

# Mozambique News Agency

## AIM Reports

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## Assembly will quiz government on debt

Within the next few days, the Mozambican government must answer questions from the working commissions of the country's parliament, the Assembly of the Republic, about the country's public debt.

The spokesperson for the Assembly's governing board, its Standing Commission, Mateus Katupha, told reporters on 9 May that the Plan and Budget Commission and the Defence and Public Order Commission intend to quiz the government.

The request to summon the government to parliament came from the ruling Frelimo Party, during a meeting of the Standing Commission. "The head of the Frelimo group (Margarida Talapa) raised the question of the need for the government to come to the Assembly to clarify the situation of the country's foreign debt", said Katupha.

This is something of a volte-face on the part of the Frelimo parliamentary group. When, in mid-April, the main opposition party Renamo demanded that the government be called urgently to the Assembly to explain the debt, Frelimo voted down the Renamo proposal.

According to Prime Minister Carlos Agostinho do Rosario, addressing a press conference on 28 April, the country's total public debt, as of the end of 2015, was US\$11.64 billion. Of this sum, US\$9.89 billion is the foreign debt.

The foreign debt spiralled out of control in the closing years of the previous government, led by President Armando Guebuza. In just two years, over two billion dollars was added to the public debt in the form of government guaranteed loans to the Mozambique Tuna Company, EMATUM (US\$850 million), Proindicus, a state company charged with maritime security (US\$622 million), and Mozambique Asset Management, MAM (US\$535 million).

Until April, neither the Mozambican public nor the country's partners, including the International Monetary Fund (IMF), knew about the Proindicus and MAM loans. The undisclosed loans led the IMF to cancel a mission to the country initially scheduled for mid-April and to suspend the second instalment of a US\$283 million loan from the Fund's Standby Credit Facility (SCF).

Others followed suit. All 14 donors and financing agencies that provide support directly to the Mozambican budget have suspended this form of financial aid.

Katupha said that, after the government has explained

the debt to the working commissions, the Standing Commission will analyse the information, and a debate in a plenary session of the Assembly may be scheduled.

Renamo boycotted this session of the Standing Commission, partly because it said it received notice of the meeting "very late", and partly because it regarded the formal agenda, which was simply to authorize President Filipe Nyusi to make a state visit to China from 16 to 21 May, as "irrelevant".

Renamo spokesperson Antonio Muchanga demanded that the Standing Commission ought to be discussing the public debt. Ironically, that is precisely what the Commission did, but on Frelimo's initiative rather than Renamo's.

The parliamentary group of the second opposition party, the Mozambique Democratic Movement (MDM), called on the Assembly to take "clear measures" towards violations of human rights, particularly the alleged existence of a mass grave in Gorongosa district.

The Gorongosa authorities have strenuously denied there is any mass grave in the district, but journalists have photographed and filmed over a dozen bodies dumped in the bush near the site of the supposed mass grave, but over the district boundary in Macossa district, Manica province.

Katupha said the Standing Commission recommended that the Assembly's Commission on Legal and Constitutional Affairs should investigate so that the Assembly can take "an adequate and responsible position".

Asked whether the Assembly will hold an extraordinary sitting to discuss the public debt and the alleged mass grave, Katupha said nobody raised such a demand in the meeting. The sitting of the Assembly which began in February has not ended – it was merely suspended in mid-April, and will resume in late June. Katupha guaranteed that the public debt will be the first item on the agenda when the sitting resumes.

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This is a condensed version of the AIM daily news service – for details contact [pfauvet@live.com](mailto:pfauvet@live.com)

## President Nyusi urges sustainable use of natural resources

President Filipe Nyusi on 10 May urged the population of Metarica district, in the northernmost province of Niassa, to use the forestry and wildlife resources of the region in a sustainable manner.

Speaking at a rally in Namacunde locality, President Nyusi said that the Niassa Reserve, the largest conservation area in the country, is rich in trees and fauna, and must be protected and preserved, in order to avoid environmental degradation.

The President urged farmers in the district to use tractors to increase the area under cultivation and boost production and productivity. He added that the Portuguese company Joao Ferreira dos Santos is hiring tractors out to peasant farmers, who do not have to pay for this service immediately.

As in his other recent rallies, President Nyusi also stressed the need for dialogue among Mozambicans, in order to obtain peace. This, he said, was the indispensable condition for development.

One participant at the rally complained that Metarica is classified as a “third class” district, which he regarded as a term of contempt. However, the President explained that objective factors determine whether a district is considered first, second or third class. “To be considered first class, a district must have infrastructures such as banks, and Metarica does not yet have them”, he said. “It is a third class district because it still needs a lot more support than other districts”.

