

# Mozambique News Agency

## AIM Reports

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## African Development Bank to act as advisor for Mphanda Nkuwa

The African Development Bank (ADB) on 24 May signed an agreement with the Mphanda Nkuwa Implementation Office under which it will act as advisor for the development of the hydroelectric dam at Mphanda Nkuwa, on the Zambezi River about 60 kilometres downstream from the existing dam at Cahora Bassa in western Mozambique.

The agreement was signed on the sidelines of the 57th annual conference of the ADB in Ghana's capital city of Accra and witnessed by Mozambican President Filipe Nyusi and African Development Bank President Akinwumi Adesina.

The project will generate 1,500 megawatts of electricity and require an investment of US\$4.5 billion. It will also involve the construction of a 1,300 kilometre high voltage direct current transmission line between the dam and Maputo.

According to the ADB, the next step in the project will be to put into place the financial arrangements which are expected to be completed by the end of 2024, with commissioning of the power plant taking place in 2031.

The director of the Mphanda Nkuwa Implementation Office, Carlos Yum, explained that "the partnership with ADB further strengthens the capacity of our implementing agency to develop the Mphanda Nkuwa project". He added, "ADB will ensure that world class environmental, social and governance and associated standards are adhered to during the development and that the project is attractive to reputable developers, financiers, and investors to ensure competitive and least-cost power for Mozambique and the region".

Speaking on behalf of the ADB, its vice president Kevin Kariuki pointed out that "the project reinforces our efforts to combat climate change in a region that is desperately short of power but equally in need of transformation and a just energy transition".

In a press release, the ADB notes that "continued expansion of Mozambique's generation capacity is required to meet growing domestic demand and to drive economic and social development. In addition, the southern Africa region offers market opportunities that Mozambique is well placed to meet as a supplier of competitively produced energy. Mphanda Nkuwa is projected to have one of the lowest electricity production costs in the region".

The Mozambican government is committed to providing universal access to electricity by 2030 which will require increasing generation and transmission to meet growing demand and coverage. In addition, Mozambique is increasing its exports of electricity to southern Africa. To meet these growing demands,

several power generation projects have already come online including the 175 MW thermal power station at Ressano Garcia, the 40 MW Mocuba solar plant in Zambezia province, and the 40 MW Metoro solar plant in Cabo Delgado. In addition, a 450 MW gas fired power station project is currently under construction at Temane, in the southern province of Inhambane.

For the longer term, the Mphanda Nkuwa project will play an important role in the Mozambican government's National Energy Sector Master Plan 2018–2043 and the regional Southern Africa Power Pool Plan.

### World Bank launches public consultations on its operational strategy

The World Bank will launch public consultations to review its operational strategy for Mozambique for the 2023-2027 period.

According to a press release from the Bank on 24 May, the consultations include meetings at government level and with development partners, civil society organisations and other stakeholders.

According to the Bank, "the new strategy, resulting from this exercise, will include a description of the World Bank operational programme in Mozambique for the 2023-27 period, as well as defining the composition and volume of investments, including the indicative package of reforms, the institutional capacity building programmes, technical assistance, and analytical studies to be conducted during the next five years".

The total investment portfolio of the International Development Association (IDA), which is the Bank's main funding arm for Mozambique, amounts to US\$4.1 billion in national projects and another US\$1.1 billion in regional projects.

The Bank states that "the public consultations aim to obtain contributions on the objectives registered in the draft strategy to be discussed; to gather contributions to further elaborate on the sub-components of each objective; to improve the focus and responsiveness of the World Bank's new emerging portfolio to country-specific development challenges, and to better define the lending portfolio and other areas of support to the country".

## President Nyusi suggests postponing district elections

President Filipe Nyusi on 28 May suggested postponing the election of district assemblies scheduled for 2024.

Speaking at the end of a two day meeting of the Central Committee of the ruling Frelimo Party, held in the southern city of Matola, President Nyusi called for “a reflection on the feasibility and sustainability of the country advancing to the election of district assemblies in 2024”. He wanted the country’s parliament, the government, the political parties, and civil society to be involved in such a reflection.

The election of district assemblies was a demand raised by the largest opposition party Renamo in negotiations over a package of decentralisation measures that were included in constitutional amendments passed in 2018.

