

MOZAMBIQUE

\$250 million grant from EC

The EC has made a grant of Ecu206 million (\$250 million) to assist the government's National Indicative Programme. The amount, which is provided under Lome IV, includes an initial allocation of Ecu 30 million to support the government's World Bank/IMF assisted

structural adjustment programme.

Ecu22 million will be in the form of risk capital, managed by EIB, in projects in the productive sectors. An EC official told *AED* that specific projects have not yet been identified but said that food security and institutional strengthening would be given priority.

He said the structural adjustment programme had put severe strains on the administration and it was important to strengthen this area. Ecu 154 million will also go into development projects. Consultants will be required when all the projects have been finally identified, he added.