“Older people know very well what Metarica was in the colonial period”, added President Nyusi. “Today it is very different. We shall work to improve it still further”.

## President lays first stone for bridge over Lunho River

President Nyusi on 9 May laid the first stone for the construction of a bridge over the Lunho River, which will link the Messumba and Ngoo localities in Lago district, in Niassa province.

The bridge is estimated to cost 200 million meticais (US\$3.8 million at current exchange rates), paid for entirely out of the Mozambican state budget. The bridge will be built by the Mozambican contractor Construcoes Casame. It will be 136 metres long and 9.9 metres wide, including walkways for pedestrians.

The bridge will be built high enough to ensure that, for at least the next hundred years, the largest flood likely in Niassa will not be able to reach it.

Currently, vehicles drive across the river bed, which means that the crossing can only be made in the dry season when there is little or no water in the river. But in the rainy season, it is impossible to cross from Messumba to Ngoo.

Messumba is an area of considerable mineral potential, particularly for limestone. A new bridge would thus stimulate exploitation of these deposits, as well as the movement of agricultural and livestock products. It will also create conditions for the establishment of public services in Messumba, as well as for the development of cross-border trade with Malawi.

Addressing a crowd at the bridge site, President Nyusi recalled that the last time he was here, before he was elected president, he promised that a bridge would be built. That promise was now becoming a reality.

“Today I have come to say that the construction of the bridge is going to begin”, said President Nyusi. “The next time I come here, I want to drive over the bridge”.

## New operating theatre opened in Mandimba

President Nyusi on 10 May inaugurated a new operating theatre in Mandimba Rural Hospital in Niassa province.

Creating the new theatre cost 11 million meticais (US\$208,000) and will allow for most common types of surgery including caesarean births.

In the past, President Nyusi said, residents of Mandimba who required surgery had to travel to the provincial capital, Lichinga, or cross the border into Malawi.

“Many people pass through Mandimba, since it’s on a transport corridor”, he said. “But until now the hospital couldn’t attend to all the illnesses that occurred. This new theatre is a great step forward in solving the health problems of the population”.

Abrantes Ferreira, a surgical technician at the hospital, told reporters that the inauguration of the operating theatre is a gain not only for patients but also for the economy of the hospital. It will save money, and reduce the use of ambulances to ferry patients in need of surgery to Lichinga.

“Last year the cost of fuel and of other expenses to transfer patients (128 cases in all) to the provincial hospital in Lichinga was about 700,000 meticais”, Ferreira said.

Hospital administrator Nuro Ismael said that the great challenge posed with the opening of the new operating theatre is to ensure that there are enough blood donors, for without blood it will be impossible to undertake any major surgery.

“The public are not yet prepared”, said Ismael. “They have not yet understood that giving blood means saving lives. Although blood is not sold, we are working to ensure a snack for blood donors, as an incentive”.

Ismael hopes that the message of donating blood will be carried into Mandimba communities through schools, churches, and mosques.

## Malawi requests ambush investigation

The Malawian government has written to the Mozambican authorities requesting an investigation into an attack in April in which four Malawian citizens were killed, according to a report in the Malawian paper “The Nation”.

The attack occurred on 23 April when unidentified gunmen in Barue district, in the central Mozambican province of Manica, attacked a bus carrying 24 Malawians who were on their way to South Africa.

Four of the Malawians were killed and three were seriously injured. They received medical treatment at the hospital in the provincial capital, Chimoio.

The main road from Chimoio to Tete city and on to Malawi runs through Barue, where, in the last couple of months, vehicles have frequently come under attack from gunmen of the country’s largest opposition party Renamo.

Malawian Foreign Minister, Francis Kasaila told reporters that the Malawian government has “requested Mozambique to investigate and provide an official report on the incident that led to the deaths of four innocent Malawians”.

Kasaila added that 17 survivors of the ambush returned to Malawi on 30 April and that arrangements are under way to repatriate the three who were hospitalised in Chimoio.

Kasaila advised Malawians travelling to South Africa to avoid taking the route through Mozambique.

Malawian road hauliers have also suffered from Renamo attacks. When Renamo gunmen dug a trench across the main road in mid-April, a Malawian registered truck carrying timber was forced to stop at the gap in the road. Renamo then attacked it and set it on fire.

## Metals of Africa raises funds for graphite project

The Australian company Metals of Africa will raise US\$2.9 million through a share placement to fund the development of its Montepuez and Balama Central graphite projects in the northern Mozambican province of Cabo Delgado.

In a statement, the company said that the shares were priced at a fifteen per cent discount from a ten-day weighted average share price and that the placement has been oversubscribed. In addition, the company will offer all eligible shareholders the chance to buy up to \$370,000 worth of shares at the same price.