There are currently 154 districts (more if urban districts are included). Nobody has calculated how much the district assemblies will cost. They will certainly complicate national elections. Voters will already be faced with three ballot papers in 2024, for the presidential, parliamentary, and provincial assembly elections. Adding a fourth, for the district assemblies, would lengthen the time taken to count the votes and declare the results. Even discounting the possibility of deliberate fraud, tired polling station staff, working since 05.00 in the morning, are bound to make more mistakes, if the count is extended deeper into the night.

Just as with the municipalities and the provinces, district assembly elections would be organised on a party list basis, with the head of the list of whichever party wins becoming the new district administrator. The administrator will head a district government, known as the District Executive Council, which answers to the District Assembly.

The Constitution says nothing else. The powers of the district administrator and the District Executive Council are to be fixed by laws which do not yet exist. Even the size of the district assemblies is not yet known. But it seems certain that they will provide hundreds, if not thousands of new jobs, with wages and allowances adding to the pressures on the state budget.

There is also no clarity about where the powers of the provincial assemblies end and those of the district assemblies begin leaving fertile ground for conflict.

President Nyusi told the Central Committee that the decentralisation package of 2018 had “strong points and weak points” in terms both of the legislation itself and its practical application. Decentralisation “is not a linear or finished process”, he said, and so there should be “a functional analysis” to maximise the opportunities of the current scheme and “to reduce the potential overlapping of the attributes and powers of the bodies of provincial governance and those that represent the State in the province”.

“This is a reflection which should be made, with a cool head, and with our feet on the ground, so that the decision most appropriate for our country is taken”, said President Nyusi.

## Frelimo calls for reduction of dependence on fuel imports

Mozambique’s ruling Frelimo Party has recommended that the government reduce the country’s dependence on imported petrol and diesel and rely more on its reserves of natural gas.

Speaking on 28 May at the end of a meeting of the Frelimo Central Committee in the southern city of Matola, President Filipe Nyusi said it was now urgent to switch to massive use of natural gas. Vehicles should be converted to use gas rather than liquid fuels.

This is not the first time such an appeal has been made, but to date, only a small number of vehicles have been converted to run on gas and filling stations with compressed natural gas only exist in the Maputo area.

The President blamed the rising cost of living on increases in the price of fuel and other imported goods such as wheat and fertiliser which were a consequence of the conflict between Russia and Ukraine.

He praised the government for coordinating with private businesses on taking measures to mitigate the impact of international price rises on the lives of citizens. These measures included reductions in fuel taxes, profit margins, and storage and logistics costs. The government has also exempted kerosene and cooking gas from value added tax (VAT). He stated that “with these measures, our government is ensuring that fuel prices in our country are much lower than in other members of SADC (Southern African Development Community)”.

The President stressed that Mozambique has enormous reserves of natural gas offshore, in the northern province of Cabo Delgado and the southern province of Inhambane. For more than a decade, natural gas from the Pande and Temane fields in Inhambane has been exported to South Africa – but the use of this fuel domestically has been minimal.

One matter that the Central Committee seems not to have discussed is the possibility of a third term of office for President Nyusi. In public statements at the start of the meeting on 27 May, the Frelimo youth wing, the OJM (Mozambique Youth Organisation), called for a further five year term for President Nyusi at the helm of the Party. No such call came from the Mozambique Women’s Organisation (OMM) or the Association of Veterans of the Liberation Struggle (ACLLN).

President Nyusi did not mention the question in either his opening or his closing speech and it did not feature in the press release issued at end of the meeting.

The Mozambican constitution does not allow the President of the Republic to hold three consecutive terms of office. The Constitution can be changed if two thirds of the parliamentary deputies vote for the amendment. Frelimo enjoys a two thirds majority in the Mozambican parliament, the Assembly of the Republic.

As for President Nyusi remaining President of Frelimo, while someone else is elected head of state, this is possible, but commentators suggest that this is unlikely as the two posts have always been held by the same person in the past.

## **Mozambique and EU strengthen commitment to Cabo Delgado**

The Mozambique government and the European Union (EU) are to strengthen their commitment to providing economic growth to the northern province of Cabo Delgado through activities that are currently being carried out against the terrorism and violent extremism which has been plaguing parts of that province.

This commitment was made in Maputo on 26 May during the 2nd Session of the Sectoral Policy Dialogue on Human Rights between the Government of Mozambique and the EU. According to a joint press release, the parties are committed to protecting the rights of the most vulnerable people, particularly women's rights, as well as promoting gender equality and the rights of persons with disabilities.

