

# Mozambique News Agency

## AIM Reports

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## All-Africa government a gradual process - President Guebuza

President Armando Guebuza has stated that establishing a "United States of Africa", and hence an all-Africa government, should be a gradual process, and that the member countries of the African Union (AU) should not rush into such a project. The President told reporters in Addis Ababa, where he attended the AU summit, that there is still a large gap between today's African Union and the projected United States of Africa.

The President's position is shared by the entire SADC (Southern African Development Community) region. It is in sharp contrast to the position of the outgoing AU chairperson, Libyan leader Muammar Gaddafi.

At this summit, Gaddafi saw his attempts to extend his term of office frustrated. The summit insisted on the principle that the chairmanship rotates annually between the regions that make up the continent. In 2010 it is southern Africa's turn to chair the AU, and SADC unanimously backed the candidature of Malawian president Bingu wa Mutharika.

On 31 January, Gaddafi told reporters that "I am disappointed, and all the African people are disappointed, because the AU failed to establish institutions to realise the unity of Africa. There has been no notable achievement since the establishment of AU. I can't see real concrete and tangible results".

Those such as Mozambique, who favour gradual moves towards continental unity, argue that the regional blocs (SADC or ECOWAS, for example) must be consolidated first and that rushing into continental unity prematurely would be a recipe for failure.

### ***ICT key to development***

President Guebuza on 31 January said that Mozambique possesses all the conditions to make progress in information and communication technologies (ICTs), which he regarded as a key instrument for development.

Speaking to reporters in Addis Ababa,, President Guebuza stressed that in the near future many more Mozambicans than at present will be making use of information technologies.

Later in the day, President Guebuza spoke at a summit session devoted to the question of ICTs, and pointed to the Mozambican government's drive to expand and modernise the telecommunications infrastructure with the use of fibre optics in the communications between Maputo and all provincial capitals, and the inter-connection of the national and regional fibre optic networks.

He stressed that the government is committed to guaranteeing that ordinary citizens can gain access to ICTs. Thus the government's recent decision to introduce a third mobile phone operator "seeks to improve the current environment of competition in the sector, which will in turn contribute to increased telephone penetration, improved quality and diversity of telecommunication services, and to reducing their costs so that they become more accessible to the poorer strata of our society".

President Guebuza spoke of the role of the ICTs in electronic governance, and declared "we have been establishing communication and information systems directed at the fight against corruption, and to improve the availability of information of public interest".

He said that currently more than 150 state institutions are linked through the government's electronic network. This covers central and provincial institutions, and the network is now being extended to the districts

"The ICTs will allow our public institutions to carry out effective actions against red tape and corruption, to promote the good image of our country, and to improve the business environment and national competitiveness", stated President Guebuza.

## **Katupha reappointed parliamentary spokesperson**

The Standing Commission of the Mozambican parliament, the Assembly of the Republic, on 26 January reappointed Mateus Katupha as its spokesperson for a further five-year term of office.

The Commission also decided that the next plenary session of the Assembly will be held in March.

Because of the 28 October general elections, the parliamentary sitting normally held between October and December did not take place. As a result, the budget has not yet been approved, and the state is still functioning on the basis of the 2009 budget.

A further priority is the debate on the new government's Five Year Programme, and the economic and social plan for 2010 that will flow from it.

Meanwhile the question of whether the Mozambican Democratic Movement (MDM) will be allowed to set up an officially recognised parliamentary group (which would allow it representation on Assembly commissions) is no nearer a solution.

In October's parliamentary elections, the MDM won eight seats – but the parliamentary standing orders state that a parliamentary group must have a minimum of 11 members. The MDM is thus urging that the standing orders be amended so that it gets the rights and privileges of a parliamentary group.

In the end, the decision will rest with the other 242 deputies – the 51 from Renamo and particularly the 191 from Frelimo.

## **Renamo boycott in ruins**

The boycott of elected institutions by Mozambique's main opposition party, Renamo, is continuing to collapse, as Renamo members trickle into the provincial assemblies.

When the provincial assemblies first met, on 5 January, only nine out of the 83 Renamo members took their seats (five in Maputo province, three in Zambezia and one in Niassa).