The funds will be used for a feasibility study, bulk sample, and metallurgical test work, and as general working capital.

Metals of Africa also stated that two companies involved in drilling and design services have agreed to accept half of their fees in shares.

The Montepuez project contains an estimated 6.3 million tonnes of graphite and 163,000 tonnes of vanadium oxide. In addition, the Balama project holds an estimated 1.7 million tonnes of graphite and 34,000 tonnes of vanadium oxide.

Graphite is a highly valued form of carbon due to its properties as a conductor of electricity. It is used in batteries and fuel cells and is the basis for the “miracle material” graphene, which is the strongest material ever measured, with vast potential for use in the electronics industries.

## China grants \$16 million to Mozambique

The Mozambican and Chinese governments signed an agreement in Maputo on 4 May under which China is to grant US\$16 million for the purchase of 80 buses and the opening of 200 boreholes for drinking water.

The agreement was signed by Deputy Foreign Minister Nyeleti Mondlane and the Chinese ambassador Sun Jian.

The money will be used to build a China-Mozambique Cultural Centre in Maputo. The Chinese government has also promised to donate 10,000 tonnes of grain to Mozambique to boost the country's food security, threatened by the drought that has hit the southern and central provinces.

A condition of the agreement is that the buses must be purchased from Matchedje Motors, the Chinese financed factory in the southern city of Matola which is the only vehicle assembly plant in Mozambique.

Su Jian took the opportunity to announce that this month Chinese companies will begin ten construction jobs in Mozambique – these include a professional training school in Nampula, the paediatric building in Beira Central Hospital, and a residential block for Mozambican doctors in Maputo.

Su made it clear that China is not worried by the enormous expansion of Mozambique's public debt in recent years. “Mozambique is a very attractive country for us, and it has attracted many Chinese business people”, he said. “If the economy is not doing well, that's not what we find”.

## Canada supports civil registration system

The Canadian government has pledged to disburse 19.5 million Canadian dollars (US\$ 15.2 million) to support, over a five-year period, the programme of the Mozambican government for Civil Registration and Life Statistics.

The agreement was signed by the head of cooperation at the Canadian High Commission, Mhairi Petersen, and the representative of the United Nations Children's Fund (UNICEF) in Maputo, Marcoluigi Corsi, and was witnessed by Justice Minister Isaque Chande.

Corsi said this funding will help strengthen the legislation on child registration, advocate for registration, and create an environment favourable for civil registration. This environment includes establishing a legislative and regulatory framework to support the new civil registration system, with tasks and responsibilities clearly defined for each of the institutions involved.

The initiative also covers the registration of life events, through a simple and decentralized civil registration system, which will allow the registration of all births and deaths. Citizens will be able to obtain their certificates of these events free of charge.

Chande stressed the importance of the Canadian support in attaining the objectives of the government's programme in this area, which involve high costs. “In Mozambique more than 52 per cent of children have no birth registration document, and in 2013 only 12.1 per cent of deaths were registered”, the Minister added. “The funds from Canada will help fill in these gaps”.

## Food available for drought victims this month

The Mozambican government says food aid for this month is guaranteed for 462,000 people affected by the severe drought hitting the southern and central regions of the country.

The government spokesperson, Deputy Health Minister Mouzinho Saide, gave this assurance on 3 May at the end of the weekly meeting of the Council of Ministers (Cabinet).

He told reporters that the government is coordinating activities to mitigate the effects of the drought. This includes continuing to provide food aid and rehabilitating boreholes for water supply in the drought-stricken areas.

Last month, the government declared a “red alert” for the southern and central provinces due to the drought. Some rain fell in April in southern Mozambique, but not enough to ensure an agricultural recovery, and so much of this year's harvest in the affected provinces is regarded as lost.

## Tax Authority confident it can meet targets

The Mozambican Tax Authority (AT) collected 35.6 billion meticaís (US\$672 million) in the first quarter of this year, according to AT chairperson, Amelia Nakhare.

Informing Prime Minister Carlos Agostinho do Rosario on 29 April of the current tax collection situation, Nakhare said the amount collected in the first three months was about 20 per cent of the annual target of 176 billion meticaís.

She assured the Prime Minister that everything was being done to surpass the target, despite the adverse circumstances facing the Mozambican economy. She based her optimism on the fact that more money was collected in January-March this year than in the same period of 2015 (when the figure had been 31 billion meticaís).

But Nakhare warned of unfavourable factors, including the depreciation of the national currency, the metical, natural disasters (notably the drought hitting southern and central Mozambique), and the military tensions with Renamo.

She said the AT was relying on inspections of establishments and auditing their invoices, in order to ensure that all Value Added Tax (VAT) owed is collected. Currently, VAT accounts for 40 per cent of all revenue collected.