According to the document, both delegations considered satisfactory the balance of actions taken during the first session held on October 16, 2020. It also stressed that the two delegations held “a frank and open dialogue on issues of mutual interest, reaffirming their willingness to strengthen sectoral dialogue in order to contribute to the sharing of best practices regarding the promotion and protection of human rights, as well as on good governance and anti-corruption”.

The Mozambican delegation was led by the Justice Minister, Helena Kida, and the EU delegation by Antonio Sanchez-Benedito Gaspar, the Head of the European Union Delegation in Mozambique.

## **More countries join training mission against terrorism**

Italy, Sweden, and Lithuania will join the European Union Military Training Mission in Mozambique, in the context of the fight against terrorism that has been plaguing parts of the northern province of Cabo Delgado since 2017.

The mission has been providing training since November last year and so far it has trained four units of the Mozambican Armed Forces (FADM). Two are commando units, based in the central city of Chimoio, while the other two are marines, stationed at the Katembe, naval base in Maputo.

By order of arrival, the mission consists of soldiers and officers from Portugal, Spain, Finland (with the second largest contingent after the Portuguese force), Estonia, Austria, Belgium, Greece, Romania, and France.

The mission was approved by the Council of the European Union in October last year to support a more efficient and effective response by the FADM to the crisis in Cabo Delgado, providing training and capacity building. It has 140 soldiers divided into two training centres, one in Chimoio, and the other in Katembe.

The costs for EUTM-Mozambique, to be covered through the European Peace Facility, are estimated at €15.1 million (about US\$16.1 million) over a two year period. In addition, an urgent assistance measure under

the European Peace Facility of four million euros has been approved to complement the training with the provision of non-lethal individual and collective equipment.

The mission's mandate is for two years and the central strategic objective is to support capacity building of units of the Mozambican armed forces that will form part of a future Rapid Reaction Force. In particular, the Mission will provide military training covering operational readiness, specialised counter-terrorism training, and education on the protection of civilians - especially women and girls - in insecure areas. EUTM Mozambique will also ensure compliance with international humanitarian and human rights laws.

The Mission has a non-executive mandate and will therefore not engage in military operations.

## **Transport operators angered by fuel price rise**

The Federation of Road Transport Operators (Fematro) has threatened that its Maputo members may pull their vehicles off the roads, unless they receive help from the government, reports the newssheet “Mediafax” on 25 May.

Interviewed by the paper, Fematro chairperson Castigo Nhamane said transport operators in the Greater Maputo Metropolitan Area could not continue to operate with the current costs of transport. He urged the government to find mechanisms that would make transport a viable business.

Nhamane was speaking after a meeting with Maputo operators which discussed the position to be taken towards the latest increase in fuel prices. As of 24 May, the price of diesel rose by 11.3 per cent and petrol by 7.6 per cent.

Even before this increase, “the situation was extremely bad”, said Nhamane. Operators had been allowed to put up their fares by two meticaís (3.1 US cents) in January, but that had all been devoured by subsequent increases in fuel prices. He accused the government of “a lack of will” to understand the real situation of the transport business.

The increases in fuel prices so far this year, Nhamane claimed, had put an extra 17 meticaís onto the cost of a litre of diesel, the fuel normally used in buses and minibuses. Nhamane claimed that most of the price of fuel ends up in the government's pockets through taxation – but the government says it slashed diesel and petrol taxes by four meticaís per litre in order to reduce the impact of the price rises.

Nhamane wanted to oblige passengers to pay for the increased fuel costs – he could see no way forward other than an increase in fares. Some of the participants at the meeting wanted to press ahead with a unilateral fare rise. But, after a great deal of discussion, the meeting agreed “to wait a little while”, for the government's response.

In addition to the fuel price rises, the operators also protested at the costs of other inputs. such as batteries and oils, and of the tolls now being charged along the Maputo Ring Road.

## Assembly passes bill on legal framework for anti-terrorism

The Mozambican parliament, the Assembly of the Republic, on 18 May passed the first reading of a bill revising the legal regime applicable to the prevention and repression of terrorism and connected crimes.

The bill establishes the procedures to designate individuals, groups and entities associated with terrorist crimes and to freeze their funds and assets. It seeks to embargo the movements of individuals associated with terrorism or suspected of financing terrorism.

