

AFRICA RISK CONSULTING

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The ruling party Frelimo elects Inhambane provincial governor Daniel Chapo as its presidential candidate for the upcoming 9 October general election. Chapo is now the clear favourite to succeed President Filipe Nyusi (2015-present) as both Mozambican president and Frelimo leader. Opposition Renamo's national council party changes the criteria for a prospective candidate to exclude the leading challenger Venâncio Mondlane, likely ensuring that incumbent leader Ossufo Momade remains in control. Islamist insurgents cross into Nampula province from Cabo Delgado province marking a clear expansion of the militants' operating area and the state's failure to confine the insurgency to its strongholds in Cabo Delgado. Containing the insurgency is essential to growing the natural gas sector, which is Mozambique's best solution to addressing its debt burden that increased by 5.2% in 2023 to \$15.2 billion.

Frelimo selects its presidential candidate

Mozambique's ruling **Frelimo** party on 5 May selected **Inhambane** provincial governor **Daniel Chapo** as its presidential candidate for the upcoming 9 October 2024 general election.¹ Chapo is expected to be elected as Mozambique's next president given Frelimo's dominance over the country's politics.

Chapo was an unexpected decision and his election by Frelimo's 254-member central committee came as a surprise as his name had not been included in most lists of perceived frontrunners.² Notably, he was included on the initial three-person short-list put forward by the party's political commission on 3 May.³

Frelimo selects its presidential candidate by a process in which the political commission nominates a shortlist of candidates from which the central committee then elects the successful candidate. This election was actually delayed after the central committee rejected the initial three-person shortlist and demanded a longer shortlist. This was likely due to fierce factional rivalries within the party surrounding the candidate election.

On 5 May, the political commission submitted a five-person list consisting of Chapo, Frelimo general secretary **Roque Silva**, member of parliament (MP) **Francisco Mucanheia**, former party spokesperson **Damiao Jose**, and **Assembleia da República** (assembly of the republic) president **Esperanza Bias**.⁴ However, Jose withdrew from the contest before the committee even voted. Chapo led the race after the first round with 103 votes followed by Silva who received 77, Mucanheia with 40, and Bias with 3. In total 27 delegates abstained from voting. Typically, Chapo and Silva should have proceeded to a second round, but Silva withdrew after the first ballot leaving Chapo to win the nomination uncontested.

It should be noted that he only won this round with 225 votes meaning that 29 central committee members elected to abstain from voting despite Chapo being the only candidate. This is reflective of the internal divide within Frelimo.

¹ Reuters, 6 May 2024

² Zitamar, 4 Apr 2024

³ AIM, 3 May 2024

⁴ Club of Mozambique, 6 May 2024

Much of the discourse prior to the central committee meeting centred on President **Filipe Nyusi's** (2015-present) efforts to first extend his tenure in power and then ensure his preferred candidates - favour agriculture minister **Celso Correia** or **Amélia Muendane**, the president of Mozambique's **Tax Authority (AT)** - were elected to succeed him (*See ARC Briefing Mozambique Mar 2024*). Chapo's successful election indicates that Nyusi failed in this attempt as did his chief rival, former president **Armando Guebuza** (2005-2015). Chapo is viewed as a compromise candidate who will need to balance the demands of the rival factions within Frelimo as he navigates the election and his subsequent (anticipated) presidency.

Importantly, Chapo's candidacy was likely boosted by the fact that he was born in **Sofala** province, despite being the Inhambane governor. Sofala is expected to be one of the most competitive election battlegrounds as both the **Renamo** and **Movimento Democrático de Moçambique (MDM)** opposition parties have strong support bases in the province. Frelimo is likely hoping that Chapo will bolster the ruling party's efforts to retain control of that province and other election battlegrounds in central Mozambique.

Chapo's election as Frelimo's presidential candidate has marked the start of Nyusi's lame-duck period. The centre of power within the party will steadily shift to Chapo and away from the incumbent president; this is despite the fact that Nyusi has five months left as president and three years left as Frelimo's leader. Assuming Chapo is elected president after the 9 October election, he will also be seen as the clear frontrunner to succeed Nyusi at the helm of Frelimo at the party's next electoral conference in 2027. Nyusi will be under pressure to resign as party leader after Chapo is sworn in as Guebuza did in 2015 to avoid a power struggle developing within the party.

Mondlane excluded from the Renamo leadership contest

In stark contrast with Frelimo's orderly candidate election, Renamo's own leadership battle has been marked by political intrigue that threatens to damage the party's standing with its supporters. This situation worsened after Renamo's national council ruled on 14 April that any leadership candidate must have been a member of the party for at least 15 years.⁵ This new requirement automatically excludes the party's former **Maputo** mayoral candidate **Venâncio Mondlane** from the race. Mondlane was the first candidate to declare his candidacy to lead the party and was viewed as incumbent leader **Ossufo Momade's** most serious challenger. Mondlane is popular with rank-and-file Renamo voters, and the electorate at large and successfully expanded the party's support in Maputo. However, Momade is an established political operator and powerbroker within Renamo as illustrated by this new criterion which excludes Mondlane.