Nakhare's major concern was the decline in revenue from taxation on foreign trade. She thought one way of obtaining more revenue for the state would be by speeding up the auctions of goods seized as contraband or for various other irregularities.

## President inaugurates Cuamba water treatment station

President Filipe Nyusi on 25 April inaugurated a water treatment station in the city of Cuamba, in the northern province of Niassa.

The treatment station belongs to the government's Water Supply Investment and Assets Fund (FIPAG), and the contractor was the China Henan International Cooperation Group (CHICO). The station cost 680 million meticaís (US\$ 12.8 million), and the money was disbursed by the African Development Bank (ADB).

Data from FIPAG indicated that the water impoundment, treatment and distribution system can now supply water to about 72,000 inhabitants of the city. In the first, experimental phase, the availability of water rises from the previous 1,200 cubic metres to 3,200 cubic metres a day and the time during which water is distributed doubles from eight to 16 hours a day. Eventually, the amount of water treated by the station will rise to 6,630 cubic metres a day.

## Air Mauritius launches weekly flight to Maputo

Air Mauritius has launched a weekly service from the Indian Ocean island to the Mozambican capital, Maputo. The direct flight from Mauritius departs on Wednesdays with the return journey going via the South African city of Durban.

According to the airline's chief executive Megh Pillay, "African economies have shown remarkable resilience to the global crisis. Their growth rates have been consistently higher than the global average. The expansion of our network on the African continent is a step to address the need for more air connectivity".

In particular, Pillay stated that "these new flights will contribute to feeding the air corridor that links Africa and Asia via the hubs of Mauritius and Singapore".

Several other airlines fly into Maputo including South African Airways, Ethiopian Airlines, the Portuguese company TAP, Qatar Airways and Turkish Airlines.

## Portuguese president receives keys to the city

Portuguese President Marcelo Rebelo de Sousa on 6 May received the key to the city of Maputo from Mayor David Simango.

Recalling the days in the 1960s when his father, Baltazar Rebelo de Sousa, was colonial governor of Mozambique, the President declared that the relation between Portugal and Mozambique dates back centuries.

Rebelo de Sousa said that he had never forgotten Mozambique, particularly Maputo, and being on Mozambican soil meant "coming home". He had felt affection for Maputo for the past half century, he added, and this feeling had never disappeared because of the warm welcome that he had always received from Mozambicans.

The Mayor said that, on receiving the key, Rebelo de Sousa, became part of the Maputo community, and should

share in all the problems and anxieties of Mozambicans.

"You once lived in this city, and now you will share our problems with us", said Simango.

## Dubai business delegation visits Maputo

Businesses from the United Arab Emirates (UAE) on 6 May expressed their willingness to strengthen business relations with Mozambique and to invest in agriculture and transport.

Speaking to reporters in Maputo, after an audience granted by Prime Minister Carlos Agostinho do Rosario, the Chairman of the Chamber of Commerce and Industry of Dubai, Saif Al Ghurair, declared "We have come to step up our relations with Mozambique in agriculture and transport".

Accompanied by the UAE ambassador, Assim Merza Al Rhama, Ghurair said the Dubai Chamber of Commerce and Industry has opened an office in Maputo.

He said that the government of the Emirates had recommended that business relations be boosted with Africa, and the Dubai business community had chosen Mozambique as a base for covering sub-Saharan Africa.

"Our interests in Mozambique cover mostly the areas of agro-business, transport and logistics", Ghurair added. "We believe that more companies from Dubai will come to Mozambique because the business environment is promising, the country has a stable economy and is rich in resources. Now we need to advance together".

Despite Mozambique's current economic problems, Ghurair was confident that "the country has the potential to pick itself up, thanks to the mineral resources it possesses".

"All economies are subject to less good moments", he said, "but the potential exists and we have to look to the future with optimism".

The Dubai Chamber of Commerce and Industry has over 150,000 members. Dubai is one of the seven emirates that make up the United Arab Emirates.

## Mayor of Lichinga detained on corruption charges

Police on 4 May detained the mayor of the northern city of Lichinga, Saide Amido, on charges of corruption and abuse of power, reports the television station STV.

Detained at the same time were the head of the mayor's office, Aderito David, and a former employee of the municipality named Jonas Pedro.

The three men are accused of illicitly charging over 150,000 meticaís (US\$2,800) from three foreign investors (whose nationality has not been revealed) who wanted to build snack bars on land in the centre of Lichinga.

According to the spokesperson for the Niassa Provincial Attorney's Office, Aristides Mazana, the case has been under investigation since last year.

Amido was elected mayor on the ticket of the ruling Frelimo Party in the 2013 municipal elections. If he is found guilty of corruption, a mayoral by-election must be held.

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