Other aspects of the bill concern preventing radicalisation, measures for electronic security and surveillance, criminalising public support for terrorism, and refusing to grant Mozambican nationality to those suspected of involvement in terrorist acts.

The bill only passed because of the absolute majority of the ruling Frelimo Party in the Assembly. Both opposition parties, Renamo and the Mozambique Democratic Movement (MDM), abstained because they objected to an article which could limit press freedom.

The controversial article says that anyone intentionally spreading information about a terrorist act, knowing that the information is false, can be punished with a prison term of between eight and 12 years.

The Assembly's Commission on Constitutional and Legal Affairs softened this article with an amendment that reduced the proposed prison term to between two and eight years. That was not enough for Renamo and the MDM, who wanted to scrap the entire article. However, they made clear that they had no objection to the rest of the bill.

Introducing the bill, the Minister for Gender, Children and Social Welfare, Nyeleti Mondlane, said it is important to strengthen the legal framework for the fight against terrorism since Mozambique is directly experiencing the cruel impact of terrorist attacks in the northern province of Cabo Delgado.

She said that the bill also responds to the recommendations of international bodies and is in line with international conventions and resolutions of the United Nations Security Council on terrorism.

During the previous week, the Assembly unanimously passed a bill on preventing and fighting money laundering and the financing of terrorism. Renamo and the MDM had no objection to this bill. "These bills are complementary and strengthen each other", said Mondlane.

The Mozambican chapter of the regional press freedom body MISA (Media Institute of Southern Africa) shared the misgivings of the opposition parties. The provision of a prison term of 12 to 16 years for anyone who publishes "classified information" about terrorism, MISA pointed out, punishes journalists and ordinary citizens rather than those officials who have the duty to safeguard state secrets.

As for jailing those who knowingly publish false information, MISA argued that the terms used in the bill "are very subjective and liable to varying interpretations of the notion of false news". As it stood, this article in

the bill could be used to outlaw any debate about terrorism and associated phenomena.

MISA warned that the ambiguous wording of the bill could lead to arbitrary behaviour by those who want to obstruct the development of the media, human rights defenders, and civil society organisations. It could roll back the gains made under the 2014 law on Freedom of Information.

## No risk of water shortage in southern Mozambique

The reservoirs behind the major dams in southern Mozambique are 60 per cent or more full, which guarantees water supply, notably for the Greater Maputo Metropolitan Area, for the next two years, according to a report in the newspaper "Noticias" on 18 May.

There were heavy rains in the main southern river valleys over the rainy season (October 2021 to March 2022), and much of that water is now stored in the reservoirs. The reservoir at the Pequenos Libombos dam, which feeds the Umbeluzi River on which Maputo depends for most of its drinking water, is now 99 per cent full.

The Corumana dam, on the Sabie River, in Moamba district, about 60 kilometres north of Maputo is 61 per cent full, while the Massingir dam, on the Elephants River, the main tributary of the Limpopo, in the neighbouring province of Gaza, is at 74 per cent of capacity.

In the central region, the two dams crucial for electricity generation are both at healthy levels. The lake behind the Cahora Bassa dam, on the Zambezi River, is 91 per cent full, so the company that operates the dam, HCB, should have no difficulty in providing its clients with power. The Chicamba dam, on the Revue River, in Manica province, is at 71 per cent of capacity.

In the northern region, the Nampula, Chipembe and Nacala dams are all full. Nonetheless, the National Directorate of Water Resource Management (DNRGH) is advising continual rationalisation of water use in Nampula city.

The head of the River Basin Department in the DNRGH, Agostinho Vilanculos, explained that the city needs 24 million cubic metres of water a year, but the Nampula dam can only store four million cubic metres. "Nampula has a small dam", he said. "It can only make water available for four months in the year for 700,000 people. We need 24 million cubic metres a year, and the dam does not guarantee that amount".

In the second half of the rainy season, there was too much, rather than too little water. Heavy rainfall in a short period caused flooding, damaged roads, and swept away bridges, particularly in the Licungo basin, in Zambezia province, and along the Revubue, in Tete.

Severe climatic events meant that the average rainfall for a period of six months, could be concentrated into just three or four days, said Vilanculos, which was precisely what had happened in the Licungo basin, and in the coastal basins in Zambezia and Nampula, "where we registered 600 millimetres of rain in three days".

