

# MOZAMBIQUE

## COUNTRY BRIEF:



27 million

Total National  
Population in 2017

### INTRODUCTION:

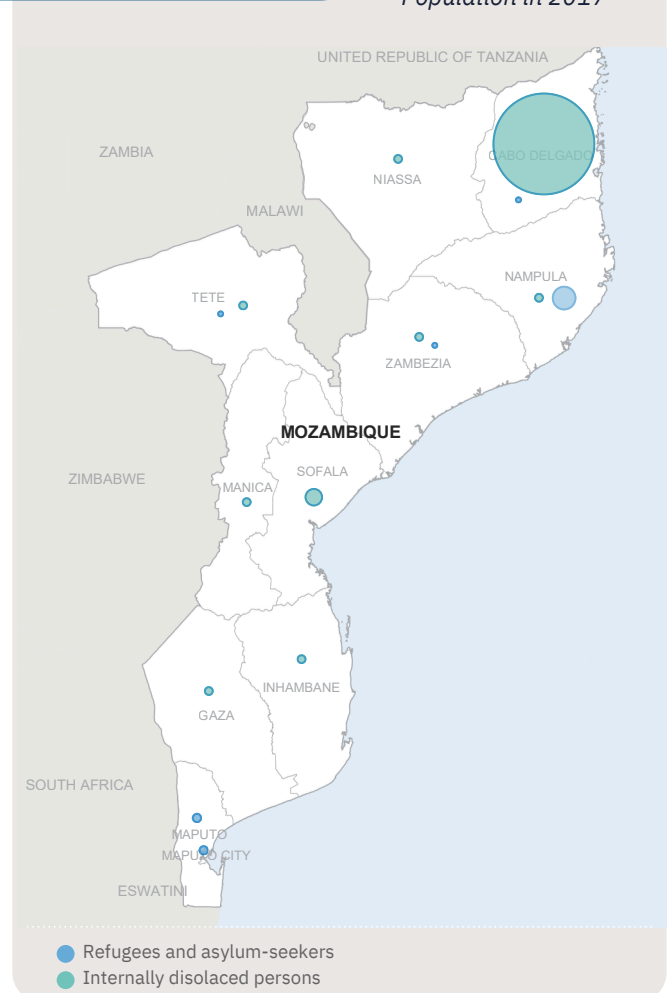
Mozambique's economy grew by approximately 5.4% in 2023, driven mainly by the extractive sector (natural gas projects) and agriculture, while services showed moderate recovery. Inflation averaged 10.3% in 2023, easing from higher levels in previous years, supported by improved food supply and monetary policy measures.

Since 2017, the country has faced growing insecurity from armed conflict in Cabo Delgado and, more recently, attacks in Nampula, causing displacement of people within the country and straining public resources. Recurrent climate shocks (cyclones, floods) have further disrupted production, uprooted communities, and increased socio-economic vulnerability, especially in Northern provinces already impacted by the conflict.

The country's main exports include coal, aluminum, and natural gas, alongside agricultural products such as cashew nuts and sugar. Mozambique is among the fastest-growing economies in Southern Africa but remains highly vulnerable to external shocks and internal instability.

