

MOZAMBIQUE

Extreme poverty (defined in notes) in Mozambique has been decreasing but according to the latest count in 2013, 60% of the population still live on less than PPP\$1.90 a day. The poorest 20% of the population holds 5.2% of total income.

- FDI accounts for over half of all international financing; ODA for over a quarter
- Mozambique in one of the 20 countries with lowest levels of government spending, equating to PPP\$425 per person in 2015
- Over a third of ODA is provided by two donors: IDA (US\$362 million) and the US (US\$303 million)

Overview

HOW MANY OF THE
POOREST 20% OF
PEOPLE GLOBALLY LIVE
IN MOZAMBIQUE?

19.8m

WHAT RESOURCES
ARE AVAILABLE?

Domestic public

US\$3.8bn

International

US\$7.1bn

HOW MUCH DOES THE
GOVERNMENT SPEND
PER PERSON?

PPP\$444

See Notes

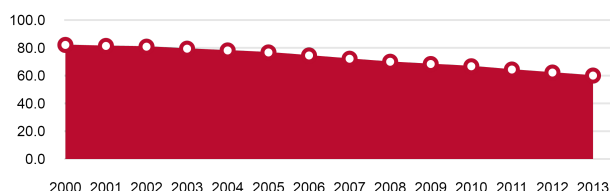
HOW DEEP IS
POVERTY?

25%

Depth of poverty

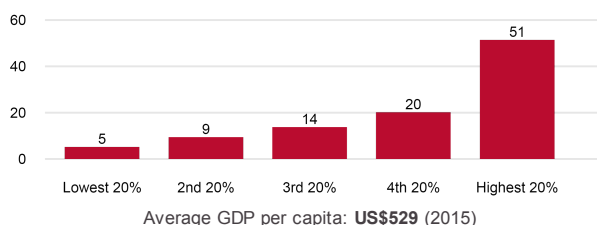
Extreme poverty has been steadily decreasing but remains high at 60% (2013 data)

% of population living on under \$1.90 per day



The poorest 20% of the population has 5.2% of total income

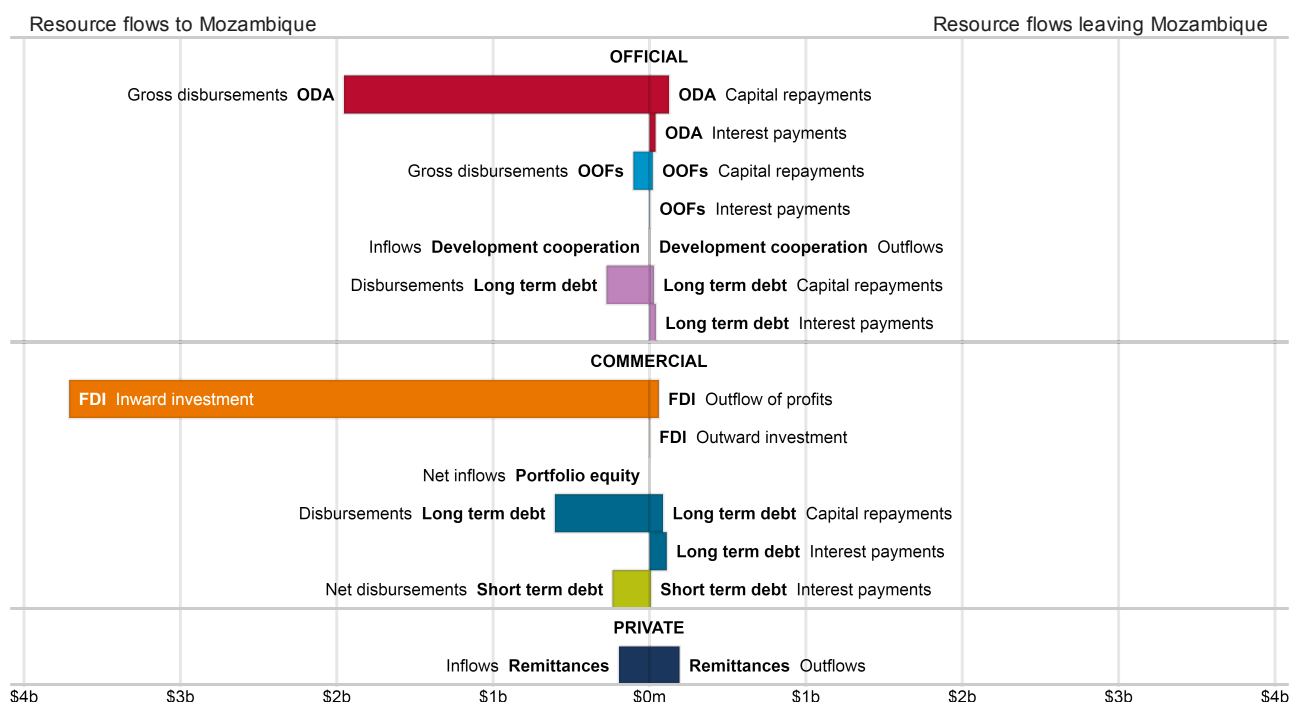
2008, share of income by quintile of population