## Over 244,000 hectares of crops damaged by heavy rains

Over 244,000 hectares of various crops have been plagued by heavy rains, flooding, storms, and drought in the Mozambican 2021-2022 agricultural campaign.

According to data from the Ministry of Agriculture and Rural Development, crop losses will jeopardise the livelihoods of more than 189,000 small producers.

Maize, beans, and groundnuts were the main crops harmed by the excessive rain, which hit 4.6 per cent of the areas where the farmers had planted their seeds in 95 districts of the southern provinces of Maputo, Gaza and Inhambane, the central provinces of Manica, Tete, Sofala and Zambezia, and the northern province of Nampula.

According to Hiten Jantilal of the National Directorate of Agriculture, quoted in the Maputo daily "Noticias" on 19 May, the impact of natural phenomena has shown the need to improve farmers' access to climate information to help them make decisions and manage their activities.

"There is a need to improve the early warning mechanism for small producers and strengthen the capacity to provide agro-climatic information," Jantilal said, stressing that the central and northern regions were affected the most by the high rainfall, while the south suffered from irregular or prolonged lack of rainfall.

By the end of March, the crops in the field were in the ripening stage in the northern region, and in the harvest stage in the centre and south.

"In the northern provinces of Cabo Delgado, Niassa and Nampula the Crop Water Satisfaction Index (HHI) is very good at between 95 and 100 per cent, despite the late start and excessive rains recorded in January and late March", the report from the Agriculture Ministry said.

Water availability for crop growth, says the document, was below 50 per cent in the semi-arid districts of Gaza and Inhambane provinces. In this region, the rains were characterised by irregular spatial and temporal distribution, and several re-seeding events were recorded, resulting in failure.

In 14 districts in Maputo, Gaza and Inhambane, it is estimated that about 60,000 hectares of maize and beans were affected by the lack of rain, damaging the livelihoods of 72,000 producers.

## Foot-and-mouth disease vaccines imported

The veterinary authorities have started to import 1.5 million doses of vaccine against foot-and-mouth disease in response to an outbreak in the districts of Chifunde and Maravia, in the central province of Tete.

The acquisition of the vaccines, to be administered to 750,000 cattle in high-risk areas, comes at a time when southern Africa is undergoing an outbreak.

According to the newspaper "Noticias", this has led experts from the region to draw up an action plan to stop the spread of the disease. So far, in addition to Mozambique, the disease has been reported in Malawi, Zambia and South Africa.

According to a source in the National Directorate of Livestock Development (DNNDP), the vaccines will be purchased in Botswana.

The distribution of vaccines will take into account the vulnerability of the regions to the fever, focusing on the border districts of the provinces of Maputo, Gaza, Manica, Tete, Niassa, and Zambezia.

After the confirmation of cases of foot-and-mouth disease in Tete, the national authorities have banned the movement of cattle, goats, pigs, and sheep throughout the province of Tete. In addition, the movement of fodder for the feeding of cattle from the districts of Chifunde, Maravia, and Macanga and the concentration of animals for any purpose without the permission of the veterinary authority was also suspended.

The circulation of animals in the rest of the country is only allowed once the procedures for the internal transit of the livestock and/or their by-products are observed, including a registration certificate of the means of transport, issued by the competent authority.

## Health Ministry preparing further polio vaccination

The Mozambican Ministry of Health has announced that it is currently mobilising resources for the third round of vaccination against poliomyelitis.

The Ministry recently declared a public health emergency following the confirmation of a case of wild poliovirus in a child in Changara district, in the western province of Tete.

In February a case of wild poliovirus was notified in Malawi. In response, the countries of the region, notably Mozambique, Zambia, Tanzania, and Malawi itself launched vaccination campaigns.

The National Director of Public Health, Quinhas Fernandes, told reporters that the third round of polio vaccination will cover the entire country. The first two rounds only covered the northern and central provinces.

"Right now, work is underway to mobilise additional resources", he said. "We are considering undertaking the third round between the first and second week of July throughout the country".

"That means those children who were vaccinated in the first and second rounds will have the opportunity to take a third dose of the vaccine", he added.

The eradication of polio, said Fernandes, was not just a matter for the Health Ministry but required coordination between various bodies. Under international health regulations, the existence of just one case of the wild poliovirus is sufficient grounds to declare a public health emergency.

