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Government sets growth target of 6.2 per cent

The Mozambican government has set a target for economic growth this year of 6.2 per cent, much the same as the 6.1 per cent growth rate recorded in 2009. Introducing the 2010 Economic and Social Plan on 14 April in Mozambique's parliament, the Assembly of the Republic, Prime Minister Aires Ali said the country should export goods to the value of \$2.142 billion, which would be a ten per cent increase on the 2009 figure.

The government's target is to restrict average annual inflation to no more than 9.5 per cent. Inflation in 2009 was 3.3 per cent, the lowest since the transition from a planned to a market economy began in 1987. However, this low figure was in part due to a fuel subsidy that pegged fuel prices to their March 2009 level. The fuel subsidy is being removed, and the government has also unfrozen water and electricity prices. Nonetheless, Ali did not believe that this would lead to runaway inflation.

Growth in 2010 will be heavily dependent on agriculture. The target is for a growth in agricultural production of 11.9 per cent – but this figure already looks compromised because of the drought that has hit large areas of southern and central Mozambique.

The other major area of growth is the extractive industries. The target here is for a leap of 41.7 per cent. This is based on increased exploitation of natural gas, greater production of titanium ores from the Moma heavy mineral sands in Nampula province, and the start of large-scale coal mining operations in Tete province.

Electricity production is planned to rise by 13.9 per cent, transport and communications by 9.2 per cent (largely because of the reconstruction of the Sena rail line between Beira and the Moatize coal basin), government services by 11.9 per cent, and trade by 7.4 per cent.

Manufacturing is expected to grow by 3.4 per cent, fisheries by 4.1 per cent, and construction by 4.1 per cent.

The government plans to build 1,200 new water sources, and to rehabilitate 572 existing wells and boreholes. Explaining the plan in detail, the Minister of Planning and Development, Aiuba Cuereneia, said that these efforts would bring safe drinking water to 900,000 new consumers, and raise the coverage rate to 56.6 per cent of the rural population.

In the towns and cities, 29,000 homes will be connected to the water supply and 198 public standpipes will be built or rehabilitated. A quarter of a million people would benefit from these improvements, said Cuereneia,

and by the end of the year clean water would be available for 64 per cent of the urban population.

Nine hundred new schools should be built this year, bringing the total number of primary and secondary schools to 13,906. The vast majority of these (10,448) are first level primary schools, teaching grades one to five. However, since the vast majority of pupils of primary school age are now studying (an enrolment rate of 99.5 per cent is expected this year), the pace of building new primary schools has slackened, making it possible to switch resources to secondary schools.

There will be a 4.2 per cent increase in the number of first level primary schools, but a 14.4 per cent increase in first cycle secondary schools (grades 8-10), and a 23.3 per cent increase in second cycle secondary schools (grades 11-12). Even so, there will still only be 468 secondary schools in the entire country. The total number of pupils in primary and secondary education is expected to rise from 5.5 million last year to just over six million this year.

The budget for 2010 is once again characterized by a large deficit, which must be covered by foreign grants and loans.

Finance Minister Manuel Chang said that state domestic revenue is expected to reach 57.43 billion meticaís (about \$1.95 million), which is equivalent to 18.8 per cent of GDP. If achieved, this would be a considerable improvement on 2009, when revenue was 47.4 billion meticaís, or 18.1 per cent of GDP. However, the public expenditure planned for this year amounts to 117.98 billion meticaís, leaving a deficit of 60.5 billion meticaís.

Chang said the budget allows the state to recruit a further 17,000 workers for the public administration this year. Twelve thousand of these will be teachers and other education workers, and 1,000 will be health workers.

This is a condensed version of the AIM daily news service – for details contact aim@aim.org.mz

Assembly elects members of Council of State

The Assembly of the Republic on 22 April elected seven members to the Council of State, a body that advises the President of the Republic.

In reality, this is not an election but an appointment by the two main parliamentary groups: the ruling Frelimo Party and the largest opposition Renamo. As with all bodies to which the Assembly appoints members, they are chosen in proportion to the number of seats each party holds. Thus, Frelimo appointed five of the seven Council members, and Renamo two. With only eight deputies, the third parliamentary group, the Mozambique Democratic Movement (MDM), made no appointments.