### FORCIBLY DISPLACED POPULATIONS:

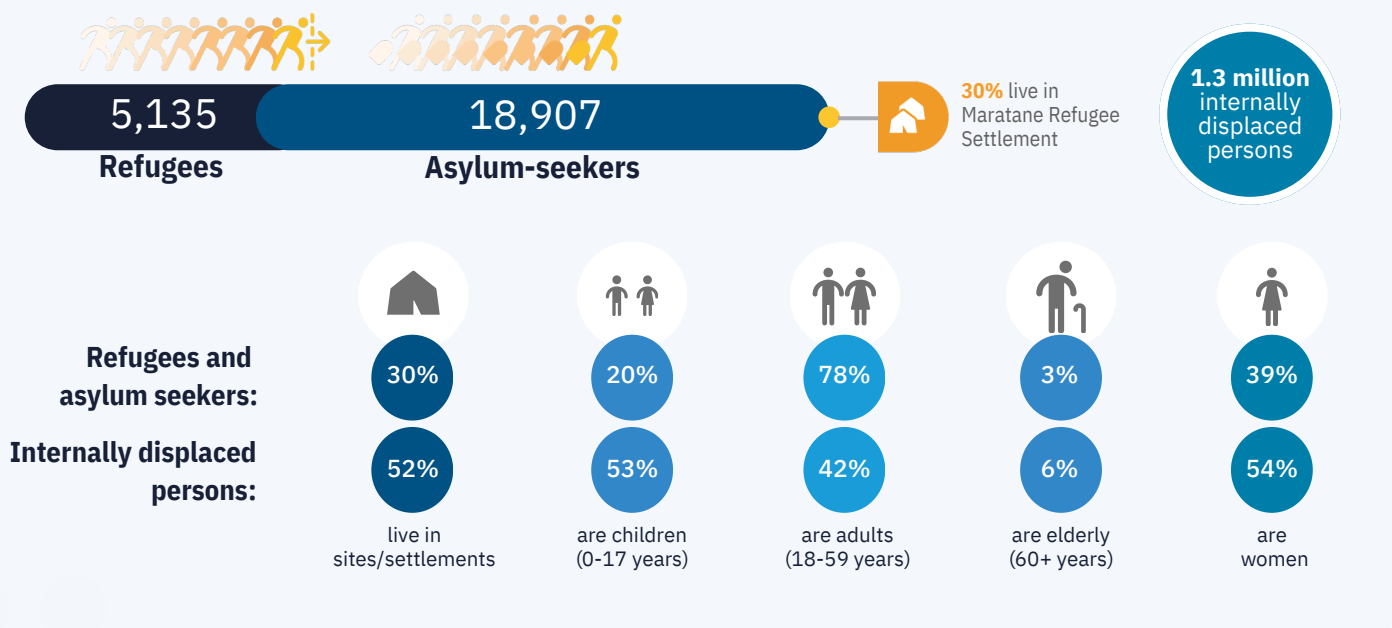
Since 2017, ongoing conflict in northern Mozambique has displaced around 1.3 million people internally, with over 250,000 displaced in 2025 alone due to escalating violence by Non-State Armed Groups. Cabo Delgado remains the epicenter of conflict and displacement, followed by Nampula Province, which also hosts Mozambique's only refugee settlement, Maratane. Border provinces such as Tete, Manica, and Sofala serve as entry points for migrants, asylum seekers, and refugees, including those affected by climate-related crises in the region.



Mozambique currently hosts approximately 24,000 refugees and asylum seekers, primarily from the Democratic Republic of Congo (38.4%), Burundi (35.3%), Rwanda (14.6%), Somalia (9.4%), Côte d'Ivoire (1.7%), and others (0.6%). About 30% reside in Maratane, while the rest live mainly in urban areas such as Nampula City and Maputo.

In 2023, the Government pledged to advance solutions for refugees and asylum seekers and has since taken steps to transition Maratane into a locally integrated village, enabling both refugees and host communities to access national services, farmland, and contribute to the local economy.

## Displaced populations in Mozambique



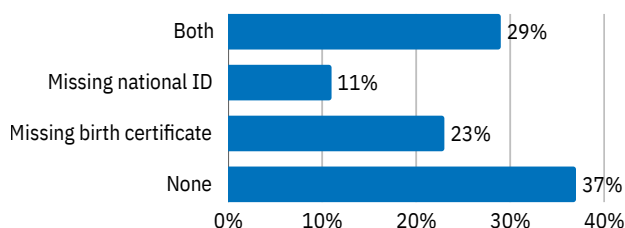
## Common Barriers for Forcibly Displaced People

Across sectors, displaced populations face a number of common barriers that limit access to rights and opportunities, including:

- Lack of civil documentation (required for education, employment, and business registration)
- Limited financial resources
- Legal and administrative restrictions (especially for asylum seekers and refugees)
- Information gaps on procedures and requirements
- Mobility constraints due to repeated displacement
- Limited information or awareness by displaced populations or service providers.

