

# Mozambique News Agency

## AIM Reports

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## Import and export of currency must be declared

The Bank of Mozambique has announced that travellers entering or leaving the country with more than US\$10,000, or the equivalent in other foreign currencies, in bank notes or coins, must declare them. According to a note issued by the bank, to declare these amounts the holder of banknotes and coins must fill out a duplicated document at customs and keep a copy.

The Bank of Mozambique wants to avoid the movement of banknotes across the borders and “recommends the use of alternative means of payment, such as bank cards and telegraphic transfers, to avoid the risk of theft”.

In addition to cash, according to the Central Bank note, the norms and procedures also cover precious metals. “In the import and export of gold (in bar, ingot, or other unworked forms), silver, platinum and other precious metals and minerals, the bearer must present, in addition to the import documents, the respective authorisation issued by the Bank of Mozambique”, says the document.

The measure comes days after the government approved a strategy to prevent and combat money laundering and terrorism financing.

Speaking on 30 August after a meeting of the Council of Ministers (Cabinet), the government spokesperson, Deputy Justice Minister Filimao Suaze, said the strategy aims to contribute, build, and maintain a robust financial system, through the adoption of effective preventive and repressive measures against acts of money laundering and financing of terrorism, as well as the effective implementation of international regulatory standards, as a contribution to a healthy regional and international financial system.

### Strategy against money laundering approved

The Mozambican government has approved the Strategy to Prevent and Combat Money Laundering, Terrorism Financing and Nuclear Proliferation (2023-2027), a document that aims to monitor effective actions of national coordination and international cooperation.

Speaking to reporters on 23 August, after the weekly meeting of the Council of Ministers (Cabinet), government spokesperson Deputy Justice Minister Filimao Suaze said “the strategy aims to build and maintain a robust Mozambican financial system through

the adoption of effective preventive and repressive measures for acts of money laundering and terrorism financing, as well as the effective implementation of international normative standards”.

Suaze said that recent statements by President Filipe Nyusi should mobilise all Mozambicans to be vigilant in all financial transactions made in the country.

On 22 August in the central city of Beira, speaking during a meeting with the bodies of the Council of State Representation Services and the Provincial Executive Council, President Nyusi warned that some owners of fuel pumps have been using these businesses to finance the jihadist terrorists operating in the northern province of Cabo Delgado.

President Nyusi thought there were strong signs of money laundering in the retail fuel business and demanded that corrective measures be taken.

President Nyusi did not name any fuel operator in particular. According to the newsheet “Carta de Mocambique”, the problem has its roots in the “extreme liberalisation” of retail sales, which dates back to 2015-2016. Price fixing mechanisms were made more flexible and profit margins for fuel distributors and retailers were increased, making the business very attractive.

Licensing was made easier, and so today there are about 40 licensed fuel retailers in Mozambique, although only 15 are active (this compares with just eight retailers in South Africa). But in addition to these retailers, any citizen can open a petrol station, as long as he has a supply contract with one of the licensed distributors.

“Carta de Mocambique” fears that, with this liberalisation, the Mozambican state has come close to losing control. There has been a proliferation of fuel pumps along the road from Beira to Zimbabwe, many of which are owned by foreign citizens, including Somalis, Tanzanians and Chinese. The paper notes that nobody knows – at least publicly - how these new petrol stations are being financed.

## Mozambique LNG project may resume in first half of 2023

The Indian oil company BPCL, which holds a 10 per cent stake in the Mozambique LNG Project, led by the French multinational TotalEnergies, has announced that its liquefied natural gas project may restart in the first half of next year.

“Now, with the efforts of the Mozambican Government, supported by a regional coalition, progress is being made in improving the security situation in the region, and the project will resume as soon as the security situation is stabilised in a sustainable manner”, BPCL managing director, Arun Singh, said on 29 August.

The director, who was speaking at the company’s annual general meeting, announced that BPCL is expected to invest a further US\$1.8 billion over the next three or four years in Mozambique. BPCL has a purchase and sale agreement valid for a period of 15 years for one million tonnes of LNG.

The project, which is being implemented in Palma district, in the northern province of Cabo Delgado, was stopped in March last year following a terrorist attack against Palma town that caused the deaths of several dozen people and forced many thousands more to seek shelter in safer locations. The attack prompted TotalEnergies to declare “force majeure”.

Since then, the Mozambican defence and security forces, with the backing of their allies from Rwanda, have reasserted government control over Palma and the neighbouring district of Mocimboa da Praia.

The Mozambique LNG project consists of the installation of a plant with an annual capacity to produce 12.88 million metric tons of LNG per year.

TotalEnergies is the operator of the Mozambique LNG Project, with a 26.5 per cent stake. Its partners in the consortium are Mitsui of Japan, with 20 per cent, Mozambique’s own National Hydrocarbon Company (ENH) with 15 per cent, PRTTEP of Thailand with 8.5 per cent, and three Indian companies, ONGC Videsh Rovuma Limited, Beas Rovuma Energy Mozambique Limited, BPRL Ventures Mozambique, with 10 per cent each.

BPRL Ventures Bharat Gas Resources Ltd. is a wholly-owned subsidiary of the Indian company Bharat Petroleum Corporation Ltd.

## Report of delays to Coral South LNG project

The information company Energy Intelligence has reported that the Coral South Floating Liquefied Natural Gas (LNG) terminal has run into technical issues that could delay the shipment of the first cargo of LNG from Mozambique.

