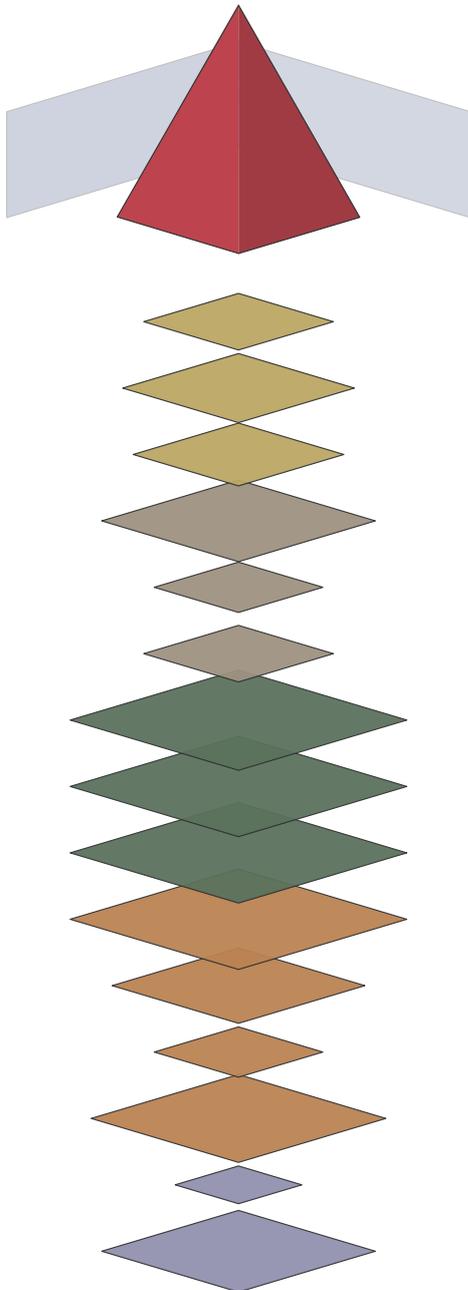




MOZAMBIQUE



6.2 CRIMINALITY SCORE

11th of 54 African countries
2nd of 13 Southern African countries



CRIMINAL MARKETS **5.9**

HUMAN TRAFFICKING	4.5
HUMAN SMUGGLING	5.5
EXTORTION & PROTECTION RACKETEERING	5
ARMS TRAFFICKING	6.5
TRADE IN COUNTERFEIT GOODS	4
ILLICIT TRADE IN EXCISABLE GOODS	4.5
FLORA CRIMES	8
FAUNA CRIMES	8
NON-RENEWABLE RESOURCE CRIMES	8
HEROIN TRADE	8
COCAINE TRADE	6
CANNABIS TRADE	4
SYNTHETIC DRUG TRADE	7
CYBER-DEPENDENT CRIMES	3
FINANCIAL CRIMES	6.5