Mondlane also appears to have angered many of the Renamo old guard when he took the party to court to force it to hold an elective conference.⁶ This was illustrated by Renamo national council members statements criticising Mondlane including **Victor Viandro**, the chairperson of **Associação dos Combatentes da Luta pela Democracia** (association of veterans of the struggle for democracy) (**ACOLDE**), who described Mondlane's court action as "*shameful*".⁷

Mondlane has condemned the national council's actions as illegal and threatened to approach the courts to have the 15-year membership condition set aside.⁸ It is unclear if there is sufficient time for him to do so before the party's elective conference on 15 May.

Insurgents conduct attacks in Nampula province

Mozambique's election preparations will likely be impacted by the worsening security situation in the country's north – in a significant development, **Ahlu Sunnah wa Jama'ah (ASWJ)** militants crossed into the **Erati** district in **Nampula** province from **Cabo Delgado's Chiure** district, carrying out three

⁵ Club of Mozambique, 17 Apr 2024

⁶ AIM, 23 Feb 2024

⁷ AIM, 15 Apr 2024

⁸ Club of Mozambique, 17 Apr, 2024

attacks between 25 and 26 April targeting the villages of **Manica**, **Nessiua** and **Mitaka**.⁹ At least one person was killed, and dozens of others displaced by these attacks.

Although these attacks were comparatively small in scale, the fact that they were orchestrated in Nampula province will be a major concern to Mozambican security officials as this incursion confirms that Mozambican and allied forces have failed to contain the insurgency to Cabo Delgado, let alone to ASWJ's initial strongholds in the province's northeastern districts.

ASWJ's ability to cross the **Lurio River** into northern Nampula province has come about as a result of the group's resurgence in recent months and its increased presence in Chiure district. The insurgent group has now proven that it has sufficient supply lines and networks in Chiure to use the district as a launching point from which to attack neighbouring districts and provinces.

This expansion of ASWJ's operating area comes amid concerns about Mozambique's ability to combat the insurgent group ahead of the withdrawal of the **Southern African Development Community (SADC) Mission in Mozambique (SAMIM)** which is set to conclude in July. Already, **Botswana Defence Force (BDF)** troops that had been deployed under the SAMIM mandate withdrew from Cabo Delgado on 5 April.¹⁰ The **South African National Defence Force (SANDF)** – which provided the majority of the 2,900 SAMIM troops – is expected to complete its drawdown by the end of July. However, this could potentially be delayed as South Africa's President **Cyril Ramaphosa** (2018-present) has extended the SANDF's mandate until December.¹¹

SAMIM's departure will place increased pressure on Mozambique's security forces as well as those from **Rwanda** and **Tanzania** who will remain in Cabo Delgado to combat ASWJ as it is unlikely that these forces will be able to fully replace the lost personnel and capacity resulting from SAMIM's withdrawal in the coming months. As a result, ASWJ will likely continue to expand its operations and further attacks in Nampula province are likely over the medium term.

Mozambique continues to struggle to pare down debt

The government needs to regain the upper hand in the conflict against ASWJ as ensuring the security of Cabo Delgado's operating environment is essential to growing the valuable liquified natural gas (LNG) sector, an economic imperative as it offers the best and fastest route for Mozambique to pay off its debt burden.

The economy and finance ministry released its latest public debt report on 23 April which revealed that the country's debt burden had increased by 5.2% in 2023 to \$15.2 billion – roughly the equivalent of 73% of gross domestic profit (GDP).¹² As a result, Mozambique spent \$654.2m servicing external public debt in 2023.¹³

Admittedly, Mozambique's debt burden is more manageable than at the peak of its last financial crisis when the country's debt-to-GDP ratio reached 104% in 2018.¹⁴ This crisis was precipitated by revelations that Mozambique had over \$2 billion in undisclosed debt. Much of this improvement came as a result of steady economic growth, debt relief and settlement agreements with external debtors, and the resumption of some budgetary aid. It was further aided by the commencement of LNG production and exports from Cabo Delgado in 2022. The country is unlikely to secure further debt relief settlements in the foreseeable future which means that Mozambique is reliant on growing its economy and exports to pare down its substantial debt burden.

