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President Nyusi pledges fidelity to Commonwealth values

President Filipe Nyusi declared on 29 November that Mozambique will continue to be guided by the values and principles of the Commonwealth, seeking to promote an atmosphere conducive to peace, security, good governance and sustainable development.

Speaking at a press conference in Valletta, the capital of Malta, where he had attended the Commonwealth summit, President Nyusi stated that the values of the Commonwealth “fit perfectly into our programme of governance, and questions concerning peace, the separation of powers, and sustainable development are matters which are in alignment with our programme”.

His participation at the summit, he added, served to reaffirm Mozambique’s commitment to the principles of the Commonwealth, which it had joined in 1995.

President Nyusi took part in the retreat of the Commonwealth leaders at the St. Angelo Fortress, where they were able to discuss, in an open and spontaneous way, the problems of concern to the member states and attempt to identify solutions. The questions discussed included migration, extremism and terrorism.

The Commonwealth, said the President, “is a forum which brings universal experiences from many continents and this miscellany of ideas helps greatly for us to evolve as states and nations”.

President Nyusi said the summit was also marked by discussion of the preparation of the summit on climate change in Paris. The leaders endorsed a strong message to the Paris meeting, at which Mozambique will be represented by Prime Minister Carlos Agostinho do Rosario.

The summit’s statement on climate change described it as “an existential threat” to many Commonwealth member states and called for the Paris gathering to produce “an ambitious, equitable, inclusive, rules-based and durable outcome ... that includes a legally binding agreement” to reduce greenhouse gas emissions.

The Commonwealth leaders also called for developed nations to spend US\$100 billion a year by 2020 to help developing countries deal with the effects of climate change.

The summit elected Baroness Patricia Scotland, who was born on the Caribbean island of Dominica, but has lived in Britain for most of her life, as the new Commonwealth General Secretary, to replace Kamallesh Sharma, who is retiring in April 2016, at the end of his second term of office.

Baroness Scotland was a Minister of State in the British Home Office from 2003 to 2007, and then Attorney-General from 2007 to 2010. She will be the first woman General Secretary of the Commonwealth.

Mozambique confirms it is land mine free

Mozambique has formally confirmed that it is free of land mines. The declaration was made at a meeting in Geneva of the States Parties to the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on Their Destruction, commonly known as the Ottawa Convention

The announcement was made by Mozambique’s Ambassador to the UN in Geneva, Pedro Comissario, who stressed that “the greatest indicator of our success is not the number of square metres cleared or the number of land mines destroyed, but the incalculable improvement to the development of Mozambique and the removal of fear from our communities”.

He added, “a great measure of success is that 2015 will mark the first year in decades without any new landmine casualties”.

The director of the National Demining Institute (IND), Alberto Augusto, lamented that “land mines have claimed tens of thousands of victims in our territory, and leave behind a large number of land mine survivors who require assistance, care and rehabilitation, as well as social and economic reintegration in society, on an equal basis with others as mandated by the Convention”.

In addition to having cleared all known anti-personnel mines, Mozambique has also destroyed 37,818 stockpiled mines.

Land mines had been planted during three conflicts – during the colonial war prior to Mozambican independence in 1975, during the incursions by the Rhodesian armed forces in the late 1970s, and during the war of destabilisation waged by the apartheid regime through the Renamo rebels up to the peace agreement signed in October 1992. Since 2000 about 214,700 land mines have been removed and destroyed.

Comissario was confirming the declaration made in Maputo on 17 September by Foreign Minister Oldemiro Baloi. At the time, Baloi said Mozambique had become the first of the five most severely mined countries in the world to comply with the mine clearance obligations of the Ottawa Convention (the other four are Afghanistan, Cambodia, Angola and South Sudan).

Limits put on use abroad of credit and debit cards

The governor of the Bank of Mozambique, Ernesto Gove, on 30 November announced that the bank intends to set limits on the use abroad of Mozambican credit and debit cards, as part of a package of measures to shore up the country's currency, the metical.

The metical depreciated against the US dollar by 35.05 per cent between 1 November 2014 and 31 October 2015 on the Inter-Bank Exchange Market. On the last day of October there were 42.01 meticaïs to the dollar on the Inter-Bank market, and the average exchange rate quoted by the commercial banks was 44.99 to the dollar.

Despite the central bank raising its interest rates twice (in October and November), the depreciation of the metical gathered pace in November. At the end of November there were about 55 meticaïs to the dollars on the inter-bank market.

Depreciation has sparked off price rises, as companies found the metical price for imports suddenly rose substantially. This threatens the government's target for an inflation rate in 2015 of no more than 5.6 per cent.

At a Maputo press conference, Gove said that huge amounts of money were leaving the country through the unrestrained use of credit and debit cards abroad. Three years ago the use of bank cards abroad drained the country of around US\$300 million a year, but now the figure is US\$800 million a year. The owner of one card used it for purchases abroad in one year in excess of two million dollars.

