

# ANNUAL REPORT 2024

volume 33







# ANNUAL REPORT 2024

## CONTENTS

|  |            |
|--|------------|
| <b>MESSAGE FROM THE GOVERNOR .....</b>   | <b>iii</b> |
| <b>ABOUT THE BANCO DE MOÇAMBIQUE .....</b>   | <b>vi</b>  |
| <b>1. MACROECONOMIC OUTLOOK .....</b>  | <b>1</b>   |
| 1.1. External Conjuncture .....  | 2          |
| 1.2. Domestic Conjuncture and Outlook.....   | 3          |
| <b>2. MONETARY POLICY AND MARKETS DEVELOPMENTS.....</b>  | <b>7</b>   |
| 2.1. Monetary Policy Decisions in 2024.....  | 8          |
| 2.2. Interbank Markets .....   | 8          |
| <b>3. MACROPRUDENTIAL POLICIES AND BANK RESOLUTION .....</b>   | <b>12</b>  |
| 3.1. Macroprudential Policies .....  | 13         |
| <b>4. FINANCIAL SYSTEM PERFORMANCE.....</b>  | <b>15</b>  |
| 4.1. Financial System Overview .....   | 16         |
| 4.2. Regulation.....   | 16         |
| 4.3. Prudential Supervision .....  | 17         |
| 4.4. Conduct Supervision.....  | 20         |
| <b>5. PAYMENT SYSTEM.....</b>  | <b>23</b>  |
| 5.1. National Payment System .....   | 24         |
| 5.2. Wholesale Funds Transfer .....  | 24         |
| <b>6. FINANCIAL INCLUSION .....</b>  | <b>27</b>  |
| 6.1. Developments in Financial Inclusion Indicators.....   | 28         |
| <b>7. ANNEXES .....</b>  | <b>31</b>  |
| Annex 1: Regulations Approved in 2024.....   | 32         |
| Annex 2: Misdemeanor proceedings initiated against credit institutions and financial companies ..... | 34         |



## **Tables**

|   |    |
|---|----|
| <i>Table 1: GDP and Inflation in Select Economies</i> .....   | 2  |
| <i>Table 2: Average Prices of Select Commodities</i> .....  | 2  |
| <i>Table 3: Growth and Sectoral Contribution to GDP</i> .....   | 3  |
| <i>Table 4: BOP Developments (USD million)</i> .....  | 5  |
| <i>Table 5: Liquidity Swaps (billions of meticaïs)</i> .....  | 8  |
| <i>Table 6: T-Bill Issuance (billions of meticaïs)</i> .....  | 9  |
| <i>Table 7: Reverse Repo Transactions between the BM and Commercial Banks (billions of meticaïs)</i> ....                                       | 9  |
| <i>Table 8: Standing Facilities (billions of meticaïs)</i> .....  | 9  |
| <i>Table 9: Foreign Exchange Sales in the Interbank Foreign Exchange Market (USD million)</i> .....   | 10 |
| <i>Table 10: Banking System Developments (active institutions)</i> .....  | 16 |
| <i>Table 11: Risk Profile of Credit Institutions and Financial Companies</i> .....  | 19 |
| <i>Table 12: STF Transactions (transaction figures in MZN million; amount in MZN billion and amounts in foreign currency in millions)</i> ..... | 24 |

## **Charts**

|  |    |
|--|----|
| <i>Chart 1: Annual Change in Real GDP (%)</i> .....  | 3  |
| <i>Chart 2: Mozambique's Annual Inflation (%)</i> .....  | 3  |
| <i>Chart 3: Sources of Public Deficit Financing (billions of meticaïs)</i> .....   | 4  |
| <i>Chart 4: Nominal Exchange Rate Developments in Commercial Banks (monthly average)</i> .....                               | 4  |
| <i>Chart 5: Drivers of Changes in GIR</i> .....  | 4  |
| <i>Chart 6: International Investment Position Developments</i> .....   | 5  |
| <i>Chart 7: Developments in Policy Rates, Facilities and Reserve Requirements (%)</i> .....                                  | 8  |
| <i>Chart 8: IMM vs. MIMO Interest Rates (%)</i> .....  | 9  |
| <i>Chart 9: Foreign Exchange Transactions between Commercial Banks and Customers (USD billion)</i> 10                        |    |
| <i>Chart 10: Systemic Risk Developments</i> .....  | 13 |
| <i>Chart 11: Herfindahl-Hirschman Index in the Banking System</i> .....  | 16 |
| <i>Chart 12: Asset Developments (billion meticaïs)</i> .....   | 17 |
| <i>Chart 13: Non-Performing Loans (% of total credit)</i> .....  | 18 |
| <i>Chart 14: Profit and Loss Statement Composition (billions of meticaïs)</i> .....  | 18 |
| <i>Chart 15: Capital Adequacy Ratio (billions of meticaïs)</i> .....   | 19 |
| <i>Chart 16: Developments in the Number of Complaints Lodged at the BM</i> .....   | 21 |
| <i>Chart 17: Transactions in Interbank Clearing and Settlement (figures in thousands; amounts in billion meticaïs)</i> ..... | 24 |
| <i>Chart 18: MTR Transactions (transaction figures in millions; amounts in MZN billion)</i> .....                            | 25 |
| <i>Chart 19: Geographical Access Indicators</i> .....  | 28 |
| <i>Chart 20: Demographic Access Indicators</i> .....   | 28 |

## MESSAGE FROM THE GOVERNOR

**In 2024, the macroeconomic outlook was marked by moderate growth in global economic activity and the maintenance of the trend of a generalized slowdown in inflation.** The world economy grew by 3.2%, 100 bps below the 2023 performance, driven by the dynamics of the economies of developed countries, amid a slowdown in most emerging country economies. On the other hand, headline inflation continued to decelerate, driven by a slump in fuel and food prices on the global market, in the face of weak demand and normalization of the supply chain, which allowed for easing monetary policy.

**Domestically, economic activity slowed remarkably in 2024 to 2.2%, following 5.5% in 2023.** This dynamic is supported by the effects of climatic events and the post-election tension in the last quarter of the year, which negatively affected most sectors of economic activity, particularly agricultural production, and various services, contributing to the contraction of gross domestic product by 5,7% in the last quarter of 2024.

**Annual inflation slowed to 4.15%<sup>1</sup> in December 2024, following 5.3% in the same period of 2023.** The inflation performance is explained by the low domestic demand, coupled with the stabilization of fuel prices, Metical stability, as well as the drop in fuel and food prices on the global market.

**In January 2024, the Banco de Moçambique initiated the normalization cycle of the monetary policy interest rate (MIMO rate),** arising from the favorable behavior of inflation and the prospects of continued single-digit inflation over the medium term. Effectively, the Monetary Policy Committee gradually reduced the MIMO rate by a cumulative 450 bps to 12.75% by the end of 2024, a stance that triggered a similar trend in interbank money market interest rates and the Prime Rate of the national financial system.

**In the reporting period, the financial sector remained stable, solid, and resilient.** The level of capitalization of the financial system remained satisfactory, with the total assets of the system growing by 11.3% compared to 2023. The robustness of the national financial system was further bolstered by the growth of the system's liquidity by 350 bps compared to 2023, standing at 51.2%, and also by the growth of the capital adequacy ratio by 43 bp to 26.1%. It should also be noted that, in November 2024, the government approved the new National Financial Inclusion Strategy (NFIS 2025-2031), a tool that presents challenging goals and that can contribute to significantly leverage the levels of financial inclusion and literacy in the country.

**In foreign transactions, in 2024, the current account deficit deteriorated by 11% compared to 2023,** mostly reflecting the net effect of the worsening of the partial income account balance in greater proportion than the improvement in the partial goods account, amid a 2.4% worsening of the international investment position (IIP), due to an increase in external liabilities exceeding the growth in external assets. However, gross international reserves grew 8.6% year-on-year, reaching a balance of USD 3.8 billion, covering 5.2 months of imports of goods and services, excluding transactions of megaprojects.

**For 2025, a challenging conjuncture is anticipated, marked by an increase in risks and uncertainties,** highlighting the impact of the worsening of fiscal risk, exacerbated by the effects of climate shocks and post-election tension on the prices of goods and services, amid growing bottlenecks in mobilizing financial resources for the economy. Even so, inflation is expected to remain in single

---

<sup>1</sup> Inflation for 2024 takes as the basis the year 2023.



digits, in a context in which the adoption of bold and structuring reforms can contribute favorably to the recovery dynamics of the national economy.

