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Mozambique invites SA investment

Mozambican deputy minister of Industry and Energy Octavio Mutemba has invited South African businessmen to invest capital in Mozambique.

Matemba told a conference in Johannesburg on investment and business opportunities last week that:

“Cheap labour, the government’s new rehabilitation programme instituted in 1987, where the currency was devalued in order to bring it to the correct exchange, free economy, good tax breaks and protection, are elements in favour of investors.

“The code of investment approved by the government in 1987 for foreign investors protects the investors’ right to export his profit.

“We have applied very strong rules to try and harness the economy again and political adjustments have been made (Mozambique has moved from a socialist centralised economy to an open free economy)”.

“South African investments are positioned fourth in Mozambique after Great Britain, the United States of America and Holland,” he said.

Areas open for investment included agriculture, fishing, forestry and mining for such resources as marble, coal and ammonia.

In 1985, Mozambique approved 75 projects which involved direct foreign investment resulting in US \$350 million US dollars of which US \$60 million dollars represented equity.