What are the main benefits for Mozambique?

A high fertility rate has caused a large increase in population growth, with a high dependency rate when compared to the working-age population. This dependent population presents challenges for both families and government service provision.

The best strategy for achieving sustainable economic development lies in adopting public policies for economic reform and the creation of decent jobs, as well as, making significant investments in developing high quality human capital and strengthening governance. These actions could help Mozambique to benefit from the Demographic Dividend by 2051.

1. A significant increase in the working age population

Implementing the combined scenario means that faster growth of the working age population will be achievable, and therefore, likewise a decrease in dependency. In other words, the dependent population (under 15 years old) would fall from 45% in 2011 to around 31% in 2051, while the working age population would increase from 52% in 2011 to 69% in 2051.

2. Strong growth of Gross Domestic Product (GDP)

If Mozambique were to opt for the combined scenario, it would be able to maximize the Demographic Dividend. GDP per capita would rise from USD 547 in 2011 to USD 3230 in 2035, and to USD 8,482 in 2051. This scenario would place Mozambique in the group of middle income countries.

What can be done in order to benefit from the Democratic Dividend?

Accelerate the demographic transition

- Strengthen voluntary family planning programmes in order to reduce maternal and infant mortality;
- Guarantee universal access to methods of contraception;
- Improve girls’ education and women’s empowerment;
- Improve child survival;
- Combat child marriages and adolescent pregnancies.

Reform the education system

- Ensure that all young people achieve at least secondary education, especially girls;
- Improve access to higher education and technical-professional training;
- Promote an education system that is directed towards skills development through appropriate initial and continuous training;
- Promote education for women and reach gender parity at every level of schooling.

Promote a healthy labour force

- Promote healthy lifestyles, especially for adolescents;
- Improve universal access to potable water and sanitation, especially in the rural areas;
- Reinforce interventions that reduce infant mortality through vaccination, balanced nutrition, the use of mosquito nets, insecticide, etc.

Accelerate economic transformation and job creation

- Speed up efforts to industrialize and prioritize investment in sectors with greater capabilities for creating decent jobs;
- Develop economic policy strategies and interventions for improving business competitively, promoting the growth of small businesses and making medium-sized companies more productive;
- Modernize agriculture and fishing to improve productivity and develop added value for agro-industry;
- Prioritize integration of the informal sector into development policies, with a focus on decent jobs for young people and women.

Promote good governance

- Strengthen good governance, the rule of law and the fight against corruption in order to increase investor confidence and ensure that all public resources are used for national development;
- Improve efficiency and results-based management in public service provision, improving staff technical capacity and establishing evidence-based priorities.
Rapid population growth, the high fertility rate, and the high dependency rate are some of the obstacles to national development. Having many children makes it difficult for families and the Government to invest adequately in education and health, which are fundamental for socio-economic development.

2013: A dependent population greater than the working age population

The population of Mozambique is very young, with 45% under 15 and 65% under 25 years of age. It will continue to grow in the coming decades. According to INE projections, the total population will grow from 33 million in 2030 to 46 million in 2040.

What is the Demographic Dividend?

The Demographic Dividend is the economic benefit resulting from a significant increase in the ratio of working age adults to young dependents. This is possible thanks to a rapid decline in fertility and mortality rates, accompanied by ongoing investments in education, skills development, health and job creation.

For example, when a family has fewer dependent children and more adults with decent jobs, it can save and invest more in education, health and training for the younger ones. When this phenomenon occurs on a large scale, the country benefits from higher economic growth, known as the Demographic Dividend.

What are the options for Mozambique?

The Ministry of Economy and Finance, with support from UNFPA, led a study to evaluate Mozambique’s prospects for benefitting from the Demographic Dividend and to outline policy options. Four scenarios were examined:

1. **Basic scenario**: High fertility rate, poor demographic transition and relatively slow progress with economic reform.
2. **Economic scenario**: Significant investment in the economic sectors, but relatively low in education and health.
3. **Moderate scenario**: Significant investment in the economic sectors and moderate investment in education and health.
4. **Combined scenario**: Simultaneous priority given to both the economy and investment in education and health.

How to take advantage of the Demographic Dividend?

- **When young people are healthy, educated and acquire the skills needed to take advantage of opportunities.**
- **When income and living standards improve.**
- **When poverty decreases.**
- **When resources are used to stimulate productive investments.**

Mozambique: A very young population

65% of the population is less than 25 years of age

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2051: More people of working age to drive development

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