CRIMINAL ACTORS **6.5**

MAFIA-STYLE GROUPS	5
CRIMINAL NETWORKS	8
STATE-EMBEDDED ACTORS	9
FOREIGN ACTORS	7.5
PRIVATE SECTOR ACTORS	7.5

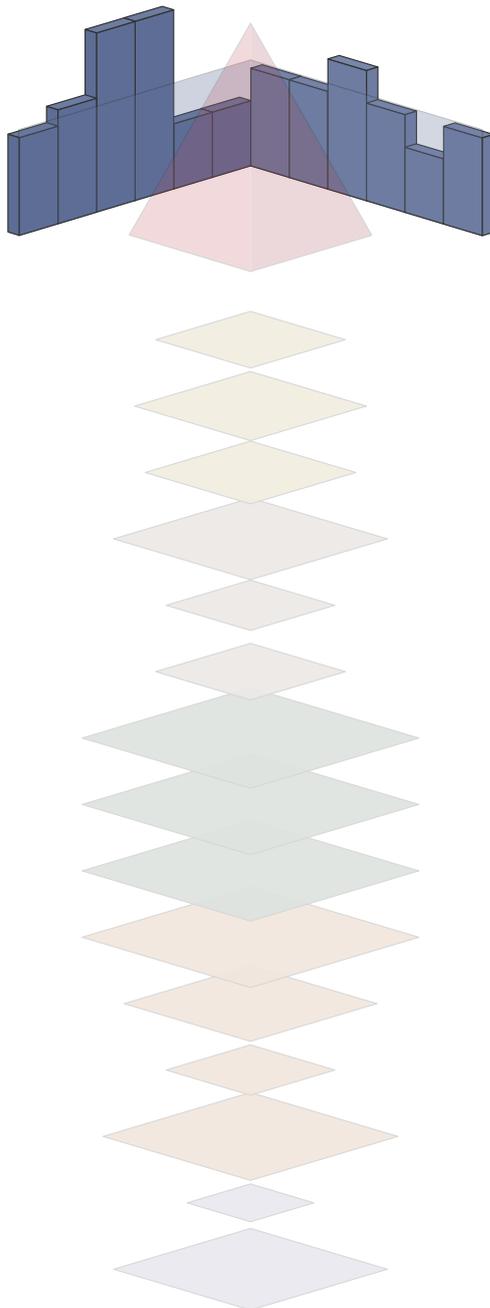


3.29 RESILIENCE SCORE





MOZAMBIQUE



3.29

RESILIENCE SCORE

33rd of 54 African countries

10th of 13 Southern African countries

POLITICAL LEADERSHIP AND GOVERNANCE	3
GOVERNMENT TRANSPARENCY AND ACCOUNTABILITY	3.5
INTERNATIONAL COOPERATION	5.5
NATIONAL POLICIES AND LAWS	5.5
JUDICIAL SYSTEM AND DETENTION	2
LAW ENFORCEMENT	2
TERRITORIAL INTEGRITY	3
ANTI-MONEY LAUNDERING	3
ECONOMIC REGULATORY CAPACITY	4
VICTIM AND WITNESS SUPPORT	3
PREVENTION	2
NON-STATE ACTORS	3



6.2

CRIMINALITY SCORE



CRIMINAL MARKETS **5.9**



CRIMINAL ACTORS **6.5**



CRIMINALITY

Criminal Markets

PEOPLE

Mozambique is a waypoint and destination market for human trafficking. Victims, especially women and girls, both Mozambican and of foreign nationality, are subject to labour exploitation, domestic servitude and sex trafficking. Child sex trafficking is also a growing concern in various cities. Internally displaced people are especially vulnerable to trafficking, and non-state armed groups often kidnap women and children for forced labour and sex trafficking. Traffickers lure female victims from rural areas, or neighbouring countries, with false promises. In rural areas, forced child labour occurs in agriculture, mining and market vending. Corruption and official complicity in trafficking crimes are significant concerns, and the lack of an adequate legislative framework, resources and training contribute to the impression that the government does not consider human trafficking a major issue.

Mozambique is also a significant country for human smuggling, serving as a source, destination and transit point for smuggled individuals. The conflict in the north of Mozambique, which started in 2017, has caused human smugglers to move towards the west or south. The provinces of Manica, Inhambane and Tete are transit points for irregular migration towards South Africa. There are local differences with regard to the nature of human smuggling, with some people travelling without passports or migration permits, while others use fraudulent documents and visas. Corruption within border security services is a significant obstacle to reducing human smuggling in Mozambique.

Kidnapping for ransom is a growing crime in Mozambique, mainly targetting businessmen and their families from the South Asian community. In some cases, bank employees may be involved in identifying and targetting wealthy individuals. Families often pay the ransom, but some have fled the country out of fear. Even after the release of perpetrators, victims continue to be extorted money due to the continuing threats of kidnapping. The wave of kidnappings observed since 2020 is said to have connections with criminal elements in South Africa. It is also believed that in recent years the tentacles of kidnapping for ransom syndicates have crawled from Mozambique into South Africa. While kidnappings

have been a serious concern in Mozambique for over a decade, the situation has worsened recently, with many high-profile incidents in Maputo.

TRADE

The insurgency in northern Mozambique relies mainly on locally sourced weapons, obtained through operations against Mozambican security services and, at times, with the collusion of members of the police and military. Very few weapons are smuggled in from abroad, using routes in the north, as most continue to be sourced during raids on army patrols and outposts. While there is little information on the weapons flows and actors behind them, these illicit weapons have reportedly become more numerous since the outbreak of violence in 2017.