The seven Council of State members elected were:

Frelimo nominees:

- Deolinda Guezimane: veteran of the women's detachment in the Frelimo guerrilla army, in the war for Mozambican independence;
- Luisa Diogo: former Prime Minister, and member of the Frelimo Political Commission;
- Cardinal Alexandre dos Santos: retired catholic Archbishop of Maputo;
- Rev. Dinis Sengulane: Anglican bishop of the Libombos diocese, and former President of the Mozambique Christian Council;
- Sheik Abdurrazaque Ali Salimo: a former political prisoner arrested by the Portuguese political police, the PIDE, for his Frelimo sympathies, and now a prominent figure in the Islamic Congress of Mozambique.

Renamo nominees:

- Antonio Muchanga: Renamo parliamentary deputy between 2005 and 2009;
- Manuel Lole: Renamo parliamentary deputy between 2005 and 2009, and a member of the Renamo political commission

Of these seven people, Guezimane and Cardinal dos Santos were also members of the first Council of State, which sat from 2005 to the present.

Sitting on the Council of the State *ex officio* are the chairperson of the Assembly of the Republic (Veronica Macamo), the Prime Minister (Aires Ali), the President of the Constitutional Council (Luis Mondlane), former heads of state (Joaquim Chissano), former chairpersons of the Assembly (Marcelino dos Santos and Eduardo Mulembue), and the runner-up in the last presidential election (Renamo leader Afonso Dhlakama). There are also four members yet to be appointed by President Armando Guebuza.

Under the Constitution, President Guebuza must consult with the Council of State on the date of general elections, any dissolution of the Assembly, any declaration of war, or of a state of siege or of emergency, or on holding any referendum. He may also call Council meetings to seek advice at any time he deems fit.

Of the events that must be preceded by Council meetings, the only one that is certain is the next general election, due in 2014. President Guebuza will have to discuss the date with the Council.

The first Council of State met on just three occasions, much to Renamo's annoyance. Renamo deputy Francisco Maingue demanded that the Council should discuss crime and corruption and should legally be obliged to meet several times a year.

That, however, would require changing the law and the very nature of the Council. The fact that the Council met so infrequently could be regarded as positive, since it means that over the past five years the country faced no major political crisis.

Defence and Security Council appointed

The Assembly of the Republic has also appointed its five members of the National Defence and Security Council (CNDS), the consultative body that deals with matters concerning national sovereignty, territorial integrity and security. The appointments were made in proportion to the number of seats held by each parliamentary party. Thus, Frelimo appointed four members, with Renamo appointing the fifth member.

The Frelimo appointees were:

- Jacinto Veloso: former Minister of Security. Veloso was once a member of the Portuguese air force, and defected to Frelimo in spectacular fashion, by hijacking an air force plane and flying it to Dar es Salaam in 1963.
- Joaquim Munhepe: head of communications in the Frelimo guerrilla army during the war for Mozambican independence, and later Secretary of State for Communications in the Defence Ministry.
- Marina Pachinuapa: a commander of the Frelimo women's detachment during the guerrilla war and a founder member of the Mozambican Women's Organisation (OMM).
- Jose Moiane: commander of operations in Tete province during the independence war, later governor of Manica and then Maputo provinces.

The Renamo appointee was:

- Rogerio Vicente: Renamo head of operations in the closing years of the war of destabilisation. He was the only person who stood against Afonso Dhlakama for the post of Renamo President at the party's congress in July 2009, and was overwhelmingly defeated.

According to the Constitution, the opinion of the CNDS must be sought before any declaration of war, and on any suspension of constitutional guarantees, or of a state of siege or of emergency.

It should also give its opinion about Mozambican participation in peace-keeping missions abroad, and about the use of protected areas intended for defence and security purposes.

The Council should also "analyse and accompany initiatives of other state bodies that seek to guarantee the consolidation of national unity, the strengthening of democratic political power, and the maintenance of law and order".

New Xai-Xai water system inaugurated

Minister of Public Works Cadmiel Mutemba on 19 April inaugurated a new water supply system in the city of Xai-Xai, capital of the southern province of Gaza.

The city's old water system was severely damaged in the catastrophic Limpopo floods of February 2000. Emergency repairs were undertaken with support from the European Union, the United Nations Children's Fund (UNICEF) and the British-based charity, Oxfam.