The LNG will be produced by a consortium led by the Italian energy company, ENI. The LNG facility, built in a Korean shipyard, arrived in Mozambican waters in January and should by now be anchored in Area Four of the Rovuma Basin, some 40 kilometres off the coast of

Cabo Delgado province. This will be the first deep-water platform in the world to operate at a water depth of about two thousand meters.

AIM had reported previously that the tanker “British Mentor” was on its way to Coral Sul to pick up LNG for the British company BP. However, according to the ship-tracking website Marine Traffic, “British Mentor”, after hanging around in the Mozambique Channel for a couple of days, has changed its destination to Oman and is heading north to the port in Arabia.

According to Energy Intelligence, a source informed them that “serious issues [were] reported at Coral FLNG with one critical distillation column (demethaniser) suspected of having internal damage. Shutdown is required for inspection and repair, which will delay the start-up schedule by several days, if not weeks”.

Once fully operational, the terminal will produce 3.4 million tonnes of LNG per year. All of its output over the next 20 years has been bought by BP. However, a spokesperson for BP, contacted by AIM, was not able to comment on the movements of “British Mentor”.

The Coral Sul project will be the first of three projects to produce LNG in Mozambique. The main participant in Area Four is Mozambique Rovuma Ventures, a partnership between ENI, the US oil and gas giant ExxonMobil and the China National Petroleum Corporation (CNPC), which together control 70 per cent of the undertaking. The remaining 30 per cent is divided equally between the Mozambican state hydrocarbon enterprise ENH, Galp Energia of Portugal, and Kogas of South Korea.

The other LNG venture currently underway is the Mozambique LNG Project using gas from Rovuma Basin Offshore Area One. The French oil and gas company, TotalEnergies, is the operator with its partners coming from Japan, India, Thailand, and Mozambique. When operational, the project will produce 12.88 million tonnes of LNG per year for domestic consumption and export.

Progress with this project has been held up following the decision of TotalEnergies in April 2021 to declare force majeure following an attack by Islamist terrorists near the Afungi Peninsula where the onshore LNG facility will be constructed.

However, according to one of the project’s partners, BPCL of India, which holds a ten per cent stake in Area One, the project should resume in the first half of 2023. The Chair and Managing Director of the company, Arun Kumar Singh, told shareholders at its Annual General Meeting that “now, with the efforts of the Government of Mozambique’s forces, supported by a regional coalition, progress is being made in improving the security situation in the region, and the project will resume once the security situation is stabilised in a sustainable manner”.

A third development, the Rovuma LNG Project, will use gas from offshore Area Four to produce 15 million tonnes of LNG a year. However, the operator, ExxonMobil, has not yet taken its final investment decision.

## Requirement to wear masks lifted

The Mozambican government has removed the requirement that citizens should wear face masks in closed and crowded spaces. Addressing the nation on 31 August, President Filipe Nyusi said that, in general, wearing masks is no longer obligatory.

There are exceptions, however. Masks must still be worn when visiting places such as health units, laboratories, and pharmacies. They are also obligatory inside old people's homes. Anyone displaying respiratory symptoms suggestive of Covid-19 should also wear a mask.

President Nyusi recommended that passengers on buses and mini-buses should wear masks, but masks will no longer be compulsory. Masks remain compulsory for air travel.

Any adults entering Mozambique must present proof that they are fully vaccinated against Covid-19. This can take the form of an internationally recognised vaccination certificate, such as those issued by the Mozambican Health Ministry.

Those who are not vaccinated must take a PCR (polymerase chain reaction) test, no more than 72 hours before entering Mozambique. Anyone without either a vaccination certificate or a negative PCR test, must stay at the point of entry until they are tested, at their own expense. Children under the age of 11 are exempt from the vaccination and testing requirement.

President Nyusi also announced the lifting of all restrictions on the number of people who may attend funerals, but all health protocols must be strictly observed at funerals of those who died from Covid-19.

Most other restrictions (for example, on attendance at sporting and cultural events, and opening hours for restaurants and bars) were lifted in April.

President Nyusi said the relaxation was possible because of the trend to stabilisation of the pandemic in Mozambique, in southern Africa, and globally. In Mozambique, the number of Covid-19 cases and deaths has slowed dramatically.

The President pointed out that in June, the Mozambican health authorities had registered 2,164 new cases and nine deaths, but in August the figures fell to 498 new cases and five deaths. "The favourable epidemiological situation in Mozambique is strongly associated with the high vaccination coverage against Covid-19 among the population aged 18 and above", he added. To date, over 14.7 million people have been fully vaccinated, the President said, which is around 97 per cent of the target group.

"We can say, with pride, that Mozambique is among the countries with the highest vaccination coverage in Africa", he said. "Once again, we have shown that we are a people who know how to be united around a cause, the well-being of all of us".

President Nyusi announced that, as of 17 September, adolescents will be vaccinated against Covid-19. The vaccination will be available for children aged between 12 and 17. The vaccines required for this effort have already begun to arrive in the country.

## Mozambique receives Covid-19 vaccines for adolescents

Mozambique on 29 August received 1,333,800 doses of Pfizer's Covid-19 vaccine and associated goods valued at US\$36.5 million from the COVAX Initiative. The vaccines are to be used for the immunisation of the adolescent population (children aged between 12 and 17 years).

The 1,333,800 doses are the first batches of a total of 4,899,960 doses that are expected to arrive in the country by 13 September, funded by the United States government.