Counterfeit goods are being smuggled from Mozambique into South Africa, including clothing, shoes, electronics, baby products and pharmaceuticals. Smuggling is also taking place at the border between Mozambique and Malawi, with goods, including counterfeits, being exported and imported. The illicit trade of excise goods, particularly tobacco products, is a major issue in Mozambique, with the Melosa border in the district of Milange being a critical point for smuggling. Since 2022, Mozambique has implemented a track and trace programme as a fully integrated protection regime against illicit trade and tax losses for tobacco and alcoholic beverages. The possible impact of this measure on the scope and scale of the illicit trade in excisable goods is still to be seen.

ENVIRONMENT

Illegal logging in Mozambique has caused significant deforestation, with China being the largest importer of Mozambique's illegally harvested timber. Chinese nationals dominate the timber trade and recruit locals for illegal logging, which is often linked to human trafficking, child labour and the loss of traditional livelihoods and tax revenues. Chinese logging companies are also often found to be illegally operating in Cabo Delgado province. Despite a ban on unprocessed log exports, the majority of timber products leaving Mozambique for China continue to be unprocessed logs. While the government has taken steps to crack down on illegal logging, corruption and ministerial involvement hinder its eradication.



Mozambique is a source and transit point for the illegal wildlife trade, including ivory, lions and abalone, and a transit country for rhino horn. Organized crime groups operate in the country, with poachers often protected by politicians. Illegal, unreported and unregulated fishing is also prevalent off the coast and may contribute to social destabilization and the insurgency in Cabo Delgado. Poaching has dramatically reduced Mozambique's elephant population and killing for ivory has resulted in strong selection that favoured tuskless elephants. Despite the challenges, there have been some positive developments like the arrests of major kingpins and the implementation of animal protection measures, such as the reintroduction of rhinos into Mozambique after being extinct for over four decades in the country. Corruption is, nonetheless, pervasive, and Mozambican authorities are suspected of facilitating trafficking.

The mining industry in Mozambique is plagued by illegal activities and a lack of transparency. Mining concessions are often owned by politically connected individuals, and mineral production and export are not transparent. Mozambique is a significant global supplier of rubies, but there is a large illicit trade in the north of the country. Illegal mining involves both locals and foreign nationals, and there are reports that the illicit ruby and gold trade may potentially finance al-Shabaab – as the insurgents are known locally – in the country. In response to this, the Mozambican government has extracted record levels of legal gold in the reporting period and is attempting to increase revenues by tracking legal mining companies and traditional miners. The Maputo Corridor is a regional hotspot for the illicit fuel trade, and corruption is rampant in the offshore liquefied natural gas (LNG) market.

DRUGS

Mozambique plays a vital role in the global heroin trade, with tonnes of the drug passing through the country annually. This has resulted in a tightly regulated network run by families connected to the political elite, with the state controlling most of the heroin market. The government's grip on the illicit drug industry has prevented conflicts between influential drug trading families and kept most of the heroin out of local markets, although this control is believed to have weakened in recent years. There has been a rise in heroin consumption among young people, with dealers allegedly sprinkling it on cannabis commonly used by students, to boost demand. The criminal groups involved in heroin trafficking are believed to be active in numerous provinces, spanning the entire country. Mozambique has also dramatically emerged as a significant transit point for cocaine, with small shipments arriving by air and overland routes, and larger shipments

by sea routes. As international law enforcement efforts focus on West African transit countries, countries such as Mozambique are becoming increasingly involved as 'alternative' transit points. Mozambique's extensive coastline makes it challenging to monitor, and the growing heroin transit business is estimated to have substantial growth potential in transporting cocaine to consumption markets in southern Africa and Asia.

Mozambique is also a significant trans-shipment point for cannabis, with a domestic market for its production and consumption. Although more people consume cannabis than heroin in the country, the cannabis market is more of an informal industry than a criminal market monopolized by organized criminal groups. As a result, the impact of the cannabis market in Mozambique is far lower than that of the heroin market. Following the legalization of cannabis cultivation for industrial and medicinal purposes in neighbouring Malawi, production of the drug in Mozambique may have increased for the purposes of transnational trafficking. The synthetic drug trade has been on the rise in Mozambique, due to increased production of methamphetamine in Afghanistan. The poorly policed seas around Mozambique make the trans-shipment of synthetics to and from Mozambique relatively easy, with the country serving as a landing point for methamphetamine trafficked from Southwest Asia to southern Africa. Mozambique is also linked to the trafficking of synthetics to Madagascar, Mayotte, the Comoros, Tanzania and Malawi. The synthetic drug trade overlaps with trafficking groups and routes that focus primarily on wildlife and humans.

