



**REPÚBLICA DE MOÇAMBIQUE
MINISTÉRIO DA ECONOMIA E FINANÇAS
GABINETE DO MINISTRO**

Ofício n.º 278/MEF/GM/DNGDP/2023

Subject: Bilateral Debt-for-Climate Swap between the Republic of Mozambique and the Kingdom of Belgium

Dear Hon. Minister

Allow me, on behalf of the Government of Mozambique, to address my cordial greetings and reiterate our most sincere gratitude for the long-standing presence and contribution of the Belgium Development Agency towards the development of our Country.

We gladly salute and welcome the proposal you have put forward consisting of a partial conversion of the Mozambican bilateral debt into financing towards climate-related spending in the country. Over the past few years, Mozambique has recurrently been on the path of extreme and unprecedented climate disasters which have left a poignant trail of devastation with costly macrofiscal implications. As the intensity and frequency of such events rise over time, the government has been grappling to keep up with the pressure to restore the damages whilst simultaneously introducing mitigation/adaptation policies.

**His Excellency
The Vice Prime-Minister and Minister of Finance of the Kingdom of Belgium
Mr. Vincent VAN PETEGHEM
Brussels**

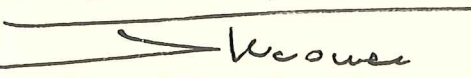
In this context, Belgium's remarkable offer to pilot a debt-for-climate scheme grounded on country-level consultations in Mozambique, will provide a unique and collaborative opportunity for bolstering the government's efforts to mitigate climate vulnerability.

Following technical exchanges between the teams from both sides, I am honoured to announce that **we have concluded the analysis of the terms of the swap operation and we hereby wish communicate our concurrence with the proposal**, whilst reiterating our commitment to do whatever necessary to secure the success of this piloting phase in Mozambique, in order to ensure that it effectively becomes a blueprint for future similar schemes to be replicated by other creditors both in Mozambique and elsewhere around the developing world. By the way, we understand that a successful implementation of this first phase will be feed into the decision-making for an upscaling of the mechanism into a second phase.

As we look forward to the formal signing of the Swap Agreement, I avail myself of this opportunity to reiterate to Your Excellency the assurance of my highest consideration.

Yours Sincerely

Maputo, September 14, 2023


Ernesto Max Elias Tonela
Minister of Economy and Finance

C.c:

Her Excellency

Verónica Nataniel Macamo

Minister of Foreign Affairs and Cooperation of the Republic of Mozambique

Maputo

Her Excellency
Minister of Foreign Affairs of the Kingdom of Belgium
Mrs. Hadja LAHBIB
Brussels

Her Excellency
Minister Development Cooperation of the Kingdom of Belgium
Mrs. Caroline GENNEZ
Brussels



2025/15/00/11/001