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President Guebuza pledges continued struggle against poverty

President Armando Guebuza pledged on 14 January that the struggle against poverty would remain the dominant theme of his governance in his second term of office. Speaking at a public ceremony in Maputo's Independence Square, immediately after he was sworn into office for a second five-year term, President Guebuza stressed that "the fight against poverty and for the culture of hard work will be at the epicentre of my governance".

He recalled that in last year's election campaign, he took to the voters the message that he was willing to continue leading the Mozambican people in the battle against poverty. In diagnosing the causes of poverty, "we stressed that we have just two choices: either we resign ourselves to poverty as an invincible evil, or we arm ourselves with our self-esteem, and fight to make poverty retreat until it passes into history".

Over the past five years there had been many successes, he recalled – more schools, health units and water sources have been built, and in areas where there had once been hunger, "our hard working people are now demanding markets where they can sell their surplus crops".

"Mozambique has moved forward, at an accelerated pace", said the President. "Poverty has retreated considerably".

"The time has now come to put aside the political differences that characterized the competition for votes, and dedicate ourselves, with all our energies, to the struggle against poverty, to the epic of a people who knows that it can overcome this scourge", he said.

President Guebuza promised that he would be "the President of all Mozambicans", and that the government "will ensure respect for the democratic rule of law and of social justice, based on political pluralism and on respect for the fundamental rights and freedoms of all citizens".

He said that he and the ruling Frelimo Party would respect their election promises, "galvanised by the certainty that behind us we have millions of arms of Mozambicans and of the friends of Mozambicans all pushing in the same direction, forming a single, unstoppable force".

Peace and national unity, he continued, "are fundamental for the consolidation of multi-party democracy in Mozambique". National unity "is the blood which runs through all the arteries in our society, carrying the oxygen of hope and of our indomitable will to overcome obstacles".

The President said he would continue to promote "a speedy justice, ever closer to citizens", as part of his commitment to good governance and accountability. In particular, this meant continued decentralization. "For us, decentralisation means trusting people and building their capacities", he said. In turn, this meant holding people responsible for their actions, and inculcating "the culture of accountability and transparency in the management of public assets".

President Guebuza promised to pay continued attention to "the obstacles to our development", which he listed as "red tape, the spirit of apathy and drift, corruption and crime, and endemic diseases".

Mozambique faced the challenges of climate change and of the international financial crisis. President Guebuza hoped that such challenges could be transformed into "opportunities for development" – and for that to happen, the new government will encourage "innovation, a pro-active stance, the entrepreneurial spirit, excellence, rigour and quality".

Seven heads of state from the SADC (Southern African Development Community) region attended the investiture ceremony – namely Presidents Jacob Zuma of South Africa, Jakaya Kikwete of Tanzania, Joseph Kabila of the Democratic Republic of Congo, Hifekepunye Pohamba of Namibia, Rupiah Banda of Zambia, Bingu wa Mutharika of Malawi, and Robert Mugabe of Zimbabwe.

President announces new government

President Armando Guebuza on 16 January appointed former Education Minister Aires Ali as Prime Minister in his new government. Ali replaces Luisa Diogo, who is not a member of the new government.

Prior to his appointment as Minister of Education and Culture in 2005, Ali had been governor of the province of Niassa (1995-2000), and then of the southern province of Inhambane (2000-2004). Earlier posts Ali held were provincial director of education in Nampula (19880-1986), head of the office of the Minister of Education (1989-90), and National Director of School Social Welfare Programmes (1991-92).

President Guebuza has reappointed the great majority of ministers who served in the last government. The two key economic ministries remain in the hands of the same people who have negotiated with Mozambique's foreign partners over the last five years – Manuel Chang as Minister of Finance, and Aiuba Cuereneia as Minister of Planning and Development.

Jose Pacheco remains Minister of the Interior, Filipe Nyussi Minister of Defence, Oldemiro Baloi Minister of Foreign Affairs, Ivo Garrido Minister of Health, Soares Nhaca Minister of Agriculture, Benvinda Levy Minister of Justice, and Venancio Massingue Minister of Science and Technology.