**Rogério Lucas Zandamela**  
**Governor**





PANORAMIC VIEW OF THE HEADQUARTERS OF THE BANCO DE MOÇAMBIQUE

MAPUTO CITY



## **ABOUT THE BANCO DE MOÇAMBIQUE**

## BOARD OF DIRECTORS



**Rogério Lucas Zandamela**  
*Governor*



**Gertrudes Tovela**  
*Executive Director*  
*Banking Operations,  
Issuance and  
Payment Systems  
Inspection*



**Jamal Omar**  
*Executive Director*  
*Monetary Stability*



**Benedita Guimino**  
*Executive Director*  
*Financial Stability*

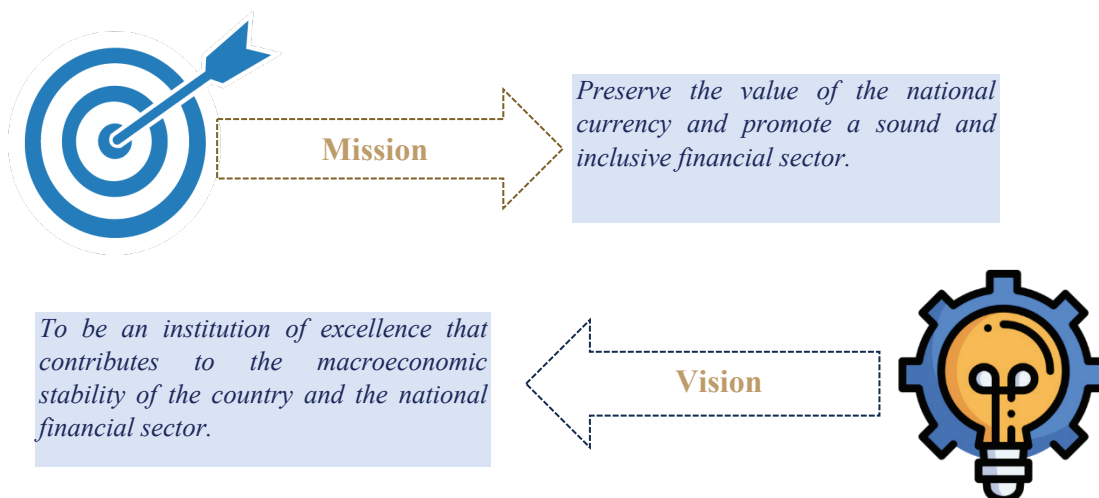


**Silvina de Abreu**  
*Executive Director*  
*Administrative  
Services and  
Property*



**Maria Majimeja**  
*Executive Director*  
*Financial Services  
and Human  
Resources*

## MISSION, VISION, AND VALUES



### Excellence

*We continuously improve performance standards in order to meet society's expectations and strictly and professionally fulfill our duties, always ensuring that our actions are aligned with international best practices.*



### Transparency

*We have clear rules and procedures in place that are applied in a uniform, consistent, and rigorous way in all the actions we take in light of our functions, at home and abroad;*

## Institutional Values



### Integrity

*Our actions showcase ethical standards of good management, confidentiality, and credibility.*



### Commitment

*We demonstrate a sense of belonging and commitment to institutional goals, showing willingness to achieve results.*



## STRATEGIC PILLARS

The three-year Strategic Plan of the Banco de Moçambique 2024-2026 is rooted on four key pillars, in compliance with the powers conferred thereto by Law No. 1/92 of January 3 - Organic Law of the Banco de Moçambique.







**MATOLA BRANCH BUILDING**  
**MAPUTO PROVINCE**

# **1. MACROECONOMIC OUTLOOK**

## 1.1. External Conjuncture

In 2024, the world economy grew 3.3%<sup>2</sup>, similar the level observed in the previous year, in a backdrop of a weak global demand. The dynamics of the world economy were driven, for the most part, by the growth of advanced economies, in a context in which several emerging and developing economies still face serious macroeconomic challenges.

*Table 1: GDP and Inflation in Select Economies*

| Region                | Real GDP          |      | CPI                       |      |
|-----------------------|-------------------|------|---------------------------|------|
|                       | Annual Change (%) |      | Average Annual Change (%) |      |
|                       | 2023              | 2024 | 2023                      | 2024 |
| World Economy         | 3.3               | 3.3  | 6.7                       | 5.7  |
| Adv. Economies        | 1.7               | 1.8  | 4.6                       | 2.6  |
| USA                   | 2.9               | 2.8  | 4.1                       | 3.0  |
| Euro area             | 0.4               | 0.9  | 5.4                       | 2.4  |
| Japan                 | 1.5               | 0.1  | 3.3                       | 2.7  |
| Un. Kingdom           | 0.3               | 1.1  | 7.3                       | 2.6  |
| Adv. Emerging Markets | 4.4               | 4.3  | 8.0                       | 7.7  |
| Brazil                | 3.2               | 3.4  | 4.6                       | 4.4  |
| India                 | 8.2               | 6.5  | 5.4                       | 4.7  |
| Russia                | 3.6               | 4.1  | 5.9                       | 8.4  |
| China                 | 5.2               | 5.0  | 0.2                       | 0.2  |
| Sub-Saharan Africa    | 3.6               | 4.0  | 17.6                      | 18.3 |
| South Africa          | 0.7               | 0.8  | 5.9                       | 4.4  |

Source: World Economic Outlook (April/2025 and January/2025)

The slowdown in private consumption, coupled with the lower dynamism of industrial activity in India and the crisis in the real estate sector in China, **slowed the EME. The Sub-Saharan Africa region recorded opposite dynamics, with a growth of 4.0%**, compared to 3.6% in the previous year (Table 1), reflecting the adoption of improved policies, which culminated in the reduction of macroeconomic imbalances.

**Meanwhile, headline inflation slowed by 100 bps to 5.7%<sup>3</sup>.** In 2024, monetary policy was less restrictive in most central banks from advanced economies, reflecting the trend of slowing inflation, mainly supported by lower fuel and food prices, amid weak demand and normalization of the supply chain (Table 1).

*Table 2: Average Prices of Select Commodities*

| Description                  | 2023  | 2024  | Change (%) |
|------------------------------|-------|-------|------------|
| <b>Main Import Products</b>  |       |       |            |
| Oil (USD/bbl)                | 82.6  | 80.7  | -2.4       |
| Wheat (USD/mt)               | 340.4 | 268.7 | -21.1      |
| Rice <sup>a</sup> (USD/mt)   | 553.7 | 588.4 | 6.3        |
| Corn (USD/mt)                | 252.7 | 190.6 | -24.6      |
| <b>Main Export Products</b>  |       |       |            |
| Aluminum (USD/mt)            | 2,256 | 2,419 | 7.2        |
| Gas <sup>b</sup> (USD/mmbtu) | 2.54  | 2.19  | -13.8      |
| Thermal coal (USD/mt)        | 172.8 | 136.2 | -21.2      |
| Sugar <sup>c</sup> (USD/kg)  | 0.52  | 0.45  | -13.5      |
| Cotton (USD/kg)              | 2.09  | 1.91  | -8.6       |
| Gold (USD/toz)               | 1,943 | 2,388 | 22.9       |

Source: World Bank Commodities Price Data, The Pink Sheet (February/2025). Legend: a- Thailand; b - USA; c - world; bbl - barrel mt. - metric Ton; mmbtu - million British Thermal Unit; kg - kilogram Toz - troy ounce.

**The prices of key commodities traded by Mozambique fell in 2024.** Among the export goods, the fall in the prices of thermal coal (-21.2%) and natural gas (-13.8%) is highlighted. Regarding import commodities, the decrease in the price of oil (-2.4%), wheat (-21.1%) and corn (-24.6%), as shown in Table 2, is highlighted.

<sup>2</sup> World Economic Outlook (WEO), 2025

<sup>3</sup> Idem

## 1.2. Domestic Conjuncture and Outlook

### 1.2.1. Gross Domestic Product and inflation

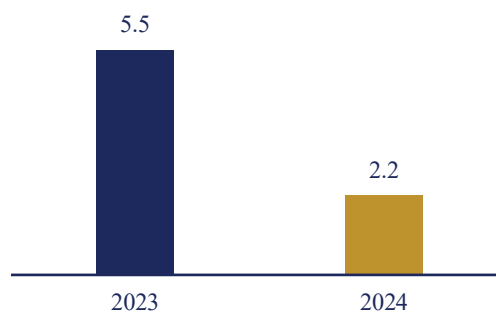
**Economic activity slowed in 2024.** The effects of post-election tension and climate shocks (cyclone Chido and the El Niño phenomenon), resulted in a contraction of economic activity in the IV quarter by 5.7, which contributed to the slowdown in annual real gross domestic product (GDP) to 2.2%, after 5.5% in 2023 (Chart 1).