Cards can also be used in money laundering, and other criminal purposes. Thus gangs who kidnapped businessmen and received large ransoms in meticaïs could use bank cards to convert the meticaïs into foreign currency abroad.

Gove announced that, in the very near future, the Bank of Mozambique will impose limits on the use of credit and debit cards abroad. He did not say what the limits would be, but guaranteed that travellers could still use their cards.

Gove added that foreign exchange legislation would be enforced. Exporters who are paid in foreign currency can only keep half of it in foreign currency accounts.

The Bank of Mozambique will also strengthen its banking supervision and exchange control departments, he pledged.

Gove rejected the call by the Confederation of Mozambican Business Associations (CTA) for an administratively fixed exchange rate, at least for the import of raw materials required by industry.

"It can't be done. It's not beneficial to the economy", he said. He regarded an administratively fixed exchange rate as much the same as administrative fixed prices – and Mozambique had plenty of experience of this in the past. "What happened is that you have money, but there are no goods on the shelves", he said. "And if the goods are not available, you will have both stagnation and inflation".

Gove believed that the basic problem was the deficit on the balance of payments, and particularly on the balance of trade. Mozambique was producing and exporting too little, and importing too much. He thought the CTA, rather than calling for fixed exchange rates, would be better advised to seek help from the banks to increase production and substitute imports.

Contributing to the weakness of the metical was a fall in the value of key Mozambican exports (such as aluminium, coal and natural gas) because of the slump in world commodity prices, and a continuing rise in imports. For example, Mozambique imported vehicles valued at US\$291.7 million in 2010, but in 2014 the vehicles import bill was US\$567.1 million (an increase of over 94 per cent).

Cahora Bassa not cause of cheap South African power

Minister of Mineral Resources and Energy, Pedro Couto, on 26 November denied a claim by Renamo that electricity is cheaper in South Africa than in Mozambique because power from the Cahora Bassa dam on the Zambezi is sold far too cheaply to South Africa.

Speaking in the country's parliament, the Assembly of the Republic, during a question and answer session between the deputies and the government, Couto said that the total amount of power generated in the SADC (Southern African Development Community) region was 55,000 megawatts.

Of this, 43,000 megawatts (almost 80 per cent) was generated inside South Africa. South Africa's imports of electricity from Mozambique (mostly from Cahora Bassa) account for less than three per cent of the total power consumed in South Africa. It was thus impossible, Couto said, for the price charged for Cahora Bassa power to have a determinant impact on the final price paid by South African electricity consumers.

The reason why electricity is cheaper in South Africa than in Mozambique, he argued, is because South Africa is an industrial country which uses large amounts of power at high and medium voltage. In Mozambique, on the other hand, 98 per cent of consumers are domestic, using power at low voltage.

Couto said it is more expensive to produce low voltage than high voltage power, because more transformation is required which increases the cost. That explained the price difference between South Africa and Mozambique, and it had nothing to do with Cahora Bassa.

Asked about the unreliability of power supply in central Mozambique, Couto said that cities such as Beira and Chimoio receive their electricity from the Chicamba and Mavuzi dams on the Revue River. These power stations were built under Portuguese colonial rule, in the early 1950s, and their efficiency has declined to less than 50 per cent of installed capacity.

Major rehabilitation work began on the two Revue dams in 2014, and Couto said that when the work is finished next year they will operate at full capacity of 90 megawatts.

Renamo had also complained that Zumbo, in Tete province, is not supplied from the Mozambican national grid at all, but from Zambia. Couto said that was perfectly true, and other frontier regions also obtained their power from neighbouring countries – Milange, in Zambezia province, from Malawi, and Espungabera, in Manica, from Zimbabwe – while the Kosi Bay area in the South African province of Kwazulu-Natal drew its power from Mozambique.

Such arrangements were common throughout the world, he said, because it can often be cheaper and more rational to obtain electricity from a neighbouring country, rather than from a more distant national power source.

"Mozambique is part of the southern African region", stressed Couto. "We are not closed in on ourselves. You can't run energy distribution on a basis of total isolation".

Frelimo deputies found it strange that Renamo was complaining about electricity at a time when more of Mozambique is electrified than ever before. Francisco Mucanheia pointed out that in 2007, when the Mozambican state took a majority holding in Cahora Bassa, only 64 districts had electricity. That figure has now risen to 146 – only six district capitals do not yet have electricity from the grid, and all are among the new districts set up last year by dividing existing districts into smaller units.

Prime Minister urges Renamo to disarm

Prime Minister Carlos Agostinho do Rosario on 26 November urged members of the illegal militia operated by of the largest opposition party Renamo to surrender their guns and return to Mozambican society.

