

# Mozambique News Agency

## AIM Reports

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## President Nyusi calls for more US trade and investment

President Filipe Nyusi on 13 December called for an increase in the flow of investment and trade between the United States and Mozambique. The President was speaking in Washington at a round table on business opportunities in Mozambique, organised in collaboration with the Corporate Council on Africa (CCA).

President Nyusi is in the US at the invitation of his American counterpart, Joe Biden, to attend the Second Summit between the US and African leaders.

President Nyusi told the round table that there is plenty of room for an expansion of the economic relations between the two countries. In terms of investment, between 2010 and 2019 the accumulated value of US investment in Mozambique was US\$5.2 billion, of which US\$3.8 billion were directed to oil and gas exploration in the Rovuma Basin, off the coast of the northern province of Cabo Delgado.

As for trade flows, President Nyusi said the main exports from Mozambique to the US are sugar, tobacco, titanium-bearing heavy sands, timber, cashew nuts, groundnuts, and works of art. From the US, Mozambique imports medicines, building materials, wheat, fertiliser, and vehicles.

“As you can see, our economic relations are very limited”, said the President. “Mozambique and the US can do much more. I think the time has come for us to advance”.

The potential for Mozambique’s economic growth was high, he claimed. “We have committed ourselves to follow our programme with the International Monetary Fund (IMF), with which our relations are very good. The projections are that, if we maintain the current macro-economic performance, the growth in our GDP could reach five per cent in 2023”.

President Nyusi added that the economy is becoming more competitive due to the government’s move to eliminate red tape, modernise the tax system, and adopt a package of measures to simplify procedures.

### President Nyusi calls for environmental protection

President Filipe Nyusi on 12 December stressed the need for the involvement of all citizens in the protection of the environment, improving the way it is preserved in order to save endangered species.

The President expressed these thoughts in Washington, during a working meeting held with representatives of the International Conservation Caucus Foundation, an institution dedicated to protecting the environment.

President Nyusi was in Washington at the invitation of his US counterpart, Joe Biden, and will participate in the Second US–Africa Leaders’ Summit which began on 13 December. He noted that 25 per cent of Mozambican territory already has the status of a protected area. However, President Nyusi noted that despite the advances many obstacles persist, such as poaching, illegal fishing, deforestation, and a high population growth rate.

The President pointed out that “as a sign of our commitment to nature we are in the process of expanding marine areas within the framework of our policy of sustainable management of natural resources and capitalisation of the Blue Economy value chain”.

He stressed that the government has improved the legal framework, policies, and normative instruments for land and maritime spatial planning, as well as on forest environments and biodiversity conservation.

The government has also created specific institutions and improved existing capacity for the management and supervision of natural resources and the environment. In addition, there has been the rehabilitation of ecosystems and restocking of emblematic species in conservation areas, including importing animals from neighbouring countries. “For example, this year we moved 26 rhinos to the Zinave National Park, which is now the only place in Mozambique where all of the Big Five - elephants, leopard, lion, rhinos, and buffalo – can be seen,” said President Nyusi.

Over the last six years, Mozambique has recorded no elephants killed in its national parks and reserves, due to the systems set up to control the herds. This success is also related to the reduction in poaching and the illegal trade in wildlife trophies and at the same time the strengthening of criminal accountability with high prison sentences for poachers of up to 16 years.

## Renamo accuses government of breaking peace agreement

Ossufo Momade, leader of Mozambique's main opposition party Renamo, on 12 December accused the government of not keeping its side of the peace agreement he had signed with President Filipe Nyusi in August 2019.

Speaking in Maputo at the opening of a session of the Renamo National Council, Momade accused President Nyusi of systematically committing illegalities – he was thus in no condition to demand that anyone else comply with the law, or respect the country's institutions.

As examples of supposedly “deviant behaviour”, he cited the “secret agreements” with President Paul Kagame of Rwanda under which Rwandan forces are participating in the fight against Islamist terrorism in the northern province of Cabo Delgado.

Yet before the arrival of the Rwandans, Renamo had verbally attacked the government precisely because it had not called for foreign support in the battle against the jihadists.

Momade also blamed the government for organised crime, claiming that the wave of kidnappings in Mozambican cities is organised by members of the defence and security forces, including members of the Presidential Guard.