The actions underway, he continued, are synchronised and coordinated with Malawi, Tanzania, and Zambia, and in the near future this coordination could be extended to include Zimbabwe.

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This is a condensed version of the AIM daily news service - for details contact pfauvet@live.com

## US government approves US\$404 million for HIV/AIDS

The United States government, through its President's Emergency Plan for AIDS Relief (PEPFAR), on 23 May approved US\$404 million to support Mozambique in the fight against HIV/AIDS. This will support the Country Operational Plan (COP) from October 2022 to September 2023 (also known as COP22) and is part of the US\$4.9 billion that the United States has made available to Mozambique in the fight against HIV since 2004.

According to a press release from the US Embassy in Maputo, COP22 focuses on accelerated efforts to identify and treat children, adolescents, young men, vulnerable populations, and others living with HIV.

"The COP22 plan represents our shared commitment to achieving control of the epidemic by putting 1.9 million Mozambicans on life-saving treatment in the next 18 months" noted US Ambassador Peter Vrooman.

According to the Ambassador, the plan "represents partnership, innovation, and adaptability to implement experienced and true approaches, and to begin to move our program toward sustainability".

Globally, states the document, PEPFAR focuses on delivering quality, people-centred HIV prevention and treatment services; strengthening the capacity and resilience of communities and health systems to address the HIV epidemic and other health challenges; and building partnerships for greater impact, burden sharing, and sustainability.

In Mozambique, PEPFAR supports HIV counselling and testing, adult and paediatric HIV and TB treatment, prevention of mother-to-child transmission of HIV, psycho-social support, laboratory, and health services, as well as the strengthening of health systems.

## New leader for Frelimo youth

Silva Livone, the new general secretary of the Mozambique Youth Organisation (OJM), the youth wing of the ruling Frelimo Party, has called for unity among all members of the organisation. "Only with unity will the organisation be able to comply with its guidelines for the next five years", he warned.

Livone was elected on 21 May at the end of the OJM Second Congress, receiving 93 votes (60.4 per cent) against 61 (39.6 per cent) for the other candidate Gemesio Candido.

Addressing the closing session of the congress, Frelimo General Secretary Roque Silva said that the generational change in the country's leadership should not be confused with a conflict between generations.

Instead, the transition "invites young people to accept the true scale of the heavy responsibility they have in order to guarantee that the Frelimo project continues to unfold normally and achieves the success we all desire", he added.

The focus of the new OJM leadership, Silva said, is to guarantee Frelimo's victory in the next round of

elections (municipal elections in 2023, and presidential and parliamentary elections in 2024).

"In preparing for Frelimo's victory, the OJM should plan to involve all young people in civic and patriotic education and inculcate into youths the spirit of a responsible vote, that is, a vote for Frelimo and its candidates", he declared.

Silva also urged the new leadership to continue rejuvenating the OJM, and "to create conditions for the financial stability of the organisation".

The outgoing general secretary, Anchia Talapa, who had been at the head of the OJM since 2015, declared that President Filipe Nyusi should remain the head of Frelimo for another five years. "Comrade President, we want here and now to confirm our unconditional support for you to remain the leader of our Party for another five years", said Talapa.

## Bank of Mozambique holds interest rates steady

The Monetary Policy Committee of the Bank of Mozambique (CPMO) meeting in Maputo on 19 May decided to leave the bank's reference interest rate unchanged.

According to a statement from the CPMO, the Interbank Money Market Rate (MIMO), used by the central bank for its interventions on the interbank money market to regulate liquidity, remains at 15.25 per cent. This rate had risen by 200 base points, from 13.25 to 15.25 per cent, in late March.

The CPMO statement said the decision not to raise interest rates further was based on forecasts of single digit inflation (less than ten per cent) in the medium term "despite the high risks and uncertainties associated with these projections, notably the effects of geopolitical tensions in Europe".

Nonetheless, in the short term inflation will remain high, said the CPMO "reflecting the adjustment of the prices of administered goods" (such as fuel).

Annual inflation increased from 6.7 per cent in March to 7.9 per cent in April. However, underlying inflation (which excludes administered prices and fruit and vegetables) "remains stable", the CPMO stated.

