



# **Mozambique Agribusiness Seminar Pretoria – Sep 30, 2009**



MOZAMBIQUE

# Facts About Mozambique



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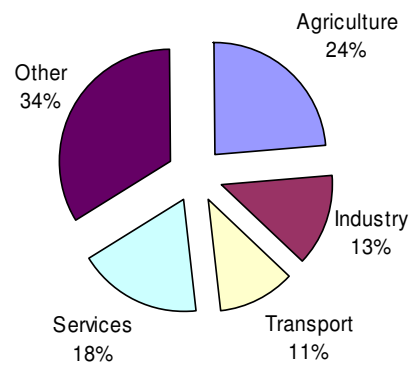
## General

- **Population:** **21 million**
- **GDP per capita:** **US\$ 470**
- **GDP growth rate (2008):** **6.70%**
- **Inflation rate (Dec08/Dec07):** **11.82%**
- **Exports:** **US\$ 2.7 billion**
  - **Main products:** metals, food, minerals
  - **Main destination:** Netherlands, SA, Zim, China
- **Imports:** **US\$ 3.8 billion**
  - **Main products:** equip, minerals, food, chemicals
  - **Main origin:** SA, China, India, USA, Japan

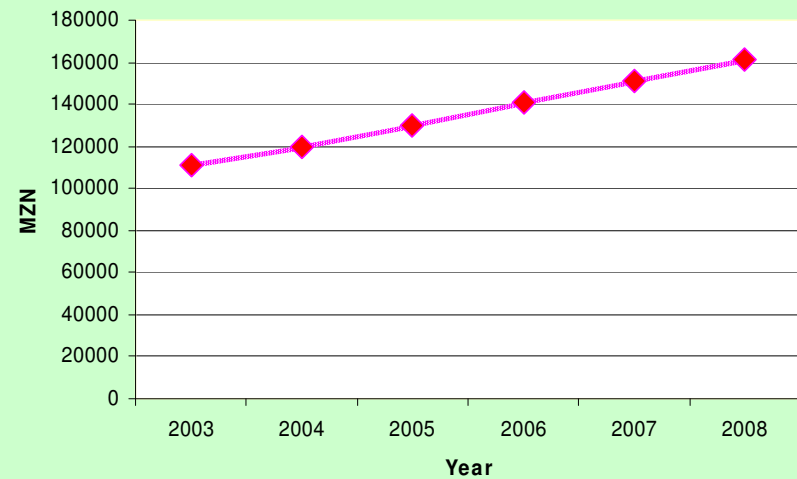
# Facts About Mozambique – GDP

## Composition & Evolution

**Composition of GDP - 2008**



**GDP Evolution**



# Facts About Mozambique

## Foreign Direct Investment

### Origin – Top 10

1. South Africa
2. PR China
3. Portugal
4. Italy
5. Mauritius
6. UK
7. Emirates
8. France
9. Malawi
10. SAR Macao

### Origin - Other African Countries

1. Madagascar
2. Zimbabwe
3. Seychelles
4. Tanzania

# Facts About Mozambique

## Destination of Investment

1. Maputo
2. Manica
3. Sofala
4. Nampula
5. Gaza
6. Inhambane
7. Tete
8. Niassa
9. Cabo Delgado
10. Zambezia



# Facts About Mozambique

## Destination of Investment

### Sector

- Agriculture
- Industry
- Tourism
- Transport
- Construction
- Banking
- Fisheries
- Other sectors



# The Market

- SADC
- China
- European Union
- USA
- Canada



# Taxation System

- **Customs Duties on Imports**
  - **Equipment** **5.0%**
  - **Raw material** **2.5%**
  - **Semi-processed goods** **7.5%**
  - **Finished goods** **20.0%**
- **VAT** **17.0%**
- **Corporate tax – General** **32.0%**
- **Corporate tax – Agriculture (until 2010)** **10.0%**
- **Personal Tax**
  - **Minimum** **10.0%**
  - **Maximum** **32.0%**
- **Withholding tax** **20.0%**

# Investment Legislation

- **Investment Law**
- **Regulation on Investment Law**
- **Code of Fiscal Benefits**



New



New

# Incentives

- **Customs duties & VAT – Exemption on import of:**
  - Equipment
  - Accessories
  - Spares
- **Corporate Tax**
  - 80% reduction until December 31, 2015
  - 50% reduction until December 31, 2025
- **Other Incentives**

