

- Following major floods in Mozambique in 2000 and 2001, Canada contributed about \$15 million in emergency humanitarian aid.

Trade and investment

- Canadian companies are exploring opportunities in Mozambique, mainly through International Financial Institution-funded projects, in areas such as railways, education, roads, transportation, and forestry.
- Canadian companies are also exploring joint ventures in Mozambique with other international partners, particularly South Africa. In July 2001, SNC-Lavalin, in a joint venture with Johannesburg-based Engineering Management Services, was awarded a contract to expand the recently completed Mozal aluminium smelter near Maputo. SNC-Lavalin was also part of the first phase of the Mozal project. When launched in 1998, Mozal I was the largest single project investment ever made in Mozambique. Export Development Canada provided long-term financing of \$25 million US for Mozal I and \$30 million US for Mozal II.
- Canada's merchandise exports to Mozambique amounted to \$13.5 million in 2002, consisting mostly of wheat, meslin, used clothing, aluminum, books, and brochures. Imports from Mozambique, amounting to \$200,000 in 2002, were mainly fruits, nuts and vegetables.
- On Jan. 1, 2003, Canada eliminated tariffs and quotas on imports from 48 nations termed by the United Nations as Least Developed Countries, including Mozambique.

Development assistance

- In recent years, Mozambique has made significant progress in restoring peace, introducing a multi-party political system, and adopting market-based economic policies. The country still faces severe development challenges, however. These include the need to reduce widespread poverty, promote socio-economic stability, enhance gender equality, and reduce the high incidence of HIV/AIDS. Regular drought and flooding in Mozambique also pose special challenges.
- Canada's development assistance to Mozambique, which totalled about \$27.4 million in 2001-02, supports the country's poverty reduction strategy. Programming focuses on education, water and sanitation, micro-finance, landmines and HIV/AIDS. Humanitarian assistance and food aid is another significant component of the Canadian program. This