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Mozambique may reach the 630 thousand barrels a day counting from 2025

The gas production in Mozambique may reach 630 thousand barrels a day ten years from now, provided that the infrastructural problems faced nowadays are solved and also if the issues between the two existing operators – north American Anadarko and Italian ENI – are settled.

According to the available previsions the production of gas, measured in barrels equivalent to petroleum should be around 80 thousand barrels a day during the next years and shall enormously increase to more than 600 thousand barrels in the end of the next decade, thereby leaving Mozambique closer the African petroleum production leaders, with a daily production close to 2 million barrels.

Sweden is granting 79 million Euros to the Mozambican Budget

The Swedish Government recently announced that this country will provide a financial aid in the amount of 79 million Euros to the Mozambican State Budget during the years of 2014 and 2015, amount which will be mainly destined to the social areas.

The above mentioned financial aid was announced during the signature of an agreement by Mozambican Vice-Minister of the Foreign Affairs and Cooperation Henrique Banze and by the Swedish Ambassador Ulla Andrén.

Galp confirms a new gas discovery in Mozambique

Galp Energia revealed the conclusions on an assessment made to a gas well in the Rovuma Bay, in the Mozambican offshore, which was “well succeeded”.

In accordance to a press release addressed to the Mozambique Stock Exchange Committee, Galp Energia stated that “the delineation was carried out through the assessment well Agulha-2, which was drilled 12 km south to the discovery well, Agulha-1, and showed a gas column with 25 meters, discovery which confirmed the extension to south”.

**ITALIAN COMPANIES
JOIN FORCES WITH
THE AIM OF
PROVIDING
SERVICES TO THE
OIL INDUSTRY**

- **NACALA, IN MOZAMBIQUE, AND CHIPATA, IN ZAMBIA LINKED BY TRAIN**
- **AFRICA AND FMI STRENGTHEN PARTNERSHIP**
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**MOZAMBIQUE
NEWSLETTER Mai/June
2014**

**MCA recently opened
rep office in Houston**



MCA is pleased to announce the open of a liaison office in Houston to provide assistance to MCA's US and Canada based clients, and to assist new clients and prospective investors in planning their operations in the jurisdictions covered by MCA network.

Please contact us for further information.

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Arab Development Bank grants Mozambique a loan

In accordance to a press release issued by the Minister of Planning and Development, the Arab Bank for the African Development (ABAD) will grant Mozambique a loan in the amount of 11 million dollars. The loan was negotiated within the scope of the 49th African Development Bank annual reunion held in Kigali, Ruanda and it was decided that a major part of the financing, corresponding to approximately 9,8 million dollars, will be destined to the construction of the Marine Technology and Fishery Technology Institute, in the province of Inhambane. During the last four years the ABAD has financed at least five projects of the Mozambican Government in the infrastructures and social areas, projects in the global amount of 41 million dollars.

South Korea injects dollars aimed for the construction of sanitary landfills and road in Mozambique

The issues related to the poor management of solid residues, fact which not only harms the environment but also promotes the proliferation of several diseases connected to the lack of cleanse and hygiene may be overcome thanks to a recently signed agreement between the Mozambican Government and South Korean Eximbank, which means in an investment above to 48 million dollars for the construction of sanitary landfills in the cities of Maputo and Matola.

Beira Port shall have a new fertilizer terminal soon

The construction works of a new fertilizer terminal in the Beira Port, in the province of Sofala shall begin soon. The projected terminal shall have capacity to process between six to eight thousand tons of fertilizer daily, in accordance to a Mozambique 'Comelede' Director.

Government "flirts" with Irish entrepreneurs in order to invest in the agro-fishery industry

A delegation of Mozambican entrepreneurs is travelling this month to the Irish capital Dublin, having as mission the prospection of business opportunities and having as aim to convince the Irish entrepreneurial class to invest in Mozambique, mainly in the areas of agro-industry and fisheries.

State owned HCB hopes to pay loan reversal until 2016

According to the declarations made by its Director, Hydroelectric Cahora Bassa (HCB) shall pay its 700 million dollars debt related to the reversion of the Portuguese capital in the Mozambican dam. Also according to Max Tonela, 58% of the debt to the consortium

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which financed the operation, headed by the French Bank Calyon and by the Portuguese Bank BPI was already paid for.

CAPE VERDE AND MOZAMBIQUE SEARCH FOR NEW OPPORTUNITIES FOR COOPERATION

The Minister of the Foreign Affairs and Cooperation, Mr. Oldemiro Balói, has recently visited Cape Verde, with the aim of analyzing new opportunities for cooperation, namely in the economic and business areas.