Speaking during the reception ceremony in Maputo, Health Minister Armindo Tiago explained that the vaccines join the others that the country has received since the beginning of the pandemic, in the context of bilateral cooperation with other friendly states, as well as the national business community.

"This donation of vaccines, which we received today, will accelerate our National Vaccination Plan, at a time when our interest is to ensure the complete vaccination of adolescents between 12 and 17 years of age", the Minister said.

He pledged that the government will launch the campaign to vaccinate adolescents on 27 September. "The campaign will take place all over the country, where we expect to vaccinate about 4.8 million adolescents of the target group with two doses of vaccine", he said.

Tiago explained that this type of vaccine needs to be stored at temperatures below that usually available in the country's cold chain. Therefore, twenty coolers have been sourced with a conservation capacity at temperatures between -90 and -60 degrees centigrade. He also revealed that the vaccines and their syringes, the coolers, the various accessories, and the prefabricated goods have a value of approximately US\$36.5 million. These are part of the COVAX initiative, with support from the US and German governments, GAVI, and the United Nations Children's Fund (UNICEF).

According to a press release from the US embassy, "with this delivery, the US Government has now donated over 5.8 million doses of COVID-19 vaccines to Mozambique. These donations are part of the larger US Government coordinated effort to support Mozambique's response to COVID-19 and strengthen Mozambique's resilience to the virus and its variants".

At the arrival ceremony, the US Ambassador to Mozambique, Peter Vrooman, noted that "the United States is honoured to have been a strong partner of Mozambique in the health sector for decades. We are committed to doing all that we can to help Mozambique reach high vaccination rates among its entire population".

### Three billion meticaís for agricultural research

President Filipe Nyusi announced in Maputo on 31 August that his government plans to spend three billion meticaís (about US\$47 million) on agricultural research over the next two and a half years.

Speaking at a national symposium on agricultural research, the President said the money would be spent on such areas as the qualification of laboratories, the production of livestock vaccines, and seed multiplication.

President Nyusi insisted that Mozambique must produce more of its own wheat, rather than depend on imports. Since two of the main producers of wheat, Russia and Ukraine, are currently in conflict, worldwide shortages of wheat are likely. Some wheat is already grown in Mozambique, notably on the Angonia plateau in the western province of Tete. President Nyusi said that research shows the possibility of Mozambique not only dramatically increasing its wheat production, but even becoming self-sufficient in this grain.

“The results of this research show it is possible to obtain seven tonnes of wheat per hectare in Niassa province, and four tonnes per hectare in Manica”, he said. But such an increase in wheat production would require massive multiplication of seeds, and the training of Mozambican extensionists to handle wheat.

There was also some good news from the struggle against hunger. President Nyusi said the latest data show that about 2.6 million Mozambicans are free from the threat of food insecurity, following good harvests in the 2021-2022 agricultural campaign. Due to the good harvest, the United Nations World Food Programme (WFP) has removed Mozambique from its list of countries at high risk of famine. However, President Nyusi warned that “the battle still continues, and it has not yet been won”.

Despite the advances made, he continued, Mozambican agriculture is still far from being able to supply the country’s real needs in terms of food and raw materials “and the sector is not using adequate inputs to increase production, although Mozambique is a rich country in terms of arable land and water courses for irrigation”.

The President warned that Mozambican agriculture continues to have low productivity, is not very competitive, and the few producers who guarantee most of the production continue to receive low incomes.

“Research on the sector has been limited only to the needs of high-yield crops, neglecting family farming practised by the majority of the population”, he said.

President Nyusi acknowledged that, due to limited resources, the country has registered a low level of investment in agricultural research, which has caused the degradation of research infrastructures, such as laboratories and experimental fields.

In Mozambique, 67 per cent of the population lives in rural areas and about 99 per cent practice family farming, which represents 85 per cent of the rural economy.

### Norway disburses US\$10 million for humanitarian aid

The Norwegian Embassy and the United Nations Children’s Fund (UNICEF) on 30 August in Maputo signed a US\$10 million funding agreement to support a project on learning, protection and empowerment of children and adolescents in northern Mozambique. The three-year project will be implemented by UNICEF in the provinces of Cabo Delgado and Nampula.

The project will support 50,000 children and adolescents between six and 19 who are out of school in rural areas affected by the humanitarian crisis, with the objective of breaking down the barriers that stop them from developing their potential.

The memorandum was signed by the Ambassador of Norway, Haakon Gram-Johannessen, and the UNICEF Representative in Mozambique, Maria Fornara.

Speaking at the ceremony, the Ambassador stated that his country is committed to working with the Mozambican government on projects that contribute, among other priorities, to building peace and social cohesion. “This project aims, among other things, to provide access to a safe learning environment through the rehabilitation of schools and the establishment of multipurpose centres where children and youth can come together to learn life skills and for assistance and counselling in general”, he explained.

According to the diplomat, to make a difference in conflict-ridden societies, “there is a need for long-term investments that empower children and adolescents as agents of change”. “This is the best way to ensure human rights and gender equality for social cohesion and peacebuilding”, he added.

For her part, Maria Fornara said the support will mitigate the impact of the humanitarian crisis within communities, saving children in particular. The ten million dollars “will allow UNICEF to work closely with the Mozambican Government to support work with children and communities and service providers, to ensure the implementation of quality learning and protection approaches focused on children aged between six and twelve”, Fornara said. At the same time, the resources would enable UNICEF to implement interventions with vulnerable adolescents, working through community platforms and addressing systematic barriers that hinder learning and protection for children aged 13 to 18.