The central bank predicts continuing economic growth in 2022 and 2023, after growth of 4.1 per cent in the first quarter of 2022. That growth reflected the lifting of restrictive measures imposed to halt the spread of the Covid-19 pandemic. As the measures were lifted, so the hotel and restaurant businesses began to revive. Foreign demand for Mozambican mineral exports picked up, leading to an improvement in the extractive industry.

The CPMO expected economic recovery to continue, due to the natural gas projects in the southern province of Inhambane and the Rovuma Basin in the far north, and the resumption of a programme with the International Monetary Fund.

Macro-economic prospects, the CPMO concluded, favoured maintaining current interest rates in the short term "to guarantee low and stable inflation".

## EDM investing in solar and wind power

Mozambique's publicly owned electricity company, EDM, is investing US\$40 million in the installation of new solar and wind power plants through the Renewable Energy Auction Programme (PROLER) to accelerate access to energy for all.

According to EDM's Director of Renewable Energies, Olga Utchavo, "the company will, in the next five years add a further 600 megawatts of energy, including 200 megawatts from renewable sources, to accelerate the process of providing energy to the entire population of the country".

Speaking on the sidelines of an event entitled "Storage and Grid Integration of Renewables in Mozambique", Utchavo pointed out that EDM aims to ensure universal access to electricity by the year 2030.

The projects already carried out under PROLER include the country's first solar plant, in the city of Mocuba in the central province of Zambezia with a capacity of 40 MW and the Metoro solar plant in Cabo Delgado province, completed this year with a capacity to produce 40 MW.

Utchavo added, "we will build our first solar plant using energy storage in the city of Cuamba, in Niassa, with a capacity of 15 MW. We have the plants of Dondo, in Sofala, and Lichinga, in Niassa, which will be the next to be installed through PROLER. In the town of Namaacha, in Maputo, a wind power plant is being planned which will soon move to financial closure and then to construction".

For her part, the representative of the European Union, Verlee Smet, revealed that "we will support the government in developing the National Renewable Energy Centre. This will be key to the integration of renewable energy by providing greater control of the balance between supply and demand to ensure the stability of the network".

Mentioning a study supported by the European Union in 2020, Smet said that 108 Gigawatts of electricity storage is needed to maintain the security of energy supply and integrate the renewable energy needed to decarbonise the economy.

The representative of the German Embassy, Ingmar Kreisl, pointed out that about €100 million have already been invested in renewable projects in the country in collaboration with the private sector. He added that "we have already intervened in the modernisation of the hydroelectric plants of Mavuzi and Chicamba, in the province of Manica and we are promoting private sector initiatives".

## President Nyusi defends neutrality over Russia - Ukraine conflict

President Filipe Nyusi on 25 May, the last day of his state visit to Ghana, explained to members of the Ghanaian parliament why his government has adopted a position of neutrality towards the conflict between Russia and Ukraine.

"In the conflict between Russia and Ukraine, my country has refrained from taking a position, and it is right to explain to this body that our position does not mean promoting violence or war", said President Nyusi. "We are encouraging dialogue. We abstained (in the United Nations vote) because we want the parties to talk and find peaceful solutions".

President Nyusi thus made it clear that Mozambique does not support either of the sides involved in the conflict and has instead stressed the need to find peaceful solutions through dialogue, to avoid further deaths and the negative impacts the conflict is imposing on the world.

He said the conflict is "sacrificing the world, particularly developing countries", since it is provoking a rise in the price of essential goods, thus raising the cost of living for people throughout the world.

President Nyusi also told Ghanaian parliamentarians of the cost of terrorism in the northern Mozambican province of Cabo Delgado. The raids by jihadist terrorists have killed more than 2,000 people and driven hundreds of thousands from their homes. The terrorists have left a trail of destruction across large swathes of Cabo Delgado.

The President added that the situation is now coming under control thanks to forceful interventions from the Mozambican defence and security forces and their allies from Rwanda and SADC (Southern African Development Community).

President Nyusi also told the parliamentarians that the results from his visit to Ghana were positive, mentioning, in particular, the signing of a cooperation agreement, which opens a window of opportunity for the two countries to start a new page in their bilateral relations aimed at increasing trade between Mozambique and Ghana while strengthening their historical relations of friendship and cooperation.

He also thanked Ghanaian President Nana Akufo-Addo for supporting Mozambique's bid to become a non-permanent member of the United Nations Security Council. The vote on Mozambique's bid will be held at the UN General Assembly in June.

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