The new system has been financed by the Mozambican government and by the African Development Bank (ADB). The first phase, from 2005 to 2007, cost 111.4 million meticaís (about \$4.4 million at the exchange rate of the time), and the contractor hired was the China Geo-Engineering Corporation.

The contract for the second phase, from August 2008 to December 2009, went to a second Chinese company, the China Henan International Corporation Group (CHICO), and cost 157.7 million meticaís.

In all, the new system has a distribution network consisting of 388 kilometres of pipes, 11,708 connections and 83 standpipes. The water is drawn from 24 boreholes, and sent to its destinations via 12 distribution centres.

Under phase 1, the production capacity of the system was raised from 6,600 to 13,300 cubic metres of water a day, and under phase two this has reached 31,000 cubic metres a day. Xai-Xai now has a reliable water supply 24 hours a day (compared with nine hours a day in 2004).

Currently the system reaches 82 per cent of the 182,758 people living in the city and the surrounding area, but FIPAG (the government's Water Supply Assets and Investment Fund) says it can potentially supply 100 per cent of this population.

Further work on the system is envisaged for 2010, financed by the Mozambican and Dutch government, including the extension of the distribution network to new areas, with new home connections, and the drilling of a borehole in Chicumbane locality.

Dramatic increase in Maputo water supply

The Mozambican government and foreign donors and funding agencies are investing €95 million (about \$129 million) to rehabilitate and expand the water supply system for the cities of Maputo and Matola and the neighbouring town of Boane, more than doubling the number of people in the Greater Maputo area with access to safe drinking water.

On 12 April the Minister of Public Works and Housing, Cadmiel Muthemba, laid the first stone for this project, which should be completed by the end of 2011.

A new water treatment station will be built on the Umbeluzi River, a new water main will carry water from the Umbeluzi to Matola, and the existing mains will be rehabilitated. New distribution centres for Matola and Boane will be built in the neighbourhoods of Tsalala, Belo Horizonte and Matola-Rio. The project also envisages installing 16 small-scale autonomous systems in parts of the cities not yet reached by the public network.

A total of 680 kilometres of pipes will be installed or rehabilitated. It is expected that, at the end of the project, the number of consumers benefiting from clean drinking water in the area will rise from the current 670,000 to 1.5

million. (The total population of Maputo, Matola and Boane is about two million).

Water will become available for 24 hours a day (rather than the current 12 hours), and it is hoped that there will be a 25 per cent reduction in water losses.

The Mozambican government is financing 13.8 per cent of the project. The donors and funding agencies involved are the European Investment Bank (31 per cent), the European Union (25 per cent), the Dutch government (18.6 per cent), and the French Development Agency (6.6 per cent).

District hospitals need equipping

The Mozambican government wants all 128 districts in the country to possess hospitals that are equipped with at least two operating rooms, X-Ray facilities and a laboratory, said Health Minister Ivo Garrido on 21 April during a meeting of his Ministry's Coordinating Council.

Garrido pointed out that the geographical coverage of health infrastructures - hospitals, rural and urban health centres and medical stores - is still far from adequate. He said that Mozambique needs at least 700 more health centres in rural areas, where the majority of the population lives.

Garrido said that during the next five years, the government is to build new general hospitals in Beira and Nampula (these will supplement the existing central hospitals in these two cities).

Speaking to the opening session on 20 April, Garrido said that all districts now have at least one medical doctor. The last district to receive a doctor was Meluco, in Cabo Delgado province. With the placing of a doctor there a few weeks ago, all the districts were covered.

Several districts have more than one doctor, and doctors are now being placed at the next rung down the ladder of local government, the administrative posts. Examples of districts where doctors are being stationed in the administrative posts are Magude in Maputo province, Mecanhelas (Niassa), Angonia (Tete), and Chiure and Ancuabe (Cabo Delgado).

In 2004, the National Health Services had 712 doctors (454 Mozambicans and 258 foreigners), and by 2009 the number had risen to 929 (735 Mozambicans and 194 foreigners). By last year the number of inhabitants per doctor had fallen to below 30,000, and today it is approaching 20,000.

Despite these advances, the health sector continues to be short of staff at all levels, said the Minister, and it still suffers from defective management and poor distribution of its human resources.

