and others.

What are the company's plans for the long term?

As a shareholder of this company, my goal is to have the local team working in all sectors. Currently, for certain major projects involving the maintenance of large valves, we still need Italian team members assisting us. However, our ultimate goal is to have a large team of Mozambicans because it will not only help their families, but will also help our economy to grow. We are still training them in different areas. For instance, we not only offer mechanical training but also first aid training as well, as it is vital for them to know how to work with different machines safely.



Pedro Miguel Ferreira Monteiro
CEO
AUTO SUECO MOÇAMBIQUE

What are the unique challenges that Auto Sueco faces in Mozambique, and how do you address them?

A decade ago, it was quite difficult to work with someone if you told them you were from Africa. They were afraid, but now they value our soft skills to try to work with all these barriers and challenges. The other main challenge is regarding human resources. We must conduct much additional training to get our employees on a premium experience and service level. The other challenges are barriers that we encounter regarding the supply chain and transport and all the entities that work with us. Everything takes time, but I aim to give a premium service and experience.

Can you tell us more about your new initiative, Iron Women?

Iron Women is a project from Volvo and it has already been launched in different countries. Volvo decided on a pilot project in Mozambique with ourselves, so Volvo, Auto Sueco, and our facilitator Transportes Lalg, started working on this in 2023 and we officially launched in May 2024. Men traditionally dominate the automotive industry, but we are trying to give women an opportunity that they have been lacking.



Novos tempos, a confiança de sempre





José María Sánchez
FOUNDER,
KINGMAN



Seyit Orhan Baydar
GENERAL MANAGER,
LIMAK CIMENTOS

CONSTRUCTION

Construction is booming in Mozambique and these companies are leveraging their strengths to play their parts.

How did your company begin, and what industries does it operate in?

JOSÉ MARÍA SÁNCHEZ In 2012, I came here and realized the market's potential, with the world's second-largest gas deposit. I saw an opportunity to establish a construction company in preparation for the upcoming construction boom. To date, Kingman has completed 120 projects. We are licensed as a construction company with the highest classification, also offering consultancy services to meet our clients' needs comprehensively. Our projects span various sectors, including religious organizations, universities, NGOs, hotels and companies such as Anadarko and Total in oil and gas, as well as MRM in the ruby mining sector and Twigg in graphite sector. Our main office in Cabo Delgado has become our base of operations, strategically located amidst our projects, leveraging our local strength. We have encountered and overcome numerous challenges, such as managing logistics for projects on remote islands and in difficult terrains. Notably, we reconstructed the oldest church in Cabo Delgado. Emphasizing local employment, we have

nurtured a commitment to community development and continuous learning.

SEYIT ORHAN BAYDAR Limak Holding is one of the biggest groups in the world. We are in different sectors, including construction, energy, cement, tourism, food and beverage, aviation, technology, and more. We are the 15th biggest construction company in the world. For us, Mozambique is an important country. Before coming to Mozambique, our group conducted significant research about where we could invest. Maputo has one of the biggest ports in this region. It is strategically located and also serves South Africa. We saw an opportunity in the cement sector, and we decided to construct our cement factory in Maputo in June 2015. In November 2016, we finalized everything. In December 2016, we sold the first cement bag in Mozambique. From 2016 until now, you will see our name in the markets, and we have a well-regarded reputation. Our cement brand means quality. We contributed international standards to Mozambique and this has become an example to the other companies in the industry.

What is the outlook for construction in Mozambique?

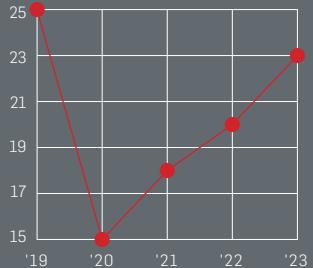
JMS The Mozambican market offers unparalleled opportunities for entrepreneurs. Mozambique's construction sector is growing because it is focusing on building things like roads, ports, and energy projects. This helps the country's economy to improve and grow. In Mozambique, construction projects need to be done professionally, just like in Spain. There are many opportunities here because there are about 30 million people, with a lot of them being young and wanting their own homes. This means there is a big demand for building houses and other structures. Also, Mozambique is expecting to make a lot of money from its gas industry soon, maybe around USD100 billion. They plan to use this money to improve the country's infrastructure even more, like building more roads and better facilities. Currently, our operations encompass construction, housing cooperatives, architectural and engineering design, also providing construction supervision. We are proud to be a local company, though we also harbor ambitions to expand our operations into other African countries. Despite having the freedom to operate elsewhere, we have chosen to remain committed to Mozambique.

SOB Limak is a company involved in the construction sector, energy sector, cement sector, tourism sector, and so on. In Mozambique, we are only operating in the cement sector, which is a key sector in the economy and has links to the other sectors. The cement sector is giving us a better perspective to understand the other sectors as well. This is one of the reasons why we entered the country with cement, we wanted to understand the economy better, the business environment, and to expand our investment with the other areas of our company, such as construction and energy. We are focused on having renewable energy projects and solar power projects. If we make another investment in this country, it will probably be in the energy sector. My company has an interest in construction and energy, so if there is an opportunity that we can benefit from, we will focus on that, especially on the energy side. **✗**

Maputo Central Railway Station
was completed in 1916 and often
appears in lists of the world's
most beautiful train stations

AIR CARGO PROCESSED (IN THOUSANDS OF TONS)

SOURCE: TOURISM ANALYTICS, LAM
MOZAMBIQUE AIRLINES



TRANSPORT NETWORK (2023)

SOURCE: WORLD BANK, STATISTA

Rail	3,200 KM
Road	30,500 KM

PASSENGERS PROCESSED AT AIRPORTS (IN MN)

SOURCE: ACI WORLD, MAPUTO INTERNATIONAL AIRPORT



Image: Fedor Selivanov

Transport

TO THE HINTERLANDS AND BEYOND

Transport has recently emerged as the most promising sector in Mozambique. The country's strategic position within the SADC makes it an attractive hub for logistics, connecting the eastern world with inland countries neighboring Mozambique.

The sector is undergoing substantial transformations, positioning itself as a hub for regional and global logistics. Mozambique's geographical advantage is significant. Hanifo Ismail, Managing Director of DHL Express, recently told TBY; "Mozambique is well-positioned to establish itself as a regional hub considering four of the six countries it borders are landlocked, hence dependent on Mozambique as a gateway to global markets. We believe strong collaborative partnerships across government, business, and communities will be crucial in driving the country's growth and enhancing its attractiveness for investment."

Mozambique's transport infrastructure, including roads, railways, ports, and airports, is pivotal in linking its neighboring countries. Strategic corridors such as the Maputo Corridor and the Beira Corridor are essential routes facilitating trade and transport.

The Ministry of Transport and Communications in Mozambique is implementing numerous initiatives to enhance the efficiency and capacity of these corridors. The recent introduction of digital licensing aims to streamline processes and reduce bureaucratic delays. The government's collaboration with international partners to secure investment and expertise demonstrates a commitment to improving transport infrastructure.

Investment in the transport sector is a key focus for the Mozambican government. The Transport Sector Master Plan outlines several projects aimed at enhancing infrastructure, safety, and sustainability. A major project is the decarbonization of transport in Maputo by 2030, aligning with global environmental standards and aiming to reduce the

carbon footprint of urban transport.

The Performance Assessment Evaluation program emphasizes improving the competitiveness of logistics corridors. The government has invested USD10 million to boost production along these corridors, expecting to increase trade efficiency and attract foreign investment.

Mozambique's transport sector faces significant challenges. Infrastructure development is often slowed by limited funding, maintenance difficulties, and bureaucratic obstacles. However, these challenges also present opportunities. The focus on digital transformation, such as the implementation of digital licenses, and the commitment to sustainable practices open new avenues for growth.

Mozambique's ambition to become a regional logistics hub is supported by initiatives like the development of the Nacala Port, which aims to become one of the largest deep-water ports in Southern Africa. Projects like these are instrumental in positioning the country as a key player in regional trade.

Transport infrastructure development is not only about economic growth, but also has significant social implications. Improved connectivity enhances essential services, including healthcare, education, and markets, particularly in rural areas.

The evolution of Mozambique's transport sector will be shaped by investment, technological advancements, and sustainable practices. The government's commitment to improving infrastructure, alongside private sector participation, promises a bright future.

Mozambique's transport sector is at a pivotal juncture. By leveraging its strategic location and fostering partnerships, the country can establish itself as a regional hub for logistics and trade. The future of Mozambique's transport sector holds immense potential, promising significant contributions to the country's economic and social development. *

LAYING *the ground-work*

**Considering
expanding to
other regions**



Can you provide an overview of Kerry Project Logistics in Mozambique and summarize the company's journey since its establishment in the country?

Kerry Project Logistics Mozambique was established in 2019, our first presence was in Maputo and we quickly expanded to Pemba, our operational hub. With over 12 years of experience in the country's logistics sector, I had a solid understanding of its dynamics, in combination with the expertise of our HQ in Italy, we identified a niche in shipping services, particularly in operating vessels and ensuring cargo runs services from Pemba to Afungi. With strong support from our headquarters in Milan and collaboration with Italian and French stakeholders, we emerged in a short span of time, as one of the leaders in shipping services in Mozambique. This footprint paved the way for us to expand our functions to include global freight forwarding project cargo services, aligning with our core business strategy. Today, Kerry Project Logistics Mozambique boasts a team of 48 staff members, primarily based in the Pemba, with administrative functions centralized in Maputo. Personally, I split my time evenly between Maputo and Pemba, as being on the ground is crucial for credibility and relevance in my role. I personally lead by going into the field with my team, yielding positive results. Understanding and credibility are paramount for our business. Our team comprises mainly Mozambicans, with one expatriate in the north. Promoting local and regional talent is essential, reflecting our commitment to Mozambique and the region.

BIO

Remy Bayiha Kodock has 19 years' experience in general management, project management, business development, and operations in the logistics sector, providing integrated logistics services related to sectors such as oil and gas, mining, project cargo, and more. He has worked closely with major players in the private sector as well as local government institutions to develop local and regional content and provide the best quality services to the industry.

What have been some recent milestones of the company?

One such achievement was our resilience during the COVID-19 crisis, as we had to deliver our operations despite the crisis. Another example was the award of a major contract in Mozambique that was achieved through collaboration with our Milan headquarters and stands as a testament to our multicultural approach, blending Italian, Mozambican, and French expertise. This diversity has been key to our sudden growth, the recipe involves a blend of commercial and technical expertise insights from Italy, my extensive Mozambique experience and last but not least the dedication of my team, some of whom had previous experience in the logistics

Established in 2019, Kerry Project Logistics has quickly emerged as one of the main logistics players in Cabo Delgado, with plans to expand regionally.

Remy Bayiha Kodock
COUNTRY MANAGER,
KERRY PROJECT LOGISTICS

sector. Professionalism, simplicity and hard work define us, alongside unwavering constancy and consistency.

What opportunities and challenges does the company face in the region?

There are opportunities to develop the region and potentially replicate Kerry Mozambique's model in the South and East African Region, serving as a trial run for the group. Training is a significant challenge, highlighting the importance of instilling core values, particularly fostering a family mindset, by establishing a foundation of trust and a cultural promise to unite as one; to perform with purpose. Retaining staff is challenging but crucial, requiring ongoing investment beyond salaries. This approach will inform our model's expansion into the east and south regions. We aim to extend this model to countries such as Tanzania, Kenya, and South Africa, adapting it to local contexts while maintaining its essence.

What CSR initiatives has the company implemented in the country?

Since its initiation in 2019, the School of Pemba initiative has been hosting trainees from local schools, whom we aim to recruit eventually; however, due to various recent crises like COVID-19 and the current unrest in the north, we have had to pause this program due to force majeure circumstances. Once restrictions ease, we plan to resume accepting trainees from the School of Pemba and reopen our internships program. Despite these challenges, we remain committed to supporting local talent through internships. KPL MZ is highly committed to exploring opportunities to decarbonize our solutions, in line with our KLN Group's commitments.

What are the main objectives for Kerry Project Logistics by the end of this year?

Our primary objective is to restart operations in the north, aligned with Total's decision. Additionally, we are committed to sustaining our progress and leveraging our growing expertise. We have modest expectations, though we are confident that once force majeure is lifted, we will achieve success and meet our objectives. ✎

CORRIDOR *of potential*

The Beira Corridor is one of the largest transport networks in southern Africa. Due to the country's advantageous position, it allows Mozambique to boost its logistics sector.

Tith nearly 3,000km of coastline playing host to shallow and deep-water ports and airports, roads, and railways connecting it to its neighbors, Mozambique possesses an abundance of potential in the logistics sector. The Beira Corridor in particular has been identified as an area of considerable opportunity, being one of southern Africa's main transport networks.