The Renamo leader claimed that his party had honoured all its commitments under the 2019 peace agreement. Under the Demobilisation, Disarmament and Reintegration (DDR) of former members of the Renamo militia, “we have already demobilised 4,001 of our 5,254 fighters”. This is 76 per cent of the former guerrillas. Yet, according to Momade, only 46 of these men had been recruited into the Mozambican police force. Ten Renamo officers had been recruited for the General Command of the police – but Momade complained that to date none of them had been given specific tasks. Furthermore, the Renamo demobilised are not receiving the pensions to which they are entitled.

Nonetheless, Renamo has now submitted a list of a further 100 officers who should be incorporated into the defence and security forces.

Despite what he regarded as the government's failure to implement the 2019 agreement, Momade pledged that Renamo will not resort to force to press its claims. He said the major challenge remains the maintenance of peace and promotion of national reconciliation, which he regarded as essential prerequisites for the development of the country. “The construction of peace and national reconciliation is a mission for everybody”, said Momade, “and so it is imperative to involve all actors of society, including the religious denominations, which are inspiring sources of peace and love for one's neighbour”.

Later in the day, the National Council elected a new Renamo General Secretary, to replace Andre Majibire, who was dismissed in September without explanation. The new General Secretary is Clementina Bomba, who is deputy head of the Renamo parliamentary group, and

a former Renamo political delegate for Maputo province.

She is the sister of Adriano Bomba, a Mozambican air force pilot, who defected to apartheid South Africa in July 1981. Both he and his brother, Boaventura, were executed by Renamo two years later, apparently on suspicion of involvement in the murder of the then Renamo General Secretary, Orlando Cristina.

## Community awareness cuts wildlife crime

The Attorney General's Office (PGR) on 13 December in Maputo expressed its appreciation of the level of awareness of communities living near conservation areas, which has led to a reduction in crimes against wildlife in Mozambique.

Marking the occasion of a Seminar on Processing Crimes against Wildlife, Assistant Attorney General and focal point of the National Programme of Support for the Processing of Wildlife Crime, Amancio Zimba, highlighted the level of awareness of the inspectors of the conservation areas, prosecutors, magistrates, and other actors. The prosecutor also noted the effect of the revision of the biodiversity conservation law which increased the penalties for crimes against wildlife, with penalties ranging from 12 to 16 years of imprisonment.

“It used to be unthinkable that the country could have heavy penalties for killing species of fauna”, said Zimba “Today, the scenario is quite different because even the communities are aware that destroying a species of fauna or flora, especially in conservation areas, is a situation that can lead to very serious penalties. This is to be praised”.

For her part, the director of the United States Agency for International Development (USAID) in Mozambique, Helen Pataki, gave an example of the strengthening the fight against wildlife crimes: in 2021, USAID provided technical support to 65 district attorneys in Gaza, Sofala, and Niassa provinces where the three main national parks and reserves are located. Pataki stated that, due to USAID support, the country has seen an increase in prosecuted wildlife cases. She said the conviction rate has increased from less than 50 per cent four years ago, to 85 per cent in 2021. “That has contributed to a reduction in the problem of poaching and illegal trade. These are fantastic achievements and none of this would be possible without a team of dedicated and committed prosecutors”, Pataki said.

The seminar had as its main objective to assess the progress of the Wildlife Crime Processing Support Programme, to understand and analyse the current situation of wildlife crimes, and to strengthen the role of the Public Prosecutor's Office in the prevention and repression of the crimes in question.

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## **New factory in Palma to produce uniforms**

The “Mozambique LNG” project, operated by the French oil and gas company TotalEnergies, has financed a factory to produce uniforms and individual protective equipment on an industrial scale in Palma district, in the northern province of Cabo Delgado.

The factory intends to supply its products to the companies working on the extraction and liquefaction of natural gas in the Rovuma Basin, off the Cabo Delgado coast.

Costing US\$230,000, the factory was financed under the Mozambique LNG initiative “Pamoja Tunaweza” (Swahili for “together we can do it”).

According to a report in the Maputo daily “Noticias” on 13 December, the factory employs 30 workers from Palma, including 21 tailors who had previously worked in the informal sector. They will be trained in advanced sewing techniques, enabling them to produce uniforms according to specific industry standards.