Chinese support for armed forces

The Mozambican Defence Ministry on 16 April received agricultural equipment, valued at around \$615,000, donated by the Chinese government. The equipment includes eight four-tonne trucks, eight tractors, each with a trailer, 12 motorcycles, and eight electric pumps.

On receiving the equipment, Defence Minister Filipe Nyussi said that the support will help drive a new dynamic in the productive activities under way in the defence sector, intended to contribute to the sustainability of the Mozambican armed forces (FADM), and to improve the diet of the soldiers.

Best cashew harvest of the last three years

Mozambique has harvested 95,100 tonnes of raw cashew nuts this year, the best harvest of the last three years. According to the director of the National Cashew Institute (INCAJU), Filomena Maiopue, this success was due to favourable climatic factors, the good price offered to farmers, the spraying of the trees against fungal diseases, and the cashew trees flowering out of the normal period.

Maiopue said that this year's cashew harvest is nearing the targeted 100,000 tonnes. In the 2009 cashew harvest only 64,000 tonnes were sold.

INCAJU has been spraying about 4.5 million cashew trees and promoting the plantation of a further million trees every year.

"We are facing serious climatic problems, and also uncontrolled bush fires that destroy much of our efforts", said Maiopue. "Even so, we believe that the majority of the trees are yet to reach the peak of production and thus we hope for a significant increase of production in coming years".

Maiopue also told reporters of the need to develop new varieties of trees, resistant to climatic changes, and the need to seek experiences from other countries that have succeeded in cashew production, notably Vietnam.

She added that a factor helping revive cashew production is the 18 per cent surtax on the export of unprocessed nuts, which has yielded about \$2 million this year. Of this amount 80 per cent is to be applied in improving production, while the remainder 20 per cent will go into increased the capacity of cashew factories to turn the raw nuts into processed kernels.

She said that farmers were encouraged by the jump in prices for their nuts. The cashew price increased from five meticaís (about 15 US cents) a kilo last year to 11 meticaís this year.

Joint visa for six SADC countries

Mozambique is among the first group of six member states of the Southern African Development Community (SADC) who intend to introduce a single visa, allowing tourists to visit all of them on the same entry visa.

According to the Permanent Secretary in the Ministry of Tourism, Fernanda Matsinha the single visa, known as Univisa, will in its pilot phase cover Mozambique, South Africa, Zimbabwe, Namibia, Botswana and Swaziland.

It is to be introduced by June, so that tourists visiting South Africa for the football World Cup will be able to take advantage of it.

Univisa is aimed at tourists from Europe and the United States, giving them great flexibility in the dates for entering and leaving each of the countries in the scheme.

Prisoners tell minister of beatings

Justice Minister Benvinda Levi on 16 April visited the Maputo top security prison, where she spoke to prisoners with horrifying stories of beatings and other torture at the hands of prison guards.

Speaking to reporters who accompanied her to the prison, Levi said she had been alerted to the tortures by the Mozambican Human Rights League (LDH).

The seven prisoners who spoke to Levi told her of beatings on 31 March and 4 and 7 April. Five of the men were tortured because they were found in possession of mobile phones in their cells, which are strictly forbidden. A sixth man said he was beaten because he was late returning to his cell after spending time in the prison yard. The seventh said he had no idea why he was beaten.

Levi recognised that the rules for treating prisoners had been broken. Seven prison guards are under investigation. She said that the guards know perfectly well that they are not allowed to beat prisoners.

Assembly votes for MDM parliamentary group

The Assembly of the Republic on 21 April amended its standing orders to allow the eight deputies of the Mozambique Democratic Movement (MDM) to form an officially recognised parliamentary group, with the same rights and privileges as the existing parliamentary groups of the ruling Frelimo Party and of Renamo.

The standing orders of 2007 said that, in order to form a recognised parliamentary group, the party or coalition concerned must have at least 11 deputies.

However, the MDM argued that this was unconstitutional. The Constitution simply states, "the deputies elected by each party may form a parliamentary group", and does not set any lower limit.

At the start of this parliamentary sitting, in February, the head of the Frelimo parliamentary group, Margarida Talapa, announced Frelimo's support for the MDM's demand. She promised that Frelimo would therefore draw up an amendment to the standing orders.

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