*Table 3: Growth and Sectoral Contribution to GDP*

| Description                                 | Annual Change (%) |      | Contribution (pp) |      |
|---|-------------------|------|-------------------|------|
|   | 2023              | 2024 | 2023              | 2024 |
| Primary Sector                              | 12.3              | 4.3  | 4.5               | 1.7  |
| Agriculture                                 | 3.9               | 2.4  | 1.0               | 0.6  |
| Fishing                                     | 2.8               | 1.4  | 0.0               | 0.0  |
| Extractive Industry                         | 34.4              | 8.2  | 3.5               | 1.1  |
| Secondary Sector                            | -2.9              | -4.2 | -0.4              | -0.5 |
| Electricity and Water                       | 2.9               | -0.3 | 0.1               | 0.0  |
| Manufacturing Industry                      | -4.7              | -6.1 | -0.4              | -0.5 |
| Construction                                | -3.4              | -0.3 | 0.0               | 0.0  |
| Tertiary Sector                             | 3.1               | 1.7  | 1.2               | 0.7  |
| Trade and Services                          | 0.1               | -0.8 | 0.0               | -0.1 |
| Hospitality and Catering                    | 7.5               | -0.2 | 0.1               | 0.0  |
| Transport and Communications                | 4.0               | 1.2  | 0.4               | 0.1  |
| Financial Services                          | 4.8               | 2.2  | 0.2               | 0.1  |
| Public Administration, Education and Health | 3.6               | 3.1  | 0.4               | 0.3  |
| Other Sectors                               | 3.7               | 4.8  | 0.2               | 0.2  |
| Tax on products                             | 0.9               | 2.8  | 0.1               | 0.3  |
| GDP-mp                                      | 5.48              | 2.15 | 5.48              | 2.15 |

Source: INE, 2024 (2014=100); mp-Market Price

*Chart 1: Annual Change in Real GDP (%)*

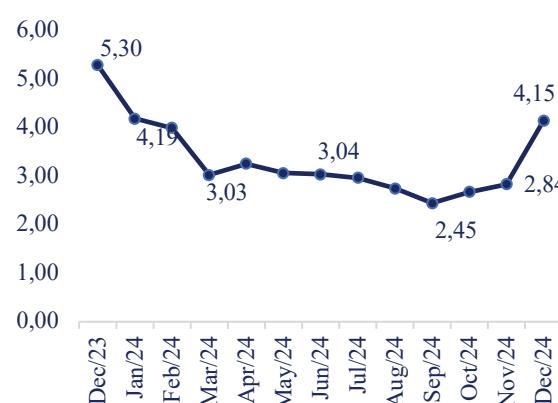


Source: INE, 2024 (2014=100)

These factors impacted the primary sector the most, having slowed by 800 bps, to 4.3% compared to 2023, contributing only 170 bps to GDP growth in 2024, after 450 bps in 2023, against a backdrop where the secondary and tertiary sectors observed opposite trends, with the former consolidating the fall and the latter maintaining growth, albeit tenuous, compared to the previous year (Table 3).

**In turn, Mozambique's annual inflation has decelerated.** In December 2024, annual inflation slowed to 4.15%, following 5.3% in the same period in 2023 (Chart 2), reflecting, on the domestic side, the combined effects of weak demand, the stability of the Metical and the stabilization of fuel prices, despite the gradual normalization of monetary policy.

*Chart 2: Mozambique's Annual Inflation (%)*



Source: INE, 2024 (up to 2023: 2016=100 | 2024: 2023=100)

Internationally, falling food and fuel prices have also contributed to slowing inflation in Mozambique.



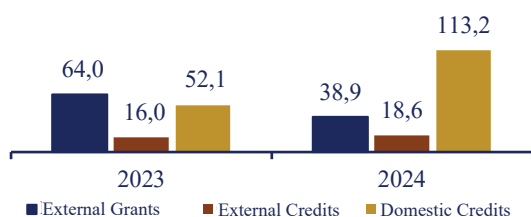
## 1.2.2. State Budget Financing

**In 2024, the overall deficit before grants worsened by 11.2% year-on-year, standing at 148.7 billion meticaïs.**

To cover the deficit, the Government resorted to domestic debt by 113.2 billion meticaïs (more than double compared to 2023), through net issuance of treasury bonds (38.9 billion meticaïs), treasury bills (46.2 billion meticaïs), and (iii) central bank financing (28.1 billion meticaïs).

External financing amounted to 18.6 billion meticaïs, an increase of about 16% over the previous year, with the remainder covered by external grants of 38.9 billion meticaïs (Chart 3).

*Chart 3: Sources of Public Deficit Financing (billions of meticaïs)*



Source: MEF

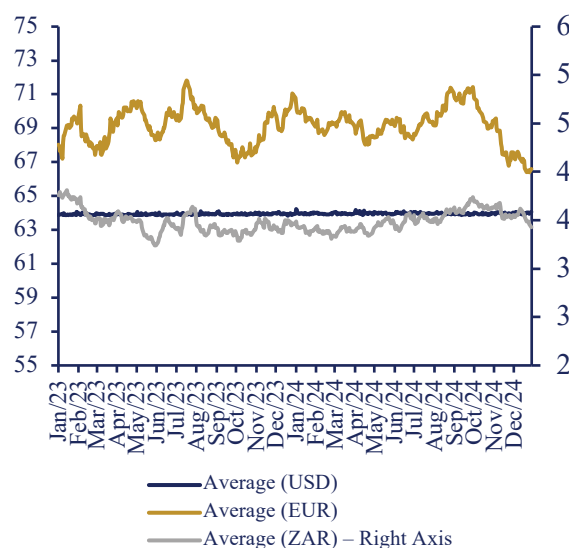
## 1.2.3. External Sector

### 1.2.3.1. Exchange Rates

**In 2024, the Metical remained stable against the main currencies of international transactions.** This stability mainly reflected the fluidity of currencies in the domestic foreign exchange market, amid positive real interest rates.

Indeed, on 30 December, the average rates of the main currencies stood at MZN/USD 64.06, MZN/EUR 66.59 and MZN/ZAR 3.43 for the US dollar, the Euro and the Rand (Chart 4), respectively.

*Chart 4: Nominal Exchange Rate Developments in Commercial Banks (monthly average)*

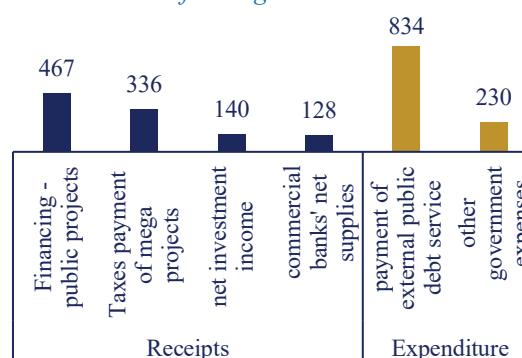


Source: BM

### 1.2.3.2. International Reserves

**In December 2024, the country's gross international reserves (GIR) reached USD 3.8 billion, enough to cover 5.2 months of imports of goods and services, excluding transactions of megaprojects.**

*Chart 5: Drivers of Changes in GIR*



Source: BM

This figure represents a growth of 8.3% compared to the same period in 2023, as a net effect of receipts of USD 1,071.0 million and expenditure of USD 1,064.0 million (Chart 5).

### 1.2.3.3. Current Account

Provisional data for 2024 show that the current account deficit deteriorated by 11% (USD 256 million) year-on-year, essentially reflecting the effect of the worsening of the partial income account by USD 919 million<sup>4</sup> and the improvement of the partial goods account by USD 739 million (Table 4).

*Table 4: BOP Developments (USD million)*

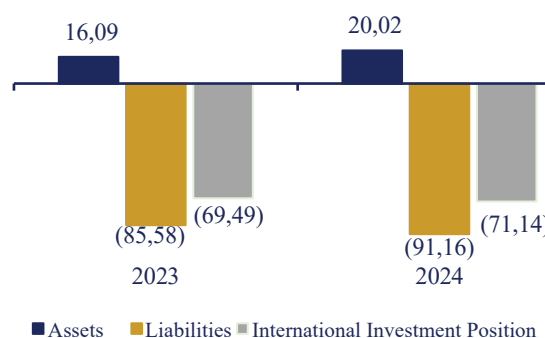
| Description              | 2023   |          | 2024   |          | Change   |
|--------------------------|--------|----------|--------|----------|----------|
|                          | MP     | Incl. MP | MP     | Incl. MP | Incl. MP |
| Current Account          | 2,674  | -2,285   | 1,517  | -2,541   | -256     |
| Balance of Assets        | 4,918  | -903     | 4,685  | -164     | 739      |
| Exports                  | 6,225  | 8,276    | 6,255  | 8,211    | -65.1    |
| Imports                  | 1,307  | 9,180    | 1,570  | 8,375    | -804     |
| Balance of Services      | -717   | -872     | -995   | -949     | -76.5    |
| Primary Income Balance   | -1,527 | -1,842   | -2,173 | -2,516   | -673.9   |
| Secondary Income Balance | 0      | 1,333    | 0      | 1,088    | -244.7   |
| Capital Account          | 0      | 442      | 0      | 391      | -50.8    |
| Financial Account        | -2,621 | 1,881    | -1,472 | 2,116    | 235      |
| particularly FDI         | 2,087  | 2,509    | 2,913  | 3,553    | 1,043.3  |
| Other Investments        | -4,709 | 103      | -4,385 | -1,224   | -1,327   |

Source: BM

### 1.2.3.4. International Investment Position<sup>5</sup>

At the end of 2024, the International Investment Position (IIP) recorded a negative balance of USD 71.1 billion.