However, on 26 January, 19 Renamo members of the Manica provincial assembly took their seats. Their spokesperson, Manuel Mucocove, cited in the newsheet "Canal de Mocambique", claimed they went into the Assembly with the authorisation of Renamo leader Afonso Dhlakama.

If true, Dhlakama had not told the Renamo Manica provincial delegate, Albino Faife, who seemed to believe that the boycott remained official party policy. Faife declared that he knew nothing about Renamo members taking their seats in the provincial assembly, and that anyone who did so "has betrayed the party".

The Renamo boycott of parliament and of the provincial assemblies was supposed to go hand in hand with the demonstrations. But with the boycott now in ruins, few people believe that any demonstrations will take place.

## **Lowest inflation in a decade**

Mozambican inflation rates in 2009 were the lowest recorded in the past ten years, according to a statement from the Monetary Policy Committee of the Bank of Mozambique.

This is despite a sharp rise in inflation in December, when unscrupulous traders sought to fleece their customers during the Christmas holiday period. Inflation in November, as measured by the Maputo Consumer Price Index, was 1.42 per cent, but rose to 2.1 per cent in December.

However, the January-December inflation rate was only 4.21 per cent (because of the traditional drop in food prices in the middle of the year). This compared with inflation of 6.19 per cent in January-December 2008.

The average 12 monthly inflation rate over 2009 was just 3.25 per cent – considerably lower than the government's target of five per cent.

The Bank of Mozambique attributes this success in the fight against inflation to the greater than expected growth in GDP, to the macro-economic policies adopted to cope with the international financial crisis, to the reduction in South African inflation over the year, and to the regular supply of vegetables to the Maputo market.

The central bank does not specifically mention it – but the fact that the government froze fuel prices at their March level must also have played a role in keeping inflation down.

There was also an expansion in bank credit, so that by the end of November, the balance of credit granted to the Mozambican economy was 66.9 billion meticaís (\$2.43 billion).

This, the Monetary Policy Committee said, "continued to reflect the growing financing provided by the banking system to the private sector due, among other factors, to the insufficiency of external funding as a result of the international financial crisis". Excluding the impact of the nominal depreciation of the Mozambican currency, the metical, the annual growth in credit was 47 per cent.

The money supply (M3) grew by 34.3 per cent over the year, partly because of the increased credit to the private sector, and partly because of state financial operations. If the effect of the currency depreciation is removed, the real monetary expansion falls to 26.5 per cent.

In December, the country's net international reserves stood at \$1.842 billion, which was \$84 million larger than had been planned.

Over the year the metical depreciated by 9.65 per cent against the dollar, but the Bank of Mozambique does not regard this as a problem. "The annual depreciation, together with the moderate behaviour of inflation during the year, allowed the metical to maintain its competitiveness, thus benefiting the promotion of exports", said the statement.

## Money available to electrify 22 districts

The Mozambican government has \$300 million available to supply electricity to 22 more districts across the country during the next five years. There are currently 34 district capitals that are not connected to the national grid. Districts still lacking funds for their electrification include six in the northernmost province of Niassa, three in the sparsely populated interior of Gaza province, two in Cabo Delgado and one in Manica.

Energy Minister Salvador Namburete told AIM that "our plan is to bring electricity to all 34 districts that are still not on the grid, and we have funds to cater for 22 of them, granted by the government of Norway, the African Development Bank, and the Islamic Bank, totalling \$300 million. There are still 12 districts for which there is not yet any funding, and the government's idea is to keep mobilizing resources for those districts".

In some of the 22 districts for which funds are available, preparatory work to survey and clear the land through which the transmission lines will pass is already under way. The great beneficiary of these funds is Cabo Delgado - nine of its districts are covered by the \$300 million, plus three in Niassa, three in Inhambane, two in Sofala, two in Nampula, two in Zambezia and one in Manica.

Over the previous five years, 42 of the 128 districts in the country were connected to the national grid.

## Cashew harvest to reach 95,000 tonnes

Mozambique's National Cashew Institute (INAJU) is optimistic that the 2009-2010 cashew harvest will reach 95,000 tonnes. By mid-January 71,400 tonnes of cashew nuts had been marketed, which is 75 per cent of the target.