In addition to building the infrastructure, the investment includes the acquisition of industrial sewing machines and raw materials for the initial production of 1,000 sets of uniforms. At the same time, a small company is being set up by tailors benefitting from the project, which will manage the business.

In line with local content initiatives, it is envisaged that the company will be the preferential supplier of uniforms and personal protection equipment to various industries to be set up in Palma in particular, and in Cabo Delgado in general. The project will help stimulate the socio-economic development of Palma by creating sustainable jobs for local tailors and generating income. It will also contribute to a culture of workplace safety by increasing the availability of uniforms and individual protection equipment at a low cost.

“There is high potential for the growth and expansion of this business to other districts of Cabo Delgado and of Mozambique in general. The vision of the project is “Uniforms from Palma for the rest of the world”, says a note from TotalEnergies.

## **Port of Nacala to double cargo handling capacity**

The northern port of Nacala plans to increase its cargo handling capacity from 100,000 TEU (twenty-foot equivalent unit) yearly to 252,000 TEU, a growth of over 150 per cent after the conclusion next March of the rehabilitation, expansion, and modernisation works.

This information was revealed on 12 December by the director of the Project for the Rehabilitation of Nacala Port, Edgar Jorge, during a working visit of a delegation from the Japanese Embassy to the port. The rehabilitation is funded by the Japanese International Cooperation Agency (JICA), which has disbursed US\$277.5 million for the work.

Jorge acknowledged that it will not be possible to conclude the work by 24 December 24, as planned. “We are not going to meet the deadline. We have some small things yet to be concluded”, Jorge said in an interview

with journalists on the sidelines of the meeting. But he guaranteed that the work will be concluded by the end of March. AIM learned that the main factor in the delay was the Covid-19 pandemic which partially paralysed the work for about eight months.

According to Jorge, about 90 per cent of the work has now been done. Jorge said he believes that the actions underway will be able to attract large ships and reduce the time ships spend at the port. “We are going to open a 400 metres long quay with a depth of 14 metres. Previously we only had a depth of 10 metres or less”, he explained.

The work includes the complete rehabilitation of the port facilities, dredging, construction of access roads, and investment in equipment for greater efficiency.

The Port of Nacala is the best natural harbour in southeast Africa, so its development is expected to enhance its function as a regional entry infrastructure.

The delegation from the Japanese embassy is in Nampula to inquire about the level of execution of the projects financed by Japan. In addition to the Port of Nacala, the delegation visited Namialo, Monapo district, the location of the project for strengthening the power transmission network in the Nacala Corridor.

## **Health Ministry calls for dialogue**

The Ministry of Health on 13 December reiterated that dialogue is the best way of overcoming the differences between the government and the country’s doctors.

The Ministry’s National Director of Human Resources, Norton Pinto, reaffirmed this position in Maputo during the launch of an Ethics Code for Nursing. He was speaking on the ninth day of a doctors’ strike called by the Mozambican Medical Association (AMM).

The Ministry, he said, wanted “to continue working in our noble mission regardless of the challenges, or misunderstandings or constraints that may emerge day to day, and the best approach we have identified is dialogue. Dialogue will continue to be the best path to solve the disputes that may arise”.

He urged those doctors on strike to return to work in order to meet the health requirements of the Mozambican population.

The justification for the strike is alleged irregularities in paying doctors’ wages through the new Unified Wage Table (TSU) for the public sector.

The AMM says its concerns include overtime pay, bonuses, working conditions, and incentives for research. The government, however, says it has tried to consolidate all bonuses and allowances into the basic wage and is unwilling to re-introduce bonuses.

The Health Ministry says that only a minority of doctors (no more than 14 per cent) have joined the strike, mostly in Maputo. In the northern provinces, health units are working normally, and the strike is having little impact.

Health Minister Armindo Tiago has warned that doctors on strike will not be paid for days they do not turn up for work.

## Digitalisation a priority for Mozambique

The Mozambican government will continue to regard digitalisation as a priority to make the economy more productive, resilient, and competitive pledged the Minister of Transport and Communications, Mateus Magala, in Maputo on 12 December.

He was speaking at the launch of the Project for Digital Acceleration in Mozambique (PADIM), which seeks to support reforms in telecommunications by expanding access to broadband to more than two million Mozambicans by 2028 and ensuring greater internet velocity at low prices.

The project, budgeted at US\$200 million, is financed by the World Bank and will last for six years.