In October 2023, the Mozambican government announced an intent to invest USD290 million in the expansion and modernization of the Port of Beira, one of the country's most important links to the region and world at large. Mozambique's Minister of Transportation and Communications, Mateus Magala, said that the investment would happen over a period of 15 years and that the volume of containers handled at the port could increase almost 300% by 2045 as a result. This translates to a rise from the current 300,000 container per year handling capacity to over 700,000 in the coming years, with additional infrastructure upgrades to increase general cargo handling, storage, and more happening in tandem. These plans serve to actualize the government's goal of industrialization and positioning Mozambique as a logistical hub of the region.

In light of this, the government also intends to rebuild the 318km Machipanda Railway line, which runs from Beira to Bulawayo in Zimbabwe, and to revitalize the national road #6 as part of a wider, multinational project known as the Beira-Lobito Highway. Once complete, this Trans-African highway will connect the Port of Beira on the Indian Ocean to the Pacific port of Lobito in Angola via to Zimbabwe, Zambia, and DR Congo. The African equivalent of Route 66 in the US, this highway will stretch from sea to shining sea and is set to become one of southern Africa's main transport routes. Beira-Lobito, being developed by the United Nations Economic Commission for Africa, the African Development Bank, and the African Union, will have a length of over 3,523km and will be the southernmost east-west crossing in Africa. The road, and parallel railway line running alongside most of its length, will be instrumental for linking Mozambique's agricultural belt to the rest of the region.

With over 10 million ha of arable land, the Beira Corridor holds immense agricultural potential. Different microclimates support a variety of crops for both domestic consumption as well as export potential; however, at present, less than 5% of these 10 million ha are being commercially exploited. This may soon change,

though, as the Netherlands, in conjunction with a consortium led by TecnoServe, announced in April 2024 that it would be dedicating over EUR30 million throughout the coming four years in order to bolster food security in the region. The project is expected to benefit nearly 230,000 people residing the corridor by providing them with stable access to food, as well as helping around 45,000 small farmers increase their production and distribution. And given the simultaneous improvements to the area's logistics routes, this investment can only reap rewards.

To further aid development of the corridor, the Beira Agricultural Growth Corridor (BAGC) has been created, inviting those who wish to invest in Mozambique's agricultural scene. The BAGC is a public-private partnership designed to attract and support new agricultural investment in the corridor. With the BAGC, investors can receive assistance in locating and assessing potential investment locations, guidance on policy and legislation, simplified access to finance, and facilitated connections with potential partners, governmental agencies, and even local communities—a vital step in fostering trust and long-term sustainability.

With infrastructure improvements happening from the coast all along the network of roads and rails throughout the country, it is hard not to feel optimistic about the way Mozambique is progressing, particularly in the Beira Corridor. Numerous routes are being rehabilitated, modernized, and expanded to make way for even more projects and future investments. While challenges remain, the government's vision is that by implementing these reforms, the transport corridors will be transformed from mere transit routes into areas of sustainable economic development, promoting industrialization, agriculture, and trade. Doing so can improve the lives of everyday Mozambicans by generating quality employment and income. Mozambique's landlocked neighbors will also benefit from such development, as the routes from within their borders to the Port of Beira will provide them with access to international shipping lines as well, making Mozambique a regional transportation hub. As Julio Balane, Managing Director for shipping agency and forwarding company Sturrock Grindrod Maritime (SGM), told TBY, "It is never easy to take a country like Mozambique and make it better, though it is also not as difficult as many think, if people work together." – something that is already starting to happen in the country, with all signs pointing to the continuation and expansion of these positive developments. 

The Port of Maputo is a key transit hub, linking not only Mozambique, but also landlocked countries to the west with the wider world



AMBITIONS *in Africa*

Tiago Martins
GROUP CEO,
TRANSTREVO



Despite ambitious plans to expand into Brazil and Dubai in coming years, Transtrevo intends to remain proudly African, with Mozambique and Angola at its core.

What has been the development of the company since its establishment in 2023?

Transtrevo has its origins in Angola. The company focused purely on import clearing in Angola from 2016 up to 2023, at which point we were tasked with expanding the branch into a global structure. Angola is still the biggest branch, but Mozambique also assists in creating business opportunities in both countries. We have also opened branches in South Africa, Mozambique, Portugal, and Spain. We have been trying to develop business activity in the market since day one. We have strong experience in terms of team perspective in the region.

How is Mozambique navigating the current political and global transitions, and what impact do you see these having on the country's business opportunities?

Mozambique is in a transitional moment, as is the entire world. Nevertheless, Mozambique has extensive potential, and the government has invested heavily in the ports. At the Port of Maputo, we have been expanding and growing volumes quite significantly. There are many opportunities to promote ports that serve the hinterland region. Many opportunities will arise specifically in the agriculture sector, which is still growing, as well as in oil and gas. Apart from the challenges, strong investments have been made in the corridors, which we view with a positive perspective.

How important are relationships with other logistics companies and local partners for your operations?

As logistics operators, part of our product is to work with other stakeholders in the supply chain. Therefore, relationships in supply chain management, particularly with other logistics companies, are crucial. We have good relationships with local transporters, some of which are quite small. We also work with a local customs broker, and this is a strong relationship as well. We strive to establish relationships with everyone who can contribute to the efficiency of a corridor. We cannot survive in the market without local knowledge.

How does Transtrevo view innovation, and how is the

company applying it in its daily operations?

We need to have strong digital tools and make progress in terms of innovation. From a startup perspective, that was our biggest investment. We have invested EUR25,000 to install a system that combines CRM operations for the group with the accounting ERP systems. Digitalization is the future of the sector. We want people to stay, grow in the business, and be part of the process.

What else can we expect from Transtrevo in the coming months?

We are studying the possibility of having our own fleet of trucks or, at least, acquiring a fleet to serve the corridor with South Africa. This is something that should happen within 2024. We are exploring opportunities and already have two or three proposals on the table. We will continue investing in systems to allow us to grow in a simple but efficient way, and we plan to eventually open in Pemba. Globally, Angola is the head office of the group, with Maputo handling executive management, followed by South Africa, Portugal, and Spain. We aim to become global, opening an office in Brazil in 2025 to cover the Americas, and in Dubai for the Middle East. We are already starting to secure specific contracts in South Africa due to our activities in Mozambique, but we are not rushing the process. We want to be proudly African, with Mozambique and Angola at the core. We have a clear vision but understand that the market is quite flexible, so we adapt as needed.

What advice can you give an investor who is willing to enter the logistics sector in Mozambique?

The market works, and the corridors function effectively. If companies come and specialize in specific corridors, there are still many opportunities in agri-logistics, the mining sector, and oil and gas. These are markets where players can come in and add valuable knowledge. We need investors with expertise as well as investors with capital. Mozambique has a stable currency. It is not the largest market, but it is a market that works and we welcome all investors that come to bring value. *

Undergoing internationalization process

Planning to open Brazil in 2025

BIO

As the CEO of global logistics solutions provider Transtrevo, Tiago Martins leads a multi-office team that ensures quality operations and international expansion. With over 15 years of experience in logistics, shipping, and international trade, he demonstrates passion for managing supply chains and facilitating global operations.

SERVING *trade*

**Operating in
Mozambique for
over
30
years**

**Embraces
digital trends
and integrates
technology into
operations**

BIO

Hanifo Ismail is a Mozambican businessman with close to 30 years of experience. His first formal job was at a law firm as an assistant; however, driven by his passion for logistics, he joined the J&J Africa Group as a courier. Given his high potential and self-motivation it did not take long for him to be promoted to operations assistant, and then operations director. His continuous interest in logistics took him to the giant shipping company, Maersk Line as regional director of operations for Mozambique, Zambia, Malawi, and Zimbabwe where he worked for eight years. He later joined the Dutch Post Group as operations director for sea freight, air, road and additional services, and in 2017 he was appointed General Manager of DHL Mozambique.



What is the current structure of DHL's operations in Mozambique?

DHL in Mozambique was established more than 30 years ago, and our operations are divided into two distinct divisions: DHL Express and DHL Global Forwarding; however, our primary focus is on DHL Express. We have branches in Maputo, Beira, and Pemba. We are represented by reliable third-party agents with more than 110 staff nationwide.

What are some of the digital trends or innovations that DHL introduced in Mozambique?

In Mozambique, DHL has rolled out the On Demand Delivery platform with tailored notifications and delivery options. Through this platform, customers select convenient delivery options available to them, thereby improving the overall customer experience. Additionally, customers in Mozambique have access to the MyDHL+ application, an easy-to-use intuitive application that enables customers to book their international shipments online, get quotes, schedule pickups, find DHL locations, and track shipments. It is an ideal tool for companies looking to gain efficiencies, streamline account oversight and control costs. Our customers also have access to our Digital Assistant tool that gives customers quick and easy assistance across multiple online channels and platforms.

How does DHL Express prioritize employee training and development, and what specific training programs are implemented to achieve this goal?

DHL has a well-established learning and development program, called certified international specialists (CIS). CIS ensures that every employee who works in our company is an expert in the field of international shipping and ensures that customers receive the same world-class service, irrespective of where they interact with us in the world. The program employs innovative learning methodologies to train employees across all functions, and the training sessions themselves are delivered by employees trained as facilitators.

What is DHL's perspective on Mozambique's aspirations to become a more robust regional logistics hub?

With an organizational motto of "Connecting People and Improving Lives," DHL Express Mozambique is committed to connecting people, companies, and countries by facilitating trade and moving express shipments through its extensive network.

Hanifo Ismail
MANAGING DIRECTOR,
DHL EXPRESS MOZAMBIQUE

Mozambique is well-positioned to establish itself as a regional hub considering four of the six countries it borders are landlocked, and therefore dependent on Mozambique as a gateway to global markets. We believe strong collaborative partnerships across government, business, and communities will be important to driving the country's growth and its attractiveness for investment.

What advice do you have for investors looking to expand their operations to Mozambique?

Mozambique has many opportunities to offer investors across a number of sectors such as natural resources, agriculture, and infrastructure development. While the country is facing challenges, with careful long-term planning, patience, persistence and flexibility, Mozambique still presents attractive investment opportunities. Robust mining activity, a better agricultural harvest, and higher services activity have underpinned the solid economic upturn. Mining production and exports have benefitted from increasing output by the Coral South floating LNG platform. Government spending has expanded as the 2024 elections approach, while the resumption of work at the onshore oilfields in early 2024 will boost construction activity, adding more impetus to the growth recovery. The economy expanded by 4.6% YoY in 2Q2023 from 4.2% in the first quarter and marginally lower than 4.7% in 2Q2022.

What are the company's main growth priorities for this and the coming year?

We see the SME market as a key driver for economic growth in Mozambique. Around 97% of businesses in Mozambique are micro-SMEs operating in different sectors. These businesses play a crucial role in the local economy, as they not only contribute about 23.4% of the country's GDP, but they employ nearly 46% of formal workers in Mozambique. Through our GoTrade program, DHL continues to work with governments and international organizations to help remove red tape at the borders and support SMEs to increase cross-border trade. In 2025, we will continue to invest in our people, equipment, and facilities to ensure that we continue to exceed the expectations of our customers in Mozambique. *

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MOZAMBIQUE TO MORE THAN
220 COUNTRIES WORLDWIDE.**

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DHL

**BIO**

Bertrand Fleury earned his business degree in Paris, France, and has amassed over 27 years of experience in the freight forwarding and logistics industry. In 2014, he relocated to Mozambique, where he initially took on the role of branch manager for the Beira office. Since 2015, he has served as Managing Director for the AGL Mozambique Cluster, encompassing Mozambique, Malawi, and Zimbabwe, overseeing a team of 1,000 employees. During his career with the AGL Group, he has held various key positions across several African countries, including Cameroon, Mali, Ivory Coast, and Burkina Faso.

Bertrand Fleury
COUNTRY MANAGER,
AFRICA GLOBAL LOGISTICS

Can you introduce AGL's operations and its key milestones in the country?

AGL operates in every country across Africa, making us the company with the largest logistics network on the continent. In Mozambique, we have had a presence since 1958 and are established in every port. Our main activities encompass oil and gas, corridors, warehousing and pharmaceutical distribution. We handle sea freight, air freight, and trucking throughout the country. Over the last decade, we have heavily invested in various warehouses and yard facilities, primarily in Beira, where we have 40,000 sqm of warehouse space, yards, equipment, and more. We have similar yard facilities and warehousing in Nacala and Pemba, and we operate a private quay to support all offshore oil and gas activities. In 2024, we will continue to invest in warehousing infrastructure in Beira, Pemba, and Nacala because we have strong confidence in the Nacala Development. We aim to play a key role in major infrastructure projects such as railways, ports, and other lo-

gistics-related developments, not only within Mozambique, but also along the corridor.

How does the company approach staff training and development in the logistics field?

Locally, we participate in a major exchange training program with La Réunion through the Chamber of Commerce and Industry France-Mozambique and the EU, enabling our staff to receive overseas training, enhance their expertise, and share best practices. Training is the most important aspect for us as a service company.