Speaking in the Assembly of the Republic at the end of a question and answer session between the deputies and the government, Rosario praised the “pragmatism” shown by President Nyusi when he ordered the defence and security forces to show restraint in disarming Renamo, and to act “in a more moderate manner, so as to give space to dialogue, seeking to attain effective peace”.

The Prime Minister urged all political and social forces to respond positively to this signal from the President, and “to hand over voluntarily guns which are in illegitimate hands”.

The construction of peace and stability, the Prime Minister declared, is “the fundamental condition for attracting investment” and for sustainable development.

Eight Renamo fighters defect

Eight members of Renamo’s illegal militia have defected to the government, accepting its offer of social reintegration.

Speaking to reporters in Maputo on 27 November, members of the group said they had joined Renamo in the 1980s, during the war of destabilisation waged by Renamo with the backing of the South African apartheid regime. All the men were aged between 42 and 59, which makes their stories of recruitment into Renamo during the war plausible.

EU announces continued support

On 26 November the European Union Commissioner for International Cooperation and Development, Neven Mimica, signed in Brussels an agreement with Mozambican Deputy Foreign Minister Nyeleti Mondlane which covers €734 million (US\$779 million) worth of support.

The finance comes under the European Union’s National Indicative Programme for Mozambique and will be disbursed up until 2020. The funds will support the promotion of democracy, transparency, accountability and the rule of law, and public institutions, in line with the Mozambican government’s priorities.

Commissioner Neven Mimica commented, “there have been significant and positive political and economic developments in Mozambique over the last decades since the end of the civil war in 1992”.

He added that “it is important to build on this progress whilst making the best use of Mozambique’s impressive economic potential, notably in the sectors of gas, mining, hydro-energy and agriculture. Mozambique could also benefit enormously from its strategic position in Southern Africa. The key issue today is therefore how to make economic growth inclusive and sustainable, while maintaining political stability”.

Part of the funding will focus on a two pronged approach of improving food security and nutrition, whilst enhancing competitiveness amongst producers (through rural electrification and roads, for example), in order to foster the conditions for sustainable growth of small and medium-sized enterprises in rural areas.

The previous EU programme, which lasted from 2007 to 2013, focused on transport infrastructure and regional integration, as well as on agriculture and rural development to promote sustainable economic growth in rural areas, enhance food security and promote trade flows.

Government announces measures against deforestation

The Mozambican Minister of Land, Environment and Rural Development, Celso Correia, on 25 November announced a series of measures to halt deforestation.

Speaking at a Maputo press conference, Correia said the country is losing 219,000 hectares of forest every year, largely due to the conversion of forests into agricultural land, and the unsustainable production of firewood and charcoal.

The current deforestation rate is 0.58 per cent a year, which the government wants to cut initially to 0.2 per cent a year.

Also contributing to the degradation of native forests is excessive logging, way above the theoretical limits imposed on licensed loggers. In 2012, for example, the amount of logs cut was estimated at 727,000 cubic metres.

Correia announced that the government is suspending for the next two years all new logging licences – not just the simple licences, but even the forestry concession licences, the holders of which are obliged to process the timber they cut.

All logging of ironwood (“Pau-ferro”) is suspended for five years as this species has been under enormous pressure,

The government will also revise the legislation on timber exports so as to ban the export of logs of any kind from any species of tree. All exported timber must first be processed in Mozambique: thus only finished or semi-finished products can be exported and not the unprocessed logs.

“If we don’t take effective action, we run the risk of losing our forestry potential, with serious losses to the local communities, to the environment and to our economy”, said Correia, adding the deforestation would worsen Mozambique’s vulnerability to climate change.

“Just as we are at war with poachers, so we are now going to war with illegal loggers”, declared the Minister. “The conditions exist for us to exploit forestry resources in a sustainable fashion”.

Correia was optimistic about the possibilities of success, claiming that in recent months poaching has been reduced by 50 per cent. He saw no reason why similar success could not be achieved in the fight against illegal logging.

More buses for Maputo

A further 100 buses will soon be on the streets of Maputo, thus helping minimize the crisis in the city’s public transport, according to Pedro Ingles, the Permanent Secretary in the Transport Ministry. Ingles said that the 100 Chinese buses are already in the Port of Maputo. They are part of an order for 200, and the rest are expected to arrive by February.

The buses have been acquired through a public-private partnership between the government’s Transport and Communications Development Fund and the vehicle import and marketing company, Sir Motors.

According to the General Manager of Sir Motors, Amade Camal, the buses will be sold to the Mozambican Road Transport Federation (FEMATRO), which will operate the transport system in Maputo, the neighbouring city of Matola and the districts of Boane, Marracuene and Manhica.

Camal added that Sir Motors has formed a consortium with the publicly owned port and rail company CFM, seeking to acquire 126 new rail carriages. Thirty of these carriages will be for a surface metro, a scheme which the Maputo and Matola municipal councils have been considering for years.

