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Number of tourists fall but earnings increase

The number of tourists visiting Mozambique in 2010 was 28 per cent lower than in 2009. According to figures given in Maputo on 7 March at a meeting of the Coordinating Council of the Ministry of Tourism, the number of tourists declined from 2,386,226 in 2009 to 1,717,895 in 2010. According to the Minister of Tourism, Fernando Sumbana, the figures are a matter of concern, particularly since 2010 was a year of high activity for the Ministry (it had been expected, for example, that many of the football fans who visited South Africa for the World Cup would also take the opportunity to visit neighbouring countries, including Mozambique).

“We shall try to find out what happened”, said Sumbana, “since our perception, from our contacts with the tourism operators, was that performance was good in 2010”.

Among the factors which might have dissuaded tourists were the international financial crisis and the Maputo riots against price increases in September 2010.

Sumbana said that the disturbances could have had an impact – but only in the short term. “The reservations made for that week, or the two subsequent weeks may have been cancelled, because visitors changed their minds”, he said.

Only the United States and Malawi showed an increase in the number of people visiting Mozambique. Everywhere else there was a fall.

South Africa has always supplied the largest number of tourists to Mozambique – but the figure fell from 1,288,819 in 2009 to 946,583 in 2010 (a 27 per cent decline). Perhaps because of the costs of air travel, the number of European tourists fell sharply, and nowhere more so than in the case of Portugal. The number of Portuguese visiting Mozambique fell by 70 per cent, from 85,267 in 2009 to 25,810 in 2010. The number of German tourists fell from 43,252 to 23,409, and the number of British visitors from 58,450 to 50,420.

On average tourists stayed longer and spent more in 2010. The average length of stay increased from four days in 2008 to seven days in 2010, and the average spend per head rose from \$188 to \$287 per day.

It is notoriously difficult to calculate how much tourists spend, since only hotels are obliged to collect the data. Shops, restaurants and bars do not distinguish between purchases made by tourists and those made by residents.

Despite the fall in tourist numbers, the total revenue from international tourism increased. According to the Ministry, the country earned \$197.3 million from tourism in 2010, which was an increase of 0.9 per cent on the 2009 figure.

The National Director of Planning in the Ministry, Arlindo Langa, announced that, as from August, the country will have an official computerised system to manage tourist

destinations. This will allow tourists to make reservations and payments online.

The system will allow greater control of the movement of tourists – from their entry point to their departure, including where they stay and how much they spend.

Sumbana thought the new system would “revolutionise” the tourism sector, and help fight tax evasion. Currently, many tourist resorts use bookings made outside the country to evade Mozambican taxes. The money the tourists pay for their reservations remains outside the country, and is not included in the revenue figures that the resorts declare for tax purposes in Mozambique.

Sumbana thought this was why tourism is earning less than \$200 million a year. With the new system “we will be able to know what money should enter the country, and it will have to enter”, he insisted. “We shall have statistics that are closer to reality. We shall do away with the problem of leaving money outside the country without any authorisation”.

He added that in future the same system will allow the issuing of entry visas online.

Two die in crush at IURD church

Two people were crushed to death on 13 March at the opening of a gigantic church in central Maputo, belonging to the Universal Church of the Kingdom of God (IURD).

The crush occurred as thousands of people tried to enter the church to hear a service given by Edir Macedo, the founder and leader of the IURD.

The Maputo building is the largest IURD church in Africa, and can hold over 3,000 people. But it is estimated that around 10,000 turned up to the opening ceremony. Without adequate crowd control measures, people were crushed and two of them died.

Aircraft hired to repatriate immigrants

The Mozambican authorities have used four aircraft to repatriate over 400 illegal immigrants. Speaking to reporters on 8 March, police spokesperson Pedro Cossa did not give a figure for how much it cost but admitted it was not cheap”.

Over 440 Pakistanis, Indians, Bangladeshis and Chinese were deported from South Africa to Mozambique on 5 February. The Mozambicans had little choice but to accept them because their documents showed that they had entered South Africa from Mozambique.

Five buses carried them from the South African border to a camp belonging to the Mozambican customs service, in Boane district, about 30 kilometres west of Maputo. Here they were housed in tents, given meals and provided with medical care while their repatriation was prepared. All the immigrants who were in Boane have now been repatriated.

To remove the immigrants, the government hired three planes from South Africa. One flew to India, one to Pakistan and the third to Bangladesh. The fourth plane belonged to Ethiopian Airways, the company which had flown some of the migrants to Mozambique and accepted responsibility.

The 17 Chinese in the group (who included seven women) were repatriated in February, before the others.