How do you foresee the future of the logistics sector in the country?

Mozambique's size makes logistics a strategic priority. I foresee a bright future for the logistics sector, driven by the country's geographical design and the ongoing projects in the north, as well as in mining and agriculture. With these potential developments, logistics will be the first industry to benefit. We currently have 1,000 employees in the country, which reflects our confidence in the sector here. We will continue to invest and expand our network. We are committed to improving interconnectivity across Africa. *



KEEP IT SIMPLE, MAKE IT GLOBAL.

Transtrevo is a global logistics operator with extensive experience in the market and offices in 5 countries. We offer global logistics coverage with innovative and competitive solutions. Our services include:

- Air and Sea Freight
- Cross-border road solutions in FTL & LTL regimes
- In transit cargo management
- Customs clearance
- Contract logistics
- Project cargo and machinery logistics



The Mozambique-Zimbabwe border crossing pictured in 2022



Transport & Logistics

Located on the sea and bordered by multiple landlocked countries, Mozambique serves as a gateway from inner southern Africa to the world, though infrastructure challenges threaten to stifle further growth.



Pedro Alexandre Correia Melo Ascenção
CHAIRMAN,
TRANSCRANE LOGISTICS



Luis Baptista Rodrigues
GENERAL DIRECTOR,
CORRE - CORREIO EXPRESSO DE
MOÇAMBIQUE



Rogério Pires Nicolau
MANAGING DIRECTOR,
ROW LOGISTICS

TRANSCRANE SERVES various sectors in Mozambique, including coal mining, the gas industry, construction, and other sectors of the economy. With approximately 300 pieces of equipment, we offer a diverse range of innovative solutions in both elevation and transportation. Our expertise extends to large-scale projects commonly undertaken in Mozambique. Moreover, we collaborate extensively with logistics companies, particularly those with international contracts. In such collaborations, we take on a pivotal role in executing transportation and elevation tasks upon their arrival in Mozambique, tailoring our services to meet their unique requirements. Transcrane specializes in elevation and transportation services. Our core focus lies in providing lifting solutions, including cranes ranging from 30 to 250 tons, lifting platforms, forklifts, and Telescopic Handlers equipment. Additionally, we offer transport services for general and abnormal cargo and can handle loads of up to 92 tons. Operating across six provinces, we also provide storage facilities, catering to various projects requiring temporary cargo storage for efficient logistics from main ports to construction sites or project locations. Furthermore, in addition to our focus on transportation, we have ventured into carrier transport for the food industry. Infrastructure limitations stand out as one of the primary challenges we face. Working with heavy equipment and transportation requires reliable infrastructure, and inadequate roads and bridges often pose significant challenges.

CORRE IS A COMPANY formed through a partnership between the postal services of Portugal and Mozambique. With over a decade of operations in Mozambique, Corre has established itself as the country's premier distribution network. Our core services revolve around logistics, catering to various sectors such as banking, healthcare, auto parts, and equipment distribution. As the primary logistics operator for the entire banking sector, we cater to a clientele that requires high standards. In addition, we are committed to being as environmentally friendly as possible. We are also positioning ourselves to support the growing sector of international online purchases. This strategic move aligns with our goal to broaden our services and heavily invest in serving the population, especially since we were recently appointed as the official postal operator in Mozambique, taking over from Correios de Moçambique. Being appointed as the national postal operator has significantly increased our responsibility to connect communities. We strive to foster connections among all the people in our service area. We serve about 150 districts at least twice a week. I see a bright future for Mozambique. It can grow and become a key player in southern Africa. There will be challenges, but there are also opportunities. The challenges are primarily associated with air transport and the scarcity of resources. We also have issues related to communication routes, particularly the road that connects the north to the south of the country.

WE HAVE BEEN OPERATING in the Mozambican market since 2016. In 2019, we registered Row Express Logistics, which is the transport company that is now our main business. We are transporting cargo between South Africa and Mozambique. The difference we provide is our speed; we transport quickly. We have been delivering consistently since day one, which is what has brought us to the point where we are today. From independence up until now, Mozambique has always been a corridor to the inland countries. The corridor is a blessing to us because of the fact that we are sitting in a position between the sea and other, inland countries. There is an opportunity simply because we are geographically well-located. We also have huge potential when it comes to natural resources. Infrastructure and security pose challenges. There was a railway that we never utilized as we should have. We are still relying on the road, which is unfortunate when we have this railway that could link all the way from south to the far north. From an investment perspective, we are all waiting for LNG and all the mega projects to kick off, and that will play a massive role in terms of logistics. These are the big opportunities that we are looking at and that we can count on. We expect to double our volume in 2025. When I look at the effort that we have made when it comes to technology, such as a proper platform that allows us to tackle bigger clients, I believe we will be able to double our volumes from 2024 to 2025.



Kiluva Taveira
MANAGING DIRECTOR,
TL-TRANSPORTES E LOGÍSTICA,
LDA (TL)

TL HAS BEEN PROVIDING logistics services since 1998. Having our own infrastructures, an in-depth knowledge of the business and the right international connections has driven us to a leading position in the world of transportation, removals, and logistics support. We cover the whole country and, from Maputo, the whole world. Our logistics services are comprehensive, covering transportation, national and international removals, warehousing, and the transportation of heavy equipment and containers nationwide. A significant challenge, particularly concerning truck transportation, is the state of the country's infrastructure. This disrupts the entire trip's performance, damages the trucks themselves, and leads to further challenges, such as damages to the goods being transported. Once the market stabilizes and corruption decreases, and if the government operates with the country's progress in mind, I foresee growth in logistics. Companies like TL, equipped with quality, environmental, and safety certifications, will be well-positioned to collaborate with any partner under any conditions. As improvements in mentalities and education continue, we can align ourselves with growth. Growth means being ready to invest as the business expands, and we have that foundation. The logistics sector in the country is expanding, driven by the anticipated oil and gas boom, which promises improved road infrastructure. Trucks and loads will increase, and we are here to be part of that development.



Nereyde Anifa De Namitete
COUNTRY MANAGER,
CARTRACK

WHEN WE FIRST ENTERED the market, we focused on supporting businesses and consumers with risk management around vehicles. As our industry knowledge grew, we innovated more and moved into fleet management. This includes everything around managing a vehicle from fuel to maintenance. From fleet management, we have now moved into operations management. We empower our customers to boost their efficiency and scale their businesses to serve the markets better. Customers know that they are saving more money by using our solution, and this strong value-for-money proposition paired with our customer centricity means we are able to achieve success. By having a powerful service, supporting operational, and partnering with our customers, we enable our clients to have all the tools and insights they need, and the data they require to make decisions that will ultimately improve their operations. Using our platform allows our customers to be more efficient and better serve their customers and fulfill their purpose. Fundamentally, it just comes down to having the technology, agility, and customer service required to ensure that you continue to succeed and empower your customers to excel in their operation. We want to continue to invest in the market and grow. Much of that involves building our infrastructure within the market, getting more people on the team, training them, and ensuring they have the skillset needed to succeed.



Aly Lagy
GENERAL MANAGER,
TRANSPORTES LALGY

WE STARTED AS a general goods transporter for bags and containers, then we diversified to fuel tankers, mineral transport tracks, and heavy cargo as well. Right now, the company can do any type of transport. Our focus is goods from Mozambique or into Mozambique. In terms of business percentage, on the transport side, 80% is related to transit or import or export cargo. We have existed during every megaproject that was implemented in the country since 1990. The first megaproject was the Mozal aluminum smelter. The second project was the Sasol gas plant in Temane. After that, there were many projects with the construction of the Vulcan Valley mine before it was sold to Jindal. Since 2016, we have gone a bit more into providing extra services beyond just transport, storage, and handling. In most of the mines, we are providing services with our equipment inside. We are working in all three of the coal mines in Tete. In the northern gemstone mines, we are working in one. We are participating in oil and gas projects in Sasol. In graphite, we are working with Kenmare, doing construction and earthwork. We have around 700 trucks in total. Our workforce is 99% Mozambican. Right now, the company operates from Maputo, Beira, Nacala, and Tete. All sectors have opportunities because Mozambique is growing. We have problems like any country, but the potential is here.



Antonio José Ferreira Simões
GENERAL MANAGER,
RANGEL

Can you provide an overview of Rangel's services in Mozambique?

Rangel has been operating here since 2012. We began as a deconsolidation agent, complementing export services from Portugal to Mozambique. Our goal is to offer a comprehensive logistics service to our customers. This includes freight agency, customs brokerage, delivery to customers' homes, and additional services. We also manage imported stock and handle its distribution to various locations. In essence, Rangel provides a complete logistics service.

Can you also discuss other challenges the transport sector currently faces in Mozambique?

The condition of roads across the country is notably bad, often suffering from damage inflicted by natural disasters. Mozambique's railway network exists, but fails to efficiently connect the country's regions internally. It serves more as a link between Mozambique and neighboring countries, rather than facilitating robust domestic transportation. Air transport in Mozambique is also limited. The national carrier primarily focuses on passenger transport and has limited cargo capacity. This results in significant delays,

with logistics operators sometimes waiting over a week for cargo space, which is impractical for timely deliveries. Addressing this logistical challenge requires operational adjustments and governmental support. Political intervention is crucial to improving transportation infrastructure, including highways, sea routes, and air travel.

What are the upcoming plans for Rangel's operations in Mozambique?

The future of Rangel is closely connected to the path of Mozambique, a place known for its unpredictability. Currently, we navigate through various limitations, including the country's economic development and the ongoing conflict in the north, a reality often obscured by the limitations of news coverage. Primarily, Mozambique faces challenges rooted in its limited economic mobility, with a population constrained by limited purchasing power. Consequently, opportunities emerge predominantly within sectors catering to essential mass consumption goods. In this dynamic environment, Rangel's initiatives in Mozambique focus on three core aspects: express mail services, mass logistics, and nationwide distribution. Though these ventures are operational, our aspirations exceed current capacities. The realities of Mozambique demand a pragmatic approach, navigating uncertainties day by day. *

BIO

Antonio José Ferreira Simões holds a degree in marketing management from IPAM, recognized by MEDH. He is a certified trainer with 37 years of experience in logistics and physical distribution of goods. Since 1991, he has been working with the Rangel Group, holding leadership roles in Portugal and Angola, serving as manager, general director, and administrator of Rangel Mozambique - Logistics and Transits. Starting in 2018, he oversaw Rangel's appointment as the GSP for FedEx in Mozambique.



ONE WORLD, ONE TEAM, ONE SOLUTION

Leader in Project and Supply Logistics

- Over 35 years experience in large scale and complex projects or re-supply logistics
- Working in remote and challenging areas while we strive to develop a sound and sustainable local content
- Dedicated multi-cultural specialized teams, customer driven, agile, flexible
- Highest ethics and QHSSE standards
- Delivering safely on time and on budget



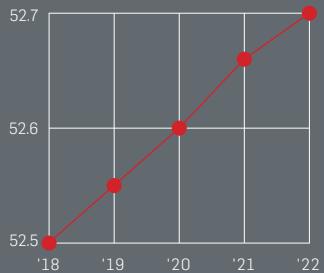
TOP-5 CROPS BY TONS PRODUCED (2022)

SOURCE: USDA, FAO, KNOEMA

Vegetables	2.23M
Corn (maize)	1.8M
Rice (paddy)	365K
Sorghum	150K
Peanuts	130K

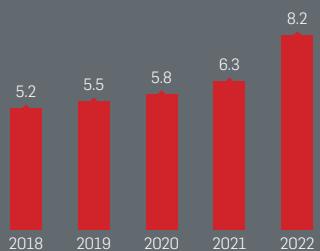
LAND UNDER AGRICULTURAL USAGE (%)

SOURCE: WORLD BANK, FAO



VALUE OF AGRICULTURAL EXPORTS (USD BN)

SOURCE: WORLD BANK, OEC, 360 MOZAMBIQUE



A produce seller at work at a market in Beira



Image: Gregory Escande

Agriculture

FIELD OF DREAMS

Agriculture contributes approximately 24% to Mozambique's GDP, and about 80% of the population relies on it as their primary source of income. This sector's significance extends beyond its economic contribution, as it also holds immense potential for transforming Mozambique into a regional agricultural hub. The country's agro-ecological zones and abundant arable land make it an attractive destination for investment. The agricultural landscape in Mozambique is characterized by smallholder farming. These farmers produce the bulk of the country's food supply, primarily cultivating staple crops such as maize, cassava, and rice. In addition to staple crops, Mozambique has favorable conditions for producing a variety of high-value products, including cashew nuts, tobacco, sugarcane, and cotton. The country's coastline also offers opportunities for developing a fisheries sector.