CYBER-DEPENDENT CRIMES

Even though cyber-dependent crimes are not commonplace in Mozambique, public and government institutions have been increasingly targeted in recent years through large-scale cyber-attacks, in the form of hacking and ransomware. The most recent attack carried out by a hacker group called "Yemeni Cyber Army" resulted in the blocking or inoperability of many web pages belonging to public and government institutions. No personal information was lost or leaked in the attack, and it is not believed to be connected to the Islamist terrorists active in Cabo Delgado.

FINANCIAL CRIMES

For years, the Mozambican government has been plagued by high-level fraud and embezzlement. The ruling party has been using tax exemptions to import goods for illicit purposes, evading the payment of taxes. High-level officials and their relatives have also



been found guilty of grand corruption, involving the diversion of millions of dollars in loans that were secretly secured by the government from international banks. The government concealed the loans from parliament and the public, which led to a sovereign debt default and a currency collapse. Financial crime has hindered Mozambique's transition to democracy and has had detrimental consequences on the country's economy.

Criminal Actors

State-embedded actors in Mozambique are involved in a significant number of illicit economies, providing protection to criminal enterprises in exchange for bribes. The ruling party tends to be reactive rather than proactive towards criminal entrepreneurship, allowing for high-level state corruption and virtual impunity for politicians accused of corrupt relationships with criminal traders. Officers of the Mozambican police are frequently accused of extorting money from civilians and tourists, while military personnel in Cabo Delgado have been accused of extorting displaced persons. Private sector actors in Mozambique are commonly observed to have close ties with the government, leading to a complex intertwining that poses challenges in distinguishing between them. These actors are often implicated in various criminal activities, such as financial fraud and corrupt practices. Their connections grant them a certain level of political protection, allowing them to operate with relative impunity. Moreover, there are many criminal networks operating in Mozambique, some of which are involved in the illicit heroin trade. Mozambican families control ports and have a significant presence in the biggest cities in the

north, with criminal networks allegedly controlling the port city of Nacala and, to some extent, the provincial capital of Nampula. These networks maintain close relationships with the country's ruling party.

Foreign criminal actors, particularly Chinese criminal networks, are involved in illicit economies in Mozambique, such as the illegal timber, ivory and fishing industries. Other foreign actors include Tanzanians, who are still involved in the illegal ivory trade, despite a decline in elephant poaching in Mozambique; Somalis, mostly engaged in human smuggling; Thai networks, active in ruby smuggling; Vietnamese, who, along with the Chinese, are involved in the illegal rhino trade; and, finally, Pakistani organized crime groups engaged in the local heroin trade. Local Mozambicans control the day-to-day operations of these markets, but foreign actors function as instigators and provide necessary resources for their existence.

The most prominent organization that shares mafia-style traits in Mozambique is al-Shabaab, an Islamist militant group active in the Cabo Delgado province. The group reportedly aims to create a caliphate and finances itself by demanding protection money from local businesses, looting cash and weapons during attacks and engaging in kidnapping for ransom. However, criminal organizations that also resemble "mafia-style" groups, as we define them, have long existed in the south of the country and in the capital. Increasing numbers of cases related to extortion and kidnapping for ransom in other parts of the country indicate the growing presence these mafia-style groups operating in Mozambique.

RESILIENCE

LEADERSHIP AND GOVERNANCE

The Mozambican government's efforts to introduce legal reforms and create a more business-friendly environment will require substantial anti-corruption measures to address government officials' collusion with organized crime. Mozambique's 'hidden debts' case, the country's biggest corruption scandal that surfaced in 2016, in which the government unleashed a financial earthquake by trying to conceal huge debts, has reduced the state's credibility in combatting organized crime. The case involved state-owned companies that illicitly borrowed US\$2 billion in 2013 and 2014 from international banks

to finance purchases of fishing vessels and military patrol boats, with the government hiding the loans from parliament and the public.

Overall, Mozambique is considered a highly vulnerable state, with a notably worsening situation with respect to human rights, its security apparatus and public services. Mozambique lacks transparency and accountability, with little implementation of oversight mechanisms, resulting in increased bureaucracy without hampering corruption. There is widespread and systemic corruption within the state apparatus and law enforcement officials are known



to be involved in different crime areas. The government has little incentive to disrupt the status quo. Illicit political financing is a reality in Mozambique, including manipulation of public procurement, donations from businesspeople seeking influence in the government and, more seriously, from the illicit economy, such as drug trafficking, smuggling of natural resources and tax evasion.