Meanwhile Cossa confirmed that illegal immigrants, mostly from the Horn of Africa and the Great Lakes region, are continuing to enter northern Mozambique. Many are dropped by boat on the coast of Cabo Delgado province, and then make their way southwards. Many are believed to be heading for South African.

Cossa said that at the beginning of the month the police arrested around 100 illegal migrants – including citizens of Ethiopia, Burundi, Kenya, Tanzania and Bangladesh. 62 of them were arrested on 4 March at the Ligonha River, which marks the boundary between Nampula and Zambezia provinces. They were in four trucks heading southwards, and waiting to cross the river.

Cossa said that, after the arrests, some of the migrants tried to buy their release by bribing the police with 20,000 meticaís (\$645), but the bribe was rejected. He added that a Burundian arrested in Nampula offered a bribe of 5,000 meticaís but this too was rejected.

Senior Renamo member resigns in Beira

Rui Bulha, a senior member of the main opposition party, Renamo, in the central city of Beira, has resigned from the party, because he was overlooked over a vacant parliamentary seat. The vacancy followed the death of Renamo parliamentary deputy, Fernando Mbararano.

Parliamentary elections in Mozambique are held on the basis of provincial party lists. The norm is that, in the event of deaths or resignations of deputies, the next person on the list occupies the vacant seat.

Bulha claims that this means that he should have replaced Mbararano in the Mozambican parliament, the Assembly of the Republic. But instead, the vacancy has been filled, on the instructions of the Renamo leadership, by Manuel Bissopo, a former Renamo political delegate in Beira. According to Bulha, Bissopo was not even on the list of Renamo supplementary candidates for Sofala province.

Bulha blamed Renamo leader Afonso Dhlakama for the current state of the party. “Dhlakama does everything upside down, and I want to corroborate what Vitano Singano said about this”, added Bulha. Singano heads a group of Renamo dissidents in Beira, trying to remove Dhlakama from the leadership of the party.

Private water suppliers increase prices

Mozambique’s Association of Private Water Suppliers (AFORAMO) has announced a 40 per cent increase in the price of water, taking effect as from 1 May.

Currently, AFORAMO members charge 30 meticaís (slightly less than one US dollars) for a cubic metre of water. With the price rise, the cost becomes 42 meticaís per cubic metre.

Cited in the independent daily “O Pais” on 7 March, AFORAMO chairperson Paulino Cossa said that the rise in operational costs obliged the private operators to increase their prices. “The current water tariff has been in force for about five years”, he said. “The constant increase in the operating costs for small water systems means that the private operators are obliged to readjust the tariff”.

Last year, the operational costs became “unsustainable” Cossa said, and were made worse towards the end of the year by an increase in the price of electricity.

AFORAMO has presented the government with a study on the matter, and has asked the government to look at alternatives that might stave off a price rise. In particular, they suggested that the government subsidise the electricity used by the small scale water systems.

Cossa also urged the government to speed up the licensing of small scale water systems. Without a licence, a private water operator cannot obtain bank loans.

Cossa also claimed that the International Finance Corporation (IFC), the private sector funding arm of the World Bank, is interested in funding private water suppliers, but will not do so without a favourable opinion from the government.

In urban Mozambique the private businesses, drawing water from wells, supply areas where the public water network does not yet reach.

Police generals charged with theft

The Public Prosecutor’s Office has charged 13 Mozambican police generals with the theft of state funds, and the case is now before the Maputo City Court, according to a report the Maputo daily “Noticias” on 10 March.

Investigations into corruption at the general command of the Mozambican police have been running in tandem with those into the diversion of funds in the Interior Ministry.

The former Interior Minister, Almerino Manhenje, went on trial in December, accused of committing budgetary irregularities and abusing his position

Although the trial ended on 15 December, the judge will not give his verdict and sentence until 22 March.

The 13 police generals charged have not yet been named. The funds they are alleged to have stolen were intended to acquire uniforms, combat rations and other police equipment.

The money was supposedly diverted via the Logistics and Finance Directorate in the General Command of the police.

Some of the money was drained through a fictitious company, Chicamba Investments, created inside the Ministry of the Interior. The partners in this company were the generals who have now been charged. Chicamba Investments was also mentioned during Manhenje’s trial.

A source in the prosecution, cited by “Noticias”, said that, although the case against the generals arose out of the Manhenje case, they are legally quite separate. The same witnesses were being heard in both cases, “but that doesn’t mean that one depends on the other”.

It is now up to the investigating magistrate to decide whether there is enough evidence to hold a trial.