Among Mozambique's agricultural sector challenges, we can find limited access to modern farming inputs, lack of infrastructure, and vulnerability to climate change, among the primary obstacles that smallholder farmers face. However, the government, in collaboration with international organizations, has implemented various initiatives aimed at overcoming these barriers. For instance, the Sustenta Program is a government-led initiative designed to promote sustainable agricultural practices, enhance productivity, and improve market access for smallholder farmers. The program focuses on integrating small farmers into the value chain and ensuring they have access to the resources needed to grow.

Recent years have seen a surge in interest from international companies eager to invest in Mozambique's agricultural sector. This growing interest is driven by the country's abundant natural resources, strategic location, and the government's commitment to creating a favorable investment climate. One of the key initiatives that have drawn international attention is the government's push toward agricultural commercialization and value addition. By encouraging farmers to adopt modern farming techniques and supporting the development of agro-processing facilities, Mo-

zambique is positioning itself as a competitive player in the global agricultural market. Mwaura Githendu, General Manager of agribusiness player Olam Agri, highlighted the company's optimism about Mozambique's future in a recent interview with TBY; "Mozambique is becoming increasingly attractive for businesses like Olam Agri. We are optimistic about the country's growth trajectory and are committed to investing heavily in Mozambique's promising future in 2024 and beyond."

Moreover, Mozambique is also focusing on enhancing its agricultural productivity through the adoption of climate-smart agriculture practices. Given the country's vulnerability to climate change, CSA is a strategic approach to increase agricultural productivity sustainably, improve resilience, and reduce greenhouse gas emissions. Adopting CSA practices could significantly boost agricultural yields and mitigate the adverse effects of climate change on Mozambique's farming communities. International organizations have played a critical role in supporting Mozambique's agricultural development. Agencies such as the FAO and the USAID have been actively involved in projects aimed at boosting agricultural productivity and enhancing food security.

In addition to bilateral and multilateral aid, Mozambique is increasingly relying on public-private partnerships to develop its agricultural sector. These partnerships are important for mobilizing the necessary resources and expertise required to modernize Mozambique's agriculture. For instance, the collaboration between the government and private sector companies in developing irrigation infrastructure is vital for improving water management and increasing crop yields. With more than 36 million hectares of arable land, of which only about 10% is currently under cultivation, there is significant room for expansion and modernization through such partnerships.

Mozambique's agricultural sector stands at a crossroads, with many opportunities for growth and development. The government's commitment to creating a favorable investment climate, along with strategic initiatives, provides a path for future growth. *

GROWING sustainably

Emphasizes sustainable agricultural advancement

Dominates Mozambique's rice and edible oils sectors, with 30% market share in each

BIO

Mwaura Githendu is an accomplished finance professional with over a decade of experience in financial management and strategic advisory. He has successfully enhanced financial processes and controls, managed substantial portfolios, and led diverse teams across multiple countries. Previously, he served as country finance controller in Mozambique. Githendu holds certifications in Chartered Accountancy (ACCA) and a diploma in Business Studies from the Institute of Commercial Management. He is currently the CFO for Olam Agri in South Africa.



Could you provide an overview of your company?

Olam Agri is a subsidiary of Olam Group with over 33 years of global supply chain management expertise. Initially established in Nigeria over 30 years ago, Olam Group later expanded its presence worldwide. Olam Agri operates across six continents and is active in over 30 countries, with a significant presence in 11 African jurisdictions. Our primary focus is transforming food, feed, and fiber for sustainable agricultural development. We engage in various product categories, including grains, rice, animal feed, and cotton, serving consumers globally. As part of Olam Group's restructuring, specialty food operations were consolidated under Olam Food Ingredients, distinct from Olam Agri. In Mozambique, Olam's journey began in 1998, initially focusing on rice supply chains before expanding into cashew and sesame origination. Presently, our focus lies in importation and distribution, particularly in rice and edible oils. We conduct significant value addition, operating two refineries in Beira and Matola, refining crude edible oil and producing related by-products such as soaps.

What has been the reception of the Mozambican population to the products offered by the company?

Our primary advantage lies in offering essential consumer goods. Functionally, Mozambique operates as three distinct regions: northern, central, and southern, each with unique consumption characteristics. For example, consumers in the southern region generally prefer medium rice. In the northern region, consumption of rice is largely polarized between premium and mass categories.

Could you elaborate on the methods the company employs to achieve environmental sustainability?

Sustainability is integrated into every aspect of Olam's business, as we strive to be re-imaginers of agriculture, aiming to reduce waste and enhance efficiency in agricultural practices worldwide. Building a sustainable agricultural system relies on three key parameters. First, supporting prosperous farmers is crucial, as their success is fundamental to sustainable agriculture. The second aspect is fostering thriving communities. Agriculture is interconnected with the communities it serves. It is not enough to solely ensure farmers' financial success; empowering the surrounding communities is equally vital. Through various community-based empowerment

With two refineries in Beira and Matola, Olam Agri commands a significant market share in Mozambique's rice and edible oils sectors, with further growth anticipated.

Mwaura Githendu
GENERAL MANAGER,
OLAM AGRI

initiatives driven by corporate social responsibility, we collaborate with like-minded partners globally. We have observed that by cultivating thriving communities, the ethos of sustainability permeates naturally. Third, it is essential to consider the ecosystem. Coexisting harmoniously with nature is paramount for sustainable agriculture. Practices must prioritize the preservation of water sources, soil health and overall environmental balance. Sustainability encompasses all these aspects, emphasizing continuity and integration into cultural norms.

Can smart agriculture be a viable solution for the country's agricultural sector?

It is crucial to deconstruct smart agriculture. At its core, it involves leveraging technology to enhance farming efficiency, output, and optimize human resources. However, it is essential to prioritize empowering individuals, especially in countries like Mozambique, where a significant portion of the population lives in poverty. Before delving into advanced agricultural practices, we must first focus on providing livelihood opportunities to local communities. Smart agriculture holds immense promise. Still, we must not overlook the immediate need for job creation and community empowerment. Unlike South Africa, which has transitioned to large-scale farming due to its developed status, Mozambique still has untapped agricultural potential, including vast arable land and opportunities for smallholder farming. Initiatives like outgrower programs can engage communities, provide employment and offer optimal solutions. While smart agriculture is undoubtedly important for our digital future, we must navigate the journey cautiously, ensuring that the steps toward it prioritize local empowerment and economic development.

What are your goals for Olam Agri in Mozambique in 2024?
Mozambique is a land of untapped potential, with a promising future ahead. The country's abundant resources, youthful population, and government's focus on sectors beyond just extraction, particularly agriculture, position it as a potential powerhouse in Africa. With supportive initiatives from the Central Bank and Ministry of Finance aimed at enhancing an investment climate, Mozambique is becoming increasingly attractive for businesses like Olam Agri. We are optimistic about the country's growth trajectory and are committed to investing heavily. *

Fresh produce on sale at a market in Maputo



FOCUS

Digitalization in agriculture

AGRICULTURAL *revolution 2.0*

To address the challenges of an underdeveloped agricultural sector, the Mozambican government has started to invest in technology and digitalization to produce more in-country products faster.

Agriculture is Mozambique's most important sector, with 80% of the population dependent on it as a source of income. Though despite constituting approximately 25% of the nation's GDP, the industry faces challenges, such as limited access to modern farming techniques, inadequate infrastructure, and vulnerability to climate change. The country's diverse geology ranges offer a wide range of agricultural production opportunities, and its position on the coast would allow for easy exportation, yet still the country imports more than it exports, and food insecurity remains a critical problem. Only about 10% of Mozambique's 360,000sqkm of farmable land is being used for formal agricultural practices, as most of the activity in this sector is informal subsistence farming. Thus, while agriculture is already the mainstay of country's economy, there is still significant room for development. To address these and other challenges, the Mozambican government has begun introducing several initiatives aimed at improving the sector, including the integration of technology and "digital agriculture."

Efforts to improve agriculture have often focused on increasing productivity through better seeds, fertilizers, and farming practices; however, recently the government has been adding an emphasis on digitalization, leveraging technology to produce more in-country products faster and more efficiently. In August 2023, Mozambique held the 58th Agricultural, Commercial and Industrial Fair of Mozambique (FACIM) under the theme of "Industrialization, Innovation and Diversification of the National Economy." During this fair, the government announced several initiatives it is planning to roll out, including food and livestock monitoring technology, which seeks to not only improve yields, but also aggregate data to boost both productivity and efficiency. Recent advancements in technology mean agricultural production can now be monitored in real time, making it possible to map and identify problems in the value chain, allowing intervention when necessary. This will improve not only the crop output, but also quality and speed to market. It will also enable the collection of quality

data rather than simply relying on farmers' best guesses, allowing for study of soil characteristics and more, which may lead to further improvements in the future. According to the Ministry of Agriculture, over 300 producers are currently being monitored nationally through this new platform.

In addition to crop digitalization, livestock can now be monitored digitally as well, thanks to a partnership between E-Livestock Global and the Ministry of Agriculture and Rural Development. Using ear tags with microchips and QR codes that can be scanned with smartphones, animals can now be tracked and monitored from birth until death, allowing better study of the animal's health, habits, and needs, allowing yet another means of data aggregation. Tracking the animals and monitoring their condition will also facilitate farmer and veterinary intervention as necessary. According to a representative from E-Livestock Global, it is expected that over 15,000 cattle in the provinces of Maputo and Gaza will benefit from this program.

An overemphasis on the importance of technology is cautioned by some, however, including General Manager of Olam Agri Mwaura Githendu, who says, "While smart agriculture is undoubtedly important for our digital future, we must navigate the journey cautiously, ensuring that the steps toward it prioritize local empowerment and economic development." Present in Mozambique since 1998, Olam Agri's primary focus is transforming food, feed, and fiber for sustainable agricultural development. Githendu told TBY, "Sustainability is integrated into every aspect of Olam's business, as we strive to be re-imaginers of agriculture, aiming to reduce waste and enhance efficiency in agricultural practices worldwide." For Githendu, this means supporting farmers, empowering communities, and taking the local ecosystem into consideration. As he says, "Before delving into advanced agricultural practices, we must first focus on providing livelihood opportunities to local communities. Smart agriculture, with its integration of location services, sensors, AI and IoT, holds immense promise. However, we must not overlook the immediate need for job creation and community empowerment."

Bangels Agro, a private equity firm that invests solely in agriculture, is also taking strides in increase local participation in Mozambique's agricultural sector. TBY spoke to CEO Rui Brandão, who told us, "Our business model has many innovations, such as the last-mile distribution model with agro-dealers. We have also invested heavily in people in the last 10 years. That is where we see more innovation in the group; we want to revolutionize the way we think of agriculture." Part of Bangel's strategy towards this goal includes attracting more Mozambicans to the sector and adding extra value to what Mozambique exports by way of industrial processing in order to help balance Mozambique's lopsided import-export ratio.

And Mozambique is also getting help from abroad. As part of China's "One Belt, One Road" initiative, a joint international laboratory was recently inaugurated at Eduardo Mondlane University, in an initiative that aims to increase agricultural research and mitigate natural disasters. The China-Mozambique Joint International Laboratory on Digital Agriculture will

carry out research on agronomy, soil quality, and water management for agriculture, specifically regarding irrigation. The laboratory will also focus on intelligent and early disaster monitoring and warning, an important asset for a country so vulnerable to climate change.

These initiatives, among others, are working towards boosting agricultural productivity, improving food security, and increasing the incomes of smallholder farmers in Mozambique. Though the road ahead will be long and sometimes difficult, the potential for the agricultural sector in Mozambique is immense. Improving efficiency, productivity, and logistics through tradition and new-age methods will add significant value for investors and go a long way in helping alleviate Mozambique's food insecurity. As Githendu told TBY, "Mozambique is a land of untapped potential, with a promising future ahead. The country's abundant resources, youthful population, and government's focus on sectors beyond just extraction, particularly agriculture, position it as a potential powerhouse in Africa." *



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Mozambique has a rich aquaculture heritage





Rui Brandão
CEO,
BANGELS AGRO



Don Larson
FOUNDER,
SUNSHINE NUT CO.

AGRICULTURE

Many Mozambicans rely on the agricultural sector for their livelihoods. New technology, better infrastructure, and more attractive incentives can help this sector grow and develop.

What challenges do agricultural companies encounter in Mozambique, and how can they be overcome?

RUI BRANDÃO Agriculture has many different challenges. Some 80% of the population in Mozambique works in agriculture, which means it should be a huge market; however, the majority is mostly small-scale farmers. There is potential here, and we are building a value chain that is ahead of demand today. Agriculture is a competitive sector in Mozambique and worldwide. The development of agriculture sector in Mozambique and social targets should be more balanced. We have been more innovative in creating sustainable business models and developing human resources. That is where we see more innovation in our business model. Our business model has many innovations, such as the last-mile distribution model with agro-dealers. We have also invested heavily in people in the last 10 years. We also want to revolutionize the way we think of agriculture; people usually think agriculture is for poor people. However, it is vital for people to be proud of our agricultural heritage. We need a more dynamic industry to attract the best young people and bring them to agriculture. Mozambique needs to understand global trends but adapt to them. The biggest challenge to agriculture in Mozambique is planning. It has 2,400km

of coastline and a vast landmass; however, all the farmers are highly dispersed, which increases the logistical challenges. The country's biggest challenge that it needs to overcome at this stage is the state of its roads.