**Civil documentation:** Lack of civil documentation remains a major challenge amongst IDPs and IDP returnees, mainly before they lost them during attacks and flight. Over 63% of respondents to UNHCR's latest protection monitoring survey are missing some or all documentation:

### Missing civil documentation

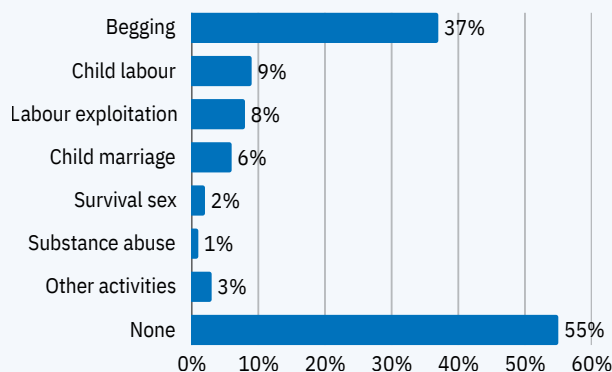


Refugees and asylum seekers in Mozambique receive identity cards, valid for five years for refugees and two years for asylum seekers.

### Harmful coping mechanisms of IDPs and IDP returnees

While most IDPs and IDP returnees report not engaging in harmful coping mechanisms, more than a third report begging, working in exchange for assistance, sending their children to work instead of studying, engaging in survival sex and sending their daughters to marry in order to be able to have enough to eat, have a roof over the heads and cover other basic necessities of life. Source: Mozambique: Protection Monitoring Report - Cabo Delgado, Nampula, Niassa and Zambezia (January – June 2025)

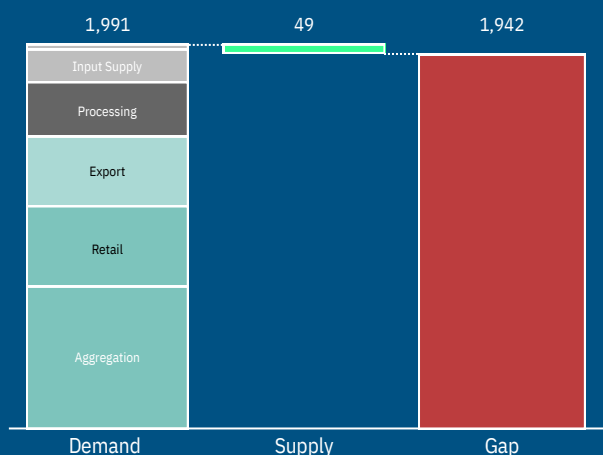
### Harmful coping mechanisms



## Market & Feasibility Diagnostic of Agricultural Value Chains in FDP-Hosting Areas of Northern Mozambique:

UNHCR and the IFC have launched a comprehensive diagnostic of relevant value chains in areas hosting IDPs, returnees, refugees, and asylum-seekers in the provinces of Cabo Delgado and Nampula. The diagnostic explores the demand for agricultural finance amongst these communities, the relevant supply of financing, and the potential inclusive business models that could incorporate these communities into productive value chains. The study seeks to identify scalable investment models and specific opportunities that enables greater integration of these populations into productive agricultural, livestock and fisheries.

### Initial findings of agricultural finance gap in Cabo Delgado & Nampula (US\$ M)



## Financial Inclusion

**Access to Financial Inclusion:** Both, IDPs being Mozambican citizens, and refugees, can register businesses and, in principle, access financial institutions. However, lack of civil documentation, limited financial literacy, or limited awareness of financial service providers limit access. These challenges restrict their ability to open accounts, access credit, and participate in formal financial systems.

