ANNUAL HIGH-LEVEL MEETING
ADVANCING INVESTMENT POLICY REFORM IN AFRICA

THE MOZAMBICAN EXPERIENCE

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MOZAMBICAN EXPERIENCE

1. Background on Mozambique
2. Is There a need for Reforms?
3. At what extend the Reforms should be done?
4. Major stakeholders?
5. Infrastructures?
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• BACKGROUND
  – Multiparty democracy since 1994;
  – Last 10 years annual growth rate average 7%;
  – Average annual FDI 500 to 600 millions USD excluding major projects;
  – Major investment sectors: Tourism, Agriculture, construction, mining, manufacturing industry and logistics;
  – Major top 10 FDI: SA, Mauritius, UK, and Portugal.
Mozambique

- Location: Southern Africa
- Borders
  - Tanzania
  - Malawi
  - Zambia
  - Zimbabwe
  - África do Sul
  - Suazilândia
- Capital: Maputo
- Total Area: 799,380 Km²
- Cost: 2,515 Km
- Main Rivers:
  - Zambeze
  - Rovuma
  - Lúrio
  - Limpopo
  - Messalo
- Main Lake: Niassa
Investment Flow

Aproved Investment

IDE Evolution

<table>
<thead>
<tr>
<th>Period</th>
<th>USD</th>
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<tbody>
<tr>
<td>1985-1992</td>
<td>500,000,000</td>
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<tr>
<td>1993-2000</td>
<td>1,000,000,000</td>
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<tr>
<td>2001-2006</td>
<td>2,500,000,000</td>
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• IS THERE A NEED FOR REFORMS? AT TO WHAT EXTENSION?

  – Evaluation on the major impacts of the investment policy (FDI trends; job creation, GNP, tax revenues);
  – Recognition of the need of such reforms to improve the investment climate, even if most of the trends are positive;
  – Investment policy reform is an ongoing process and permanent (at least for African countries we should not feel happy based only on statistics)
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• Extension of the reforms should be based on the definition of priorities and having a focus on those few priorities

• Public Sector Reform
  – Investment law regulation;
  – Industrial development policy;
  – Agricultural mapping and zoning;
  – Bio-fuel strategy
  – Code of Fiscal benefits;
  – Free & Special Economic Zones;
  – Technology & Scientific Parks;
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• MAJOR STAKEHOLDERS (main interest)
  – Government (policy definition and vision)
    • Rural areas (Districts) as the focus points for development;
    • Give funding for those rural areas;
    • Green Revolution;
    • PPPs
  – Business community;
  – Investment Promotion Agencies;
  – People in general
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• INFRASTRUCTURES Discussions should focus on:
  – Which infrastructures are the core for development for certain country or region;
  – Governments and partners should agree and action on how to finance those infrastructures;
  – Are infrastructures a core element on investment climate for any country.
THANK YOU
Muito Obrigado

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