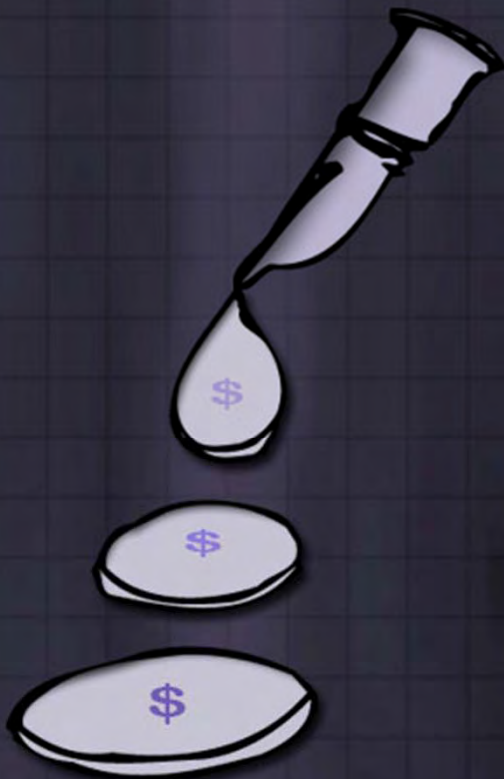




Investing in Mozambique Economic Outlook

The Role of CTA & Business Climate

London, 2nd December 2010



Introducing CTA

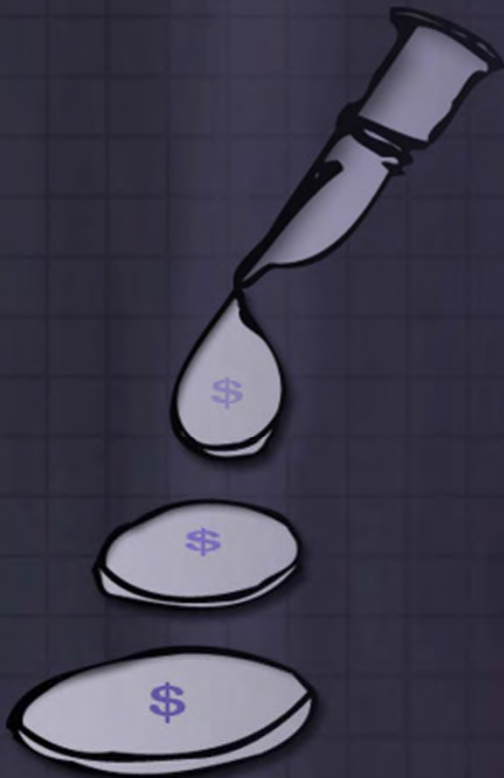
The Mozambican Business Confederation is leading this delegation as part of its mandate supporting the private sector in developing new business partnerships.

CTA is the leading private sector organization in Mozambique. It has a close relationship with the government in joint activity to improve the business environment.



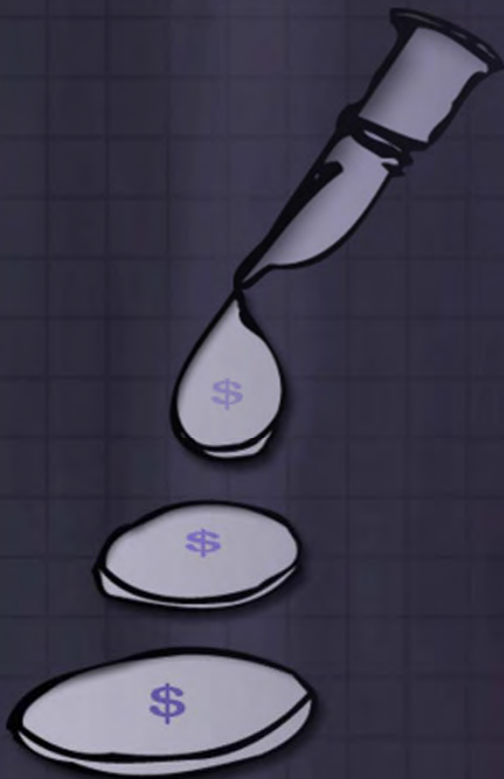
Overcoming the crises

- Recently we were assessing the impact of global economic crises on Mozambique:
 - High prices of commodities, the prospect of fewer remittances, and a drop in capital inflows threatened to undermine the nearly decade long economic expansion in Mozambique;
- CTA were invigorated to save the country from the malaise.
 - **Why and how?**



Overcoming the crises (Cont.)

