THE WAVERLEY SERIES

MOZAMBIQUE

An Insight of Investment, Trade and Economy

September 2026

For Advisory & Partnership

LORD WAVERLEY

office@lordwaverley.com • www.lordwaverley.com

MOZAMBIQUE — AT A GLANCE

Capital	Maputo
Real GDP growth	Contracted 0.2% in 2025 from 2.1% in 2024 amid Cabo Delgado security disruption; recovered to 1.7% year-on-year in the second quarter of 2026; full-year 2026 projected around 2.1%, rising to 3.5% in 2027
Inflation	Rose sharply to 7.5% in July 2026 from 4.4% in 2025 and 3.2% in 2024
Policy rate	Cut to 9.2-9.25% in January 2026 from 12.7% in 2024
Poverty	Rose from 48.4% in 2014/15 to 62.9% in 2022, pushing an additional 7 million people into poverty; one estimate puts the current rate as high as 71%
Fiscal deficit	Projected to widen to a range of roughly 5.2-7.0% of GDP in 2026 depending on the source, driven by rising interest payments, wages and reduced project-financing grants
Foreign direct investment	Fell 21% year-on-year to $1.286 billion in the first quarter of 2026, but the government projects a new full-year record of $5.88 billion, driven by Rovuma Basin LNG project implementation
Key sectors	Liquefied natural gas (Rovuma Basin, among the world's largest gas reserves), mining, and agriculture
Governing framework	President Daniel Chapo (FRELIMO), declared winner of the 9 October 2024 election with a final tally of 65.17% against opposition candidate Venâncio Mondlane's 24.19%; sworn in 15 January 2025 amid severe post-election political violence; an Islamic State-linked insurgency has been active in Cabo Delgado province since 2017

Mozambique enters this reporting period balancing an extraordinary investment opportunity against equally extraordinary security and political risk. ExxonMobil's final investment decision for its $20 billion Rovuma LNG mega-project, described by President Chapo as the largest private investment project on the African continent, is expected this month, while the IMF concluded a positive technical mission just days ago pointing toward a new financing programme. This economic promise unfolds against the backdrop of a disputed October 2024 election that triggered political violence killing more than 300 people, including the targeted killing of at least 10 opposition officials that remains unaccounted for, and an ongoing Islamic State-linked insurgency in Cabo Delgado, the very province hosting these LNG mega-projects, that has killed more than 5,600 people since 2017 and continues generating fresh attacks as recently as this month. Investors should weigh Mozambique's genuine, world-scale resource wealth directly against this severe and unresolved security and political environment.

1. INVESTMENT & FDI

ExxonMobil's imminent final investment decision on Africa's largest-ever private investment project headlines a genuinely transformative FDI outlook, even as near-term investment flows have declined sharply.

President Chapo told Lusa that Mozambique expects ExxonMobil's final investment decision on the Rovuma LNG mega-project in Cabo Delgado this September, describing it as 'the largest private investment project on the African continent' at approximately $20 billion; ExxonMobil lifted its force majeure declaration on the project, suspended since 2021 terrorist attacks, in November 2025. TotalEnergies' neighbouring Area 1 project is resuming construction and sharing infrastructure with ExxonMobil's development, with LNG deliveries expected from 2029 at 13 million tonnes per annum capacity, while Italy's Eni already produces from a separate floating facility in the same basin. Separately, the IMF concluded a 10-day technical mission to Mozambique on 21 September 2026, leaving positive signals for a new financing agreement under the Extended Credit Facility; Finance Minister Carla Loveira described the mission's outcome as an important step, with a second mission expected in November 2026 to negotiate detailed conditionality and performance targets.

- **A potentially transformative single investment decision:** ExxonMobil's expected FID on an approximately $20 billion project, described by the president himself as Africa's largest-ever private investment, would represent a scale of capital commitment matched by few other single projects across this entire series.
- **A genuinely positive, current IMF signal:** the technical mission's positive conclusion, with a follow-up mission already scheduled for November, represents concrete near-term momentum toward restored multilateral financial support.
- **A sharp near-term FDI decline set against a projected full-year record:** the 21% year-on-year fall in first-quarter FDI stands in genuine tension with the government's own full-year projection of a record $5.88 billion, a gap that will likely be resolved by the timing and scale of the anticipated LNG-linked capital deployment specifically.
- **Multiple major international energy companies already committed:** the simultaneous presence of ExxonMobil, TotalEnergies and Eni in the Rovuma Basin demonstrates that Mozambique's core LNG investment case has already attracted sustained commitment from several of the world's largest energy companies, despite the security challenges described in Section 3.

2. TRADE & BUSINESS

New industrial parks and planned road concessions signal genuine, if modest, diversification efforts even as the extractive sector's fortunes remain tied to security conditions in the north.