Mozambique has signed most of the relevant international treaties for organized crime, but only engages in limited international cooperation. Although Mozambique has been publicly reluctant to receive foreign support to fight the insurgency in Cabo Delgado, it has accepted offers from countries, such as Rwanda, and organizations, such as the Southern African Development Community (SADC), to deploy troops or assist with military training programmes. Mozambique has a number of laws pertaining to organized crime, including those on human smuggling and trafficking of persons, on the production, trafficking and consumption of drugs, and on gun control and arms trafficking. Currently, there is no official national strategy against organized crime.

CRIMINAL JUSTICE AND SECURITY

The Mozambican judiciary system is plagued by corruption, resulting in high levels of impunity for organized crime offenders. This has led to its poor reputation among Mozambican society, and there are no specialized units aimed at countering organized crime. Moreover, there is evidence of links between the judicial system, the ruling party and organized crime. Although the number of magistrates and prosecutors has increased, staffing and resourcing remain a challenge, with significant regional disparities. Corruption and fraud investigations have often been hindered by the ruling party's influence.

Law enforcement in Mozambique suffers from poor equipment and ineffective specialized units to combat organized crime, with evidence indicating widespread corruption. Mozambique's traffic police is considered one of the most corrupt institutions in the country, leading the Mozambican police to launch an initiative to send out inspectors to reduce cases of corruption among them. Illicit practices by traffic police officers include the retention of personal documents to obtain bribes, as well as extortion and kidnapping of tourists, drivers and pedestrians. Moreover, Mozambican security forces have also been accused of human rights abuses. Mozambique's law enforcement also lacks the capacity to tackle cyber-related crimes.

Mozambique's extensive land boundaries, lengthy coastline and numerous islands make it difficult to control

illicit crossings and smuggling. The insurgency in the north of the country has weakened the government's control in certain parts of its territory, and insurgents have been known to cross the porous border with Tanzania. The presence of foreign troops could weaken state sovereignty, as civilians may view them as a more reliable force than Mozambican forces.

ECONOMIC AND FINANCIAL ENVIRONMENT

Mozambique is considered to be a vulnerable country to money laundering. Low cooperation among stakeholders and weak case management, skills and resources, and potentially insufficient political will hinder information-sharing with other countries. The ongoing conflict in the north is intensifying pressure on Mozambique to address its challenges in combatting money laundering and terrorist financing. The legal and institutional framework for this effort is considered inadequate.

Despite Mozambique's natural resources, it remains one of the world's poorest countries, with large segments of the population living below the poverty line. This is due to weak governance, corruption and the impact of the COVID-19 pandemic and climate change. Business operations in the country are also affected by insecurity and violent conflict in the northern region, as well as frequent kidnappings of executives and their families for ransom. While foreign investment can provide opportunities for sustainable development, it also carries risks, as foreign companies may engage in corruption and fraudulent activities that exacerbate existing problems.

CIVIL SOCIETY AND SOCIAL PROTECTION

Mozambique has weak victim and witness support capacity. The anti-trafficking legal framework has not been operationalized, and the government lacks a long-term shelter for trafficking victims. CSOs have to identify victims and refer them to care. The government needs to implement harm reduction measures as drug use is on the rise. While officials are encouraging fighters to leave the insurgent movement in northern Mozambique, there is no effective framework in place to facilitate their demobilization in a formal and transparent way, and the whereabouts of fighters who have turned themselves in are unknown to local populations and observers.

Prevention strategies against organized crime are limited and community involvement in preventative measures is also low. While some community associations exist in certain provinces, government-run drug enforcement offices operate with minimal budgets. Mozambique has not had a National Action Plan against human



trafficking for a decade, and officers may not be skilled in identifying victims. Although the government has implemented awareness-raising measures, there are no effective policies or laws regulating foreign recruiters engaging in forced labour.

Mozambique continues to have serious limitations on civil liberties and political rights. Press freedom has declined in recent years, especially in the conflict-ridden north, where journalists are at risk of incarceration or attacks. Journalists practice self-censorship when reporting on organized crime, and the media is under-resourced, with little state response to attacks on journalists. The government has also attempted to impose punitive fees against journalists that would close down numerous independent publications. Mozambican CSOs are engaged in different initiatives to increase social cohesion in the northern provinces of Cabo Delgado, Niassa and Nampula.