*Chart 6: International Investment Position Developments*



Source: BM

To this end, foreign assets of Mozambican residents made up USD 20 billion, compared to USD 91.2 billion of assets held in Mozambique by non-residents.

Compared to the end of 2023, the balance of IIP worsened by 2.4% (USD 1.6 billion), driven by a greater increase, in absolute terms, in external liabilities (USD 5.6 billion), compared to an increase of USD 3.9 billion in external assets (Chart 6).

<sup>4</sup> Sum of primary and secondary income.

<sup>5</sup> The IIP is the difference (balance) between assets (various investments and loans) held by residents abroad, and those held domestically by non-residents. The latter are a liability for the

country. A negative IIP means that non-residents hold more assets in the country than those held by residents abroad.



**XAI-XAI BRANCH BUILDING**  
**GAZA PROVINCE**

## **2. MONETARY POLICY AND MARKETS DEVELOPMENTS**

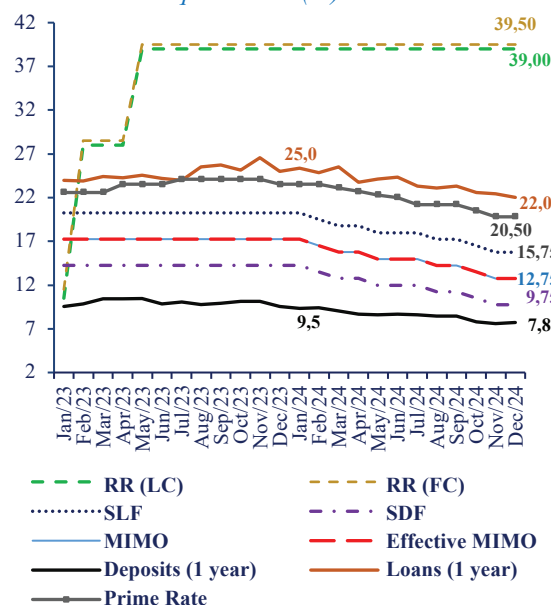


## 2.1. Monetary Policy Decisions in 2024

In January 2024, the Banco de Moçambique began the normalization cycle of the monetary policy interest rate, MIMO rate. Indeed, throughout 2024, the Monetary Policy Committee (MPC) of the Banco de Moçambique decided to reduce the MIMO policy rate, cumulatively, by 450 bps, having settled at 12.75% in December 2024, in line with the prospects of maintaining single-digit inflation over the medium term, despite the risks and uncertainties associated with inflation projections.

The CPMO also decided to reduce the interest rates of the Standing Lending Facility (SLF) and the Standing Deposit Facility (SDF) by the same magnitude, to 15.75% and 12.75%, respectively, at the end of 2024, while keeping the Reserve Requirement ratios unchanged.

Chart 7: Developments in Policy Rates, Facilities and Reserve Requirements (%)



Fonte: BM

Retail interest rates also followed the same movement as the policy rate, with interest rates on 1-year loans and deposits reducing by 300 bp and 180 bp, respectively, compared to 2023 (Chart 7).

## 2.2. Interbank Markets

### 2.2.1. Interbank Money Market

The Interbank Money Market recorded a 16.65% reduction in the dynamics of transactions between banks compared to the previous year, with the amount transacted standing at 334.1 billion meticaís.

The weighted average rate (WAR) on these transactions stood at 15.88%, a year-on-year decrease of 137 bps (Table 5).

Table 5: Liquidity Swaps (billions of meticaís)

| Period                    | Number of transactions | Amount | WAR (%) |
|---------------------------|------------------------|--------|---------|
| Unsecured Liquidity Swaps |                        |        |         |
| Overnight                 | 250                    | 140.4  | 15.88   |
| 2 to 7 days               | 75                     | 38.5   | 15.85   |
| 2023                      | 305                    | 198.0  | 17.25   |
| 2024                      | 325                    | 178.9  | 15.88   |
| Secured Liquidity Swaps   |                        |        |         |
| Overnight                 | 344                    | 126.6  | 15.88   |
| 2 to 7 days               | 81                     | 28.6   | 15.86   |
| 2023                      | 702                    | 201.9  | 17.25   |
| 2024                      | 425                    | 155.2  | 15.88   |
| Total                     |                        |        |         |
| 2023                      | 1,007                  | 400.9  | 17.25   |
| 2024                      | 750                    | 334.1  | 15.88   |

Source: BM

In transactions between the BM and banking institutions, the increase in the amount invested in Type A Treasury Bills (T-Bills) is highlighted, whose WAR slowed by 199 bps to 15.95% year-on-year. Type B T-Bills have seen a slightly similar trend, with a 160 bp year-on-year decrease in WAR to 16.35% (Table 6).

**Table 6: T-Bill Issuance (billions of meticaïs)**

| Maturity (days)        | Offer Amount | Subscription Amount | WAR (%) |
|------------------------|--------------|---------------------|---------|
| Type A T-Bill Issuance |              |                     |         |
| 91                     | 111.4        | 69.1                | 15.70   |
| 182                    | 82.6         | 48.3                | 15.99   |
| 364                    | 175.6        | 107.1               | 16.15   |
| 2023                   | 240.4        | 194.6               | 17.94   |
| 2024                   | 369.6        | 224.4               | 15.95   |
| Type B T-Bill Issuance |              |                     |         |
| 182                    | 12.1         | 6.9                 | 16.25   |
| 364                    | 13.7         | 14.8                | 16.44   |
| 2023                   | 24.4         | 23.3                | 17.94   |
| 2024                   | 25.8         | 21.7                | 16.35   |
| Total                  |              |                     |         |
| 2023                   | 264.8        | 217.9               |         |
| 2024                   | 395.4        | 246.1               |         |

Source: BM

In addition, **investments in reverse repo operations rose** by about 23%, while the WAR decreased by 206 bps, year-on-year (Table 7).

**Table 7: Reverse Repo Transactions between the BM and Commercial Banks (billions of meticaïs)**

| Maturity (days) | Offer Amount | Subscription Amount | WAR (%) |
|-----------------|--------------|---------------------|---------|
| Overnight       | 387.7        | 385.7               | 15.47   |
| 7 days          | 3,116.3      | 3,107.1             | 15.13   |
| 1 month         | 17.8         | 13,650.0            | 15.08   |
| 2023            | 2,882.5      | 2,853.3             | 17.28   |
| 2024            | 3,521.8      | 3,506.5             | 15.23   |

Source: BM

**In contrast to other segments, transactions under the standing facilities decreased.** Indeed, the amount applied at the standing lending facility window decreased by 74%, and placements in the standing deposit facility window decreased by 30%, when compared to the previous year (Table 8).

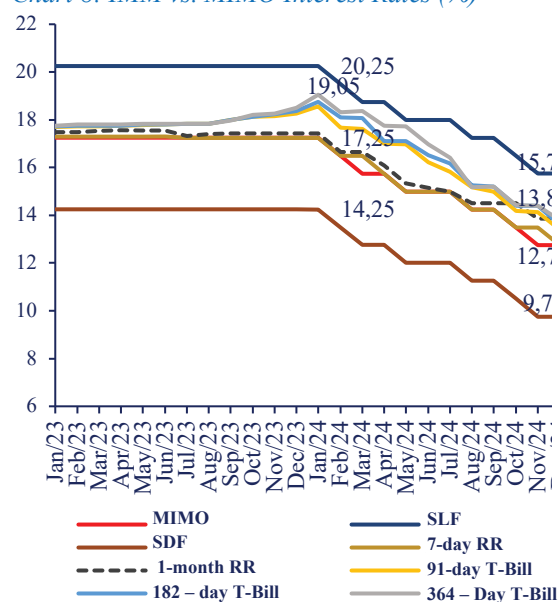
**Table 8: Standing Facilities (billions of meticaïs)**

| Period  |                | 2023    | 2024    |
|---------|----------------|---------|---------|
| Lending | No. of days    | 154     | 83      |
|         | Total Amount   | 869.9   | 228.7   |
|         | Average Amount | 5.6     | 2.8     |
|         | WAR (%)        | 20.25   | 12.75   |
| Deposit | No. of days    | 249     | 251     |
|         | Total Amount   | 2,020.4 | 1,411.6 |
|         | Average Amount | 8.1     | 5.6     |
|         | WAR (%)        | 14.25   | 9.75    |

Source: BM

**Overall, 2024 was marked by a reduction in the interbank money market interest rates,** remaining within the corridor formed between the SLF and the SDF rates, in line with the dynamics of the MIMO rate (Chart 8).

**Chart 8: IMM vs. MIMO Interest Rates (%)**



Source: BM

## 2.2.2. Interbank Foreign Exchange Market

**The BM remained neutral in the Interbank Forex Market amid a backdrop of exchange stability.** In the reporting period, foreign exchange sales between banks decreased by 67% to USD 44.46 million year-on-year (Table 9).