MozParks launched its Manica Parks industrial platform in Manica Province on 8 September 2026, days after a Chinese solar panel manufacturer began construction at the MozParks Beluluane Industrial Park on 4 September. The government also plans to concession nearly 200 kilometres of national roads, the N4, N2 and N3, in 2027. President Chapo has separately called on domestic insurance companies to help finance national growth, a direct appeal for broader domestic financial-sector participation in development financing.

- **Concrete new industrial infrastructure:** the near-simultaneous launch of Manica Parks and the start of Chinese solar-panel manufacturing at Beluluane represent genuine, active manufacturing-sector diversification distinct from Mozambique's traditional extractive-sector focus.
- **A specific upcoming infrastructure procurement opportunity:** the planned 2027 concessioning of nearly 200 kilometres of national roads offers a concrete, dated infrastructure investment channel for transport-sector investors and contractors.
- **A direct appeal to domestic capital:** Chapo's specific call for insurance companies to help finance national growth signals a deliberate government effort to mobilise domestic institutional capital alongside foreign direct investment.

3. MAJOR ECONOMIC DEVELOPMENTS

A disputed election that triggered severe political violence, alongside an intensifying northern insurgency, continue shaping Mozambique's risk profile even as fiscal and monetary conditions show tentative signs of stabilisation.

Mozambique's 9 October 2024 presidential election returned FRELIMO candidate Daniel Chapo with a final tally of 65.17% of the vote against opposition candidate Venâncio Mondlane's 24.19%, a result revised down from provisional figures of 70.67% and 20.32% respectively; Mondlane claimed the election had been rigged. The disputed result triggered political violence that multiple independent analyses put at more than 300 deaths. Human Rights Watch documented that from October 2024 to March 2025, unidentified gunmen, some wearing security-force uniforms, shot dead at least 10 opposition party officials, with no accountability established as of its most recent reporting; separate analysis states that at least 100 members of Mondlane's PODEMOS party were shot dead, mostly in their own homes, amid widespread suspicion that death squads were involved, while two opposition leaders closely associated with Mondlane were murdered in Maputo ten days after the election, allegedly by police operatives. Mondlane himself was targeted by riot police firing tear gas during a Maputo press conference, and was later met with live ammunition and tear gas fired at his supporters when he returned from self-imposed exile on 9 January 2025, an incident that killed at least one person. Roughly 4,000 people were detained during the unrest, and more than 1,500 inmates escaped a Maputo prison in December 2024. Chapo was sworn in on 15 January 2025, and his government pivoted toward dialogue from March 2025, including a direct meeting between Chapo and Mondlane described by analysts as a more serious step toward a longer-term political solution, though Mondlane's exclusion from some broader party-leader talks has limited its reach. Separately, the Islamic State-linked insurgency in Cabo Delgado, active since 2017, has killed more than 5,600 people; the conflict intensified again in mid-to-late 2025, and the United Nations reports more than 95,000 people fled insecurity in the region since January 2025 alone, with insurgent activity spreading into the neighbouring provinces of Niassa and Nampula; police confirmed a terrorist attack in Marangira, Niassa on 8 September 2026 that killed one person and saw eleven people abducted.

- **A disputed election with a documented, severe human cost:** the scale of post-election violence, including specifically targeted, unaccounted-for killings of opposition officials, represents one of the most severe documented political-violence episodes among the markets this series covers.
- **Continued impunity as an unresolved governance concern:** Human Rights Watch's finding that no accountability had been established for the killings of opposition officials as of its most recent reporting represents an ongoing, unresolved governance and rule-of-law concern directly relevant to political-risk assessment.
- **A genuine, if fragile, step toward dialogue:** the March 2025 pivot toward direct engagement between Chapo and Mondlane represents real, if still incomplete, progress toward political de-escalation that investors should track for further development.
- **An active, intensifying insurgency in the exact province hosting the LNG mega-projects:** the continued and spreading violence in Cabo Delgado, including the confirmed September 2026 attack in neighbouring Niassa, directly underscores that the security risk to Mozambique's flagship investment projects remains current and unresolved rather than historical.
- **A notable environmental governance action:** authorities suspended gold-mining operations in Manica province following reports of river pollution and forest destruction, which President Chapo himself termed an 'environmental disaster,' representing a concrete instance of the government taking direct regulatory action against extractive-sector harm.

4. MAJOR PROJECTS & INFRASTRUCTURE

The Rovuma Basin LNG mega-projects anchor Mozambique's infrastructure story, even as their host province remains an active conflict zone.

- **Rovuma LNG (ExxonMobil, Area 4):** targeting 18 million tonnes per annum of production capacity, with final investment decision expected this month following the November 2025 lifting of force majeure.
- **Area 1 (TotalEnergies):** resuming construction and sharing infrastructure with the ExxonMobil development, targeting first LNG deliveries in 2029 at 13 million tonnes per annum capacity.
- **Eni's existing floating LNG facility:** already in production within the same basin, representing an operational precedent for the broader Rovuma development.
- **New industrial parks and planned road concessions:** described fully in Section 2, these represent Mozambique's clearest non-LNG infrastructure investment activity this period.

