

Mozambique

Relations with the Netherlands

Located in southern Africa, Mozambique is one of the world's least developed countries. With a surface area of 799,380 km², it is 19 times bigger than the Netherlands. The population is nearly 23 million (source: *CIA World Factbook*, July 2011), and life expectancy is 48.4 years (UNDP). After a long war against colonial power Portugal, Mozambique won its independence in 1975, becoming a one-party state under the former independence movement Frente de Libertação de Moçambique (Frelimo). This was followed by a bloody and protracted civil war with Resistência Nacional de Moçambique (Renamo) that claimed a million lives and brought the country to a standstill. In 1992 the warring parties, Frelimo and Renamo, signed a peace agreement and the reconstruction process could begin.

UN Human Development Index

Mozambique ranks 165th out of the 169 countries on the UN Human Development Index, making it among the poorest in the world.

General

Since 1989 the Dutch embassy has been located in the capital city of Maputo. Around 250 Dutch nationals live in Mozambique; the Mozambican community in the Netherlands comprises 862 people (Statistics Netherlands, 2011). The Netherlands and Mozambique have had diplomatic relations since the latter's independence in 1975.

Development cooperation is central to the Netherlands' relationship with its partner country Mozambique. The Netherlands is active in various sectors, including health care and water, and was also active in the education sector until the end of 2010. It is involved in cross-sector projects relating to domestic accountability and the equitable distribution of growth (over various regions and segments of the population). The Netherlands also supports projects relating to sustainable energy. With a view to fostering economic development, the Dutch government supports numerous Dutch businesses that are active in Mozambique.

Political situation

Since the end of the civil war in 1992, Mozambique has had a multiparty system. The president and the parliament are both elected for five-year terms. The president may be re-elected once. Currently, three parties are represented in parliament, the two former freedom movements Frelimo and Renamo and the Movimento Democrático de Moçambique (MDM). There are also any number of smaller parties that have no seats in parliament. Frelimo has been in power in Mozambique since independence. In the most recent parliamentary elections (2009) Frelimo won 191 seats, Renamo 51 seats and MDM eight seats. The

Frelimo candidate Armando Guebuza was elected for his second term as president. 2009 was the first year that provincial elections were also held, alongside parliamentary and presidential elections.

The economy

Mozambique's economy is characterised by rapid growth (an average of 8% per year), accompanied by a stable exchange rate and high inflation (14% in 2010). The rapid growth is largely attributable to a number of major investment projects in aluminium production, energy generation and mining (titanium, coal). The government invests significant sums in infrastructure. Opportunities for tourism are growing, and investments in ports, transport and telecommunications are also on the rise. As of 2011, Mozambique was 126th on the World Bank's Doing Business list. The Netherlands supports economic development through its private sector instruments. They include the Private Sector Investment Programme (PSI), the Infrastructure Development Facility (ORIO), the Matchmaking Facility (MMF) and the Prepare2Start Programme. The most important Dutch exports to Mozambique are aluminium (raw materials and semi-finished products), machines and transport equipment, and chemical products. The most important imports from Mozambique are aluminium (finished products), drinks and tobacco.

For the most up-to-date information on economic and trade relations, see the NL Agency website: <http://www.agentschapnl.nl/en>.

Culture and sport

Since 2008 the Netherlands has supported a number of activities related to culture, sport and development. Via UNESCO it helped enable restoration of the St Sebastian Fortress on the Island of Mozambique. The Dutch government has also contributed to numerous events and activities in the areas of music, dance, film, the visual arts and sport. An example from the world of sports is the foundation set up by leading athlete Maria de Lurdes Mutola, which works to promote sport among young people in central Mozambique.

Development cooperation

As announced in the Letter of 18 March 2011 to the House of Representatives presenting the spearheads of development cooperation policy, Mozambique will remain on the list of countries with which the Netherlands has a bilateral development relationship. Achieving the Millennium Development Goals is the main objective. In 2010, the Netherlands spent €59 million on development in Mozambique through its embassy in Maputo. Money was also available for university partnerships and mixed credit. Dutch efforts focus on poverty reduction, good governance and structural development, in close consultation with the Mozambican government and other donors. The Netherlands supports programmes in the following areas:

- Health care, with a focus on expanding and improving care in rural areas, combating HIV/AIDS, and maternal care. The programme is funded through both sector and project support. 2010 budget: €13 million.
- Water/sanitation, with an emphasis on increasing access to clean drinking water, and improved access to sanitary facilities. The programme for privatising management of the urban water supply was expanded from nine to 14 cities in 2006, with technical assistance from a Dutch water company through public-private partnership.
- Improving governance, democracy and human rights; strengthening civil society; supporting the decentralisation process; supporting reforms in the police and justice sector; fighting corruption by improving the management of public finances and supporting an anti-corruption watchdog. The Netherlands is also helping to strengthen democracy by supporting civil society and political parties.
- Sustainable energy. Mozambique is a very large country, and very few people have access to energy supplies. In comparison to other countries in Africa, Mozambique has significant potential for meeting its energy needs with hydropower, biomass, solar and wind energy. Mozambique has a progressive policy for promoting renewable energy, though substantial investment is needed in its infrastructure.

Mozambique is highly dependent on foreign development aid to fund its annual budget. Thanks to rapid economic growth and increases in tax revenue, it is expected to become gradually less dependent in the years ahead. At this point, however, nearly half of the government budget is funded by donors.

Treaties

For up-to-date information on bilateral treaties, please see the Ministry of Foreign Affairs Treaty Database (www.minbuza.nl/en/Key_Topics/Treaties/Search_the_Treaty_Database).