DON LARSON Despite government statistics indicating that 80% of the population are farmers, the majority are considered subsistence farmers, lacking significant income opportunities. Our focus is on empowering smallholder farmers to generate income and employment. Our approach prioritizes job creation over automation. We advocate against plantation farming, instead emphasizing community associations to efficiently distribute wealth. Collaborations with companies like Total Energies and Kenmare Minerals enable us to provide employment opportunities in regions such as the Palma District of Cabo Delgado, fostering economic stability and peace. Currently, we are in discussions with Exxon Mobil as well. Through partnerships with corporations, we aim to replicate this model in other regions, creating sustainable wealth and prosperity.

What does the country need to boost its current exports and even start exporting internationally in the future?

RB The two focus areas are to boost im-

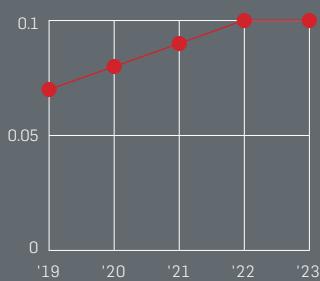
port substitution and to increase exports. To substitute imports, we must be aware that national production competes with extremely competitive and mature markets. Mozambique's main imports are wheat and maize, and the local sector needs some protection to help production take off and become mature enough to compete against imported products. With exports, however, it is more difficult. Still, there are niche products that Mozambique can be competitive in, such as fruit, macadamia, avocado, and cashews. Mozambique has traditional export products that it should continue to export and add greater value. For example, a portion of cashews are being exported without any industrial processing that can instead be done in Mozambique. This is something that Mozambique must focus on to add as much value as possible locally.

DL Mozambican consumers have urged us to share our premium product domestically. Notably, President Nyusi has become our biggest customer, even using our product as a symbol on diplomatic visits. Our success expanded further when our product became available on LAM flights to Portugal, earning recognition for the best economy snack in the global airline industry. We are now designing a new package specifically for LAM, in addition to our current offering of 30g packs. Around 60% of the world's cashews are grown in Africa, including Mozambique, but 95% of them are shipped to Asia, primarily India and Vietnam, which collectively process most of the cashews consumed in Europe and the US. This process involves numerous middlemen and long transportation times, resulting in cashews often being stale upon arrival. To address this, we have streamlined our operations, focusing on freshness and simplicity. Our company prioritizes community impact, empowering smallholder farmers through initiatives such as community farms and village factories. The average cashew farmer has 20 trees and a low output per tree. We give them 2ha, which allows them to plant almost 500 trees per family. By providing resources and training, we enable farmers to significantly increase their income. Additionally, we focus on fair labor practices, particularly benefiting women, to combat abuse and exploitation in the industry. Our ultimate goal is not only to create a sustainable market for smallholder farmers, but also to reinvest profits into community development and support for the underprivileged. *

An ambulance pictured responding to Cyclone Idai in 2019

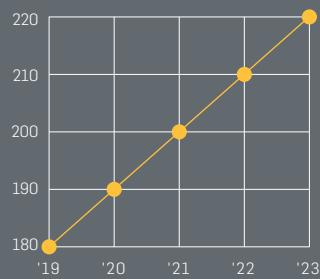
DOCTORS PER 1,000 PEOPLE

SOURCE: WHO, OUR WORLD IN DATA



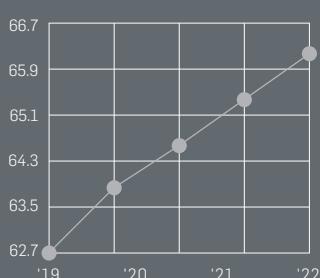
PRIVATE HEALTHCARE SECTOR REVENUE (USD MN)

SOURCE: WORLD BANK, IFC



LITERACY RATE (%)

SOURCE: WORLD BANK



Health & Education

CLEAN AMBITIONS

The Mozambican government has placed a big emphasis on two important sectors: healthcare and education. Through the Economic and Social Plan (PESOE), officials have been working to enhance the quality of life for citizens by addressing these essential areas. These efforts are part of a wider strategy to strengthen the country's infrastructure and empower its people through better healthcare and education.

Mozambique's healthcare system has taken significant steps in recent years, with the government implementing different initiatives to increase both access to services and the quality of care provided. As there are still myriad challenges to overcome, one of the primary objectives under the PESOE plan is to expand healthcare access to more remote areas, where infrastructure has historically been lacking. This is a crucial step in improving health, particularly in rural regions, which are still underserved. A significant part of Mozambique's healthcare reform centers on embracing modern technology to enhance service delivery. Ruben Naidoo, the Country CEO of Lenmed Hospital, highlighted the importance of integrating technology into healthcare systems, telling TBY, "Technology and AI are an excellent way to overcome primary care matters that could become virtual care matters and can help lower costs for healthcare providers and individuals." The implementation of telemedicine and AI-driven healthcare solutions is a route that Mozambique is exploring to provide more efficient and accessible healthcare services. With these innovations, the government aims to alleviate pressure on healthcare facilities and improve patient outcomes, especially in remote and underserved regions.

The Ministry of Health has also focused on improving the country's climate resilience. Discussions around healthcare policy now include measures for better preparedness against the health impacts of climate change. This approach recognizes the vulnerabilities Mozambique faces as a country highly exposed to natural disasters and the changing climate.

In parallel to improvements in healthcare, Mo-

zambique's education sector is undergoing significant reforms aimed at increasing access and raising the quality of education across the country. Education is seen as a cornerstone of economic development and social inclusion, and the government's focus in this area reflects its long-term vision for empowering its citizens. Carvalho Madivate, Dean of the Higher Institute of Science and Technology of Mozambique, emphasized the transformative power of education in an interview with TBY, telling us that, "We believe we have to continue to change the lives of people. We have a dream that every citizen should have a good quality education. This is the way to change the lives of people." One of the most significant challenges the education sector faces is the lack of access in rural areas. In response, the Mozambican government has launched initiatives to promote distance learning and technical education. The education sector plans to continue investing in hiring more teachers to meet the growing demand for quality education.

In addition, the country has focused on improving access to education at all levels. There is a particular emphasis on vocational and technical education as a means of equipping students with the skills they need to enter the workforce and contribute to the economy. Technical and professional education has seen big growth in recent years. International organizations have also played a critical role in supporting Mozambique's educational development. The EU has also reaffirmed its commitment to Mozambique's education sector, recognizing the importance of a well-educated population in driving sustainable development. Additionally, Mozambique has hosted global education conferences and events to promote education for all, reflecting its commitment to achieving universal access to quality education. Furthermore, partnerships with global financial institutions like the World Bank have been instrumental in supporting Mozambique's education reforms. These collaborations aim to enhance the quality of education through improved infrastructure, better teacher training, and more robust education policies. *

Healthcare

As Mozambique's legal and regulatory sectors develop, so too does healthcare, with more and more pharmaceuticals entering the country. While challenges exist, they also present opportunities.



Jean Jacques Leandri
FOUNDER,
DOUTOR URGÊNCIA
MOZAMBIQUE



Ricardo Santos
GENERAL MANAGER,
GRUPO AZEVEDOS
MEDIS



Ruben Naidoo
COUNTRY CEO
LENMED

Gustavo Martins da Cruz
CEO,
SOCIEDADE
MOÇAMBICANA DE
MEDICAMENTOS SA
(SMM)

DOUTOR URGÊNCIA Mozambique was established with just a few people. The primary service we offer is home consultations, facilitated through our 24-hour call center operating in Maputo, Matola, and now Pemba. One has to only call us when they are unwell, and we will dispatch a doctor to their homes. Our services include standard consultations, with rapid response times, as well as specialist consultations for dermatology, pediatrics, physiotherapy, cardiology, psychology, and psychiatry. For urgent cases requiring hospitalization, we arrange for transportation, ensuring continuity of care with our doctor accompanying the patient. We also provide medicine delivery services, prioritizing those with mobility issues or single parents with children, even during nighttime hours. We offer comprehensive first aid training, including professional certification courses spanning two days and unique family training sessions, teaching household members immediate response techniques in case of emergencies like heart attacks or accidents.

WE CAME HERE with the intention of establishing a manufacturing facility to produce medications; however, at that time, the market was small and unable to generate the demand for such a facility. Back then, most pharmacies were public, with the exception of a few private pharmacies. So, aligned with the government, we changed our strategy. Our mission became to develop the pharmaceutical sector in Mozambique. A legal framework was created to protect the consumer, and we started partnering with the authorities, which resulted in a well-regulated sector. Some people do not have access to quality medicines due to financial reasons, and many resources in the country are improperly used. Those are the greatest opportunities for improvement. The regulatory framework is good, but if it were fully applied, fewer resources would be wasted and the transparency and legality of the market would increase. As the medium class expands, it means that more people will have access to medicine.

AT THE MOMENT, we are located in Beira and Maputo, and we see different sets of challenges in both cities. We have also focused on primary healthcare, where we believe there is a great opportunity to provide excellent service to the people of Mozambique. One of the factors that affects everyone in the industry is the cost of goods entering Mozambique. Medical goods still carry duties and taxes. There is also a massive shortage of specialists, which also limits a company in terms of what it can do here. The infrastructure is fairly decent; however, given that Mozambique is not a manufacturing country, imports are a massive challenge. Currently, the Ministry of Health has implemented a system that aims to control illegal imports; however, it makes the entire import process to six to eight weeks longer. We are not a public hospital, so we will focus on wherever we see demand for private healthcare. We have two hospitals that are in negotiations between purchases.

SMM was initially established with the primary objective of supporting Mozambique health system, focusing exclusively on government institutions; however, in 2024, we began engaging with the private sector, offering locally manufactured products. Recently, SMM has taken a significant step forward by approving the development of a new 22,000-sqm facility within the first industrial pharmaceutical park in Mozambique. We are confident that this initiative will greatly enhance our capacity to produce local medicines and pharmaceutical solutions, ultimately contributing to the overall improvement of healthcare quality in Mozambique and in the region. Our primary goal has always been, and will continue to be, providing effective solutions to the public system. However, as a business, we recognize the necessity of expanding our presence within the private sector.

INNOVATIVE *healthcare*

Through innovative use of technology, strategic partnerships, and community engagement, public and private initiatives have improved health outcomes and accessibility for many Mozambicans.

Over 32 million people reside in Mozambique, yet nearly half have limited access to the public health system. The Ministry of Health, which manages public hospitals and medical centers, provides services to most of the population, while the remainder mainly rely on traditional approaches for care. Fueled by the COVID-19 Pandemic, the private sector has been serving a growing percentage of the population as well. Another recent catalyst for change in the sector has been the rise of technology and digital platforms to reach even more of the country's dispersed population.

While Mozambique has dramatically improved access to primary healthcare since the end of its civil war in 1992, the country still lags behind in several significant areas. Both communicable and chronic diseases plague the country, with malaria and HIV/AIDS being two of the most disruptive. Resources in the country tend to be centered around the cities, leaving the rural areas largely underserved, and the lack of food security leads to further challenges. According to USAID, a US-based aid organization, there are only three doctors per 100,000 people in the country, a ratio that ranks among the lowest in the world. Cancer, heart diseases, diabetes, and other illnesses are also often inadequately managed due to limited equipment for imaging and radiology services, as well as other medical technology. However, these shortcomings in the quality and amount of infrastructure fuel demand for equipment and services, offering huge potential for further development as the government steps up its commitment to the country's healthcare sector.

To increase the coverage and quality of primary healthcare across the country, the Mozambican Ministry of Health has been partnering with entities such as the World Bank and USAID. The World Bank Primary Health Care Strengthening Program focused on mass training of community health workers to assist communities living in urban and rural areas.

Aside from these more traditional initiatives, Mozambique is increasingly trying to leverage technology and innovation to improve the condition of its healthcare system. Ricardo Santos, general manager of pharmaceutical manufacturer Grupo Azevedos Medis told TBY, "Innovation plays an important role since we are a medicine manufacturer. In Mozambique, it is about identifying new ways of treatment and providing them locally." Other examples of this kind of innovation include the Fazés Bem project, a campaign by Project Last Mile, Coca-Cola Beverages Africa (CCBA), Mozambique's National Council to Combat HIV/AIDS, and the Global Fund that leverages the marketing and dis-

tribution capabilities of CCBA to deliver medicines and supplies in order to prevent the spread of HIV/AIDS in the country. In a country where over 11% of the population is already infected, these measures are going a long way to slow the virus' transmission. As of February 2024, the project had mapped 80,000km of roads across all of Mozambique's provinces as it delivered medicine, condoms, and vaccines. In addition, the campaign has been able to generate detailed information about road conditions as well, providing invaluable insight as to how best to service certain areas and thereby saving the government time as well as money. Project Last Mile was also involved in initiatives supporting the Ministry of Health during the COVID-19 Pandemic, helping to roll out the country's vaccination campaign.