Magala told the launch ceremony that the project intends to increase digital inclusion and create the base for accelerated digital transformation of the economy in selected strategic sectors. “We are convinced that digital transformation will greatly influence compliance with our targets for information and communication technologies and support implementation of the United Nations’ Sustainable Development Goals”, he said.

For Magala, Mozambique should capitalise on this project to embark on “the fourth industrial revolution, which will only be possible for those nations which digitalise in the first place, because without digitalisation – which is the third industrial revolution – there will be no fourth industrial revolution, characterised mainly by a fusion between the digital, physical, and biological elements”.

“Our vision is to accept, ever more proactively, our dynamising role in the economy through this project, by providing good quality, secure, and resilient telecommunications infrastructures to support the process leading to the effective and sustainable digitalisation of the country”.

Magala recognised that, in addition to Internet access, the public must possess digital literacy as well as own some electronic equipment.

He admitted that with the continued expansion of access to the Internet and greater digitalisation of the economy would come increased risks and points of vulnerability. “So, in coordination with other government institutions, we shall promote programmes and reforms that simulate greater access to the Internet and electronic equipment at accessible prices, particularly for vulnerable communities, schools, professional training institutions, and for groups such as women and girls, and disabled people”.

World Bank representative Zayra Romo said that PADIM will allow many more Mozambicans to go online and acquire the skills to use, confidently and safely, digital technologies to communicate, access information and services, and increase their income potential. “This investment in digital technologies is a step on the path to a more modern public sector, accessible to everybody”, said Romo. “This project will also forge a more vibrant digital economy in Mozambique, which will help attain rapid and inclusive economic growth”.

## President calls for end to corruption

President Filipe Nyusi regards corruption as a worldwide scourge from which Mozambique is not exempt. Speaking in Mossuril, in the northern province of Nampula, where he chaired ceremonies marking International Anti-Corruption Day, celebrated on 9 December every year, President Nyusi said corruption is a major obstacle to development, and all three state powers, the executive, the legislative, and the judiciary, should adopt measures of prevention, striking both at those who corrupt and those who are corrupted.

There had been frequent calls to bring an end to corruption, said President Nyusi. “We must act in a different way to root out this evil so that our country can be considered free of corruption”, he declared. “We must be capable of strengthening our institutions, contributing to the dissemination of the culture of ethics and integrity. But that can only be done by those who have been disinfected of corruption”.

He called for an improvement in the relations between the public and private sectors so that they establish mutual links of trust. “We urge the three powers, the legislative, the judiciary and the executive, from central to local level, companies, civil society and socio-professional organisations, and the public at large to master and deepen the strategy to prevent and fight against corruption”, said President Nyusi.

In particular, he encouraged the judiciary “to continue adopting measures that increase integrity, and prevent corruption within the judicial system itself”.

President Nyusi recalled that two years ago he had urged the consolidation of a culture of transparency in the management of public assets and accountability. Those appeals remain relevant, he stressed. “Integrity is the principle that confers capacity on an organisation to avoid ethical deviations, fraud, and corruption”, he said. “If, on the one hand, corruption may be understood as the abuse of public power or the use of public position for private gains, including bribery, embezzlement, extortion, and blackmail, on the other hand, integrity may be considered as the opposite of corruption, and its absence may empower corruption”.

President Nyusi said the judiciary is a credible institution that is well aware of the risks to which it is exposed. “That is why we need preventive measures that deal meticulously and daily with risk management”, he stressed. “The judiciary is of essential importance in the fight against corruption and for the maintenance of the democratic rule of law”.

To improve the morale of society, the justice system must be seen as an institution that induces integrity, President Nyusi continued, and “the public, in general, should be aware of the negative impact and the consequences of corruption not only in the judiciary but throughout society”.

“Hence our understanding that the system of integrity is essential so that we may have full justice, and so that we can fight corruption through a culture of integrity”, he declared.

## Irregularities in tax registration hinder access to credit

Most small and medium-sized enterprises (SMEs) in Mozambique do not have access to financial credit due to irregularities in tax registration, a fact that hinders the quick growth of the business environment in the country.

“There is a lot of informal business that needs to be regularised so that companies can follow all the tax procedures”, said the Representative of the Reforms Coordination Office, Joao Macaringue, at the business debate held on 9 December in Maputo on the implementation of the Economic Acceleration Package of Measures announced in July by President Filipe Nyusi.