Resource flows to and from Mozambique

FDI is almost twice the volume of ODA; while remittances represent the largest outflow of resources

2015, international resource inflows and outflows (US\$ billions, constant 2015 prices)



Notes: We define extreme poverty as measured using the 2011 PPP\$1.90 extreme poverty line. Purchasing power parity (PPP) prices are the rate at which a country's currency would have to be converted into that of another country to buy the same amount of goods and services in each country. PPPs are constructed by comparing the cost of a common basket of goods in different countries. Depth of poverty is a measure of the average gap in incomes for people living below the poverty line spread across the population of the whole country, expressed as a percentage of the PPP\$1.90 a day poverty line. Poverty data in the overview boxes is for the year 2013. 'Domestic public resources available' refers to the total non-grant revenue either collected or projected to be collected by the government in the financial year 2015. Data on 'international resources available' also refers to the year 2015. Data on government spending per person is expressed in 2015 PPP\$, as estimated by the IMF, and refers to the year 2015 or most recent year prior. Acronyms: GDP: gross domestic product; FDI: foreign direct investment; IDA: International Development Association; IMF: International Monetary Fund; ODA: official development assistance.

Government finance

Direct and indirect taxes provide similar proportions of revenue. International, rather than domestic finance, provides the main financing mechanism and makes up 21% of the total resource bundle. Capital expenditure accounts for 36% of total spending, and is sourced through similar shares of domestic and international funding.

Grant funding accounts for 13% of total government revenue

2014, latest year of actual revenue (US\$ billions, constant 2015 prices)

Total Revenue And Grants 100% of total US\$4bn	Grants 13% of total US\$544m	Project Grants 9% of total US\$352m	
	Revenue 87% of total US\$4bn	Non-Tax Revenue 13% of total US\$508m	
		Tax Revenue 74% of total US\$3bn	Taxes On Goods And Services 29% of total US\$1bn
			International Trade Taxes 7% of total US\$273m
			Income And Profits 36% of total US\$1bn

Domestic finance provides only a small proportion of overall financing

2014, latest year of actual financing (US\$ billions, constant 2015 prices)

Financing 100% of total US\$1bn	Net Domestic Finance 14% of total US\$182m		
	Net External Finance 86% of total US\$1bn	Disbursement 92% of total US\$1bn	Other Disbursements 29% of total US\$374m
			Nonproject Support 34% of total US\$443m
			Project Loans 29% of total US\$386m

Spending on wages accounts for 47% of recurrent and 27% of total government expenditure, while interest payments account for only 2% of the total

2014, latest year of actual expenditure (US\$ billions, constant 2015 prices)

Total Expenditure 100% of total US\$5bn	Recurrent Expenditure 57% of total US\$3bn	Compensation To Employees 27% of total US\$1bn	
		Goods And Services 18% of total US\$984m	
		Transfer Payments 9% of total US\$503m	
		Net Lending 7% of total US\$386m	
	Capital Expenditure 36% of total US\$2bn	Externally Financed 16% of total US\$869m	
		Domestically Financed 20% of total US\$1bn	