If Mozambique could convince major energy firms such as **France**-headquartered **TotalEnergies** and the **United States (US)**-headquartered **ExxonMobil** to resume the development of their LNG projects

⁹ AIM, 29 Apr 2024

¹⁰ Defence Web, 9 Apr 2024

¹¹ News24, 25 Apr 2024

¹² 360 Mozambique, 24 Apr 2024

¹³ Club of Mozambique, 25 Apr 2024

¹⁴ World Bank, 19 Apr 2022

it would inject billions in foreign investment. The subsequent production and export of LNG from these projects would further boost Mozambique's tax revenues and enable the country to pay off its accumulated debt much faster.

In the interim, Mozambique is expected to experience fairly strong economic growth. Indicative of this, the economy and finance ministry revealed on 6 May that the country's economy grew by 5.01% of GDP (year-on-year) in the first quarter of 2024 (January-March).¹⁵ This was likely driven by increased electricity and mineral exports, as well as exports of LNG from the country's Inhambane gas fields and the ENI-led offshore gas project off the coast of Cabo Delgado.

Planner

15 May 2024 **(Mozambique) Renamo** elective congress
 9 Oct 2024 **(Mozambique)** National general election;
 15 May 2024 **Maputo (Mozambique)** Renamo Elective Conference

Chronology

8 May 2024 **Maputo (Mozambique) Club of Mozambique. Jersey** returns £829,500 (\$1.03m) it seized from a corrupt trust account to Mozambique after an investigation found the funds came from bribes paid to a high-ranking civil servant in Mozambique by firms wanting to secure contracts;

6 May 2024 **Maputo (Mozambique) Club of Mozambique. The Serviço Nacional de Investigação Criminal (SERNIC)** (national criminal investigation service) arrests three suspected kidnappers in Maputo;

6 May 2024 **Washington D.C. (Mozambique) Club of Mozambique. The World Bank** confirms that the financial closure of the **Mphanda Nkuwa** hydroelectric project in **Tete** province later this year will be dependent on the project meeting the necessary environmental requirements;

6 May 2024 **Maputo (Mozambique) 360 Mozambique. The European Union (EU) Training Mission in Mozambique (EUTM-MOZ)** reveals that it has trained over 1,650 troops in Mozambique;

6 May 2024 **Maputo (Mozambique) AIM. Executives at United States-based energy giant ExxonMobil** confirm that the company is hoping to make a final decision to resume developing its **Cabo Delgado** projects before the end of 2025;

6 May 2024 **Maputo (Mozambique) AIM. The European Union (EU) Training Mission in Mozambique (EUTM-MOZ)** UTM reveals it is considering donating more non-lethal equipment to Mozambique's security forces;

6 May 2024 **Maputo (Mozambique) AIM. Local officials in Sofala province** reveal that over 22,000 households in the province's **Dondo** district are experiencing severe hunger;

5 May 2024 **Maputo (Mozambique) AIM. The opposition Movimento Democrático de Moçambique (MDM)** selects its leader, **Lutero Simango**, as its presidential candidate for the 9 October general election;

5 May 2024 **Maputo (Mozambique) AIM. Frelimo** general secretary **Roque Silva** resigns his position after failing to secure the party's presidential nomination;

¹⁵ Club of Mozambique, 6 May 2024

4 May 2024 **Paris (France)** *RFI*. French prosecutors formally open an investigation into **TotalEnergies** for involuntary manslaughter over its alleged failure to protect its subcontractors during the March 2021 attack on **Palma, Cabo Delgado** province;

3 May 2024 **Maputo (Mozambique)** *AIM*. Mozambique and **Cuba** sign a memorandum of understanding (MoU) strengthening bilateral cooperation in the field of science and technology;

30 Apr 2024 **Maputo (Mozambique)** *AIM*. The government approves new private-sector minimum wage increases;

30 Apr 2024 **Maputo (Mozambique)** *Club of Mozambique*. Officials reveal that **Hidroeléctrica de Cahora Bassa (HCB)** – the company which operates the **Cahora Bassa** hydroelectric power plant – increased its revenue by 49.2% in 2023 due to Mozambique's new electricity export tariffs;

30 Apr 2024 **Maputo (Mozambique)** *AIM*. The **Assembleia da República** (assembly of the republic) passes several electoral law amendments aimed at improving transparency ahead of the 9 October general election;

26 Apr 2024 **Maputo (Mozambique)** *Club of Mozambique*. The state-owned ports and railways company, **Portos e Caminhos de Ferro de Moçambique (CFM)**, reveals that it transported over 26.6 million tonnes in 2023, an 8% increase on 2022;

25 Apr 2024 **Maputo (Mozambique)** *Defence Web*. The inaugural **India-Mozambique Defence Industrial Interaction** event is held in Maputo;

8 Apr 2024 **Maputo (Mozambique)** *Club of Mozambique*. The **Netherlands** embassy and the **United States (US)**-based nongovernmental organisation (NGO) **TechnoServe** commit EUR 30m (\$32.30m) to improve food systems along the **Beira Corridor**.

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