

LEGAL ALERT

NEW PRESIDENTIAL MEASURES AND THEIR IMPACT ON MOZAMBIQUE

Following the last general and legislative elections held on 9 October 2024, Mozambique elected its new President, Daniel Francisco Chapo, whose investiture occurred on 15 January 2025. On that date, the President **outlined** a series of political, economic, social and legislative measures that he intends to implement during the next five-year period (2025-2029).

The measures listed include the following:

- Creation of a Central Acquisitions Centre, which will be a public entity dedicated to planning, coordinating, supervising and overseeing the State's procurement processes for goods and services;
- Accelerating the digitalization of the country (especially in the public sector), in order to make public services more accessible, faster and more secure, and to allow taxation, for example, to also be carried out digitally with the creation of a single platform for payment to the State;
- Privatization of non-strategic public companies and assets, and a reduction in the perks of public office holders;
- Mapping and renegotiating all concessions and public-private partnerships (PPPs) in order to ensure more benefits for the country;
- Involvement of local communities in mining areas, so that they receive real benefits such as royalties, jobs and social development or social responsibility programmes as a result of mineral extraction in their community;

- Introduction of international reference prices in the calculation of taxes on imports and exports, with a view to strengthening inspection and coordination between government entities;
- Simplification of tax benefits, stimulation of the private sector towards industrialisation, reduction of bureaucracy in licensing processes and support for small and medium-sized companies;
- Demonopolisation of the rail-port sector, exemption from VAT and IRPC for companies dedicated to public transport, and facilitation of tourism and international investment; and
- Strengthening the financial market and increasing benefits for the oil and gas sector.

The aforementioned measures are expected to strengthen the Mozambican economy and its main social and economic sectors.

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