



# MOZAMBIQUE Focus on Development Corridors



Population: 27,786,598

Population growth rate: 2.8%, projected to nearly double in 25 years to 46 million

Urban population: 32%, projected to increase to 60% by 2030

Urbanisation rate: 3.6%. Seven secondary cities growing at over 10%, expected to almost triple their population within the next decade

GNI per capita (PPP): USD 1,140 (2014)

GDP growth rate: 7.4%

Urban poverty: 49.6% (2008). 80% of urbanites live in slums.

\*World Bank Data

### Governance

A fragmented environment. Mozambican cities operate within a fragmented policy and institutional enabling environment. There is no national urban strategy, and the mandate for managing urban issues falls within multiple ministries.

**Lack of municipal capacity and resources.** Municipal responsibilities far exceed the existing systems, resources and capacities. Municipal budgets are substantially less than USD 20 per capita, with some 60% deriving from fiscal transfers. Cities suffer from severe human capacity constraints with a limited number of employees with post-secondary education; in Tete, one of the world's fastest growing cities, it is as low as 2.4%.

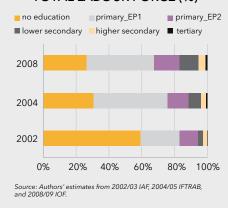
**Ineffective land administration.** Little local capacity exists to plan and oversee the implementation of plans, which is made worse by a land administration system that is unable to put onto the market serviced land at the rate of urban growth. This results in urban sprawl and up to 80% of the population living within informal settlements.

### Economy

**Impressive growth.** Mozambique has experienced impressive economic growth rates, mainly driven by Foreign Direct Investment (FDI) in the extractive industries and public investment in infrastructure mega-projects. At the centre of the national development strategy are growth poles and regional development corridors, supported by favourable legislative and fiscal frameworks to promote and regulate Free Trade and Special Economic Zones. The country's long coastline offers landlocked neighbouring countries access to international markets, further promoting the development of regional corridors linking the interior to the coast and underscoring the importance of coastal cities as economic hubs and primary drivers of development.

**High inequality and poverty, especially among women.** However, Mozambique remains one of the world's poorest and most unequal countries. It ranks 178th among 187 countries in the 2013 Human Development Index. Poverty has a higher incidence among women-headed households, and there is a great risk of increased feminisation of poverty; many of the new job opportunities within the mining and construction

#### EDUCATION PROFILE OF THE TOTAL LABOUR FORCE (%)



#### WOMEN AND SOCIAL SERVICES

Key social indicators have substantially improved in Mozambique since the end of the civil war in 1992, but still lag for women and children. Many are still unable to access essential services as shown by the high maternal and child mortality rates.

HIV prevention activities have been inadequate to curb the HIV prevalence trend. This is higher in urban (15.9%) than in rural areas (9.2%) and for girls aged 15-24 (11.1%) than boys of the same age (3.7%) (UNAIDS, 2014).



Cities Alliance Cities Without Slums

sectors are more accessible to men than women. Female participation in the labour market is 26.3% compared to 75.8% for men.

A mostly informal urban economy. New job opportunities in the private and public sectors in Mozambican cities require qualifications that are mostly lacking at the local level. The urban economy is characterised by high rates of informality; in Nampula, for example, over 90% of jobs are in the informal sector, typically also supported by subsistence agriculture.

### Citizenship

**Mozambique is a young democracy.** After the end of a 15-year civil war and highly centralised governance in 1992 the country is now witnessing the emergence of operational space for an independent civil society. Increasing decentralisation has facilitated the creation of institutional mechanisms for citizen participation, such as Local Consultative Councils and Neighbourhood Development Committees.

Limited public participation. Despite improvements in several social indicators, much of the population is unable to access information and fully participate in the public sphere due to the high incidence of poverty and exclusion and low levels of education and training. When data is disaggregated by gender, women experience even lower levels of primary education completion (80% for boys and 65% for girls). Participation in national and local elections is low, from a high of 52% in Nacala to as low as 25% in Nampula in the 2013 municipal elections.

#### Services

Limited service delivery. Mozambican cities are characterised by poorly serviced and informal housing. In Nacala, only 3% of residents have direct access to piped water. In almost all municipalities there is an acute shortage of qualified technicians, especially in land use, environmental management and urban service delivery. Combined with the lack of basic infrastructure and limited financial capacity, this severely hampers urban service delivery.

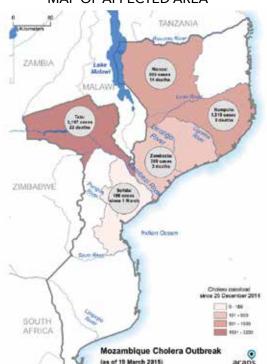
**Low electricity rates.** Despite being endowed with huge energy resources; Mozambique has one of the lowest electrification rates in Southern Africa; only 15% of households have access to electricity.

Lack of sanitation and access to toilets. Fast, unplanned growth in cities poses additional stress on basic infrastructure. Over 30% of the population of Nacala lacks access to potable water and sanitation services. Throughout the country, the sewerage coverage is limited and the existing one does not function properly. Illegal sewer connections to the rainwater drainage system greatly increase water pollution. In Tete and Nampula, more than 50% of the population lacks access to any form of toilet, and open defecation is common. This leads to frequent cholera outbreaks and other disease epidemics, further fueled by flooding in cities along the coast and the major river basins.

### Environment

**High exposure to climate hazards.** Mozambique ranks third in Africa in terms of exposure to climate-related hazards. With its long coastline and geographic location, it is the fourth most vulnerable country in the world to rising sea level. More than 60% of its population live in coastal areas, exposing large numbers of people to sea-level rise and climate extremes.

MAP OF AFFECTED AREA



## **Increasing floods and erosion in coastal and inland cities.** In Tete, which is prone to floods and drought, expanding informal settlements are mostly located on river banks, wetlands and hilltops. Economic losses at the national level average 1.1% of Gross Domestic Product (GDP) annually, costing USD 1.75 billion between 1980 and 2003.

**Ineffective national framework.** Despite having a National Environmental Policy (1995) and a Disaster Risk Management Framework (2014) in place, the urban agenda and the climate change agenda are not being adequately integrated.

## Recommendations for growth and resilience

- A single ministry for the national urban agenda. Identify and support the capacity of a single ministry to develop and facilitate the implementation of the national urban agenda.
- **Increased municipal capacity.** Develop the capacity of municipalities to raise revenues, plan, release land and implement infrastructure projects.
- **Invest in human capital.** Invest in the organisational development required to build effective civil society and in the institutions required to build human capital across a broad range of skills.
- **Basic infrastructure.** Invest in the rollout of basic infrastructure aimed at attaining basic environmental health standards.
- **Plan for climate change.** Incorporate the effects of climate change into planning and invest in the infrastructure required to protect cities against extreme climatic conditions.