Similarly unchanged are Esperanca Bias as Minister of Mineral Resources, Alcinda Abreu as Minister of the Environment, Helena Taipo as Minister of Labour, Salvador Namburete as Minister of Energy, Antonio Fernando as Minister of Industry and Trade, Paulo Zucula as Minister of Transport, Vitoria Diogo as Minister for the Public Service, and Antonio Sumbana as Minister for the President's Office.

Fernando Sumbana remains Minister of Tourism. For the last year he has also been Minister of Youth and Sport, since the previous holder of that post, David Simango, was elected Mayor of Maputo in the November 2008 municipal elections. Now there is a new Minister of Youth and Sport, Pedrito Caetano, who is a newcomer to the government.

President Guebuza has split the Ministry of Education and Culture into two. The new Minister of Education is Zeferino Martins, who was once Deputy Minister of Education under President Guebuza's predecessor, Joaquim Chissano, and in recent years has been Executive Director of the Commission for the Reform of Professional Education (COREP).

President Guebuza appointed the poet Armando Artur Joao as Minister of Culture. He was previously Deputy President of the Maputo-based Portuguese Language Bibliographic Fund.

Cadmiel Muthemba leaves the Ministry of Fisheries to replace Felicio Zacarias as Minister of Public Works and Housing. Victor Borges is promoted from Deputy Minister to Minister of Fisheries.

Carmelita Namashalua moves from Deputy

Minister to Minister of State Administration, replacing Lucas Chomera,

Mateus Oscar Kida becomes Minister for Veterans' Affairs, while the previous occupant of this post, Feliciano Gundana, becomes Minister in the Presidency for Social Matters.

Adelaide Amurane, a former Deputy Minister of Labour under Chissano, moves into President Guebuza's office as Minister in the Presidency for Parliamentary, Municipal and Provincial Assembly Affairs.

Iolanda Cintura, formerly National Director of Liquid Fuels in the Ministry of Energy, becomes Minister of Women's Affairs and Social Welfare, replacing Virgilia Matabele.

President Guebuza has also reappointed several of the deputy ministers. Thus Jose Mandra remains Deputy Minister of the Interior, Pedro Couto Deputy Finance Minister and Jaime Himede Deputy Minister of Energy.

Likewise, the two Deputy Foreign Ministers in the last government, Eduardo Koloma and Henriques Banze, are both reappointed, as are the Deputy Ministers of the Environment, Ana Chichava, of Tourism, Rosario Mualeia, of Mineral Resources, Abdul Razak Moormahomed, of Defence, Agostinho Monjane, of Youth and Sport, Carlos Castro de Sousa, and of the Public Service, Abdurremane Almeida.

The second Deputy Minister of the Public Service, Maria Jose Lucas, replaces Victor Bernardo as Deputy Minister of Planning and Development, while the former governor of Zambezia province, Carvalho Muaria, becomes Deputy Minister of Public Works. Gabriel Muthisse moves from Deputy Minister of Public Works to Deputy Minister of Fisheries. The former provincial director of agriculture in Sofala, Antonio Limbau, becomes Deputy Minister of Agriculture.

There are three Deputy Ministers of Education, One, Arlindo Chilundo, is the director of the Frelimo Central Party School in the southern city of Matola. Augusto Jone Luis is a supplementary member of parliament on the Frelimo list for Sofala province, and the third deputy minister is prominent food scientist Leda Florinda Hugo.

A former director of the Centre of African Studies at the Eduardo Mondlane University, Marcelino Liphola, becomes Deputy Minister for Veterans' Affairs.

Other newcomers to high government office are the Deputy Minister of State Administration, Jose Tsambe (formerly Frelimo First Secretary in Gaza Province), the Deputy Minister of Industry and Trade, Kenneth Marizane (a former university lecturer in Beira), the Deputy Minister of Justice, jurist Alberto Nkutumula (who writes an internet blog under the pseudonym Nero Kalashnikov), and the Deputy Minister of Women's Affairs and Social Welfare, Virgilio Mateus.