5. CONFERENCES, FORUMS & EXHIBITIONS

No major standalone investment conferences or forums beyond the IMF technical mission and industrial park launches described elsewhere in this briefing were identified for this specific period.

6. BUSINESS & INVESTMENT EVENTS

President Chapo's direct diplomatic engagement, including an official visit to Lisbon, has centred substantially on advancing the Rovuma LNG project toward final investment decision.

- **Chapo's four-day official visit to Lisbon:** conducted alongside his public comments to Lusa on the Exxon FID timeline, reflecting direct presidential-level engagement in advancing Mozambique's flagship investment project.
- **A direct appeal to the domestic insurance sector:** Chapo's specific call for insurers to help finance national growth, described in Section 2, represents a concrete recent instance of presidential-level investment-promotion messaging targeting a specific domestic financial-sector audience.

7. GOVERNMENT & INTERNATIONAL PARTNERSHIPS

A positive IMF technical mission this month points toward renewed multilateral financial engagement, even as the security situation in the north continues drawing international military and humanitarian attention.

- **IMF:** the positive conclusion of September 2026's technical mission, with a follow-up mission scheduled for November, represents Mozambique's most significant current multilateral financial relationship in active development.
- **ExxonMobil, TotalEnergies and Eni:** these three major international energy companies together anchor Mozambique's most consequential foreign investment relationships, all concentrated in the Rovuma Basin.
- **Portugal:** President Chapo's four-day official visit to Lisbon reflects the continued significance of Mozambique's historic bilateral relationship with its former colonial power.
- **Foreign military engagement in Cabo Delgado:** a succession of foreign military operations, including private military contractors from Russia and South Africa, have so far failed to fully quell the insurgency, according to independent analysis, underscoring the international security dimension of the Cabo Delgado conflict.

- **United Nations:** continued humanitarian tracking and response to displacement in Cabo Delgado, with more than 95,000 people newly displaced since January 2025 alone, represents an ongoing, substantial humanitarian relationship.

8. SME & PRIVATE-SECTOR DEVELOPMENTS

New industrial park development signals modest manufacturing diversification even as informal employment and skills shortages remain structural constraints.

While Mozambique's headline unemployment rate is low at 7%, the World Bank notes that jobs remain largely informal, reflecting a structural quality-of-employment gap rather than genuine labour-market strength. The Bank also identifies skills shortages, limited labour-market access, and persistent gender inequalities, including high fertility rates and adolescent pregnancy, as specific structural constraints on broader private-sector development.

- **A low headline unemployment rate masking informality:** the gap between Mozambique's low unemployment figure and the largely informal nature of available jobs means formal private-sector job creation, rather than headline unemployment alone, is the more meaningful metric for assessing genuine labour-market development.
- **Specific, sourced structural constraints on private-sector growth:** the World Bank's direct identification of skills shortages and gender-based labour-market barriers provides concrete areas where targeted private-sector development interventions could yield genuine impact.

9. NEW INVESTMENT OPPORTUNITIES / PROJECTS ANNOUNCED

LNG-linked infrastructure, new industrial parks, and planned road concessions define Mozambique's most concretely promoted new investment channels.

- **Rovuma LNG final investment decision:** the imminent ExxonMobil FID represents the single largest, most consequential new investment decision of any market covered in this series this period.
- **2027 road concessions:** the planned concessioning of nearly 200 kilometres across the N4, N2 and N3 national roads offers a concrete, dated infrastructure procurement opportunity.
- **Industrial park expansion:** Manica Parks and the Beluluane Industrial Park's new Chinese solar-manufacturing investment together represent Mozambique's clearest current manufacturing-sector diversification opportunities.
- **Domestic insurance-sector financing participation:** Chapo's direct appeal to insurers opens a specific, named channel for domestic institutional capital to participate in national development financing.

SUMMARY ASSESSMENT

Mozambique presents one of the starkest juxtapositions of world-scale investment opportunity and severe, unresolved security and political risk of any market in this series. ExxonMobil's imminent final investment decision on its $20 billion Rovuma LNG project, described by President Chapo as the largest private investment in Africa's history, arrives alongside a genuinely positive IMF technical mission pointing toward renewed multilateral financial support.

Set directly against this: the October 2024 election that returned Chapo to power triggered political violence that killed more than 300 people, including the targeted killing of at least 10 opposition officials that remains unaccounted for amid credible suspicions of death-squad involvement, while the very province hosting Mozambique's flagship LNG projects, Cabo Delgado, remains the site of an active, intensifying Islamic State-linked insurgency that has killed more than 5,600 people since 2017 and continues generating fresh attacks and mass displacement into 2026. A genuine, if fragile, political dialogue between Chapo and Mondlane beginning in March 2025 offers some hope for de-escalation.

Investors should treat Mozambique's resource wealth as genuinely transformative in scale, while giving full, direct weight to a security and political risk environment that remains among the most severe of any market this series covers.