*Table 9: Foreign Exchange Sales in the Interbank Foreign Exchange Market (USD million)*

| Period | BM Foreign Currency Sales |                | Foreign Currency Sales Between Commercial Banks |                |
|--------|---------------------------|----------------|---|----------------|
|        | Amount                    | WAER (USD/MZN) | Amount  | WAER (USD/MZN) |
| 2023   | 481.4                     | 64.51          | 135.1   | 64.34          |
| 2024   | -                         | -              | 44.5  | 64.30          |

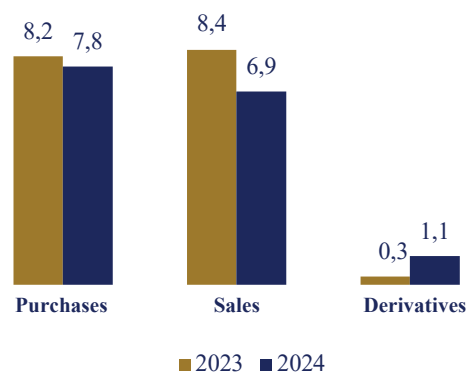
Source: BM

By the other hand, the volume of transactions in financial derivatives<sup>6</sup> increased substantially to USD 1.1 million, up from about USD 300,000 in the previous year.

Purchases of commercial banks from their customers exceeded sales by USD 880.16 million, while purchases and sales decreased by 4% and 17% year-on-year, respectively.

Thus, in 2024, this segment's total turnover stood at about USD 15.8 million, down 6% year-on-year (Chart 9).

*Chart 9: Foreign Exchange Transactions between Commercial Banks and Customers (USD billion)*



Note: includes all currencies traded converted to USD

Source: BM

<sup>6</sup> Forward foreign exchange transactions and currency swaps.



**INHAMBANE BRANCH BUILDING**  
**INHAMBANE PROVINCE**

### **3. MACROPRUDENTIAL POLICIES AND BANK RESOLUTION**



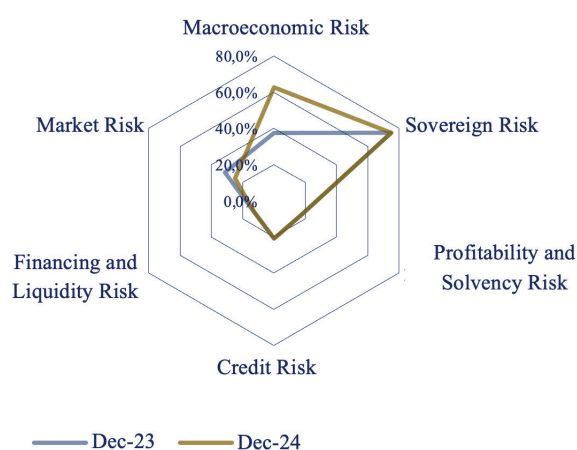
### 3.1. Macroprudential Policies

#### **In 2024, systemic risk remained moderate.**

Albeit macroeconomic risk has worsened due to the slowdown in economic activity in the last quarter, mainly exacerbated by the fall in manufacturing output, systemic risk has been subdued.

This risk behavior was associated with the reduction of market, risk driven by the reduction of the prime rate, underpinned by the cycle of normalization of the MIMO policy rate (Chart 10).

*Chart 10: Systemic Risk Developments*



Source: BM

Thus, against the backdrop of a solid and resilient banking system in 2024, the BM decided to keep all macroprudential policy instruments in place, which is keeping capital conservation buffers for domestic banks of systemic importance (D-SIBs) and quasi-systemic, unchanged at 2.0% and 1.0%, respectively.

Moreover, the loan-to-value ratio over the pledged collateral and the customer's debt-to-income ratio remained capped at 100%.

In the financial year 2024, in compliance with Notice No. 2/GBM/2022<sup>7</sup>, of 31 May, the BM carried out the evaluation of the recovery plans of all banks, to assess their adequacy regarding:

- The implementation of the proposed mechanisms to maintain or restore the feasibility and financial situation of the institution; and
- The plan and the specific options therein that can be implemented quickly and effectively in situations of financial stress, including scenarios that lead other institutions to implement recovery plans simultaneously.

The assessment found that banks' recovery plans improved in structure and content, especially among institutions of systemic importance. However, some banks, particularly the smaller (those of non-systemic importance) ones, still do not adequately meet various requirements of the recovery plans.

Thus, in 2024, the institutions subject to Notice No. 4/GBM/2022, of July 14<sup>8</sup> submitted the information required for drawing up resolution plans, which culminated in the analysis and validation of the information reported by each financial institution.

<sup>7</sup> Notice No. 2/GBM/2022, of 31 May lays down the information to be provided by recovery plans, as well as the presentation, maintenance, and revision procedures.

<sup>8</sup> Notice No. 4/GBM/2022, of 14 July establishes the rules for providing information for drawing up resolution plans;



BEIRA BRANCH BUILDING  
SOFALA PROVINCE

## **4. FINANCIAL SYSTEM PERFORMANCE**



## 4.1. Financial System Overview

### 4.1.1. Developments in the Number of Institutions Supervised by the BM

**2024 was marked by an increase of 514 microcredit operators to 2,818 operators.** The remaining categories of institutions did not register significant changes, as, in most cases, the figures for 2023 remained unchanged (Table 10).

*Table 10: Banking System Developments (active institutions)*

| Type of institution                         | 2023  | 2024  | Change |
|---|-------|-------|--------|
| Banks                                       | 15    | 15    | 0      |
| Microbanks                                  | 14    | 15    | 1      |
| Credit Unions                               | 4     | 4     | 0      |
| Investment Company                          | 1     | 1     | 0      |
| Credit Card Issuing or Management Companies | 1     | 1     | 0      |
| Brokerage Companies                         | 0     | 1     | 1      |
| Exchange Offices                            | 6     | 6     | 0      |
| Savings and Loan Organizations              | 13    | 15    | 2      |
| Payment Service Providers                   | 5     | 5     | 0      |
| Financial Brokerage Companies               | 2     | 3     | 1      |
| Microcredit Operators                       | 2,304 | 2,818 | 514    |

*Source: BM*

### 4.1.2. Capital Composition and Structure

**In 2024, the institutions' share capital structure remained dominated by foreign capital.** Indeed, the weight of foreign capital amounted to about 83% (46,121 million meticaís), with Mozambique sourcing the remaining 17% (9,712 million meticaís). South African capital remained dominant, with a share of about 29.5%, followed by Portuguese capital with 25.3%.

In individual terms, Banco Comercial e de Investimentos, SA, remained the bank with the largest share capital (18%), followed by Moza Banco, SA, with 13% and Absa Bank

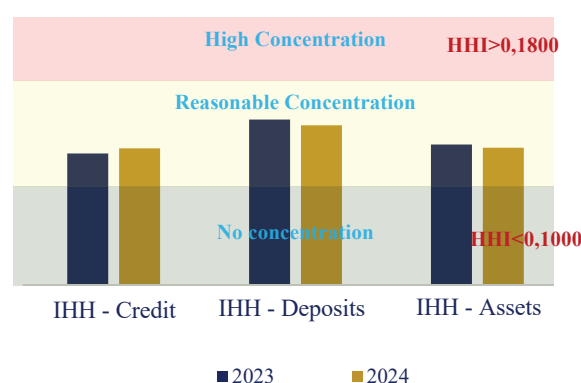
Moçambique, SA, with about 10% of the total capital of the banking system.

### 4.1.3. Concentration Levels

**In 2024, the concentration of total assets, credit and deposits in the five largest banks, continued to trend downwards,** now concentrating 74.9% of total assets, 72.4% of credit and 80.3% of deposits, figures that account for year-on-year reductions of 7 bps, 3 bps and 110 bps, respectively.

Thus, **the Herfindahl-Hirschman Index (HHI) indicates reasonable concentration,** with credit standing at 0.1368 (0.1320 in 2023), assets at 0.1378 (0.1410 in 2023) and deposits at 0.1597 (0.1657 in 2023), all below 0.1800 (Chart 11).

*Chart 11: Herfindahl-Hirschman Index in the Banking System*



*Source: BM*

## 4.2. Regulation

2024 was marked by reforms in the legislation of the financial system, highlighting the approval of the Regulation of the Law on Credit Institutions and Financial Companies, through Decree No. 50/2024, of July 11, which merges the regime of credit institutions and financial companies and the regime of microfinance institutions, as well as the approval of Decree No. 49/2010, of November 11, which introduces the financing mechanism for

resolution measures, setting up new dynamics for the Deposit Guarantee Fund.

Furthermore, and in order to diversify the sources of financing to the economy, Decrees No. 37/2024 and 38/2024, both of June 10, on the creation of the Loan Guarantee Fund and the management company thereof were approved.

In order to strengthen the financial system's security, requirements were put in place to allow financial institutions to enhance their stance on risk management and cyber resilience, as approved by Notice No. 2/GBM/2024, of March 15.

The annex lists the main regulations introduced in 2024 to support the reforms of the Mozambican financial system.