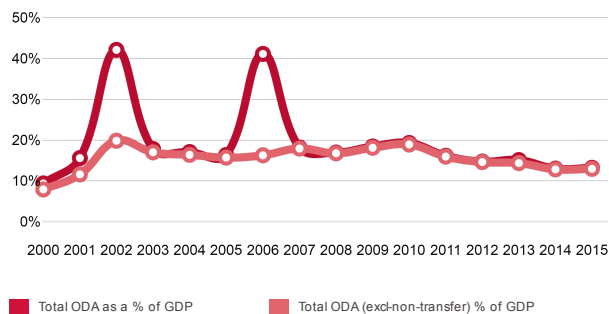
Notes: Year of data refers to the fiscal year 2014 running from January to December. The pink boxes represent negative values, typically showing repayments of loans under financing. Some labels have been omitted from these visualisations; for these, and those that are too small to read, please refer to the online country profile page on the Development Data Hub. For the specific source information see here: <https://github.com/devinit/digital-platform/blob/master/user-data/domestic/csv/domestic-sources.csv>

ODA

Mozambique received US\$2 billion in gross ODA in 2015, a 2% decrease from 2014 disbursements. It receives over a third of its aid in the form of cash loans and equity, a quarter as cash grants and 24% as mixed project aid. The largest donor to Mozambique is IDA, whose aid is predominantly in the form of loans and equity. The US and the IMF are second and third largest donors. The largest three sectors are health, infrastructure and general budget support, combined these receive half of all aid to Mozambique. The US is the largest provider to the health sector, France is to infrastructure and IMF is to general budget support.

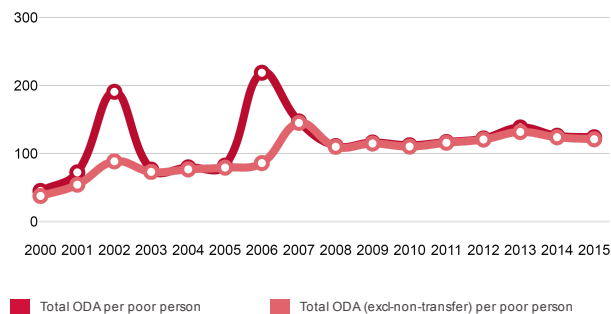
After decreasing in 2014, ODA as a percentage of GDP increased marginally to 13.2% in 2015

Gross ODA % of GDP



After increasing overall between 2000 and 2013, ODA per poor person decreased to US\$124 in 2015