“We have to work so that traders are encouraged to register their economic activities. In fact, what discourages them are the immediate charges”, the representative added.

For Macaringue, there is a need to adopt policies to encourage the registration of economic activities. “It is not enough to use the municipal police to run after traders”, he insisted.

“Some traders register their activities but, due to the absence of incentives for them to remain in the system, they end up leaving”, Macaringue said, adding that Mozambique should adopt mechanisms that consist of exempting newly registered companies from paying taxes for one year, similar to other countries.

“This is the only way that we can keep small companies in the formal system. Within the system, companies will be able to contribute continuously, but we have to open space so that they can grow”, the source urged.

For his part, the Chairperson of the Association of European Businessmen in Mozambique (EUROCAM), Simone Santi, called for the minimisation of bureaucracy in the registration of foreign companies, eventually asking for visa exemption for European countries with business interests in Mozambique. “We have to reduce political bureaucracy... we have to know that diplomacy is different from business”, Santi said, stressing that “businesspeople work with numbers.”

According to the chairperson of EUROCAM, European countries continue to be highly interested in investing in the energy area, taking into account that Mozambique has already started exporting liquefied natural gas from the Rovuma basin, in a project that will produce 3.4 million tonnes of LNG per year, led by the Italian energy company ENI. “We want to continue to invest in Mozambique, especially in the energy area where we have major operators: TotalEnergies, ENI, Galp. Mozambique is positioning itself as an exporter of natural gas to Europe and this is an important sign”, Santi said.

The first cargo of liquefied natural gas extracted by the Mozambique LNG venture, in the Coral Sul field, off the coast of the northern province of Cabo Delgado, has already arrived in Bilbao, Spain.

## Rail-port corridors should be hubs for development

Prime Minister Adriano Maleiane on 7 December in Maputo challenged the newly formed Mozambique Rail and Port Institute (IFEPOM) to establish mechanisms to ensure the development of rail and port corridors.

Prime Minister Maleiane launched the challenge during the induction of the President of the IFEPOM Board of Directors, Carlos Nhangou.

“The inductee, in coordination with other stakeholders, should establish mechanisms which ensure that the corridors can be Development Hubs, taking into account the role of the infrastructure at the national level and in regional logistics”, he said.

According to Maleiane, the process of implementing the Mozambique Rail and Port Institute entails several challenges typical of a new institution. “Thus, we recommend that it immediately begin the conception of normative instruments that are currently lacking, at the same time that it actively participates in the mobilisation of the technical framework and constitution of the bodies necessary for the full operation of the institution”, he said.

Within the compliance of these and other tasks, Maleiane added, “the incumbent should be guided by a results-oriented direction, favouring teamwork, as well as ensuring the good management of public assets”.

He explained that the creation of IFEPOM also aims at providing the country with a regulatory institution that defines the rules of the exercise of rail and port activities as well as supervising the observance of technical standards and rail and port safety.

With IFEPOM, Maleiane said, the government hopes to improve the mechanisms for regulating rail and port activities to promote and safeguard the participation of the private sector, thus ensuring that farming out these facilities to private companies complies with all applicable standards and rules, without prejudice to the defence and protection of the public interest.

“It is the responsibility of the regulator of rail and port activities to ensure that in all concessions there is an economic and financial balance between the tariffs charged by the concessionary company for services rendered to users and the rents paid to the State for the use of the assets under concession”, he said.

In the Government's view, according to the Prime Minister, the creation of IFEPOM also aims at perfecting policies, norms, and actions that allow capitalising, more and more, on the potential of the Mozambican rail corridors. This will encourage transport logistics to and from the hinterland, and boost industry, agriculture, tourism and other activities that are key to the development of Mozambique.

According to Maleiane, it was to ensure greater regulation, efficiency, and specialisation that the Government restructured the National Institute of Land Transport (INATTER), opening space for the creation of the Road Transport Institute (INATRO) and the Rail and Ports Institute (IFEPOM).

## Smart city to be built in Marracuene

A “smart ecological city” planned for the southern district of Marracuene will cost US\$3.5 billion according to a report on 8 December in the newsheet “Carta de Mocambique”.

The Executive Director of “Uxene Smart City”, Henrique Bettencourt, presenting the project in Maputo on 6 December, said it will be set up on an area of 610 hectares and will accommodate over 100,000 inhabitants.