### 4.3. Prudential Supervision

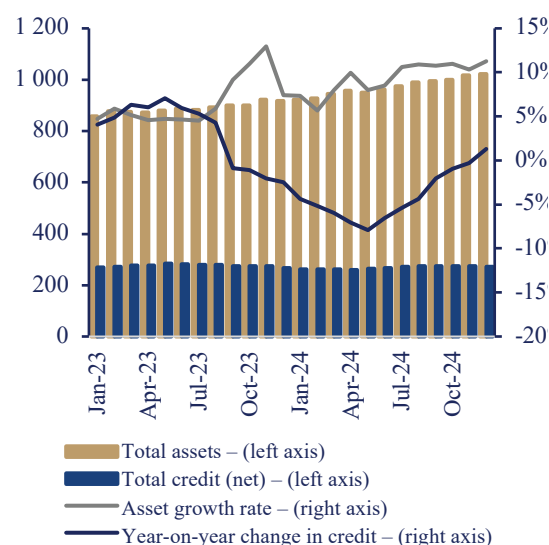
#### 4.3.1. Developments in the Key Economic-Financial and Prudential indicators

**In 2024, the banking system remained stable, with satisfactory levels of capitalization and liquidity**, corroborated by the growth in assets as well as the capital adequacy ratio remaining at levels above twice the minimum requirement of 12%.

##### 4.3.1.1. Assets

**In 2024, the total assets of the banking system grew by 11.3% year-on-year.** In fact, total assets increased to 1,021.8 billion meticaïs, partly driven by the growth in resources and customer loans, amid the expansion of the cash balance and deposits at the central bank and financial assets, mostly public debt securities (Chart 12).

Chart 12: Asset Developments (billion meticaïs)



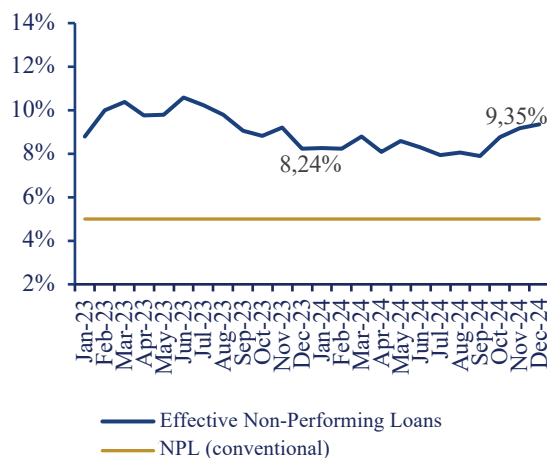
Source: BM

The banking system's asset structure was dominated by cash and deposits at the central bank, with a balance of 308.7 billion meticaïs (30.2% of the total, up from 27.1% in 2023), followed by credit with 270.7 billion meticaïs, i.e., 26.5% of total assets (29.1% in 2023).

On the other hand, **non-performing loans (NPL) worsened**, standing at 9.4% in December 2024, against 8.2% in the same period of 2023 and above the conventional cap of 5% (Chart 13).

The NPL deterioration mainly arose from the increase in non-performing loans of 14.7% (3.9 billion meticaïs), due to the revision of the risk of some significant exposures exceeding the increase in gross credit by 1.1% (3.6 billion meticaïs).

*Chart 13: Non-Performing Loans (% of total credit)*



Source: BM

#### 4.3.1.2. Liabilities

**Customer funds and other loans remained the main source of fund-raising for institutions**, as evidenced by their growth of 13.9%, and weight in the structure of current liabilities growing by 0.6 bps, to 87.7% in 2024.

It should be noted that customer funds and other loans mostly comprise particularly deposits, 78.6% (76.1% in 2023) in domestic currency and the remaining 21.4% in foreign currency (23.9% in 2023).

#### 4.3.1.3. Liquidity

**In 2024, the financial system remained at comfortable levels of liquidity, standing at 51.2% (up from 47.7% in 2023), above the minimum requirement of 25%.** This figure is mainly due to the increase in net assets of 18.0% (57,425 million meticaïs) exceeding short-term liabilities (85,022 million meticaïs), which grew by 12.9%.

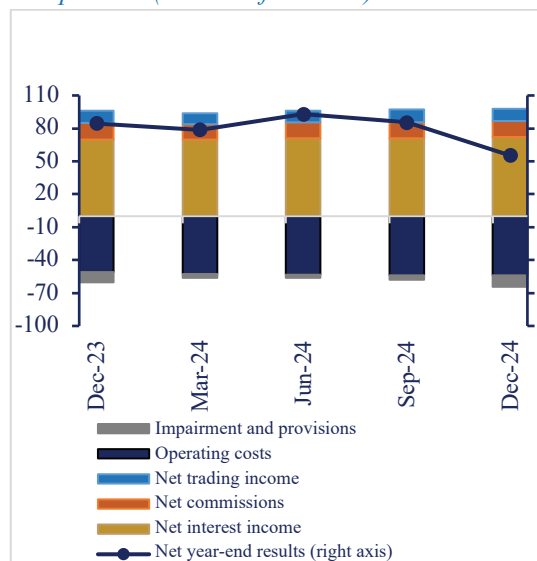
#### 4.3.1.4. Profit-and-Loss and Profitability

**In 2024, the profitability of the system remained positive**, despite the reduction in net income of 16% (about 4,9 billion meticaïs) year-on-year. The decrease arises from an

increase in net impairment losses of 19.0% (1.6 billion meticaïs) and a decrease in banking income by 2.4% (2.4 billion meticaïs), following a decrease in other operating income by 77.3% (4.1 billion meticaïs) and net commissions by 4.71% (704.9 billion meticaïs).

By the other hand, despite the reduction in interest rates throughout the year (particularly MIMO rate and the system's prime rate), net interest income increased by 3.5% (2.4 billion meticaïs), thus remaining the main source of banking income, with a weight of 72.9%, followed by net commissions and net trading income, with weights of 14.4% and 11.4%, respectively (Chart 14).

*Chart 14: Profit and Loss Statement Composition (billions of meticaïs)*

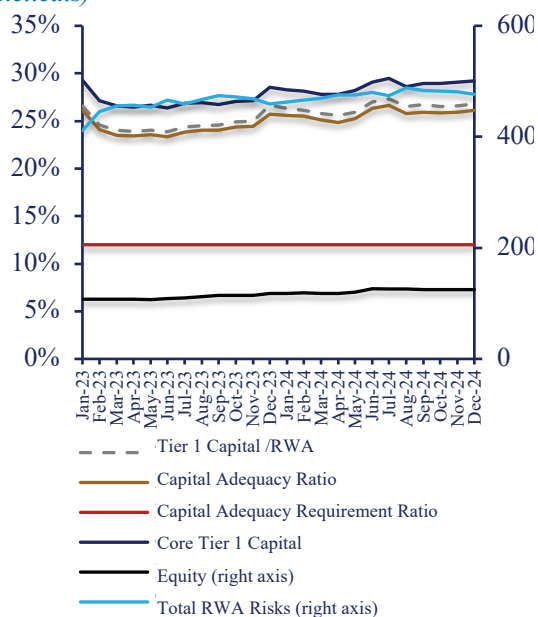


Source: BM

#### 4.3.1.5. Capital Adequacy

**In 2024, the capital adequacy ratio of the banking system increased by 43 bp year-on-year, standing at 26.1%.** This increase results from the expansion of own funds (5,7%) exceeding the increase in risk-weighted assets (3,2%), partly driven by the incorporation into own funds of the results recorded in 2023 (Chart 15).

Chart 15: Capital Adequacy Ratio (billions of meticaïs)



Source: BM

## 4.3.2. Supervisory Proceedings

### 4.3.2.1. Off-site Supervision

The result of the CAMELS<sup>9</sup> assessment indicates that, in 2024, most supervised institutions were concentrated in categories II (satisfactory) and IV (weak), making up about 91.5% of the total assets of credit institutions and financial companies, and in 2023, about 89.3% were concentrated in categories II (satisfactory) and III (reasonable), as shown in Table 11.

Table 11: Risk Profile of Credit Institutions and Financial Companies

| Risk Profile      | Number of Institutions |           | Total assets in 2024 (%) |
|-------------------|------------------------|-----------|--------------------------|
|                   | 2023                   | 2024      |                          |
| Strong (I)        | 0                      | 1         | 1.5                      |
| Satisfactory (II) | 5                      | 16        | 83.6                     |
| Reasonable (III)  | 15                     | 6         | 5.8                      |
| Poor (IV)         | 7                      | 9         | 7.8                      |
| Critical (V)      | 5                      | 3         | 1.3                      |
| <b>Total</b>      | <b>32</b>              | <b>35</b> | <b>100</b>               |

Source: BM

<sup>9</sup> The CAMELS methodology (Capital adequacy, Asset quality, Management, Earnings, Liquidity and Sensitivity to market risk) is used for the assessment of the economic-

### 4.3.2.2. On-site Supervision

On-site inspections conducted in 2024 resulted in the finding of the following irregularities in the financial system:

- Governance systems that do not ensure the effective and prudent management of institutions;
- Poor monitoring and follow-up of the established strategic plan;
- Lack of independence of control functions, including: risk, compliance and internal audit;
- Inconsistent information submitted to the regulator due to significant errors and distortions;
- Widespread non-compliance with Notice No. 04/GBM/2013 of September 18 establishing Risk Management Guidelines; and
- Widespread non-compliance with Law No. 11/2022, of July 7 and the Guidelines on Anti-Money Laundering and Countering the Financing of Terrorism, approved by Notice No. 5/GBM/2022, of November 17, regarding the duty to assess risks and refrain from carrying out transactions with grounds for suspicion of crime.