ODA per person living under \$1.90 a day



The majority of ODA is delivered as cash, either as loans and equity or grants

2015, gross disbursements

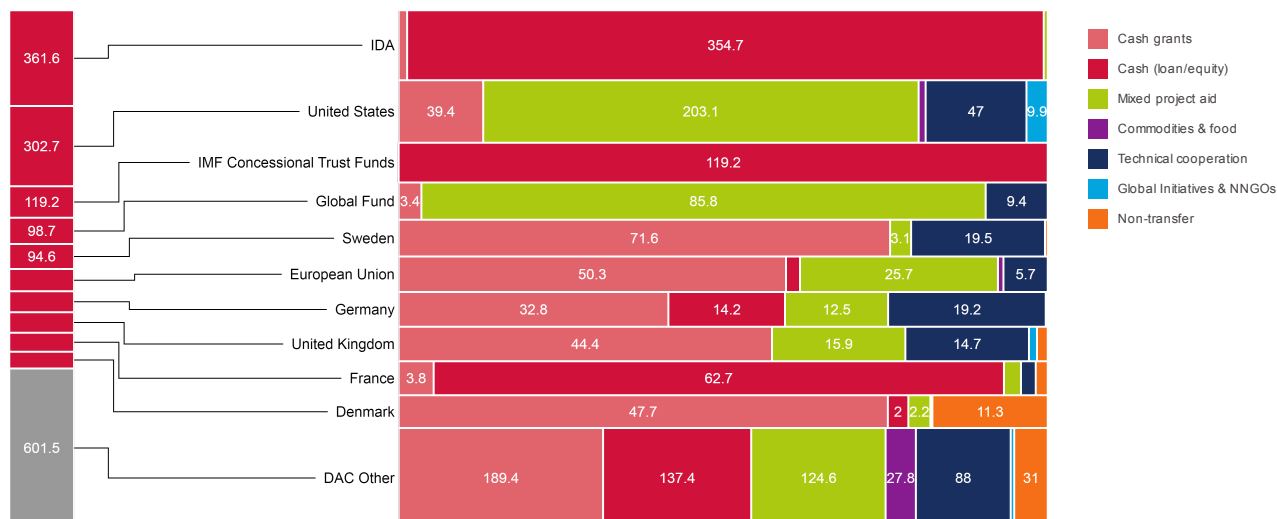


Note: NNGOs, Northern non-governmental organisations.

Almost two-thirds (63%) of ODA from top donors is disbursed as cash; over a quarter as mixed project aid

2015, US\$ millions, gross disbursements

Aid from the ten largest donors



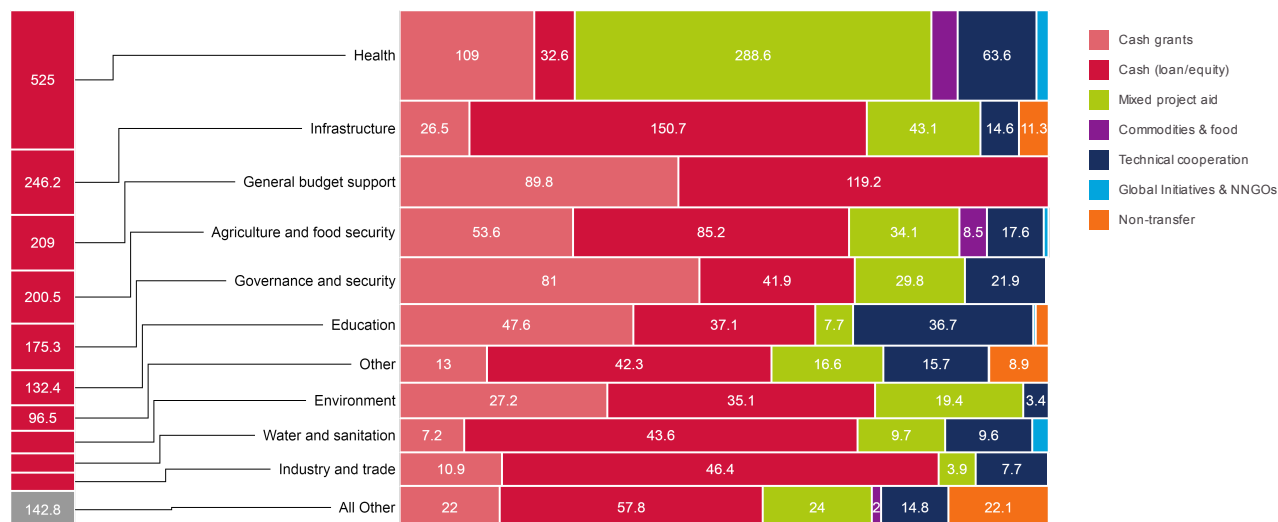
Note: ODA is equivalent to 0.48% of GDP in all developing countries and 2.8% in sub-Saharan Africa in 2015. ODA per capita is equivalent to US\$44 in sub-Saharan Africa. Acronyms: NNGOs: northern non-governmental organisations.

What is aid spent on?