- There were many reasons for optimism;
- Our vision was that beyond repair and recovery there was time to get to work building the foundation for long-term, sustainable growth in Mozambique;
- And that means confronting two basic unavoidable challenges: **Business climate and sustained and broad-based growth.**



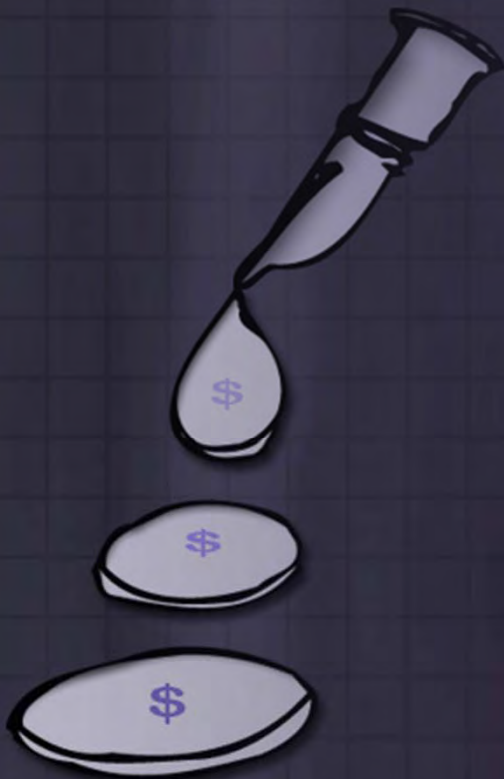
Overcomig the crisis (Cont.)

- These require an increase in production and consumption and foreign direct investment flows into the country;
- Here is where CTA acts in a structured consultative mechanism with the government:
 - **We are the unique private sector voice recognized nationwide!**



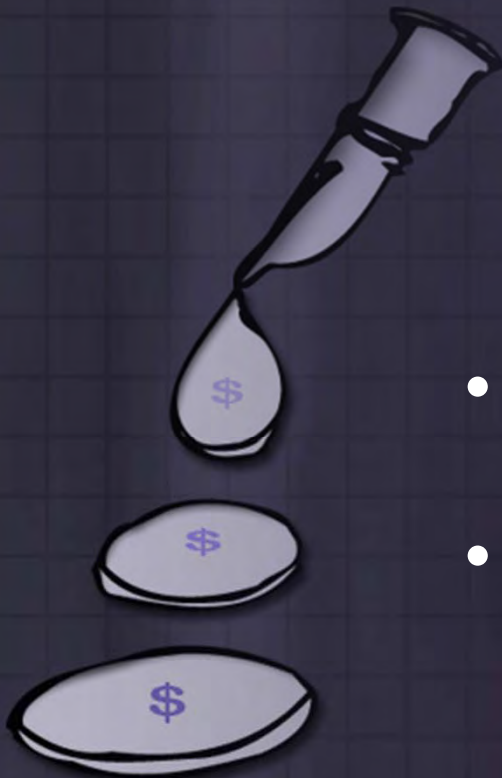
CTA Consultative Mechanism with Government

- The Consultative Mechanism constitute a privileged instrument of coordination between the government and the private sector.
- Its aim is to provide necessary consultation, advice and assistance for an open, constructive and objective dialogue about the competitiveness of domestic and global markets in the country;
- We strive to find solutions to reduce the constraints of a competitive business environment through policy reform or new legislation.



Investing in Mozambique

- Everyone in this room recognizes that Mozambique's acute infrastructure deficit is a constraint on growth and FDI;
- But at the same time, there are sound reasons for investing in Mozambique. Whilst addressing the vast infrastructure needs, we require substantial investments to add value to the resources we have;
- Resources alone will not guarantee growth and sustainability;
- The private sector is a vital part of the solution to our country's growth agenda.