These new carriages are in addition to CFM’s earlier acquisition of 62 passenger carriages and eight guard’s vans acquired by CFM for the southern and central rail systems earlier this year.

Former mayor jailed for corruption

The former mayor of the town of Chokwe in the southern province of Gaza, Jorge Macuacua, has been sentenced to two years imprisonment on charges of corruption.

On 30 November the Chokwe District Court found him guilty of abuse of office and of falsifying documents. In addition to the jail sentence, Macuacua must compensate the state to the tune of 578,219 meticaís (US\$10,500).

The offences took place in 2009-2010, and help explain why in July 2011 the ruling Frelimo Party demanded that Macuacua resign as mayor. He was one of five mayors whose performance worried Frelimo so much that the party asked for their resignations (although they were not all suspected of corruption or embezzlement).

Three of them (Pio Matos in Quelimane, Sadique Yacub in Pemba, and Arnaldo Maloa in Cuamba) obeyed their party, and by-elections were duly held in those cities later in 2011.

But Macuacua defied Frelimo, as did the mayor of Manhica, Alberto Chicamba. They both completed their terms as mayor, but were not reselected as candidates for the subsequent municipal elections in 2013.

First Lady condemns persecution of albinos

The kidnapping and murder of albino citizens is a gross violation of human rights and a factor disturbing public stability, declared First Lady, Isaura Nyusi, at a meeting in the northern port city of Nacala on 27 November.

Speaking to a group of Nacala women, the First Lady urged all Mozambicans to distance themselves from such actions that culminate in the death of innocent citizens.

“I want to urge you not to sacrifice the lives of our albino brothers and sisters in order to feed business deals”, she said.

This year 15 cases have been reported in Nampula province of the abduction and murder of albinos. 22 people suspected of participating in these crimes have been arrested and are in jails in the province. Five have confessed to murdering albinos and selling their body parts.

Isaura Nyusi also urged the women of Nacala to fight against the domestic violence of which they are victims, and to denounce all such crimes to the authorities.

The women complained to her about the high level of unemployment in Nacala, which results in a large number of people begging in the streets. “When we leave this room, we will see many elderly people begging”, said Elisa Soares. “We women in Nacala are strong. We could unite and help these people, but we don’t all have the conditions for this”.

The Permanent Secretary of the Nampula provincial government, Veronica Langa, said the government has planned to train 1,000 young people, particularly women for employment and self-employment. “We think we shall gradually solve the question of unemployment”, she said.

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

Post office seals deal with largest bank

The Post Office on 20 November signed a memorandum of understanding with Mozambique’s largest commercial bank, Millennium BIM, under which the post office will act as an agent for the bank and offer financial services through its branches throughout the country.

The agreement, signed by the chairperson of the Millennium-BIM, Rui Fonseca, and the chairperson of the Post Office, Valdemar Jessen, in the presence of the Minister of Transport and communications, Carlos Mesquita, is intended to extend banking services to areas where there are no bank branches.

It will enable the Post Office to reopen branches that have been closed for many years. It has 120 branches scattered throughout the country, but only 30 are currently in use.

FIFA freezes support for Mozambican football

The ruling body of international football, FIFA, has suspended all support for the Mozambican Football Federation (FMF) because of its failure to justify the use of FIFA funds. The senior manager of FIFA’s Africa Development Programme, Zelkiflir Ngoufana, announced the freeze on funding in Maputo on 19 November.

He told reporters that FIFA demands accounts from all its affiliates, which should be presented by 31 March each year. These reports should account, not only for the money which FIFA allocates to the national bodies, but also the funds they raise themselves. But the FMF is now over seven months late in delivering its report.

This financial headache is the legacy of Feizal Sidat, who was replaced as chairperson of the FMF earlier this year by Alberto Simango Junior. Simango told reporters that an internal audit is currently under way.

This is potentially a devastating blow, as FIFA is the main source of finance for the FMF. Every year FIFA pumps US\$250,000 into the FMF.

German Foreign Minister visits Maputo

Foreign Minister Oldemiro Baloi on 19 November in Maputo received his German counterpart, Frank-Walter Steinmeier, with whom he discussed strengthening the ties between the two countries.

“During the meeting, we expressed our desire to strengthen relations of cooperation and friendship between the two states and people”, Steinmeier told reporters,

The minister said that Germany wants to boost business contacts with Mozambique in various areas of activity.

Germany has withdrawn from the group of donors and financial agencies known as the Programme Aid Partners (PAPs) who provide part of their aid to Mozambique in the form of general budget support.

Despite dropping out of budget support, Germany remains a major donor, providing €60 million (US\$64.3 million) a year, to various sectors. Of this sum, €15 million is destined to education.

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