Half of ODA to Mozambique goes to three sectors: health, infrastructure and general budget support

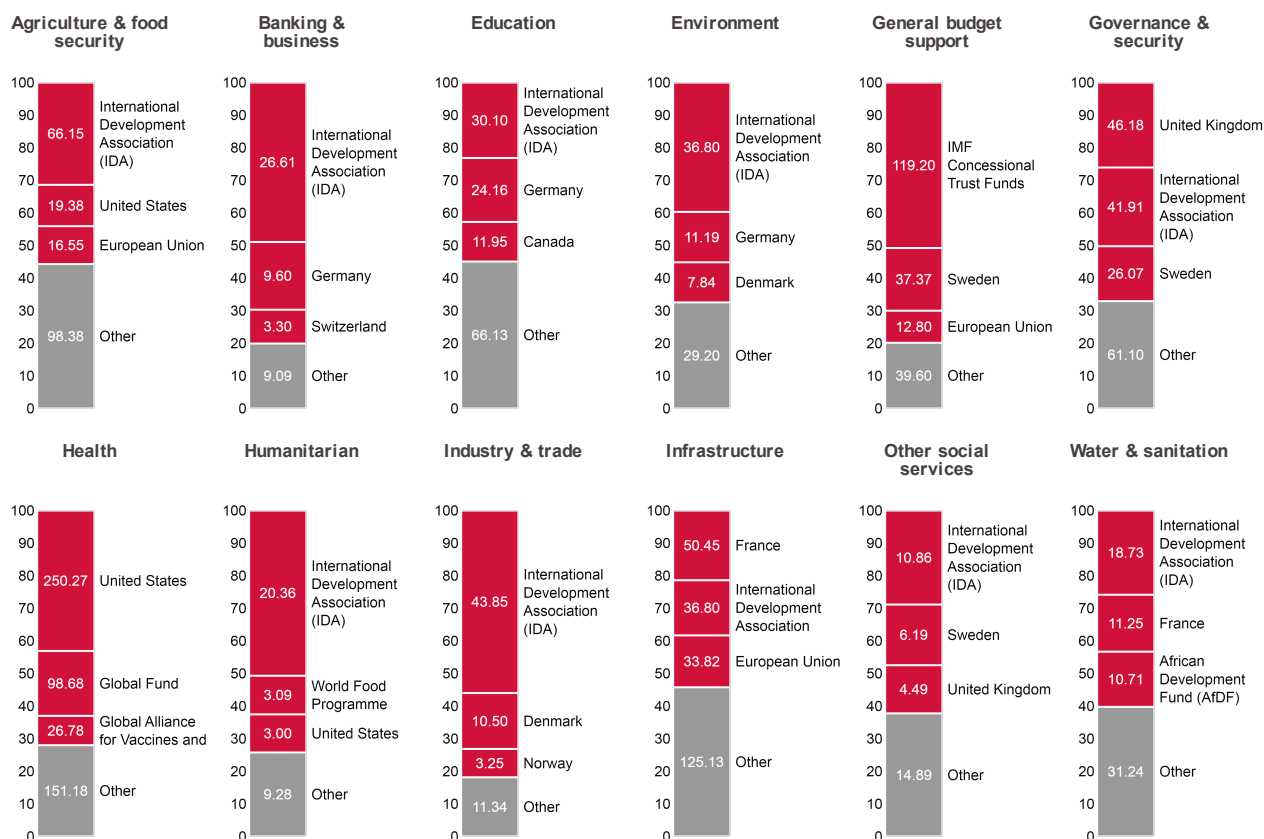
2015, US\$ millions, gross disbursements

Total aid by sector



France, IDA and EU institutions provide half of all infrastructure aid, with France alone providing 20%

2015, gross ODA, % of total (US\$ millions disbursements in columns)



Notes: Data is from the OECD Development Assistance Committee (ODA and other official flows data), the World Bank (long-term debt, remittances, gross national income (GNI) and poverty), the UN Conference on Trade and Development (FDI), IMF article IV publications (domestic revenue and expenditure). Other official flows (OOFs) are typically loans that are either not sufficiently concessional to count as ODA, or are mainly in support of commercial objectives, such as donor exports. All data in US\$ is in 2015 prices. 'Other' sector aid includes multisector ODA, administrative costs, support for refugees in the donor country and unallocated or unspecified ODA. Acronyms: OECD: Organisation for Economic Co-operation and Development.