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Investing in rural people

Republic of Mozambique

Country strategic opportunities programme

Addendum

Executive Board — 123rd Session
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For: Review

Republic of Mozambique country strategic opportunities programme

Addendum

The attention of the Executive Board is drawn to the following modifications to the country strategic opportunities programme for Mozambique (EB 2018/123/R.4). For ease of reference, the changes to the text of the report are shown in boldface.

Executive summary, page iv, paragraph 3

The paragraph should read:

"Key challenges and assumptions in the context of IFAD's country strategy in Mozambique include: (i) the impact of the recent economic crisis on Mozambique's debt sustainability and its implications for macroeconomic and development conditions; (ii) persistent hunger, malnutrition and poverty concentrated in rural areas; (iii) vulnerability to climate shocks; (iv) weak capacities at the local level; (v) conducive policies and institutions for inclusive results; and (vi) access to financing by rural poor people."

Main report, page 1, new paragraph 3

The new paragraph 3 should read:

"The pace of economic growth in Mozambique has significantly slowed since 2015. Current projections indicate growth of less than 4 per cent per annum through 2019 as a result of the macroeconomic crisis. In March 2018, the International Monetary Fund changed Mozambique's debt distress status to "In Debt Distress", reflecting the country's high level of debt exposure and the increased short- to medium-term risk for the country, which may undermine the enabling environment for the rural poor. Increased support to the most vulnerable rural areas is required, as is more effort to mobilize partners to speed up and scale up transformative investments, and engage in policy dialogue not to leave rural communities behind."

All subsequent paragraphs are to be renumbered accordingly.

Appendix VI, page 57, paragraph 3 (The appendix is presented in English only.)

The second sentence should read:

"The project cost is estimated at US\$130 million for a seven-year implementation period. The project financiers will be: IFAD, through financing in the amount of approximately US\$22 million, on terms to be determined, leaving a financing gap of US\$88 million after counterpart funding that may be financed by other donor partners (the World Bank and African Development Bank [AfDB]) have already expressed an interest to jointly cofinance the project with up to US\$80 million from the World Bank and US\$20 million from AfDB) and/or the private sector."