Parenthetically, the pandemic, disruptive as it was, has also resulted in an increased uptake in technology adoption and the utilization of in-home services. "Despite reduced business activity during the pandemic, many Mozambicans shifted their mindset toward seeking in-home medical care. It catalyzed a shift in people's attitudes toward receiving medical care at home," Jean Jacques Leandri, founder of Doutor Urgência told TBY. Offering a variety of services, including elderly care, pediatrics, psychiatry, and blood testing, patients in Mozambique can access these by calling Doutor Urgência's 24-hour phone line, and having a specialist sent to their home. Despite the benefits of such services, Leandri acknowledged difficulty in getting started, due to a lack of education or awareness on what the firm can offer. "Initially, we faced significant hurdles, with only one consultation per month. To address this, I leverage social media extensively with 24,000 WhatsApp contacts receiving weekly updates and a newsletter sent to 325,000 email addresses monthly," he said.

And he is far from alone in this regard—digital technology plays a major role in the dissemination of health information, especially for Mozambican youth. U-Report Mozambique is a free SMS-based system developed by UNICEF that has quickly become an important source of information regarding sexual and reproductive health for young adults. In 2018, the platform took it one step further in Mozambique by integrating with WhatsApp to provide even more access and innovation, including an automated FAQ menu prepped with counseling information. Today, Mozambique has nearly 860,000 U-Reporters, a number that continues to grow YoY.

Thanks to the efforts of these and other organizations, public and private, healthcare in Mozambique has been advancing considerably. 

IN-HOUSE *talent*

Education has long been an issue in Mozambique. To address this challenge, businesses are increasingly opting to train their own employees rather than relying on finding individuals who are already trained or knowledgeable.

In January 2024, President Nyusi spoke at Eduardo Mondlane University (UEM), the largest and oldest higher education institution in the country, of the challenges facing the Mozambican education sector. Only 8% Mozambicans attend tertiary education, far below the European average of 70%, the Latin American 52%, or even southern African average 10%, per the president. TBY spoke with Daniel Daniel Nivagara, Mozambique's Minister of Science, Technology and Higher Education, who said, "we have developed a set of activities regarding human capital training, through our higher education institutions, to guarantee access and equity, and distribution of training opportunities for everyone." The minister also detailed his department's plans to focus on human capital development in higher education, saying, "The first priority is developing human capital and social justice." These plans include the provision of 5,000 companies to low-income students, the establishment of Polytechnical reference center, conducting inspections at higher education institutes, and the training of additional educators and administrators in the sector.

Beyond strengthening and increasing participation in the country's higher education system, access to talent can also be challenging due to a competitive market. Common recruitment strategies for firms involve a combination of two aspects: localization and in-house training. Including local communities in operations is essential for companies hoping to survive in Mozambique. Luis Baptista Rodrigues, General Director of newly-appointed national postal carrier Corre (Correio Expresso de Moçambique) told TBY, "It is also important to note that most of our employees are from the local area. Their hard work is excellent and has been crucial to our success." And Executive Director Filipe Francisco of the recruiting firm Ascending agrees: "By investing in local talent, we can create a sus-

tainable workforce that aligns with the needs of the country where gender inclusive and energy transition programs are fundamental." Paulo Reis, Office Managing Partner of EY told TBY, "we believe we not only have a role to play, but it also matches our strategy of organic growth. You bring people to the organization who have talent, you develop the talent, and help them grow their careers and capabilities."

With three training centers in the country, Ascending is one company leading innovation in Mozambique's HR scene. Ascending provides a holistic approach to HR, from workforce management to training, logically managing and organizing operations and teams. Its training center in Matola offers both vocational training and HSE specialized training in electrical, mechanical, instrumentation and diesel mechanics, and firefighting, just to name a few, while the two centers in Pemba operate in an MoU with IFPELAC and Palma. Filipe Francisco told TBY, "We are witnessing a significant change in mentality, with companies increasingly prioritizing employee training for improved performance, efficiency, and productivity. Soft skills training, such as time management and leadership, are also gaining traction as companies recognize their importance. This shift reflects a growing understanding within the Mozambican private sector of the benefits of investing in staff training."

Through extensive training, South African petrochemical company Sasol has increased the percentage of its Mozambican workforce in the country by over 40%, per its general manager Ovídio Rodolfo. Business management consultancy EY is another company exemplifying this trend. EY, which has been in Mozambique since 1991, now boasts an office that is over 90% Mozambican and capable of offering all typical service lines, including auditing, business and technology consulting, tax, and strategy transactions. When asked about the company's

strategy, office managing partner Paulo Reis told TBY, "Our strategy is to grow the practice organizationally, develop our people, and recruit locally."

EY projects the country to grow at a stable rate of approximately 5%, and with such growth, demand for good workers will grow in tandem. With a population of around 33 million people, approximately half being under the age of 25, there is certainly potential. Investments in local talent and in-house training now is one of the best strategies a company could make for long-term stability. Localization

can increase engagement with the community, and help businesses enter new markets more effectively by building trust and loyalty among local users. Per Filipe Francisco, "Companies are realizing that they bear responsibility for their employees' development and stand to benefit the most from their improved skills and performance." Investing in local communities is not only the ethical right thing to do for foreign companies setting up in Mozambique, but it also makes smart business sense. After all, what is not to love about a win-win situation? *



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Two university students pictured in Maputo during a break



KNOWLEDGE *is power*

ISCTEM is currently undergoing a transformation from simply a teaching university, to one that produces socially beneficial research as well.

Carvalho Madivate
DEAN,
INSTITUTO SUPERIOR DE CIÊNCIAS E TECNOLOGIA
DE MOÇAMBIQUE (ISCTEM)



Can you give us an overview of ISCTEM and any developments you have experienced over the past few years?

We are now involved in a process to transform ISCTEM into a full university. At the same time, we are also working to improve the quality of the service we offer to our students and society in general. We are trying to make research a priority within ISCTEM. I used to say we were a teaching university, but now we want to transform ISCTEM into a full university that produces research that is useful for society. We have several different schools: health, business and management, engineering and technology, arts and law. We are restructuring these schools because we want to bring more practical activities that will prepare better our students for the future work market.

Can you mention any international partnerships with other universities and/or institutions to boost the level of knowledge in the country?

We cannot work without our international partnerships. We need them because we are a young country and our higher education institutions need resources and technical capabilities that we do not yet have here. We have partners from foreign institutions who work with us to offer Master's programs, we have a public-private partnership with Matola Provincial Hospital that we are developing with colleagues from Portugal and India. We do not have universities in Mozambique that can train to the master's and PhD levels in all fields; therefore, some students must go study abroad. We find scholarships and send students to differ-

ent countries where they study. We also have agreements with universities in Portugal and India, and we are working with universities in other countries as well. Since 2023, we have had a physiotherapy program, which was introduced with the support of an American Consortium of Universities. We have specialists coming to work with our students and train our staff in selected areas.

How has ISCTEM remained resilient, and how has it changed the way of teaching since COVID-19?

One of the main changes was the uptake of technology use because, with COVID-19, we were forced to remain at home. After the lockdowns were lifted, we wanted to see how we could combine presential activities with the use of technology. Thus, we are investing in platforms to make this technology available. In certain areas, we are considering a hybrid system for students who are in their third or fourth year, particularly our Master's programs where we still use lectures from outside Mozambique. Some professors come to Maputo to teach, but some of them prefer to use this technology to deliver information remotely.

What needs to change in the country to guarantee access to education for Mozambicans?

When Mozambique gained independence, it became a socialist country. One of the principles of a socialist country is to provide education to all citizens. Those of us who lived through this transformation benefited from access to education. Even people from low-income families now had the opportunity to access education, and it changed our

life. We believe we have to continue to change the lives of people. We have a dream that every citizen should have a good quality education. This is the way to change the lives of people.

What are your plans for ISCTEM for 2024 and 2025?

We want to improve the quality of our work, which means we need to have more professional resources, more teaching staff, and more investment in technology. This is not easy, but we must engage and learn how to cope with the challenges, as it is something we cannot avoid. We are looking how we can produce graduates who are not only qualified to work in Mozambique, but also in all parts of the world. That it is not easy, but it is not impossible. ✎

BIO

Carvalho Madivate obtained his BSc in Chemistry at the Eduardo Mondlane University in 1982 and his MSc in Electrochemistry at the Technische Hochschule Leuna-Merseburg, Germany in 1985. In 1996 he completed his PhD in Thermodynamic of Inorganic Materials at the Technical University Aachen, Germany. Previously, he served as lecturer of the Faculty of Sciences at Eduardo Mondlane University, during which time he also worked as pedagogical director, and member/coordinators of multiple scientific councils. He has been a member of the National Council for Higher Education since 2017 and general director of ISCTEM since 2020. He also works as reviewer and member of the editorial board of scientific journals.

TOURIST ARRIVALS (IN MILLIONS)

SOURCE: WORLD BANK, TRADING ECONOMICS, MACROTRENDS



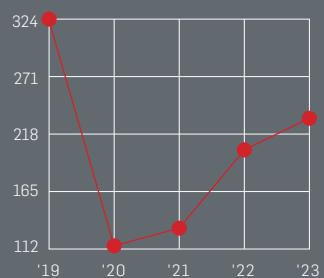
TOP-5 TOURIST SOURCE COUNTRIES (2023, IN THOUSANDS)

SOURCE: WORLD BANK, TOURISM ANALYTICS

South Africa	600
Portugal	150
Zimbabwe	120
UK	90
US	70

TOURISM RECEIPTS (IN USD MN)

SOURCE: WORLD BANK, KNOEMA



Tourism

TRIP OF A LIFETIME

Mozambique, with its stunning 2,750km of Indian Ocean coastline, is emerging as a prime tourist destination, attracting international investors and travelers alike. Known for its incredible beaches, vibrant culture, and rich biodiversity, the country offers huge potential for growth. In 1Q2024, private investments in the tourism sector reached USD201 million, proof of growing confidence. The success of Mozambique's tourism sector is not only reliant on natural beauty; strategic partnerships and proactive government policies also play a crucial role. The government has implemented several measures to create a more favorable environment for tourism development, such as visa exemptions for key markets and improved air connectivity. Passenger numbers at Mozambican airports increased by 20% in 2023 over the previous year, surpassing pre-pandemic levels.

Eldevina Materula, the Minister of Culture and Tourism, underscores the importance of collaboration in achieving tourism goals: "Our success in promoting Mozambique as a prime tourism destination hinges on strong collaboration with the private sector. We understand the important role those private businesses play in supporting our tourism goals and are committed to partnering with them within the tourism framework."

Mozambique's tourism sector is threatened, however, by challenges in the northern region. Conflict in Cabo Delgado between government forces and Islamist militants has had a profound impact on tourism, deterring visitors and stalling investments. A lasting resolution to the conflict could be a boon on that front, especially considering that the northern part of Mozambique is home to some of the most beautiful and unexplored landscapes in the country, including the Quirimbas Archipelago and the Niassa Reserve.

Infrastructure deficiencies are another challenge that need attention to support the growth of Mozambique's tourism industry. The lack of transportation networks, including roads and airports, prevents access to key tourist destinations, especially in remote areas. The government has recognized this gap and has been working on one-stop border posts with South Africa and Zambia aim to facilitate smoother cross-border travel, enhancing the overall tourist experience and encouraging more visitors from the region to explore Mozambique more directly.

The tourism sector's contribution to Mozambique's economy is growing steadily, now accounting for over 4% of the country's GDP. This growth is driven by a combination of factors, including increased international arrivals, higher spending by tourists, and investments in tourism infrastructure. The sector also provides employment opportunities for thousands of Mozambicans, directly and indirectly supporting livelihoods and contributing to poverty alleviation. In regions like Inhambane, tourism generated over MZN4 billion in revenue in 2024. And every little helps when it comes to boosting local economies.

The future of Mozambique's tourism sector is diverse, with many initiatives underway. The government is promoting eco-tourism and responsible travel, focusing on minimizing environmental impact while maximizing socio-economic benefits. An example is the project Malhazine Eco Park in Maputo, a USD10-million development that offers eco-friendly accommodations and activities.

Furthermore, there is a strong emphasis on capacity building and training within the tourism workforce. By equipping local communities with the necessary skills and knowledge, Mozambique aims to create a more inclusive tourism industry that benefits all stakeholders. ✎

MOZAMBIQUE'S VIBRANT *cultural heritage*

Through collaborations with international partners and the private sector, the Ministry of Culture and Tourism aims to showcase Mozambique's vibrant cultural heritage to foreign tourists and locals alike.

Eldevina Materula
MINISTER OF CULTURE AND TOURISM



Can you elaborate on the Ministry of Culture and Tourism's initiatives and programs to encourage tourism within the country?