Bettencourt said 179.2 hectares will be occupied by housing, 105 hectares by the road network, 59.6 hectares by a golf course, and 43 hectares by an ecological park. The logistics park will cover 23 hectares, while a commercial centre will occupy 20.7 hectares. 11 hectares will be reserved for a future university campus.

“Uxene Smart City will have a fire brigade, a university with up to 9,000 students, a general hospital (with up to 150 beds), a police station, a housing area, a business centre, a logistics park, a golf course, an ecological park, and green spaces for leisure”, said Bettencourt.

Speaking to over 900 guests, including government members, diplomats, businesspeople and journalists, he said it is intended to build a “smart” city, in that it will prioritise the use of renewable energies. To this end, a solar power station will be installed.

Bettencourt said the first phase of the project will be launched on 29 May 2023. This phase is budgeted at US\$600 million and will take five years to build. Primacy will be given to the logistics park which will serve not only Uxene but also the surrounding communities.

Bettencourt said his company is relying on several partners, including the mobile phone company Vodacom, the Higher Polytechnical Institute of Mozambique (ISCTEM), the transport operator Metro Bus, and the government’s Water Supply Assets and Investment Fund (FIPAG).

Among the foreign partners involved are the Chinese companies China Railway 4, Huawei, and Gregori International. During the ceremony, Uxene Smart City signed memorandums of understanding with 11 partners.

The chairperson of the Board of Directors of Uxene Smart City, Michel Ussene, said it would be “a city within a city”, as part of the Maputo Greater Metropolitan Area. He described it as “a new African rebirth”, aimed at humanised and intelligent urban development for the 21st century. “We are building the Africa of tomorrow!”, Ussene declared.

The Marracuene district administrator, Shafee Sidat, said the executive welcomes the project, as it will drive economic and social development in the district and help accommodate Marracuene’s rapid population growth. Sidat said the population of Marracuene grew from 230,000 in 2019 to 274,000 this year.

Over a period of 15 years, it is expected that Uxene Smart City will create 6,500 jobs directly and 20,000 indirectly.

## Tirupati Graphite raises finance for acquisition

The British graphite company Tirupati Graphite has raised five million pounds (US\$ 6.1 million) through an institutional and private placing of 14,285,714 new ordinary shares at 35 pence each.

Tirupati explained in a note to investors that the funds will ensure that the company has the resources to meet all its obligations to complete the 3.5 million pound acquisition of Suni Resources along with working capital to develop Suni’s graphite mining projects.

Suni is the Mozambican subsidiary of Battery Minerals which holds concessions to mine graphite at Balama and Montepuez in the northern province of Cabo Delgado.

The government regulator, the National Mining Institute, has confirmed that it intends to approve the transfer of the mining concessions from Suni to Tirupati after it is provided with a bank guarantee for 76 million meticais (US\$1.2 million) to cover the granting of the mining concession for the Balama Central project and the settlement of capital gains tax of around 107 million meticais.

According to the chief executive of Tirupati Graphite, Shishir Poddar, “we are delighted to have received institutional and other investor support for the fundraise, which provides us with the financial resources to meet the obligations towards the completion of the Suni transaction”. Poddar explained that “the Balama Central and Montepuez Projects which are held by Suni Resources, are both fully licensed for construction to 150,000 tonnes per annum flake graphite production capacity. At Montepuez, construction of the first 50,000 tonnes per annum module was initiated by Battery with plant development and tailing pond construction completed and base camp residential facilities for 100 persons built”.

He added that “we are excited to now be in a position to push on with the completion of the Suni acquisition which will enable us to add these projects into the Tirupati Graphite portfolio and we believe the acquisition of these projects will put the company in a strong position to progress its ongoing discussions with the electric vehicle sector in addition to others”.

In a separate statement, the chairperson of the board of Battery Minerals, David Flanagan, said “we would also like to thank the Mozambican government for their assistance in this process which will ultimately deliver a new world-class graphite project in Mozambique”.

Mozambique is a major global source of the strategic mineral graphite with Syrah Resources’ project, which is also located at Balama, having the capacity to produce 350,000 tonnes of graphite concentrate per year over its mine life of fifty years. In addition, Triton Minerals has confirmed that it is to develop its graphite project, also in Cabo Delgado, with a planned production of 50,000 tonnes of concentrate per year.