The Permanent Secretary of the Education Ministry, Abel Assis, who witnessed the event, said that the funding from Norway represents the commitment of the cooperation partners to fight poverty in Mozambique. “The agreement we have just witnessed is an unequivocal demonstration of the alignment and coordination that exists between our partners and the Mozambican Government in the framework of the synergies needed to allow greater efficiency and effectiveness of our humanitarian response and anti-poverty actions”, he said.

## World Bank approves US\$250 million for urban transport

The World Bank has approved a grant equivalent to US\$250 million to improve mobility and accessibility in the Maputo Metropolitan Area (AMM), a region that includes the cities of Maputo and Matola, and the neighbouring districts of Boane and Marracuene.

According to a press release from the World Bank on 23 August, “the funds will be utilised to build the first Bus Rapid Transit (BRT) system and associated facilities in the Maputo Metropolitan Area, covering the cities of Maputo, Matola, and the town of Marracuene. They will also be used to rehabilitate streets and improve access to low-income neighbourhoods via road upgrades and improvements that enhance safe access, as well as to build non-motorised transport infrastructure. In addition, the IDA financing will help tackle mobility barriers for women and vulnerable groups. The whole program will extend to the district of Boane”.

The statement quotes the Bank’s director for Mozambique, Idah Pswarayi-Riddihough, expressing satisfaction that another milestone has been reached in improving people’s lives. “This operation will ultimately contribute to expanding economic opportunities and social inclusion. A lack of access to jobs and services is a major constraint to urban economic productivity as it hinders the city’s competitiveness and is a critical element of social exclusion underpinning urban poverty”, said Riddihough.

The population of the AMM has grown rapidly and is expected to reach nearly four million by 2035, which poses an added challenge to mobility, according to the release.

“This operation will ultimately contribute to expanding economic opportunities and social inclusion. A lack of access to jobs and services is a major constraint to urban economic productivity as it hinders the city’s competitiveness and is a critical element of social exclusion underpinning urban poverty”, says the Bank’s Senior Urban Transportation Specialist and project team leader Fatima Arroyo, quoted in the release.

“The AMM is now at a turning point to fulfil its potential as an engine for transformation of the country. We expect this operation will ultimately contribute to fostering changes in the way the city is growing from a congested, car-oriented city to a green, resilient, and people-oriented city, where walking and public transport are at the core of the metropolitan vision”, added Arroyo.

The project will also support the institutional and regulatory strengthening of urban transport throughout Mozambique, as well as capacity building of public sector transport staff, and professionalisation of existing formal and informal public transport operators.

According to the release, the project has integrated innovative approaches to catalyse structural changes in the sector, including a focus on the digitalisation of the sector, integration of women and people in vulnerable

situations, as well as the integration of private sector participation in a long-term program to formalise public transport.

A second release announced that the bank has also approved a US\$400 million grant to support a project called Safe Roads for Better Economic Integration in Mozambique. This project, says the release, aims to improve the connectivity, safety, and climate resilience of the road system, and develop social inclusion.

A total of 508 kilometres of selected priority sections of the main north-south highway (EN1) will benefit from rehabilitation.

These are the Metoro - Pemba section (94 kilometres) in the northern province of Cabo Delgado; Gorongosa - Caia Lot 1 (84 kilometres) Gorongosa - Caia Lot 2 (168 kilometres) and Inchope - Gorongosa (70 kilometres), all in the central province of Sofala.

The road rehabilitation includes the Chimuará-Nicoadala Lot 1 (88 kilometres) and Chimuará-Nicoadala Lot 2 (176 kilometres) sections in the central province of Zambezia.

Quoting Pswarayi-Riddihough, the release says that roads are vital for economic activity, growth, social inclusion, and poverty reduction.

“This operation is instrumental to revitalising Mozambique’s North-South roads connectivity and thus integrating the fragile centre - northern provinces with the rest of the country by rehabilitating priority road sections of the N1 North-South corridor”, added Riddihough.

Most of the project funds will be used in the design and rehabilitation of safer and more climate-resilient roads, which will include road improvements and maintenance.

## Tolls reduced on Maputo-Katembe bridge

The Mozambican government has reduced the tolls paid by motorists using the suspension bridge across the bay of Maputo, which links the centre of the city to the outlying district of Katembe.

A joint diploma from the Ministry of Public Works and the Ministry of Economy and Finance reduces the toll for light vehicles and motorcycles from 160 to 125 meticaís (from US\$2.5 to US\$2), a cut of 22 per cent.

Medium cargo vehicles, with no more than two axles, will pay 250 rather than 320 meticaís, a 22 per cent reduction. The toll for heavy trucks remains unchanged.

The bridge is 680 metres long and towers 60 metres above the bay and was inaugurated on 10 November 2018.

Before the bridge’s construction, residents of Katembe who worked or studied in central Maputo were dependent on a slow and unreliable ferry service. Nonetheless, ever since the bridge was inaugurated there have been complaints against the tolls.

People who make such complaints ignore the fact that the ferry was not free of charge. In fact, the ferry fare for vehicles was more than the toll. The bridge, in addition to its convenience, thus saved money for travellers between Maputo and Katembe.

## President inaugurates maize processing plant

President Filipe Nyusi on 25 August inaugurated a food processing plant in the northern city of Nampula that can process 24,400 tonnes of maize a year.