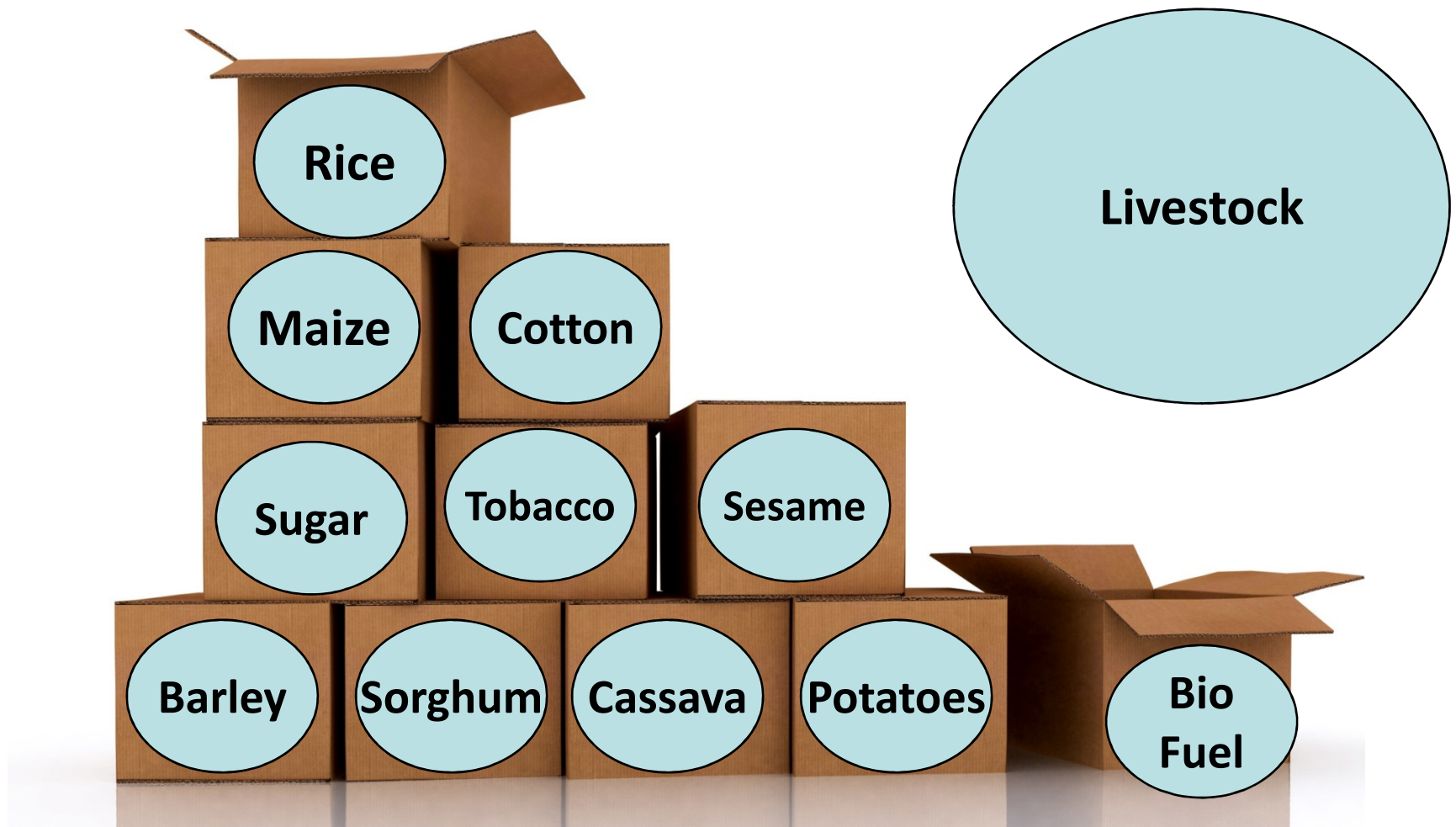
## Guarantees

- **No restriction on export of profits/dividends**
- **No restriction on payment of loans and interest to lenders abroad**
- **No restriction on payment of foreign shareholders loans**
- **Compensation in case of expropriation**

## Mozambique – South Africa

- **Agreement for Promotion and Reciprocal Protection of Investments**
- **Agreement to Avoid Double Taxation and Tax Evasion**
- **South Africa – Mozambique Chamber of Commerce**
- **Chamber of Commerce Mozambique – South Africa**

# Investment Opportunities



# On Going Projects

- **Mining activities**
- **Oil and Gas exploration**
- **Power Generation**
  - **Mpanda Nkuwa Hydropower Dam**
  - **Cahora Bassa North Hydropower Dam**
  - **Moatize Thermal Power Plant - Coal**
  - **Benga Thermal Power Plant – Coal**
  - **Natural Gas**
- **Back bone Transmission Line (Centre-South-North)**
- **Ports and railways development**
- **Ponta Tchobanine New Harbor and Railway**
- **Nacala Special Economic Zone (→)**

# Nacala Special Economic Zone

- Nacala Port
- Nacala Corridor (railway)
- Nacala Airport
- Industrial Zone



## **HC - CPI - CEPAGRI - GAZEDA**

- **Provide institutional support**
- **Assist on land acquisition**
- **Assist on company registration and licenses**
- **Provide fiscal incentives**
- **Assist on work and residence permits**
- **Assist on establishing linkages with other businesses**

**We will take your headache!**



MOZAMBIQUE

**Thank you!**



Centro de Promoção de Investimentos  
(Investment Promotion Centre)