Graphite is a form of carbon that is highly valued due to its properties as a conductor of electricity. It is used in batteries and fuel cells and is the basis for the “miracle material” graphene.

## Cost of living will increase in 2023, warns PM

The cost of living will continue to increase in 2023 Mozambique Prime Minister Adriano Maleiane on 9 December. Speaking in the country's parliament, the Assembly of the Republic, where he presented the government's Economic and Social Plan and the State Budget for 2023, Prime Minister Maleiane said the annual rate of inflation could reach 11.5 per cent next year, compared with 10.7 per cent this year. GDP is expected to grow by five per cent.

The government, said Maleiane, had drawn up its plan and budget in an international context strongly marked by the consequences of the conflict in Ukraine, the prevalence of terrorist raids in the northern Mozambique province of Cabo Delgado, and an increase in extreme weather events arising from climate change. All this worsened the already complex challenges of managing Mozambique public finances.

Maleiane believed that in 2023 economic growth will rely on greater dynamism of private investment, notably in agriculture, industry and construction. To stimulate the economy, the government intends to make available to the private sector business opportunities valued at 134.2 billion meticaïs (US\$2.1 billion) for the provision of goods, services and investments.

"Because of the growth in foreign demand, the higher prices on the international market, and the start of operations of the floating liquefied natural gas (LNG) platform, an increase is forecast in the export of goods and services", said the Prime Minister. This would be a "historic reduction" in the deficit on the Mozambique balance of trade.

The 2023 budget puts total public expenditure for the year at 472.1 billion meticaïs: 26 per cent of the budget will go to education and 13 per cent to health, the Minister of Economy and Finance, Max Tonela, told the Assembly. "The government is continuing to bank on financing the social sectors", Tonela said, "particularly education, health and social welfare, seeking to provide primary services to the public". He added that the investment in roads and bridges envisaged for 2023 is over 500 billion meticaïs.

## US provides coastal patrol boat to Mozambique Navy

The United States government has provided a 10-metre-long coastal patrol boat to the Mozambique Navy as part of the ongoing security cooperation between the two countries. In addition to the boat, according to a statement from the US Embassy in Maputo, Mozambique Navy officers will participate in training offered by the US manufacturer SAFE Boat International.

The high-speed boat is valued at US\$700,000 and is for interception and maritime boarding operations.

At the handover, US Ambassador Peter Vrooman said that the vessel will enhance maritime security and enable naval forces to respond to increasingly complex

challenges and threats. "We provide training and educational opportunities for Mozambique and American soldiers, sailors, and marines who choose to serve their country. Together, we are working towards a stronger and more resilient Mozambique", the diplomat said.

He also explained that the donation is part of a broader set of security assistance programmes designed to increase the resilience of the Mozambique Navy in the fight against terrorism and transnational organised crime throughout the country. "These programmes include International Military Training and Education (IMET), three Combined Joint Exchange Training (JCET) programmes, a Maritime Maintenance and Logistics Advisory programme, and equipment donations designed to enhance, maintain and support the Navy in the execution of its defence strategy", he said.

## Mozambique launches eVisa platform

Mozambique has launched a new online platform for the issuing of electronic visas. Foreign nationals wishing to visit Mozambique for tourism, business, and investment will be able to receive pre-approval for visas through the online platform [evisa.gov.mz](http://evisa.gov.mz). The applicant is required to upload various digital copies of documents such as a copy of passport, air ticket, and proof of accommodation. If everything is in order, within five working days the applicant will receive confirmation of preapproval by email and a barcode to present to immigration authorities at the Mozambique border.

After payment of the fee at the border post, the National Immigration Service (SENAMI) proceeds to issue the visa allowing entry into the country.

The eVisa platform is part of the government's Economic Acceleration Stimulus Package and was launched by President Filipe Nyusi at the opening of the Coordinating Council of the Ministry of the Interior.

President Nyusi explained that the measure will increase the efficiency and effectiveness of the provision of services to national and foreign citizens, through the implementation of good practices for the reduction of red tape, contributing to the improvement of the business environment, economic diversification, and good governance. In addition, the simplification of the procedures for obtaining visas will greatly boost tourism.