**Agricultural Financing:** Though agriculture is the primary livelihood source for many displaced populations and host communities, commercial financing to the agricultural sector has remained significantly below the government's target rate of 5% of commercial credit going to the sector. Commercial banking exposure to the agriculture sector remains below \$100m with very limited financing available for small scale agriculture and no commercial banks reporting financing for IDPs or refugees agricultural operations. Microfinance institutions and micro-banks have increased presence in areas with high forcibly displaced populations in Cabo Delgado and Nampula, but product focus remains largely focused on payroll-backed and other consumer loans which are not tailored towards displaced populations.

### Financial Service Providers engaging with displaced populations and the host community:

Location	FSP	Type	Remark
Mozambique	Standard Bank	Commercial bank	<i>The FSP provides bank account opening, saving services, and various financial services including access to loan, upon their needs, for both refugees and host communities.</i>
Nampula Province	Futuro Bank	Microbank	<i>Provided financial inclusion trainings (funded by AfDB), bank account opening and saving services for refugees' individuals and cooperatives as well as host communities.</i>



## Agri-business Value Chain

**Access to land:** While IDPs have the same rights to land and land tenure as other Mozambican citizens, some IDPs face de facto barriers to accessing it, and furthermore, are more vulnerable to land rights violations, such as forced eviction, land-grabbing and illegal occupation, given that they have no land titles in the area of displacement, are often dependent on and exploited by host community members, and that the land they left behind when they fled is vulnerable to violations. Refugees face legal barriers to accessing land. The Mozambican Government made bold pledges at the 2023 Global Refugee Forum to advance solutions for refugees, including transforming Maratane refugee settlement into a fully integrated village and has committed to provide 200ha land for refugees, asylum seekers and host community members. Meanwhile, advocacy efforts focus on promoting inclusive legislation to ensure refugees and asylum seekers have secure access to land.

**Right to work:** Mozambique's Constitution and Labour Law guarantee the right to work and non-discrimination for all citizens, including IDPs. However, access to employment is often limited by common barriers. Refugees face additional legal and administrative barriers due to the national labour laws requiring work permits and subject to hiring limitations.

**Livelihoods:** The vast majority of IDPs report that their primary livelihood source in their current location is crop production with limited non-agricultural livelihood sources reported, mainly in trading for those with non-agricultural livelihood sources. Maize is the staple crop amongst IDP, returnee, and host community populations with limited cassava and groundnut production amongst these populations. Over 90% of IDPs report some commercialization of production but market access and transportation costs to market put increased pressure on pricing. Additionally, regular water access is incredibly limited to IDPs with reported restricted natural water access leading to limitations in land productivity and crop diversification.

**Commercial aggregation:** In Nampula, Nacala, and Montepuez there are commercial operators in close proximity to displaced populations with potential to incorporate displaced agricultural producers into commercial value chains. Wholesalers, processors and commercial primary producers have been identified along key trade routes covering a majority of displaced population locations with indications of potential investment for larger scale value chain integration. Most opportunities lie in commercialization of IDP primary production, particularly in maize, beans, groundnuts, poultry, and sesame. Some commercial enterprises have noted limited opportunities for direct IDP employment in processing or in-grower schemes but have noted concessional capital would likely be required to expand operations and train staff.



## Education/ Vocational Training

**Access to Tertiary education and TVET:** IDPs, like all citizens, have the right to access tertiary education and vocational training; however, reported barriers include limited information on admissions and lack of financial resources to continue studies. Asylum seekers encounter additional obstacles linked to pending legal status, while refugees and asylum seekers face challenges with certificate recognition. Solutions include recognition of prior qualifications, adoption of UNESCO's Qualification Passport, and expansion of skills development programs in partnership with national institutions.

## Micro, Small and Medium Enterprises (MSMEs)



**Right to set up businesses:** Mozambique's Constitution and Labour Law guarantee the right to work and non-discrimination for all citizens. Both, refugees and IDPs, can engage in self-employment and register businesses at municipal level. However, there are practical barriers for IDPs and refugees to set up businesses, including lack of civil documentation, which are required for business registration and opening bank accounts. Additionally, IDPs and refugees report finding it hard to register businesses or comply with tax and licensing requirements.

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Private Sector Solutions  
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