A source from the Foreign Affairs Ministry (MIREX) of the archipelago admits that, regarding the bilateral cooperation, “the balance is rather unexpressive despite the important Cape Verde migrant community in Mozambique”.

That source also emphasizes that with regard the multilateral level, over the recent years, the dynamic of the bilateral cooperation “has been stronger in the scope of the CPLP (Community of Portuguese Speaking Countries), PALOP (Portuguese Speaking African Countries) and as well as within some Agencies and Funds of the United Nations”.

Nevertheless, the relations between the two countries achieved a new evolution last February.

DAM OF MASSINGIR INCREASES ITS NATURAL CAPACITY AND SAFETY

The Dam of Massingir, located in the southern province of Gaza, in Mozambique, is being subject to improvement works which include the construction of an ancillary discharger. Such improvement shall enable this infrastructure to attain a major flow volume in the flood season. The works, worthing 29 million dollars are funded by the Mozambican Government and by the Development African Bank (BAD), and are being implemented by the company China Hennan International Cooperation Group (CHICO).

STANDARD INVESTS IN THE REAL ESTATE SECTOR

Over the last two years, Standard Bank invested in the country around \$100 million in the real estate sector, by means of a new financing model for real estate projects, which represents an integrated and safe solution for the financing structuring, management and efficient operation of real estate undertakings.

MOZAMBIKAN AND ITALIAN COMPANIES JOIN FORCES WITH THE AIM OF PROVIDING SERVICES TO THE OIL INDUSTRY

The Mozambican press reports that the Mozambican ENH Logistics (ENHL) and the Italian Bonatti have incorporated the company ENHL – Bonatti, Lda., a partnership which aims to transfer specific knowledge

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in the field of services provision to the oil industry.
Such partnership also aims to take advantage of all available business
opportunities that often occur in Mozambique as a result from the
investments made by companies and groups within the oil sector, and
as well becoming one of the provider services for this industry.

NACALA, IN MOZAMBIQUE, AND CHIPATA, IN ZAMBIA LINKED BY TRAIN

The President for the Development Triangle of Zambia, Malawi and Mozambique (ZMM-TD) stated that an experimental train (convoy) transporting different goods linked Nacala harbor, in the province of Nampula, to the city of Chipata, in Zambia, across the neighbor Malawi.

AFRICA AND FMI STRENGTHEN PARTNERSHIP

Leaders of African countries and the International Monetary Fund (FMI) agreed among themselves to strengthen their partnership, as well as to work together for the purpose of meeting the needs/requirements of the African Continent. This intention is expressed in the so called "Declaration of Maputo", which has been approved during the International Conference "Africa em Ascensão" (Africa Rising) recently held in the Maputo.

SOVEREIGN FUND OF MOZAMBIQUE: ONLY WITH A BALANCED STATE BUDGET

The Government of Mozambique will only proceed with the constitution of a Sovereign Fund once the state budget revenues and expenditures are balanced, stated in Maputo the Finance Minister, Mr. Manuel Chang.

Prior to and during the Conference "Africa em Ascensão", promoted by the International Monetary Fund (FMI) in partnership with the Government of Mozambique, Mr. Chang told the press bureau AFP that "we will not make what others do", adding also that the country needs the funds it manages to obtain, to finance, for instance, the construction of infrastructures.

Furthermore, the Minister stated that, although the constitution of a Sovereign Fund is being studied, the country should avoid "the opening of many bank accounts where several millions are put, but continuing being unable to construct routes or highways and any other infrastructures highly necessary for the respective development".

FMI PRAISES GROWTH IN MOZAMBIQUE

The director of FMI, Ms. Christine Lagarde, visited recently the harbor of Maputo, in the capital of Moçambique, which is one of the strategic infrastructures of the country.

At that time Mrs. Lagarde stated that she was very happy to be in Maputo and very impressed with the visit to the harbor as well as having seen with her own eyes which steps are being taken regarding the training of young people who may play a major role in the future of

Mozambique.

The director of FMI visited the Mozambican capital in order to attend the conference “Africa em Ascensão”, organized by the entity which had also organized the conference in Tanzania five years ago.

The Conference “Africa em Ascensão” was held in May 2014, at the Convention Centre Joaquim Chissano and was attended by the President of the Republic, Mr. Armando Guebuza, by Ministers of Finance of several countries, members of the World Bank and emissaries of other countries, such as Republic of China.

Furthermore, Mrs. Christine Lagarde stated "that the Sub-Saharan Africa has kept growth registers much better than those registered in the majority of the other parts of the world, thus resisting to the crisis. The experience of the last five years must be shared by all together with the grounds that justify it. We all must look at the future, namely how to correspond to the youth requirements in what concerns the fields of education, culture and job opportunities".

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