Food security must be improved

Deputy Minister of Agriculture Antonio Limbau said in Maputo on 10 March that the country's food and nutritional security must be "deeply improved".

Speaking at the launch of a new agricultural and food statistical information system, Limbau said that according to the latest survey results about 37 per cent of all households in Mozambique experience hunger at some period during the year.

"These numbers concern us", he said. "They show the need for drastic improvements in the food and nutritional security of our people".

For this to happen, he added, all the stakeholders in Mozambican agriculture must have available, in good time, accurate statistical information that can support them in making decisions.

The new system is part of an expanded programme of the United National Food and Agriculture Organization (FAO), financed by the Bill and Melinda Gates Foundation to the tune of \$5.6 million. Known as "CountrySTAT", this instrument puts onto the Internet all the country's statistics on agriculture, livestock, fisheries and food.

Margarida Marques, of the FAO office in Maputo, said that the CountrySTAT tool is now used by 200 countries, 17 of them in sub-Saharan Africa.

Laws needed to sweep away red tape

The chairperson of the Mozambican parliament, the Assembly of the Republic, Veronica Macamo, on 9 March urged deputies to help sweep away the red tape which still hinders the competitiveness of the Mozambican economy.

Addressing the opening session of the first parliamentary sitting of this year, Macamo declaring that the vulnerability of African economies "forces us to be almost perfect in what we do, particularly in institutional efforts to encourage increased levels of production and productivity, as well as in guaranteeing our external competitiveness".

"Given the current context of globalization and the shortage of capital facing our country", she added, "we should continue to pass laws with a strategic vision, which contribute towards removing red tape from procedures which will then improve the business environment".

Such laws, Macamo said, should contribute "to increasing investment, generating more wealth and multiplying employment, as a sine qua non for the success of our struggle against poverty".

"We should continue to legislate in such a way as to maintain a high level of confidence among business agents, and empower the exploitation of our mineral resources", she urged.

Turning to the visits that she and other deputies had made last month to parts of central and southern Mozambique affected by flooding, Macamo said that timely intervention by the country's relief agency, the National Disasters Management Institute (INGC), by local emergency committees, military units and community leaders "made it possible to avoid loss of life and mitigate the negative impact of the floods".

She said that the relatively small scale of the losses this rainy season was also due to farmers accepting government guidelines that they should build their main home on high ground, and just have a temporary shelter in any flood-prone areas where they are cultivating crops.

New chairman for Lower Limpopo Irrigation Scheme

Prime Minister Aires Ali on 14 March urged the board of directors of the Lower Limpopo Irrigation Scheme to ensure that this area becomes a pole of agricultural and technological development. He was speaking after swearing Armando Ussivane into office as the new chairperson of the board of this state-owned irrigation project.

Ali said that irrigation is one of the main pillars of the Green Revolution advocated by the government, being a key to increasing agricultural production and productivity.

Despite recent progress, the area under irrigation in Mozambique is still only 62,000 hectares – or about two per cent of the estimated potential of three million hectares.

The Lower Limpopo system is the second largest irrigation scheme in the country, exceeded only by the Chokwe irrigated perimeter, also in the Limpopo Valley. Ali declared that the Lower Limpopo scheme is of crucial importance for stimulating agricultural production and boosting the economy of this part of the country.

"The viability of the irrigation system depends on increasing the productivity of farmers", said Ali. "This rests on improving crop systems, diversifying crops, with an eye to the market, and in making support services available to farmers".

The irrigation company, he continued, must establish linkages between the farmers and the markets – both those supplying agricultural inputs, and those buying the crops.

Ussivane said that turning the Lower Limpopo into a pole of development will require drawing up a strategic plan that will incorporate several scenarios intended to guide and stimulate food production.

Electricity grid to be expanded in Inhambane

All district capitals in the southern Mozambican province of Inhambane will by the end of this year be linked to the national electricity grid, based on power from the Cahora Bassa dam on the Zambezi.

According to the provincial director of the Mozambican electricity company, EDM, Eduardo Inhalo, work is underway to extend the grid to the capitals of Panda, Mabote and Funhalouro districts. This work is part of the rural electrification project covering the province's 12 districts.

In 2010, EDM in Inhambane invested more than 200 million meticais (\$6.5 million) to strengthen its capacity to supply electricity to the north of the province, mainly through the installation of four generators in the Temane gas-fired power station, which increased power output from 1.8 megawatts to 5 megawatts.

Eduardo Inhalo added that part of the overall investment went on work to expand and improve the grid in the towns of Vilankulu and Inhassoro.

EDM in Inhambane is also currently supplying electricity to the district of Machanga, in the neighbouring province of Sofala, providing power to 3,700 clients.