### 4.3.2.3. Supervision regarding Money Laundering, Financing of Terrorism and Proliferation of Weapons of Mass Destruction

The BM identified the prevalence of breaches of AML/CFTP legislation, particularly the following irregularities:

financial and prudential situation of credit institutions, with five levels applicable to each institution.

- Lack of annual risk assessment of money laundering, terrorist financing and proliferation of weapons of mass destruction;
- Lack of audit of the entire anti-money laundering, counter-terrorist financing, and proliferation of weapons of mass destruction system;
- Failure to apply enhanced measures proportionate to the risks to customers and to transactions that do not present an apparent economic or lawful cause;
- Failure to refrain from carrying out operations with grounds for suspicion of crime;
- Lack of special examination of any conduct, activity or operation, whose characteristics make the particular operation likely to be related to money laundering;
- Not reporting suspicious transactions to the Mozambique Financial Information Office;
- Termination of alerts not handled properly; and
- Inadequate categorization of the risk profile of customers classified as politically exposed persons.

#### 4.4. Conduct Supervision

##### 4.4.1. Off-site and On-site Inspections of Credit Institutions and Financial Companies

The Off-site inspections of credit institutions and financial companies' conduct focused on the following matters:

- **introduction or revision of the terms and conditions of new products, services, and electronic payment channels** - processed

114 proposals from 16 credit institutions and financial companies, a reduction of 37.5% compared to 2023.

- **pricing of financial products and services** – 24 proposals from 16 credit institutions and financial companies inspected (including payment service providers), a decrease of about 33.3% year-on-year. This reduction can be explained by the principle of price stability of financial products and services as a competitive strategy, and by the recommendations issued by the BM on the need for a fair and judicious justification of proposals to increase prices, with a view to strengthening indicators of financial inclusion and fair treatment of financial consumers.
- **advertising of financial products and services** – of the 123 proposals processed, the bank card stands out, overtaking credit (in 2023) with an increase of 17.9% year-on-year.

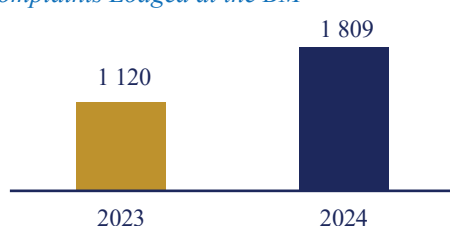
With regard to on-site inspections, in 2024, the BM carried out 7 inspections, particularly: (i) two, regarding market conduct and financial consumer protection; (ii) two, for follow-up on compliance with specific determinations of the BM, and previous inspection-related actions (off-site and on-site); and (iii) three ad-hoc, namely two on pricing and one on account of a complaint for abusive practices in the installment charges by a microcredit operator.

**On-site inspections covered the headquarters and branches of financial institutions**, in order to assess, among others, the level of (i) understanding of the front-office regarding the fulfillment of the duties of information and diligence in the scope of the commercialization of financial products and services, highlighting payroll loans and deposits, and (ii) awareness, disclosure and implementation of basic accounts.

#### 4.4.2. Complaints lodged by financial consumers at the BM

In 2024, the number of complaints continued to rise, reaching 1,809, a year-on-year increase of 62% (Chart 16). This growth may be linked to greater financial awareness of consumer rights and obligations, and the continued implementation of the BM's financial education programme.

*Chart 16: Developments in the Number of Complaints Lodged at the BM*



*Source: BM*

Thus, resulting from the **financial education actions promoted by the BM, which for the reporting year covered about 13.6 thousand people**, particularly concerning responsible credit, budgeting, savings, rights and duties of the financial consumer and security and fraud prevention, in 2024, credit was no longer the most complained about product, giving way to ATM transactions, with about 860 complaints against 230 in 2023.

#### 4.5. Sanctioning Actions

The off-site and on-site inspections and the handling of complaints by the BM, led to the recovery and return to financial consumers of about 1.4 billion meticaís, a growth of 71.7% compared to 2023. The amount recovered follows from undue charges to economic agents subscribing to POS and commissions and charges, corresponding to approximately 51% and 21%, respectively.

Regarding mobile money, the amounts recovered total 551 thousand meticaís, i.e., 2.1% of the total.

By the other hand, the breach of regulations on (i) prudential standards, (ii) anti-money laundering and counter-terrorism financing (iii) foreign exchange and (iv) consumer protection of financial products and services, gave rise to fines in the total amount of about 100 million meticaís, highlighting M-Mola, SA and Banco Comercial e de Investimentos, SA, whose fine amounts reached 45 and 43.6 million meticaís, respectively (Annex 3).





**CHIMOIO BRANCH BUILDING**  
**MANICA PROVINCE**

## 5. PAYMENT SYSTEM



## 5.1. National Payment System

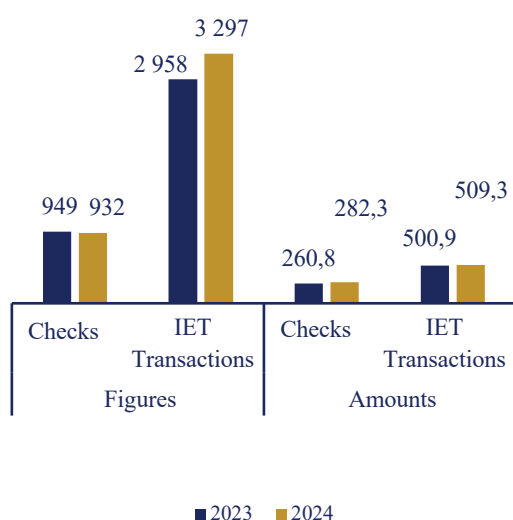
**2024 was marked by consolidation of the process of modernization of the payment system**, in order to ensure the proper functioning of the subsystems managed by the BM and the settlement of the operations of the subsystems managed by other institutions.

In fact, the BM focused on (i) the stabilization of the real time gross settlement system (RTGS) and the Automated Clearing House (ACH), introduced in 2022 and (ii) the consolidation of the connection of all credit institutions to the single national network (SIMOrede), payment system interoperability (including mobile money institutions), as well as the implementation of the Single Bank Identification Number (NUIB).

### 5.1.1. Interbank Clearing and Settlement

**The payment system modernization resulted in a reduction, albeit mild, of the use of checks, against an increase in interbank electronic transfers (IET).**

*Chart 17: Transactions in Interbank Clearing and Settlement (figures in thousands; amounts in billion meticaïs)*



Source: BM

Indeed, as illustrated in Chart 17, the number of IET transactions increased by about 12%, against a decrease in the number of checks transacted by about 2%, although the amounts transacted in the two instruments increased slightly.

## 5.2. Wholesale Funds Transfer

### 5.2.1. State Electronic Funds Transfer System

Also, regarding payment system modernization, in 2024 the number of State payments in national currency through the State Electronic Funds Transfer System (STF) increased to about 14.9 million operations, that is, about 22% year-on-year. From an amounts standpoint, State payments made up 686.3 billion meticaïs, an increase of about 8% compared to 2023 (Table 12).

*Table 12: STF Transactions (transaction figures in MZN million; amount in MZN billion and amounts in foreign currency in millions)*

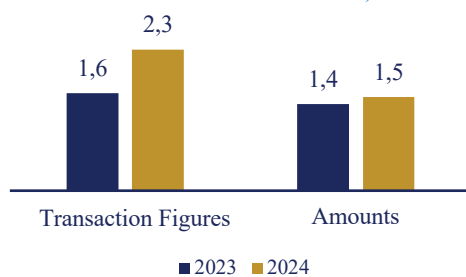
| Description            | Currency | 2023  | 2024  | Change (%) |
|------------------------|----------|-------|-------|------------|
| Number of transactions | MZN      | 12.2  | 14.9  | 22.0       |
|                        | USD      | 113   | 91    | -19.5      |
|                        | EUR      | 23    | 20    | -13.0      |
| Amount                 | MZN      | 637.0 | 686.3 | 7.8        |
|                        | USD      | 227.7 | 225.8 | -0.8       |
|                        | EUR      | 16.6  | 8.7   | -47.3      |

Source: BM

### 5.2.2. Metical in Real time

Like other platforms, Metical in Real Time (MTR) also saw an increase in the number of transactions, as well as in the amount transacted, by about 45% and 9%, i.e., 2.3 million and 1.5 thousand meticaïs, respectively (Chart 18).