Provincial governors appointed

President Guebuza re-appointed Felismino Tocolo, Eliseu Machava and Raimondo Diomba as governors of the provinces of Nampula, Cabo Delgado and Gaza. He also moved Francisco Itai Meque from Inhambane to become governor of Zambezia, replacing Carvalho Muaria, who has been appointed Deputy Minister of Public Works.

Alberto Vaquina moves from Sofala to the western province of Tete, replacing Ildfonso Muanantatha, who became seriously discredited last year, when he was accused of making death threats against journalist Bernardo Carlos, a reporter on the daily paper "Noticias".

Mauricio Vieira moves from Manica to take over from Vaquina in Sofala, while lawyer Ana Comoana becomes governor of Manica.

David Marizane, who was once a district administrator in Tete, replaces Arnaldo Bimbe as governor of Niassa, while Agostinto Trinta, formerly Frelimo first secretary in Nampula, takes over from Itai Meque in Inhambane.

Maria Elias Jonas, formerly administrator of the Niassa district of Nipepe, replaces Telmina Pereira as governor of Maputo province. Finally, a Frelimo parliamentary deputy, Lucilia Nota Hama, replaces Rosa da Silva as governor of Maputo City. Since nobody can be a member of the executive and of parliament at the same time, Nota Hama will now have to resign her parliamentary seat.

Some Renamo deputies take up seats

The opening of the new parliament, on 12 January saw 16 of Renamo's 51 deputies take up their seats. This was in breach of Renamo leader Afonso Dhlakama's decision that Renamo would boycott the Assembly of the Republic.

Several of the deputies who defied Dhlakama are senior figures in Renamo. They include the head of the Renamo elections office, Luis Gouveia, a former Renamo general secretary, Viana Magalhaes, who was second deputy speaker of the Assembly in the 2005-2009 parliament, and then briefly head of the Renamo parliamentary group, and the former spokesperson for the parliamentary group, Jose Manteigas.

For weeks Dhlakama has been insisting that no Renamo deputies will take their seats, in protest against the election results, which he regards as fraudulent. The fact that almost a third of the Renamo group has defied him is seen as a serious blow to his credibility.

186 of the 191 deputies from the ruling Frelimo Party took their seats – the missing five included Finance Minister Manuel Chang and several provincial governors, who have not yet been relieved of their duties by President Armando Guebuza. They had to be absent because no-one can be a parliamentarian and a minister or a provincial governor at the same time.

All eight deputies elected from the breakaway from Renamo, the Mozambique Democratic Movement (MDM) attended the opening session.

The oldest deputy, 70 year old former defence minister Alberto Chipande (the man who fired the first shots in Frelimo's war for Mozambican independence, in 1964), took the oath of office on behalf of all the deputies, pledging to uphold the country's constitution and its laws. The other 209 deputies present merely signed the oath.

The only other item of business was the election of the new chairperson (speaker) of the Assembly. There was only one candidate, Veronica Macamo of Frelimo, who had been first deputy chairperson for the past ten years. Renamo could have submitted a candidate, but declined to do so. The MDM group is too small to submit a candidate (recognised parliamentary groups must have at least 11 members)

Despite the lack of competition, the Assembly pushed ahead with a secret ballot election. Reading out the results, President Guebuza, who chaired the session, declared that 192 deputies had voted for Macamo, four against her, with 13 blank ballots and one invalid vote. Thus 91.4 per cent of the deputies present voted for Macamo.

Since only 186 Frelimo deputies were present, at least six of the opposition deputies must have voted for Macamo.

This is the first change of speaker since the first multi-party elections, held in 1994. All three parliaments since then were chaired by Eduardo Mulembue.

The Assembly speaker is second only to the President of the Republic in the state hierarchy. When the President is out of the country, the speaker stands in for him, and in the event of the death, resignation or incapacity of the President, the Speaker becomes head of state on an interim basis until new presidential elections could be held.

Interest free loan from China

Mozambique has received an interest free loan of \$14.7 million from China, to cover the deficit in funding the new national stadium under construction in the outer Maputo suburb of Zimpeto.