One significant action outlined in our government's five-year plan is the organization of an annual International Tourism Fair. This fair serves as a pivotal platform for showcasing Mozambique to regional investors and global buyers, fostering awareness of the country's investment and tourist opportunities, and highlighting our rich cultural diversity. Moreover, we are expanding our reach to new markets, exemplified by our upcoming participation in a significant fair in Cuba. Our forthcoming Integrated Tourism Management Platform will streamline communication and coordination among stakeholders, providing a centralized digital hub for information dissemination, event registration, and market insights. Furthermore, Mozambique's membership in the Executive Board of the World Tourism Organization for Africa from 2021 to 2025 has afforded us valuable opportunities to showcase our nation and the broader African continent. Our efforts have led to visa exemptions for an additional 29 countries worldwide, and the implementation of the e-visa platform. Ultimately, our success in promoting Mozambique as a prime tourism destination hinge on strong collaboration with the private sector.

What key partnerships have played a vital role in bolstering tourism in Mozambique?

We consider the United Nation's World Tourism Organization (UNWTO) an important partner in advancing tourism development and promotion in Mozambique. Recently, we collaborated with UNWTO to launch an investment brochure digitally, showcasing various investment opportunities within Mozambique. Recognizing that promoting

Mozambique cannot rely solely on individual efforts, we have forged partnerships with neighboring countries, South Africa, and Eswatini. We are working under the TRILAND initiative to promote Mozambique, South Africa, and Eswatini as unique tourist destinations, highlighting each country's distinct attractions. The support from international financial institutions, notably the World Bank, has been instrumental. Through projects such as Estratégia Mais and Mais Oportunidades, we aim to integrate Mozambique into global conventions, attract conferences, and enhance the quality of tourist destinations.

How does the ministry foster and sustain ecotourism initiatives?

Nature-based tourism is essential in Mozambique, attracting tourists and investors. With 25% of Mozambique designated as conservation areas under the Ministry of Land and Environment's purview, collaboration between this ministry and the tourism sector ensures sustainable tourism development. Numerous initiatives have been implemented to safeguard species and biodiversity, fostering an environment conducive to ecotourism. Training programs for tour operators have been established, recognizing the unique requirements of operating within conservation areas. In partnership with conservation agencies, sustainable education programs have been prioritized to instill environmental stewardship from a young age. Mozambique is making efforts to develop sustainably and empower local communities to participate in conservation. Engaging these communities in these initiatives is a key part of this.

What initiatives is the ministry undertaking to enhance Mozambicans' appreciation of their

culture and heritage?

An important focus has been to promote research on cultural documentation, leading to the creation of institutions such as the Institute of Socio-Cultural Research. Additionally, the government instituted the National Cultural Festival to promote and showcase the country's cultural manifestations. The Culture in Schools program is an initiative that integrates cultural education into the national curriculum. Effective implementation of sectoral projects requires partnerships with the private sector and international cooperation partners. Furthermore, the Building with Music project, in partnership with the Italian government, focuses on establishing recording studios in Maputo, Zambézia, Nampula, and Inhambane provinces. Similarly, the FSPI project, financed by the French government, concentrates on museology and heritage restoration. A forthcoming project, Cultiv'ARTE, heralds the largest financing ever received by Mozambique's cultural sector. With a multifaceted approach encompassing staff training, legal support, and heritage preservation, this project exemplifies the sector's dedication to development.

What are the ministry's upcoming plans for the remainder of 2024?

Consolidating our primary tourism markets remains pivotal. Our focus is on building upon past achievements and seizing newfound opportunities, to promote our country and expand our market reach, including in India and the Arab Emirates. Preparations are underway for Mozambique's participation in Expo Japan, a strategic move to target Japan as a key market by 2025. Our current goals align with our government's five-year plan, emphasizing professional training in the culture and tourism sectors. *



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LOCAL FLAVOR, *world-class standards*

Meliá Maputo Sky's strategic location in Maputo's city business center provides guests with convenient access to business districts, cultural sites, and entertainment options, reflecting Hoti Hoteis' commitment to enhancing guest experiences by integrating local flavor and global standards.

António José Ferreira da Fonseca
GENERAL MANAGER,
MELIÁ MAPUTO SKY, MOZAMBIQUE



Can you share with us the story behind the establishment of Meliá Maputo Sky and the vision that drove its creation?

Meliá Maputo Sky was established with a vision to bring the distinguished hospitality and high quality of the Meliá brand to Mozambique's capital city, Maputo. The idea was to create a landmark hotel that would cater to both business and leisure travelers, offering a blend of modern amenities and exceptional service. The strategic location in the vibrant city business center was chosen to provide guests with convenient access to business districts, cultural sites, and entertainment options, reflecting Hoti Hoteis' commitment to enhancing guest experiences by integrating local flavor and global standards, with a Melia's franchised hotel.

In what ways has Meliá Maputo Sky innovated or adapted its services to meet the evolving demands of the hospitality industry?

Meliá Maputo Sky has consistently adapted its services to meet the evolving demands of the hospitality industry. This includes implementing advanced booking systems, offering personalized guest experiences through data analytics, and maintaining rigorous health and safety standards, especially in response to the COVID-19 pandemic. The hotel has introduced flexible booking options, contactless check-in/check-out processes, and enhanced cleaning protocols to ensure the safety

and comfort of its guests.

What are some of the unique features and amenities that Meliá Maputo Sky offers to its guests that set it apart from other hotels in Maputo?

Meliá Maputo Sky distinguishes itself with a variety of unique features and amenities. One of the standout attractions is the Sky Bar, which offers breathtaking panoramic views of the city and the Indian Ocean, providing guests with a luxurious space to relax and socialize. The hotel prides itself on its gastronomic excellence, featuring a range of diverse dining options that include both local and international cuisines, all prepared by renowned chefs. For health-conscious guests, the Lux Corpus Health Club & SPA is equipped with modern fitness equipment and offers various wellness programs. The hotel also caters to business needs with state-of-the-art meeting rooms and conference facilities, making it an ideal venue for corporate events and social gatherings. Additionally, Meliá Maputo Sky offers unique packages such as healthy gastronomy, yoga and brunch sessions, wine tasting events, corporate workshops, and social activations in the Sky Bar, specifically designed to appeal to their corporate clientele and expand their range of offerings.

How does Meliá Maputo Sky integrate with the local community, and what initiatives have you taken to engage

BIO

António José Ferreira da Fonseca has established himself as a seasoned hotel general manager with a wealth of experience in the hospitality industry. Currently based in Maputo, he has served as the general manager of operations at Turvisa (Montebelo Hoteis), Rezidor (Park Inn Hotel), Turinvest, Turismo e Imobiliária, Lda, and Hoti Maputo Hoteis (Melia International). His journey in the hospitality sector began in 2003 when he completed his certificate in hotel management and a bachelor's degree from Escola de Hotelaria e Turismo do Porto in Portugal. His career has seen him take on various managerial roles in prestigious hotels across Mozambique and Portugal.

“Meliá Maputo Sky aims to remain a leader in the hospitality industry in Mozambique, offering unparalleled experiences to its guests while contributing positively to the local community and environment.”

with and support local businesses and culture?

Meliá Maputo Sky is deeply committed to engaging with the local community through a variety of initiatives. The hotel actively supports local businesses by sourcing local products and collaborating with local artisans and suppliers, thereby boosting the local economy. It also hosts cultural programs, including cultural events, art exhibitions, and culinary festivals that celebrate and promote Mozambican culture. Furthermore, Meliá Maputo Sky is involved in community outreach, participating in social responsibility projects such as education and healthcare initiatives, with the aim of improving the quality of life for local residents.

How has technology influenced the operations at Meliá Maputo Sky, and what technological advancements are you looking to integrate in the near future?

Technology is a crucial component of operations at Meliá Maputo Sky, with the hotel leveraging advanced technology for efficient management. One of the key features is the integration of smart room technology, which allows guests to control and access hotel and city information through the TV and their mobile devices. The hotel also provides digital concierge services, offering guests a seamless and personalized experience. Enhanced security systems are utilized to ensure the safety and privacy of guests. Looking to the future, Meliá Maputo Sky plans to integrate several technolog-

ical advancements, such as AI-powered services to enhance customer service and operational efficiency. They also aim to offer virtual and augmented reality experiences, including virtual tours to engage guests before and during their stay. Additionally, the hotel is investing in sustainable technologies to reduce its environmental footprint.

What are your future plans for Meliá Maputo Sky in terms of expansion, new services, or other developments?

There are some opportunities to extend the brand in Africa but it's too soon to announce. At Melia Maputo Sky, we plan to introduce new services, including wellness retreats, themed events, and exclusive membership programs to enhance guest loyalty. The company is also committed to sustainability initiatives, continuing to invest in sustainable practices and technologies to align with global environmental standards and reduce the hotel's carbon footprint. By focusing on these strategic areas, Meliá Maputo Sky aims to remain a leader in the hospitality industry in Mozambique, offering unparalleled experiences to its guests while contributing positively to the local community and environment. The group Hotéis just opened the 20th hotel, Innside by Melia in Braga, and is now working on a new Melia in S. João da Madeira, which we will preview by Easter 2025. We aim to arrive at 25 hotels in three years. *

Plans to introduce sustainable tech initiatives to lower environmental impact

Focused on expanding within Mozambique and across Africa



Fayaz Hamide
FOUNDER,
F&F EVENTOS

THE BIG *event*

F&F Eventos is a premier event management agency well-known for its flagship project, Nostalgia, which brings together artists from around the world to perform in Mozambique.

BIO

Fayaz Hamide is a DJ, artist, music producer, and beatmaker. Over his career, he has performed on several national and international stages and performed duets with musicians from various musical styles such as house music, kizomba, electronica, and others. He is the founder of F&F Eventos.

Can you provide information about F&F Eventos' history and its experience in the sector?

F&F Eventos is an event management agency based in Mozambique, renowned for its dynamic and innovative approach to both corporate and public events. Over the past five years, we have built a formidable reputation in the industry, driven by our commitment to excellence and creativity. Our flagship project, Nostalgia, has been pivotal to our success. Having successfully completed seven editions, Nostalgia is a testament to our capability to host large-scale events that captivate and engage audiences. This project has showcased over 30 international artists from diverse backgrounds, including Projeto Mobass from Cape Verde, Tropical Band and Don Kikas from Angola, Da Real Vibe from Cape Verde, Philippe Monteiro from Senegal, and Thierry Cham from France, among others. Nostalgia also features top Mozambican talent such as C Duarte, Stewart Sukuma, Sáldicos, Neyma, and Wazimbo, alongside renowned DJs from both national and international stages. This diverse roster not only reflects our dedication to cultural and musical diversity, but also our ability to curate events that resonate on a global scale. In addition to Nostalgia, F&F Eventos has organized numerous high-profile events that have set industry benchmarks. For instance, in October 2023, we celebrated the 30th anniversary of Angolan artist Yuri da Cunha. Earlier in April, our Show dos Cupidos, headlined by Anselmo Ralph, transcended the traditional concert format by honoring five exceptional Mozambican women for their remarkable contributions across various fields.

How do you ensure that each event reflects the unique vision and desires of your clients while maintaining high standards of quality and creativity?

At F&F Eventos, our approach to event curation is deeply rooted in a strategic and personalized methodology. We prioritize quality and creativity from the initial concept through to execution, ensuring that each event is meticulously planned and flawlessly executed. We leverage advanced event management technologies and a robust network of top-tier talent to bring our clients' visions to life. Our team is adept at incorporating cutting-edge ideas and current trends into our event planning, ensuring that our events are both innovative and engaging. F&F Eventos' commitment to excellence is evident in our ability to infuse

creativity into every project.

What distinguishes F&F Eventos from other event planning companies in Mozambique?

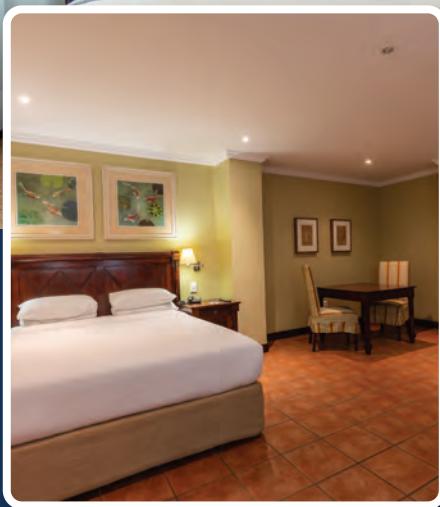
F&F Eventos distinguishes itself through its leadership under DJ Faya, one of Mozambique's most celebrated and internationally recognized DJs. DJ Faya's deep connection with both the local and international music scenes offers us a unique competitive edge. Our communication and marketing strategies are also key differentiators. My academic background in marketing allows us to develop highly effective strategies and execute successful press conferences featuring artist appearances. Our production approach emphasizes punctuality, precision, and effective post-event communication, ensuring a seamless experience for both clients and attendees. F&F Eventos further distinguishes itself by recognizing and honoring influential individuals and institutions during our events. We have celebrated DJs for their careers, pioneering nightclubs, influential figures in sound engineering, and notable Mozambican women who have made significant contributions.