Meanwhile, the Inhambane provincial government has expressed concern about the theft and vandalism of systems of energy production based on solar panels, which has hit the provision of water to rural communities.

In 2010 five solar energy systems were vandalised, depriving about 25,000 households of water in the districts of Govuro, Vilankulu, Zavala and Morrumbene.

Italian support for UEM

The Mozambican and Italian governments on Monday in Maputo initialled an agreement under which the Mozambique's largest institution of higher education, the Eduardo Mondlane University (UEM), will receive support for academic reform, technological innovation and scientific research, budgeted at 5.45 million euros (\$7.56 million).

The agreement was signed by Mozambique's Deputy Foreign Minister Henrique Banze and by Italian ambassador Carlo Lo Cascio.

The programme aims to improve the quality of scientific research at the university to bring it into line with international standards, in accordance with the law on Higher Education.

It also aims to achieve improvements in internal efficiency and coordination capacity, management, control and the evaluation of academic activities and scientific research at the university.

About 87 per cent of the funds will pass through the state budget with the remaining 13 per cent managed by Italy for technical assistance, according to a press release from the Italian embassy.

Britain promises to increase aid

The British government has pledged to increase its aid to Mozambique by about four per cent over the next two years, and by a further 6.25 per cent in the following two years.

According to the British Secretary of State for International Development, Andrew Mitchell, aid to Mozambique will rise from the 2011 figure of £77 million (\$126 million) to £80 million in 2012 and 2013, and to £85 million in the subsequent two years.

Mitchell said this aid "will support the Mozambican government in its ambition to transform the country into a prosperous centre of regional trade and investment".

He added that support for the Mozambican education and health services will be maintained but the greatest increases in funding will be for projects in "wealth creation and agricultural productivity".

As for direct budget support, the form of aid most favoured by the Mozambican authorities, Mitchell said "It is likely that the support for the general state budget will remain at current levels to start with, but the final decision will be taken at the end of this year". Britain is currently one of the largest donors of direct budget support

"We share Mozambique's vision of one day overcoming its need for foreign aid", Mitchell said, "and we believe this will be possible in the early years of the next decade".

He added that Britain "is interested in seeing progress in governance, including in transparency and accountability, bringing rapid improvements in the business environment and in the fight against corruption".

US budget cuts will not affect aid to Mozambique

The US Deputy Assistance Secretary of State for African Affairs, Susan Page, has guaranteed that development programs in Mozambique funded by the US will not suffer any cuts in their budgets.

Page was speaking to reporters in Maputo on 7 March, after an audience with President Armando Guebuza.

"Everyone knows that we are under heavy financial constraints that affect not only the United States of America, but the whole globe", said Page. Nonetheless, the existing programmes, including over \$500 million of aid pledged from the Millennium Challenge Corporation, will continue.

"We have a robust program and there are no plans for change", Page said. However, she added "we will have to wait for the budget approval by to Congress to see how to move forward with other countries, including Mozambique".

46 derailments on Beira - Zimbabwe line

Lack of maintenance on the Beira-Zimbabwe railway caused 46 derailments in two months, according to a spokesperson for the Mozambican port and rail company CFM, cited in the Beira daily paper "Diario de Mocambique".

CFM blames the Indian consortium Ricon, which is the majority shareholder in the Beira Railroad company (CCFB). The management of the entire Beira rail system – consisting of the line to Zimbabwe, and the Sena railway linking Beira to the Moatize coal basin in Tete province – was awarded to Ricon in 2004, through an international tender.

Prior to Ricon taking over, CFM made improvements on the line to Zimbabwe, which resulted in reducing the number of derailments from 169 in 2000 to 53 in 2004.

CCFB/Ricon was supposed to continue this work and hired local companies to rehabilitate several stretches of track. "Apparently, this work was not done properly due to lack of experience on the part of the companies hired plus poor inspection by CCFB", said the CFM source. "As a result the railway has gone into rapid decline, to the point where there are now derailments virtually every day".

He regarded the state of the line as "deplorable" in some areas, where sleepers are missing, and there is a shortage of screws to tighten the rails. The railway workers lack the basic tools to align the tracks properly.

Derailments occur on both the main line and the secondary lines. Missing sleepers, or with sleepers in a poor condition, the secondary lines are no longer in a condition to bear the weight of locomotives and wagons.

All this adds to the arguments of those, such as CFM chairperson Rosario Mualeia, who want to see the government cancel the lease given to CCFB/Ricon.

Up to now the main argument against Ricon has been its failure to finish reconstruction of the Sena line on time.

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