The President told the inauguration ceremony that maize can transform the lives of Mozambicans, not only because of its calorific value as food but also through the agro-processing industry.

President Nyusi pointed out that in the 2021/2022 agricultural year, maize production had risen by 30 per cent, the greatest leap in production in recent years. Production reached 2.4 million tonnes, compared with 1.8 million tonnes the previous year.

Prices of maize at the farm gate had fallen to an average of less than 11.5 meticaís (about 18 US cents) a kilo, he said, “and this has been one of the main factors in stimulating investment in the agro-processing of maize in Mozambique”.

This is the second maize processing factory to open in Nampula in the space of two years, President Nyusi recalled. The first was inaugurated in Malema district in 2021, financed through the government’s flagship agricultural development police, “Sustenta”. The new factory cost 128 million meticaís (around two million US dollars). It can process the surplus maize production from about 60,000 small producers.

## President Nyusi opens Maputo trade fair

President Filipe Nyusi on 29 August opened the 57th edition of the Maputo Trade Fair (FACIM) with the anticipation that the fair will stimulate competition between Mozambican and foreign companies, and open space for mutually advantageous partnerships.

The President declared that there is countless potential in the country’s eleven provinces and called on the Mozambican business class to work with determination to draw benefits and take value from the measures to stimulate the economy which he recently introduced.

President Nyusi challenged businesses to back the “flexible markets”, taking advantage of the experience brought from Japan, China, and the United States to develop the Mozambican business environment.

According to President Nyusi, entrepreneurs should also take advantage of the value chains of the development corridors in special economic zones where initiatives such as the government’s agricultural development programme, Sustenta, stand out.

The country’s geographical location, he stated, “places Mozambique as an efficient gateway to the landlocked countries of the hinterland and can also play an important role in relation to Asia and the Far East”.

President Nyusi stressed the measures that the government intends to introduce to improve the mobility of people, particularly in obtaining visas for investors including the specialists and technicians essential for production. “Added to this is the integration in the SADC (Southern African Development Community) market and in the African continent by adhering to the agreement on the African Continental Free Trade Area,

which has a market of more than 1.3 billion consumers, and the improvements in the business environment by introducing new working platforms in the relationship between companies and the tax authorities”, he explained.

FACIM is being held in Marracuene district, 30 kilometres north of the capital. About 2,000 Mozambican and foreign exhibitors are displaying their goods and services, and the fair is expected to attract around 50,000 visitors.

## Portuguese PM congratulates government for DDR

The Portuguese Prime Minister, Antonio Costa, on 1 September expressed his appreciation at the progress made in the Disarmament, Demobilisation and Reintegration (DDR) of the residual forces of Renamo, the largest opposition party in Mozambique.

The Portuguese PM, on a two-day official visit to Mozambique at the invitation of President Filipe Nyusi, was talking to the press after he was received in a courtesy audience by the chairperson of the Mozambican parliament, the Assembly of the Republic, Esperanca Bias.

The DDR is part of the Peace and National Reconciliation Agreement signed in August 2019 by President Nyusi and Renamo leader Ossufo Momade. Under the Agreement, a total of 3,558 of Renamo’s claimed 5,221 armed men have already been demobilised and some incorporated into the Mozambican Defence and Security Forces.

In all, 12 of the 16 Renamo bases have been dismantled, and the DDR process is currently underway in the northern province of Niassa.

Costa also expressed his willingness for the Mozambican and Portuguese parliaments to strengthen their cooperation. He stressed that the relations between the two sovereign bodies should have a significant and direct impact on the peoples of the two countries. “In democratic states, bilateral relations are not only between governments but also between parliaments, since they are bodies that, in their plurality, represent the people”, Costa explained.

For her part, Esperanca Bias noted that “we remain committed to strengthening our relations of friendship and cooperation. The friendship between the countries also passes through the cooperation between the two parliaments”. She added that Portugal has been assisting Mozambique, especially in the fight against terrorism that is plaguing parts of the northern province of Cabo Delgado. “Portugal has been with Mozambique in the most difficult moments”, she stressed.

She also pointed to the support provided in assisting the victims of natural disasters, including the COVID-19 pandemic.

The Portuguese PM’s official visit to Mozambique had been postponed twice. The first was in November 2021, because the parliamentary elections in Portugal were brought forward, and the second last June because of the worsening situation of forest fires in Portugal.

## Government to transform informal sector to boost economy

The Ministry of Industry and Trade is seeking the formalisation of informal enterprises to boost the Mozambican economy, making it sustainable for development.

This intention was expressed by the Permanent Secretary of the Ministry, Jorge Jairoce, during the opening ceremony in Maputo on 25 August of a seminar on the “Support Project for the Transition of Informal Enterprises Towards Formalisation and Sustainable Development in Africa, Caribbean and the Pacific”.

Lasting for four years, the project will alongside Mozambique be implemented in the Central African Republic, Haiti, Sierra Leone, Solomon Islands, and Sudan and will receive assistance from the United Nations Development Program (UNDP), the European Union (EU), and the International Labour Organisation (ILO).

About 80 per cent of the Mozambican economy is estimated to be informal (a somewhat misleading figure since it includes all peasant agriculture) with an estimated contribution of 40 per cent of Gross Domestic Product (GDP).

Jairoce believes that the government’s actions, associated with the project, will contribute to the provision of baseline information that will be fundamental to the transformation from the informal to the formal sector, in addition to leveraging and modernising the competitiveness of employers in agriculture and industry.