How do you predict the events industry in Mozambique will change over the next five to 10 years?

The events industry in Mozambique is at a pivotal stage, and its future will depend significantly on the ability to forge strong partnerships and secure sponsorships. For the sector to thrive, it is essential for brands to recognize the value of events as strategic marketing tools. Events offer unique opportunities for brand exposure, activation, and networking, which can drive brand growth and audience engagement. Marketing managers should focus on aligning their brands with entertainment events, using these platforms to enhance brand visibility and achieve a strong return on investment.

What are your long-term goals for F&F Eventos, and how do you plan to achieve them?

Our long-term goals for F&F Eventos involve deepening our partnerships with brands and aligning our events more closely with their strategic needs and objectives. We aim to position our events as invaluable assets for brand development, offering opportunities for increased exposure and engagement. To achieve these goals, we will continue to innovate and uphold our high standards of quality and creativity. *



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TRAVEL *agencies*

Despite the challenges, Mozambique's abundance of touristic offerings, from culture to coastline, make the country an attractive destination for foreign and domestic travellers alike.

What is your perspective on the future of tourism in Mozambique?

BRISLAU LOBO The main challenge for domestic tourism in Mozambique is pricing, influenced by limited purchasing power in rural areas and smaller cities. Despite considerable potential, affordability remains a key issue. Most tourism in Mozambique is driven by South Africans, with some international travelers like Australians and Ukrainians. However, financial constraints hinder local participation in domestic tourism. To address this, Dana Agency and Travelstore launched the new business unit called Allways - Unique Travel Design, offering personalized travel experiences guided by trained specialists. Since its launch in June 2023, this model has attracted a niche market seeking expert assistance in trip planning. Initiatives such as engagement campaigns and corporate client visits aim to highlight the unique services we offer. Despite ongoing challenges, the Mozambican government's efforts, such as easing visa requirements for select countries, signal progress in boosting domestic tourism. While uncertainties

persist, the evolving landscape presents potential for improvement.

NOOR MOMADE Mozambique is undoubtedly one of the top destinations in the world. It features pleasant weather all year, stunning beaches and islands, and a wealth of fresh, natural cuisine, creating a welcoming and rich environment. The friendliness of the Mozambican people adds to the country's allure; however, substantial improvements are needed for the tourism sector to fully prosper. The availability and cost of domestic flights are currently major obstacles, with limited flight schedules and high prices. Enhancing domestic transportation and infrastructure is critical to improve accessibility and encourage tourism across various regions. Furthermore, there is an urgent need to increase the number of accommodations, such as hotels and lodges. More investment is also crucial in training for tourism professionals, not just tour guides, but also staff in hotels and restaurants. It is also essential to train our immigration and customs officials, as they are the first point of interaction for tourists at airports and borders,

and making a good first impression is crucial. These enhancements will develop over time.

What environmental, social, and governance strategies and initiatives does your company pursue?

BL Dana Agency follows American Express' quality standards, which are closely aligned with ESG standards. Audits by American Express ensure international compliance, despite less stringent enforcement by the Mozambican government. Dana Agency has a carbon policy, providing reports to larger clients who support sustainability through their purchases. We have also emphasized individual responsibility for environmental preservation in our governance policy. Acknowledging the travel industry's impact on global warming, we are committed to continuous improvement. In Mozambique, we encourage client partners to join our carbon project, aiming to set a sustainability benchmark in the local market. Dana actively supports a sustainability fund demanded by airlines through co-participation, as evidenced in reports. We reinforce this commitment in client sessions to bolster the sustainability fund. As a founding member of the Association of Travel and Tourism Agencies under the CTA, Dana Agency also actively engages in ESG discussions.

NM We recognize that, besides qualifications, having dedicated and focused professionals is crucial, especially given the high concentration demands of our industry. That is why we have created a work environment that not only promotes, but celebrates the well-being and satisfaction of our employees, treating each team member as part of our corporate family. In addition to taking care of our team, we are deeply committed to the social aspects of our business, including returning a portion of our profits to the community. This commitment goes beyond merely investing in human resources; it is about a commitment to operational excellence and social responsibility. We understand that the foundation of our success is the people who dedicate their time and talent to us, and it is our duty to ensure this investment is reciprocal. At our company, taking care of those who take care of our business is a priority that guides us toward ongoing and sustainable success. **X**



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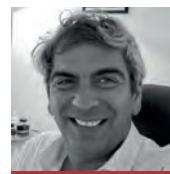
Elsa Santos
FOUNDER,
INVESTE IMÓVEL

Can you provide an overview of Investe Imóvel?

I started Investe Imóvel when I saw a need for housing, especially in Maputo with the large inflow of people and businesses who were seeking homes and offices in good conditions. Our business center was the first one in the city, and after some time we also started looking into accommodations for short-term stays. These are homes or apartments that we list on Airbnb or Booking.com for visitors who are coming for short periods. Most of our clients are NGOs who frequently have guests coming over to Mozambique.

What is your vision for your clients and customers?

Our vision is to do many things better, though this can be challenging. For example, I would like to have a database of clients for short-term real estate. To do so, I need all their contact details, which is not easy because we cannot retain the contact details without authorization from the clients and so on; however, this is one of our ultimate goals in order to get closer to clients through communication. Eventually, we will get there.



Pedro Martins
HEAD OF BUSINESS &
TRAINING,
PREMIER LOTTO

What is your vision for the gaming industry in Africa, and specifically in Mozambique?

We recognize the growing trend toward online gaming, which has seen significant growth in recent years. While many operators focus solely on online platforms, our business model prioritizes human interaction, providing employment opportunities and contributing to the local economy. Premier Bet Editec's unique approach combines both physical and online presence. While we have recently expanded with four operations in the Middle East, our primary focus remains Africa. Our vision is to foster job creation and local development while reinvesting a significant portion of our profits into initiatives known as Premier Projects, implemented in Mozambique, Angola, and other African countries. One notable project is the creation of Pan-African sports platforms, including academies aimed at nurturing talent and providing opportunities for disadvantaged youth.

What are the company's short to mid-term goals?

Effective management strategies, such as appropriate product offerings and market analysis, are crucial for sustainable growth. We prioritize responsible allocation of resources, avoiding over-saturation in local markets to ensure agents can earn a sufficient income. Despite challenges, we believe there is still room for expansion, aiming to double our network and create more job opportunities. In the online sector, we compete with other operators while adhering to Mozambique's well-regulated gaming market, which sets a commendable example for other countries due to its efficient legal mechanisms and organizational structure.

FOCUS

Digitalizing tourism

HOT spot

Mozambique is on a path to modernize its tourism sector through digital initiatives led by the government. The e-visa platform is just the beginning, with future projects set to improve the travel experience and attract more tourists.

Mozambique is focusing on digitalizing its tourism sector to become a prime destination for global travelers. The government's initiatives aim to simplify processes, enhance accessibility, and provide an improved experience for tourists, making Mozambique a more attractive and competitive destination. One of the most significant changes has been the adaptation of an e-visa system for international travelers, as well as policy reforms to simplify the process.

Visa reform has been a significant focus for the Mozambican government, as detailed in the 2022 Economic Acceleration Package (PAE). This plan introduced key changes, including granting visa waivers to countries with low immigration risk, offering business visas upon arrival at airports, and launching an e-visa system for digital processing and payments prior to travel. The policy also allows visa-free entry for tourism and business purposes to citizens from 29 countries.

The new e-visa platform is central to Mozambique's digital tourism strategy, designed to simplify the visa application process for international visitors. Launched in 2022, this platform has received positive feedback for its efficiency and user-friendliness. It enables tourists to apply for visas online, minimizing the bureaucratic obstacles that previously discouraged many potential visitors. Travelers now have the convenience of registering on an online e-visa platform and paying a minimal processing fee of USD10 before their trip. Since the e-visa platform was launched, the country has seen a notable increase in visa applications. Within the first two months, over 10,000 applications were processed, marking a 34% increase compared to the same timeframe the previous year. The e-visa platform initiative is expected to further drive foreign interest, with some estimates predicting an 80% increase in visitors in 2024.

Eldevina Materula, the Minister of Culture and Tourism, stated that this initiative is part of a larger effort to digitize the sector and improve the visitor experience. "Recognizing the crucial role of digitalization, we are prioritizing the transformation of the

tourism sector. Our upcoming Integrated Tourism Management Platform will enhance communication and coordination among stakeholders, offering a centralized hub for information dissemination, event registration, and market insights," she explained.

The Ministry of Culture and Tourism is also exploring partnerships with technology companies to develop applications that enhance tourists' experiences. These apps will provide information on tourist attractions, cultural events, and local services, making it easier for visitors to navigate and enjoy their stay in Mozambique.

The digital transformation of Mozambique's tourism sector is not solely a government endeavor. Private sector involvement is crucial for its success. As Materula highlights, "Our success in promoting Mozambique as a prime tourism destination hinge on strong collaboration with the private sector. We understand the important role those private businesses play in supporting our tourism goals and are committed to partnering with them within the tourism framework."

Companies such as Dana Agency are playing a role by integrating digital solutions into their operations. Brislau Lobo, Country Manager of Dana Agency, highlights the importance of online platforms in their business model: "Our reliance on online platforms for communication facilitates efficient information sharing without constant physical interactions. This approach is essential for managing logistical challenges across diverse locations," Lobo explained.

Dana Agency's commitment to digitalization is evident in their comprehensive travel management services, which include intermediary services like visa acquisitions and tailored travel experiences. Its innovative approach, Travel Management 3.0, focuses on tailored business travel solutions with advanced technology that allows for maximum customization.

The digitalization of the tourism sector is expected to have a significant economic impact on Mozambique. By streamlining processes and improving the visitor experience, the country aims to attract more tourists, thereby boosting revenue and creating jobs.

The tourism sector is a vital part of Mozambique's economy, and these digital initiatives are essential for its sustainable growth. According to the World Travel & Tourism Council, in 2023, the tourism sector in Mozambique accounted for around 9.1% of the country's GDP. This percentage is expected to grow as the nation continues to implement digitalization initiatives.

Moreover, the government's focus on digital transformation extends to enhancing the skills of the local workforce. The World Bank has granted Mozambique USD150 million for the Digital Governance and Economy Project. This initiative aims to enhance access to digital services and stimulate digital business opportunities within the country. Training programs are being implemented to equip tourism professionals with the necessary digital competencies. This not only improves service quality, but also ensures that the benefits of digitalization are widely distributed across the population.

Although the digitalization efforts are promising, they face several challenges. One significant barrier is the infrastructure limitations, particularly in rural

areas, which can delay the widespread adoption of digital technologies. To overcome these obstacles, collaboration between the government and the private sector is essential. Both must work together to address these issues, ensuring that all regions benefit from the advancements.

Additionally, there is a need for continuous investment in cybersecurity to protect sensitive information and maintain the integrity of digital platforms. The partnership with American Express, which provides annual training on information security and data privacy, is a step in the right direction for companies like Dana Agency.

As these initiatives unfold, Mozambique is set to become a leading destination, offering a unique blend of natural beauty and modern convenience. With long, pristine beaches, diverse and unique wildlife, and a fun-loving culture, it is easy to envision a future where tourists flock to Mozambique. As long as the government continues to invest in its infrastructure and tourist-friendly policies, there is little reason to suggest Mozambique couldn't become the next tourism hot spot in southern Africa. **X**



A World War One memorial in Maputo

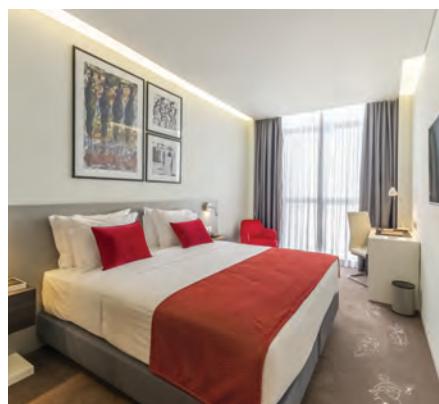
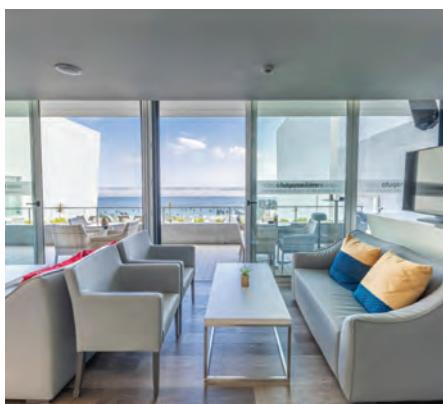


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