Opportunities

- CTA is ready to help committed investors achieve their goal;
- Efforts are being made to improve the business climate, competitiveness and productivity;
- We recognise these efforts are vital to Mozambique's long term growth and sustainability;
- I believe, there are today significant opportunities for British investors to partner with Mozambican counterparts and contribute to Mozambique's **“rise in its fortunes in the Southern Africa Region”**.
- You will hear today from some investors who have already experienced the advantages of working in Mozambique.



A good place to invest for profit

Politically stable & -
integrated into
the world
economy
Partnership

Long-term
sustainable
competitive
advantage
- 7% growth
rate economy

Duty free access
to the EU market
under Least
Development
Country
Agreement

Duty free access to
South Africa which
is the most
important economy
in SADC

Logistical
Hub

Member of
Africa Growth
Opportunity
Act (AGOA)

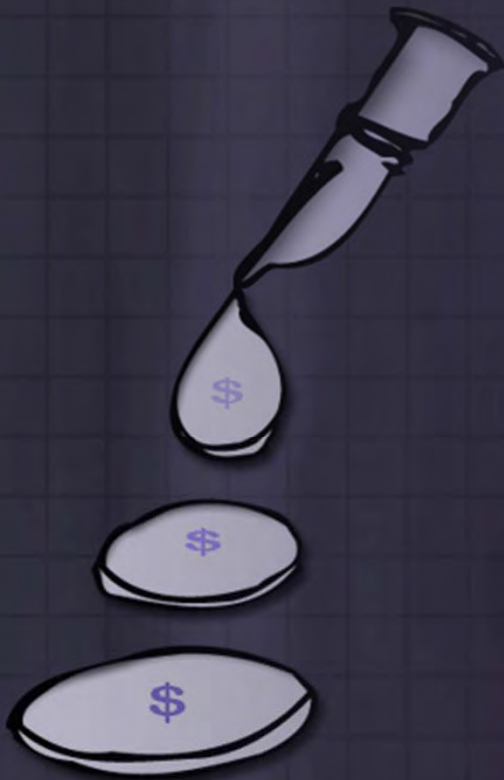
How to do Business in Mozambique?

- CTA wants to work with you to encourage partnership with local businesses;
- For that you need to understand the people and their culture, how the market works and the governance frameworks. There are opportunities and challenges facing us all;
- Mozambique needs to respond to the local and global demands;
- Some companies here have already recognized opportunities and are taking the lead. They are here, talk to them.



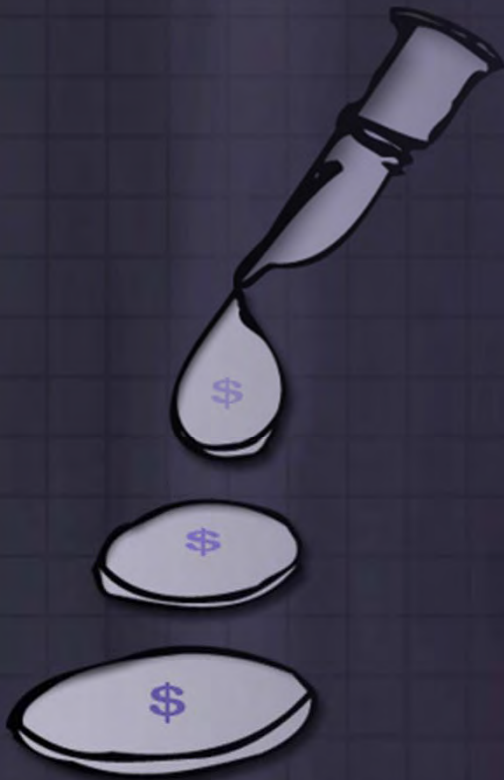
Conclusions

- By combining Mozambican local knowledge with British international know-how, our companies can both gain;
- We hope this investment conference will be an important part of this partnership;
- We hope you will all see from today the significant investment opportunities in Mozambique;



Conclusions (Cont.)

- Today, we must work together to explore these sectors;
- In the spirit of partnership: I would like to invite you to network with the Mozambican companies who have travelled here for today's event. You have details in your folders. CTA is here to help.
- The Mozambique business environment is always looking for new technologies, more efficient business processes, and open to learn from other societies.





www.cta.org.mz

Thank you very much!