“As the Ministry of Industry and Trade, we continue to pursue the mobilisation of support from cooperation and development partners for the various actions to promote and encourage small operators in the transformation of the informal sector, thus catapulting the increase of formalised operators with impact on the improvement of the economy”, Jairoce said.

The National Programme to Industrialise Mozambique (PRONAI) constitutes the government’s strategy for the five-year period 2020-2024 which “intends to replace imports, increase the consumption of national products, boost employment and income generation for youth and women, as well as consolidating the industrial sector, through the structural transformation of the economy”.

Jairoce also said that the Special Agro-Industrial Processing Zone (ZEPA), located in the Pemba - Lichinga corridor in the northern provinces of Cabo Delgado and Niassa, is designed for the reduction of dependence on food imports.

“We stress that the government, together with its development and cooperation partners, will remain committed to finding better strategies to support the competitive development of production chains in the transition of informal enterprises towards formalisation and sustainable development”, he explained.

## Chinese-owned cement company fined

Mozambique’s Competition Regulatory Authority (ARC) has fined the Chinese-owned company Dugongo Cimentos over 20.5 million meticaís (US\$320,000) for concealing information.

The Chinese company produces clinker and construction cement. A year ago, other cement companies accused it of unfair competition after it put cement on the market at extremely low prices.

ARC has been investigating Dugongo’s practices and states that the Chinese company has refused to cooperate. According to an ARC press release, it has been attempting to extract relevant information from Dugongo since August 2021. ARC was trying to ascertain the costs of Dugongo’s production and distribution chains so that it could conclude whether the company is guilty of anti-competitive practices.

Under competition legislation, failure to provide ARC with information, or the provision of false or incomplete data, makes the company liable for a fine of more than one per cent of the previous year’s turnover.

Dugongo denies the charges. In the newsheet “Mediafax” on 31 August, the company said it had never received a request for information from any Mozambican authority, including the ARC. Dugongo spokesperson Rui de Carvalho stated that “no document requesting information has ever entered Dugongo requesting clarification about the company”.

Despite this denial, ARC insists that it has sent several requests to Dugongo and has never received a reply to any of them. Furthermore, the chairperson of the ARC board, Iacumba Ali, has publicly stated that ARC is looking into the charges of unfair practices levelled against Dugongo by other cement companies. Speaking earlier this year, Ali said stated that “we have heard both sides, and we have reached the conclusion that we needed a deeper investigation. This investigation is now underway”.

## Terrorists strike in Ancuabe and Chiure districts

Local residents on 31 August and 1 September found the bodies of 11 people murdered by Islamist terrorists in Metoro administrative post, in Ancuabe district, in the northern province of Cabo Delgado. Some of the victims had been beheaded, according to a report in the newsheet “Carta de Mocambique”.

The terrorists captured one woman and forced her to watch as they beheaded their victims. She was then released after they had stolen 1,000 meticaís (US\$16) from her.

The same group went on to raid Megaruma village, where they killed three people. It is believed that the group then moved into Chiure district where they burnt down houses in Muamula and Mecolene villages in the Chiure Velho administrative post. At least one person died in these raids.

## South African arrested for drug trafficking

The National Criminal Investigation Service (Sernic) on 29 August arrested a South African citizen in possession of 28 kilos of the illegal drug Mandrax.

According to the Sernic spokesperson for Maputo province, Henrique Mendes, the drug was to have been taken across the border and sold in South Africa. "Sernic became aware that merchandise was being moved from one vehicle to another in Liberdade neighbourhood (in the city of Matola)", said Mendes. "Investigations were made and this individual was caught. When the vehicle was searched, packages of the drugs were found hidden inside the doors".

The South African (who was not named) denied owning or smuggling the Mandrax. He said he had come to visit a Mozambican friend and suggested that this unnamed "friend" had put the drugs in the car.

Mendes said Sernic is now working with Interpol to ascertain whether the South African has ties with any international drug trafficking ring.

## Agreement to pay miners' wages via bank

The Mozambican Labour Ministry of Labour and the South African Mine Labour Recruitment Agency (TEBA) have signed a memorandum of understanding to enable the delayed payment of miners' wages to be paid via banks. The initiative aims to reduce the time of transfers and to increase accuracy and security in the management of the beneficiaries' wages.

According to Labour Minister Margarida Talapa, the first steps in changing payment methods were taken in April 2016 and culminated with the signing of the memorandum of understanding between the Labour Ministry, the Bank of Mozambique, and TEBA. However, only two thousand out of the 18,800 Mozambican workers in the South African mines are receiving their wages via a bank account. According to Talapa, the remaining 15,800 miners continue to receive their wages in cash at the TEBA stations.

With the signing of the memorandum, according to the Minister, this scenario is definitively overcome and the transfer of the miners' wages will be faster and safer.

"We salute the group that worked hard in the revision of the memorandum of understanding that culminated with the signature that we are witnessing today that aims to safeguard the legitimate interests of the Mozambican workers in the mines", said Talapa on 27 August at the signing ceremony in Johannesburg.

Talapa added, "we will continue to assume our responsibilities to ensure that the rights of Mozambican miners are respected and fully complied with".

In total, there are about 21,000 Mozambican citizens officially working in South Africa - 18,800 in the mines and 3,058 on the farms. These figures, however, do not cover the informal sector of the South African economy.