The President called on SENAMI staff to provide a high-quality service, to be flexible, and always focus on finding solutions rather than creating difficulties. He added that all SENAMI employees should be proactive to make the eVisa platform the national brand that the country needs to change the course of its history in relation to attracting foreign investment without neglecting the security of its borders.

Citizens of many countries do not require a visa to enter Mozambique for trips of less than thirty days, including those from the Southern African Development Community (SADC) states, Brazil, Portugal, Kenya, Cape Verde, and Cuba.

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## **USAID announces malaria capacity strengthening programme**

The United States Agency for International Development (USAID), announced on 12 December the USAID Malaria Capacity Strengthening (MCAPS) programme. This is a five-year initiative to improve the quality of malaria services in Mozambique, which forms part of the broader US President's Malaria Initiative (PMI) to eliminate malaria.

A press release from the US embassy notes that Mozambique has made considerable progress toward reducing malaria deaths, which fell from 970 in 2018 to 408 in 2021. However, Mozambique is one of six countries accounting for more than half of all global malaria cases.

The MCAPS programme will be implemented by MCD Global Health (which is a public health non-profit organisation and member of the National Network of Public Health Institutes) in the worst-hit Mozambican provinces (Nampula, Zambezia and Manica). It will work with a variety of non-governmental partners, and with the Ministry of Health's National Malaria Control Program at national, provincial, and district levels.

This consortium, the release says, "will work with and support health facilities to provide higher-quality malaria health services, improving Mozambicans' health and well-being. This will not only include training, coaching, and mentoring of health workers, but also activities such as updating national guidelines and policies, and improving systems for how malaria data is collected and used across districts and health facilities in Nampula, Zambezia, and Manica provinces".

USAID, the release adds, is investing more than US\$29.9 million in this programme over the next five years.

The US President's Malaria Initiative supports 24 partner countries in sub-Saharan Africa and 3 programmes in the Greater Mekong Subregion in Southeast Asia to control and eliminate malaria.

## **USAID local governance programme expands**

The United States embassy in Maputo has announced the launch of the second phase of the USAID Local Governance Strengthening (LOGOS) project.

The launch ceremony took place during the visit to the northern province of Cabo Delgado of Maria Detherage, the senior official for southern Africa of the United States Agency for International Development (USAID). This second phase expands the LOGOS technical assistance for local government officials to Cabo Delgado and includes donated computer equipment for the provincial government.

"Partnering to support democratic governance is a top priority for the US Government," stated Detherage.

"USAID believes and invests in the power of local governance. In partnership with the Government of Mozambique and in support of the national decentralisation agenda, the expansion of the LOGOS program offers an opportunity to improve the delivery of basic services, such as health, education, water, and sanitation, as well as increase transparency and accountability to citizens".

According to a US embassy release, the LOGOS project "provides technical assistance to local officials to improve strategic planning processes, improve planning and budget processes, collection and management of local revenues, and strengthen accountability on service delivery in education, health, and water, sanitation and hygiene".

This phase of the project is a US\$10.5 million investment that supports Nampula, Zambezia and Cabo Delgado Provinces and targets districts affected by Islamist terrorism.

"Technical assistance to these provincial and district officials includes training to improve budget and planning processes, the introduction of financial management systems, and other tools to build responsive local governments", said the release. "The project will continue to improve social accountability mechanisms and citizen capacity to meaningfully participate in governance processes at provincial, district and municipal levels and support the government entities of these provinces to improve their effectiveness and ability to address the root causes of the violent extremism".

## **Tobacco and sesame generate over US\$2 million in Niassa**

Producers based in Mavago district, in the northern province of Niassa, earned 170 million meticaais (US\$2.6 million) from the sale of sesame and tobacco during the 2021/22 agricultural season.

According to the Mavago District Administrator, Momade Cadre, Mozambique Leaf Tobacco (MLT), the company behind tobacco production, paid producers an estimated 98 million meticaais, for 150,000 tonnes of tobacco.

Cadre said the sale of about 900 tons of sesame provided Mavago producers with a further 70 million meticaais. The buyers came mostly from Cuamba district and parts of the neighbouring province of Nampula.

"We are satisfied because the amount collected by the producers is contributing to the improvement of the living conditions of their families and is boosting the local economy", Cadre said. The revenue collected by the producers, he added, is intended largely for buying building materials to improve their homes. About 3,655 producers were involved in this campaign.