*Chart 18: MTR Transactions (transaction figures in millions; amounts in MZN billion)*



*Source: BM*



QUELIMANE BRANCH BUILDING  
ZAMBEZIA PROVINCE

## 6. FINANCIAL INCLUSION

## 6.1. Developments in Financial Inclusion Indicators

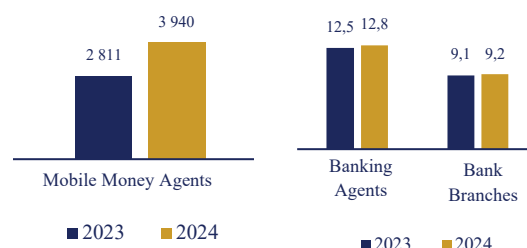
2024 brought on a prominent overall improvement across the 3 layers of the financial inclusion indicators.

With regard to **geographical access indicators**, growth in about 40% of the coverage by mobile money agents is highlighted, from a coverage of 3,941 agents per 10 thousand km<sup>2</sup>, coupled with a 17% growth in coverage by POS, standing at 433.3 per 10 thousand km<sup>2</sup>. By the other hand, coverage by bank agents and bank branches did not register noteworthy changes (Chart 19).

Regarding **demographic access indicators**, coverage by mobile money agents and POS continue to stand out, having expanded by 35% and 17% year-on-year to 1,686 agents and 190 POS per 100 thousand adults, respectively, amid the absence of significant changes in coverage by ATMs, banking agents and bank branches (Chart 20).

**Chart 19: Geographical Access Indicators**

19.a. Mobile Money Agents (per 10 thousand km<sup>2</sup>)      19.b. Banking Agents and Bank Branches (per 10 thousand km<sup>2</sup>)



Source: BM and INE

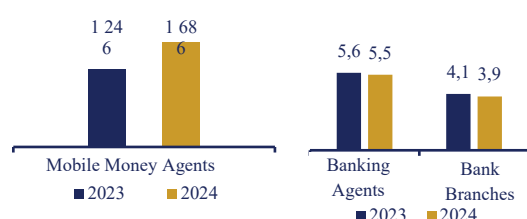
### Box 1: Main Actions Towards Financial Inclusion

2024 witnessed important milestones towards promoting financial inclusion in Mozambique, highlighting the approval in November by the Government of the new National Financial Inclusion Strategy - NFIS 2025-2031, which follows an integrated and coordinated approach. The main goals of the NFIS 2025-2031 are (i) to increase the percentage of formal bank accounts from 31% to 60% by 2031, (ii) to expand credit from 20% to 30%, (iii) to increase insurance subscriptions to 31%, (iv) to strengthen consumer protection and (v) universal coverage of mobile money accounts.

It should be noted that NFIS 2025-2031 seeks to consolidate the gains achieved by NFIS 2016-2022, which laid the foundations for a more accessible and efficient financial system, highlighting the modernization of payment infrastructures, the boost to digital innovation and the creation of a favorable regulatory environment. 2024 also brought on significant progress in the Regulatory Sandbox, highlighting (i) the launch of 5<sup>th</sup> edition of the Regulatory Sandbox of the Banco de Moçambique, (ii) two editions of the Innovation Hub and (iii) approval of 11 FinTechs that applied to the 6<sup>th</sup> edition of the Sandbox.

**Chart 20: Demographic Access Indicators**

20.a. Mobile Money Agents (per 100 thousand adults)      20.b. Banking Agents and Bank Branches (per 100 thousand adults)



Source: BM and INE





**TETE BRANCH BUILDING**

**TETE PROVINCE**



**NAMPULA BRANCH BUILDING**  
**NAMPULA PROVINCE**

## 7. ANNEXES



## **Annex 1: Regulations Approved in 2024**

### **Decrees**

- **Decree No. 36/2024, of June 10** - Approves the Regulation of the Deposit Guarantee Fund, simply referred to as the FGD, and repeals Decree No. 49/2010, of November 11, with the exception of Article 1;
- **Decree No. 37/2024, of June 10** - Creates the Loan Guarantee Fund - Public Fund, simply referred to as the FGM, FP;
- **Decree No. 38/2024, of June 10** - Establishes the Legal Regime for Mutual Guarantee Fund Management Companies;
- **Decree No. 39/2024, of June 10** - Authorizes the incorporation of a Management Company for the Loan Guarantee Fund, in the form of a public limited company, for the management and administration of the Loan Guarantee Fund - Public Fund; and
- **Decree No. 50/2024 of July 11** - Approves the Regulation of the Credit Institutions and Financial Companies Act and repeals Decree No. 56/2004, of December 10, Decree No. 57/2004, of December 10, Decree No. 31/2006, of August 30, Decree No. 30/2014, of June 5, Decree No. 99/2019, of December 31.

### **Ministerial Orders**

- **Ministerial Order No. 85/2024, of October 2** - Revises the criteria and methodologies for calculating the periodic contribution to the Deposit Guarantee Fund by credit institutions authorized to raise deposits, set out in Ministerial Order No.62/2016, of September 21 and repeals Ministerial Order No. 62/2016, of September 21.
- **Ministerial Order No. 86/2024, of October 2** - Revises the limit of the guarantee payable by the Deposit Guarantee Fund provided by Order No. 61/2016, of September 21.

### **BM Notices**

- **Notice No. 1/GBM/2024 of March 15** - Establishes Standards for Own Funds and Prudential Limits for Payment Service Providers;
- **Notice No. 2/GBM/2024 of March 15** - Approves Guidelines for Risk Management and Cyber Resilience;
- **Notice No. 3/GBM/2024, of March 20** - Establishes Standards and Procedures for Foreign Exchange Transactions;
- **Notice No. 4/GBM/2024 of March 21**- Regime for Liberalization of Capital and Other Foreign Exchange Transactions;
- **Notice No. 5/GBM/2024 of March 21** - Establishes the Regime for Repatriation and Conversion of Export Earnings of Goods and Services and Foreign Investment Income;
- **Notice No. 6/GBM/2024 of March 27** - Approves the Regulation of the Regime of Bank Accounts;
- **Notice No. 7/GBM/2024 of April 1** - Establishes the Transaction Limits Applicable to Mobile Money Operators;
- **Notice No. 8/GBM/2024 of June 14** - Establishes the issuance of 2024 series Metical banknotes and coins and sets the features thereof;
- **Notice No. 9/GBM/2024 of August 9** - Repeals Article 13 of Notice No. 1/GBM/2023 of April 26;

- **Notice No. 10/GBM/2024 of August 30** - Adopts the Guidelines on Anti-Money Laundering, Counter-Terrorist Financing and Proliferation of Weapons of Mass Destruction and repeals Notice No. 5/GBM/2022 of November 17;
- **Notice No. 11/GBM/2024, of August 30** - Establishes the Share Capital Requirements for Mutual Guarantee Companies and Mutual Guarantee Fund Management Companies; and
- **Notice No. 12/GBM/2024 of December 30** - Approves the Regulation of the Central Credit Register and repeals Notice No. 7/GGBM/ 2003, of January 14, 2004.

#### **BM Circulars**

- **Circular No. 01/OEF/2024, of June 19** - Banknote and coin deposit and withdrawal operations at the Banco de Moçambique; and
- **Circular No. 01/EFI/2024, of January 3** - Analytical framework for Risk-Based Supervision.



## Annex 2: Misdemeanor proceedings initiated against credit institutions and financial companies

| Institution                            | Product or Service / Matters   | Number of Fines | Total Amount (millions of meticaïs) |
|--|--|-----------------|-------------------------------------|
| M-Mola, SA                             | Credit Institutions and Financial Companies Act; money laundering, terrorist financing, financing of proliferation of weapons of mass destruction; and conduct regulations and various banking legislation.                          | 1               | 45.0                                |
| Banco Comercial e de Investimentos, SA | Conduct regulations and matters underlying the Credit Institutions and Financial Companies Act; foreign exchange legislation; and money laundering, terrorist financing, financing the proliferation of weapons of mass destruction. | 3               | 43.6                                |
| Absa Bank Moçambique, SA               | Foreign Exchange Legislation   | 2               | 3.8                                 |
| Banco Société Générale Moçambique, SA  | Conduct regulations and matters underlying the Credit Institutions and Financial Companies Act   | 1               | 1.8                                 |
| Banco Letshego, SA                     | Conduct regulations and matters underlying the Credit Institutions and Financial Companies Act   | 1               | 1.4                                 |
| Multicâmbio, Lda.                      | Foreign Exchange and Prudential Legislation  | 1               | 1.3                                 |
| Moza Banco, SA                         | Foreign Exchange Legislation   | 1               | 0.9                                 |
| First National Bank, SA                | Foreign Exchange Legislation   | 1               | 0.9                                 |
| Ecobank Moçambique, SA                 | Prudential Legislation   | 1               | 0.9                                 |
| Total                                  |  | 12              | 99.5                                |



PEMBA BRANCH BUILDING  
CABO DELGADO PROVINCE





**LICHINGA BRANCH BUILDING**  
**NIASSA PROVINCE**