In the first quarter of this year, the Migrant Labour Directorate in the Ministry (DTM) ensured the placement of 8,962 new workers in South Africa, of which 8,175 were in mines and 787 on farms.

## Triton Minerals committed to resuming graphite project

The Australian mining company Triton Minerals, which holds the rights to three graphite deposits in the northern province of Cabo Delgado, has announced that its senior directors and management recently visited Mozambique to hold meetings with high-ranking government officials to discuss its Ancuabe Graphite Project.

Work on the project came to a halt on 8 June when the mine site came under attack by jihadist terrorists during which two members of staff were murdered.

In particular, Triton held a meeting with the Director General of INAMI (National Mining Institute). The company also met with officials from the publicly-owned company Ports and Railways of Mozambique (CFM), the Ministry of Land and Environment, and the state-owned energy company EDM.

Following the meetings, Triton reiterated its commitment to the development of the Ancuabe Project and expressed its "gratitude to the Ministry of Mineral Resources and Energy and INAMI for their support and guidance". It also noted that recent actions by the Mozambican defence forces and its partners had resulted in an improvement in the security status and stability in Cabo Delgado province.

Once fully operational, Triton expects to ship 60,000 tonnes of graphite per year to Europe from its mine at Ancuabe through the port of Pemba.

## Mozambique to introduce express train to South Africa and Eswatini

The Chairperson of the publicly-owned ports and rail company (CFM), Miguel Matabele, has announced the introduction of an express train to South Africa and Eswatini, to facilitate the mobility of people and goods.

Matabele made this announcement on 3 September, as Prime Minister Adriano Maleiane visited the CFM stand at the Maputo International Trade Fair (FACIM).

The Prime Minister welcomed the initiative as it will lessen transport problems in the country.

This step comes after CFM on 1 July signed an agreement with South Africa's Transnet Freight Rail (TFR) for the elimination of the rail border and with Eswatini Railways on 5 August an agreement for direct rail links for the transport of goods.

In light of the agreement, the trains operated by CFM and the South African company TFR will now cross the border at Ressano Garcia without restrictions or the need to change rolling stock. Thus, the Maputo Corridor will have, in an initial phase, 21 trains per week carrying chrome and ferrochrome to the port of Maputo, compared with the current 15 trains per week.

With Eswatini, the Goba railway border is removed, thus allowing the free circulation of goods trains between the two countries. As an immediate impact of the agreement, the Goba railway will double the number of daily coal trains, from two to four. The volume of coal transported will also increase proportionately, from 3,600 tonnes to 7,200 tonnes per day.

## Prime Minister insists on payment of VAT

Prime Minister Adriano Maleiane on 26 August ruled out any further reduction in Value Added Tax (VAT).

On 9 August, President Filipe Nyusi announced that the government intends to cut the standard rate of VAT from 17 to 16 per cent. All imported goods intended for agriculture or electrification will be zero rated and thus pay no VAT.

Opposition political parties have been calling for much deeper cuts in VAT – but, at a press conference marking the end of a two-day working visit to the southern province of Gaza, the Prime Minister said further cuts are out of the question since VAT is a key source of funding for the state budget. He insisted that the tax must be paid, and strongly objected to the practice of shops and other businesses striking deals with their clients, whereby the latter do not pay VAT.

People who did not pay VAT on their purchases were holding back the country's development, he said. Asking clients "do you want it with or without VAT?" was completely illegitimate. "We all have to pay VAT because that is the only way we will grow", Prime Minister Maleiane said.

## NGOS warn of shortage of funds for Cabo Delgado

A group of 23 international Non-Governmental Organisations led by Save the Children have warned of the risk of "forgetting" the humanitarian crisis caused by terrorism that has been plaguing the northern Mozambican province of Cabo Delgado.

"There is a very real risk that, with the crisis now in its fifth year, Cabo Delgado will be completely off the international radar", the NGOs claimed in a statement, cited by the German news agency DW.

The signatories lamented the budget deficit for assistance to people displaced by the war. "The humanitarian response in Cabo Delgado is seriously underfunded. We are not receiving enough funding to respond to the humanitarian crisis", said the organisations.

According to the group, humanitarian assistance to Cabo Delgado is often interrupted due to a lack of funds or resources and is limited to "one-off interventions".

"It is disappointing for us, as humanitarian organisations, to have to interrupt our efforts to meet the needs of the affected populations and witness the fact that their basic needs are neither met nor satisfied", they said, warning that the situation in the province "is at risk of becoming a forgotten crisis".

The organisations also called for greater flexibility in issuing humanitarian visas to allow access by specialists to Cabo Delgado, aiming to "improve the quality", of assistance.

The group suggested that Mozambique take advantage of its membership of the United Nations Security Council to "draw the attention of donors and the international community to fund the humanitarian

response in Cabo Delgado".

Cabo Delgado province is rich in natural gas but has been terrorised since 2017 by armed groups who claim allegiance to the extremist group calling itself "Islamic State".

There are about 800,000 internally displaced people due to the conflict, according to the International Organisation for Migration (IOM).

## No compensation for fish vendors insists Comiche

The Mayor of Maputo, Eneas Comiche, has sacked the administrator of the Maputo fish market "to improve the tense environment there", according to a report in the daily newsheet "O Pais" on 25 August.

However, the Mayor has refused to pay the vendors any compensation arising from the transfer of the market to new premises – which happened in 2016 without any complaints.