To this end, Mozambican Finance Minister Manuel Chang and the Chinese Trade Minister Chen Deming signed on 13 January in Maputo the loan agreement to cover the additional costs of the stadium.

The also signed a grant agreement under which China will provide \$7.3 million to fund projects to be agreed between the two governments.

Chang declared that the grant and the interest free loan "means for us, not just sums of money, but an unequivocal expression of links of friendship and cooperation, and the desire of China to see public investment projects come to fruition in our country".

Dedicated power line for water treatment station

Water supply problems in Maputo and the adjoining city of Matola should be greatly reduced following the inauguration on 19 January of a new electricity transmission line, supplying exclusively the Umbeluzi water treatment and pumping station.

The government's Water Supply Investment and Assets Fund (FIPAG) has invested over eight million meticaais (about \$300,000) in the new power line.

Xavier Cantimbo, of the FIPAG public relations department, told AIM that the 33kv medium voltage line runs for just over six kilometres from the Boane sub-station to the Umbeluzi water treatment station. No other electricity consumers will use this line.

The privately managed Maputo water company, Aguas de Maputo, will no longer be able to blame its poor performance on power cuts. FIPAG hopes that the new line will stabilize the supply of water to consumers in Maputo, Matola and Boane town.

The line has been erected by the publicly-owned electricity company, EDM, who have indignantly rejected attempts by Aguas de Maputo to blame it for water shortages. EDM pointed out that, while there have been power cuts, in December and the first week of January, they only deprived the treatment station of power for a total of four hours and 21 minutes.

There was no good reason why such brief cuts should lead to entire neighbourhoods losing their water for days at a stretch. The Umbeluzi power station also has a back-up generator – but it is out of order and Aguas de Maputo has not seen fit to repair it.

The new dedicated line will, according to EDM, be less liable to power cuts. EDM will also be able to supply more consumers from the old line which previously brought power both to residential areas and to the water treatment station.

Manica increases crop production

The central province of Manica produced over one million tonnes of surplus crops during the 2009 harvest. During this period, the province harvested a total of 1.638 million tonnes, whilst Manica only needs 600,000 tonnes to feed its 1.4 million inhabitants.

These figures are contained in a report presented during a Coordinating Council of the Manica provincial government held in the provincial capital, Chimoio. The provincial director of planning and finance, Chaibo Selemene, explained that the latest

figures represent a growth by 18.9 per cent when compared with agricultural production in 2008, when the province harvested 1.378 million tonnes.

Tax collection beats target

The Mozambican Tax Authority (AT) has announced that in 2009 it collected more than 47 billion meticaais (\$1.7 billion) in tax revenue – which was two per cent more than the target set in the 2009 Budget Law.

Last year's tax revenue was equivalent to 17.7 per cent of Mozambique's Gross Domestic Product, which compares with 16.3 per cent in 2008. While the figure for both years is above the minimum figure of 15 per cent of GDP required by the World Bank and the IMF, it is well below the average figure for tax collection in the Southern African Development Community (SADC) region, which is 22 per cent.

According to AT chairperson Rosario Fernandes, tax and customs revenues rose in nominal terms by more than 20 per cent between 2008 and 2009.

The tax revenue figure set in the 2009 budget was 46.2 billion meticaais – covering less than half of the planned expenditure of 98.1 billion meticaais. As in previous years, the deficit was to be filled by foreign grants and loans. However, according to Fernandes, the final figure for tax revenue was 47.3 billion meticaais. Of this, local taxes accounted for 30.5 billion meticaais, whereas taxes on foreign trade, collected by the Mozambican customs service, came to over 16.8 billion meticaais. In both cases, the money collected was two to three per cent greater than the planned figure.

Fernandes also announced that the number of individual tax numbers (NUITs) allocated has now reached 958,657. In 2010, the AT hopes to register a further 200,000 taxpayers, bringing the number of NUITs issued up to 1.15 million.

This will be 12 per cent of the economically active population. Most economically active Mozambican citizens work in subsistence agriculture, and have little or no capacity to pay taxes.

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