The old fish market was an informal market on land owned by the Maputo municipality. The Municipal Council decided to open a new, cleaner and healthier fish market, overlooking the beach. To continue their business, vendors had to apply for stalls in the new market. At the time, nobody suggested that this was unfair, or that the vendors should be compensated for moving to a better market.

Despite this, the vendors held protests twice in August demanding compensation for a move that happened years ago. Comiche stressed that there is nothing in the country's legislation, or the municipal by-laws, that would justify such compensation. The vendors wanted to march from the fish market to the municipal council offices, but the police prevented this demonstration.

The opposition parties in the Municipal Assembly are siding with the vendors, claiming that the fees charged for stalls in the fish market are exorbitant. At a meeting of the Assembly on 24 August, the head of the group of the Mozambique Democratic Movement (MDM), Augusto Mbasu, claimed that the market fees were another example of how expensive it has become to live in Maputo. "In Maputo, you pay for everything", he protested.

The refusal to allow the vendors to march to the City Council was a violation of the Constitution and the law, he said. "This confirms that, in practice, we are an authoritarian state, disguised as a democratic one", Mbasu alleged.

The deputies in the Assembly from the largest opposition party, Renamo, called for an open and frank dialogue between the municipality and its citizens. The head of the Renamo group, Paulo Chiburi, urged the municipality to give "humanised treatment" to the vendors.

But the leader of the Assembly group of the ruling Frelimo Party, Carlos Tivane, praised the efforts of the municipality in ensuring social assistance to vulnerable people, and the improvement of access roads and sanitation.

## ADB support for small and medium enterprises

The African Development Bank (ADB) has disbursed US\$1 million to improve the competitive capacity of Mozambican small and medium enterprises run by young people and women in the initial stage of business.

The project, to be implemented in the northern province of Cabo Delgado and in Maputo City, will focus on tourism, manufacturing, agriculture, information technology, health, and transport.

The goal, according to the deputy director-general of the Institute for the Promotion of Small and Medium Enterprises (IPEME), Luis Machava, is to reach about 100 small and medium enterprises, in terms of technical assistance, capacity building and preparation of “dossiers”.

According to Machava, the expectation is that the three-year project will boost local entrepreneurship and foster balanced and inclusive development of the communities.

“This is a project financed by the ADB to the tune of a million dollars. It is expected that the project will contribute to improving the living conditions of the population, and to increasing employability, productivity, and competitiveness of small and medium enterprises”, said Machava on 23 August in Maputo, during a workshop on the local content development project, for young people and women (MOZYWEB Startup).

The event aimed at facilitating the establishment of initiatives in large companies for young people and women, in order to take advantage of the opportunities emerging from the major hydrocarbon projects, in the Rovuma basin, off the Cabo Delgado coast.

The project will also provide technical assistance and support to the entrepreneurs and the companies in focus to ensure the achievement of standards required in the provision of services to hydrocarbon projects.

The project, Machava said, envisages certification in quality management for 25 companies to take advantage of the opportunities offered by the domestic market and contribute to the internationalisation of this segment.

For his part, the chairperson of the Association of Small and Medium Enterprises, Feito Tudo Male, promised to strengthen actions, to achieve the desired objectives. “We want to commit to doing everything possible in the implementation of the project in the provinces covered”, he said.

The project will be implemented in partnership with the mobile phone company, Vodacom Mozambique, the soft drinks company Coca-Cola Mozambique, the publicly-owned electricity company EDM, and ABSA Bank.

## PPF invests US\$34 million in Zinave Park

The South African conservation body, the Peace Parks Foundation (PPF), has invested over the past six years about US\$34 million to boost activities in the Zinave National Park (PNZ), in the southern Mozambican province of Inhambane.

This sum was applied for the development of conservation and wildlife restoration projects, construction of tourism infrastructures, strengthening of security and protection of animals, management of natural resources, and support for communities.

The investments in the PNZ were made under the park co-management agreement reached between Mozambique’s National Administration of Conservation Areas (ANAC), the Ministry of Land and Environment, and PPF.

The information was revealed on 24 August in the Inhambane district of Mabote by PPF’s project manager Bernard Van Lent, in an interview granted to AIM during the translocation of eight rhinos to the PNZ.

“From 2016 to date, the Peace Parks Foundation has invested about US\$34 million in various activities in the Zinave Park. These investments are in line with our biodiversity and environmental management strategies”, Van Lent said. “PPF’s goal is to support the establishment and development of conservation areas in Africa, hence the organisation will continue to mobilise funding for the PNZ, known for its characteristic transition between tropical wetlands and drylands”.

The area is also an important crossing place for nomadic mammals that pass through the greater Limpopo region, in addition to its rich miombo woodland vegetation.

Van Lent noted that the translocation of black rhinos follows the successful reintroduction of 19 white rhinos to the park. “The white rhinos have adapted to their new home easily and a newborn calf was in the herd soon after arrival”, he said. “Today seven black rhinos and one more white rhino arrived. Tomorrow we will start releasing the animals in a phased manner to avoid unrest among them”.

The PPF is investing US\$4.6 million in translocation operations alone. Aspects of animal protection and safety, payment of inspectors, and acquisition of vehicles, especially a helicopter, are included in the amount.

The translocation of the black rhinos was accompanied by special measures as they are the most aggressive species of the rhino family. To ensure the animals’ safety, each one was equipped with a tracking sensor, allowing real-time monitoring from a room prepared for this purpose that operates 24 hours a day.