The largest cashew-producing province is Nampula, which recorded 67 per cent of all sales in the period. A further 14 per cent came from the neighbouring provinces of Zambezia and Cabo Delgado, and the remaining 14 per cent from Sofala, Inhambane, Gaza and Maputo.

The marketing campaign is now concentrating on the southern provinces, in order to bring the total up to 95,000 tonnes.

This is not as much as the 100,000 tonnes that INAJU had initially hoped for, but a considerable improvement on the 2008/2009 campaign, when only 64,150 tonnes of nuts were marketed.

The increase is put down to good climatic conditions, successful spraying of cashew trees against pests, and the easing of the international financial crisis, which has made buyers more interested in Mozambican cashews.

In total, the Mozambican factories can process 25-30,000 tonnes of nuts. Some will be processed informally for the local sale of cashew kernels, but the bulk of cashew production will be exported as raw nuts (mostly to India).

## Trains reach Moatize

The first train for more than two decades reached the railway station at Moatize, in the western province of Tete, on 30 January, as the reconstruction of the Sena line, linking the port of Beira to the Moatize coal basin, nears completion.

The Sena line was comprehensively sabotaged by the apartheid backed rebels in the mid-1980s. Every inch of track had to be relayed, in work done by the Indian Rites and Ircon Consortium.

On its arrival in Moatize, the first train was received by members of the Central Committee of the ruling Frelimo party resident in Tete, some Frelimo members of parliament, members of the provincial and district governments, and a large crowd of local residents.

Moatize district administrator Adelino Andissene said that the trains will bring many benefits to the province and to the people living along the railway.

For his part, the Tete provincial director of transport, Paz Catruza, said that the long awaited arrival of trains from Beira to Tete will speed up exploitation of the coal mines in Moatize, scheduled to start between the end of this year and early 2011. The railway can now be used to transport the equipment needed by the two companies with mining concessions, Vale of Brazil and Riversdale of Australia.

Catruza guaranteed that rail passenger transport between Beira and Moatize will resume in February. He pointed out that the rail fares will be much cheaper than the fares charged by the private minibus operators who currently ferry passengers between Beira and Tete province.

## Prime Minister visits flood victims

Prime Minister Aires Aly on 29 January visited some of the Maputo neighbourhoods worst affected by the torrential rains that hit the capital on 27 January.

These neighbourhoods, such as Inhagoia, Laulane and Mahotas, are regularly swamped in the rainy season. From one day to the next, families are driven out of their homes, and are forced to sleep in the open, or in the homes of relatives or friends, or in schools or churches.

Speaking to 18 families in this situation in Inhagoia, Aly transmitted a message of solidarity from President Armando Guebuza, and praised them for leaving high-risk areas of their own accord rather than waiting for government help. He thought this speedy reaction had prevented any deaths in Inhagoia.

He assured them that the Maputo City Council would continue providing them with basic support, while definitive solutions are sought so that the same problem does not recur every rainy season.

This would involve resettlement, and Aly urged the families not to attempt to return to their old homes. "The rains have been affecting you for years, and this is no place for you to live", he stressed.

### Fifty more buses for Maputo

A further 50 buses are being imported this month to strengthen the fleet of the publicly owned Maputo Bus company (TPM). This will bring the total number of TPM buses in circulation to 195.

According to the TPM chairperson, Domingos Fernando, there are currently between 110 and 115 TPM buses on the roads every day in Maputo city and province. While this is a much larger number of buses than were available a couple of years ago, it is still insufficient to meet the city's public transport needs.

### Vehicle inspections begin

The National Traffic Institute (INAV) on 1 February began compulsory inspection of vehicles, to increase road safety.

Inspection centres are now open in Maputo, the neighbouring city of Matola, the western city of Tete, and Niassa in the far north. Other centres will shortly open in the remaining seven provinces.

Transport Minister Paulo Zucula said at the inauguration ceremony in Matola that the regular inspections will improve road safety, and will ensure that when citizens buy a car they know that it is roadworthy – for under the new regulations nobody can sell a car without first having it inspected.

### Maputo-Matola maritime route inaugurated

Transport Minister Paulo Zucula on 23 January inaugurated a maritime transport route between the cities of Maputo and Matola.

Two ferries, the "Maluaze" and the "Paula Santos", complement the existing bus and train links between the two cities. Between them, the two boats will make 12 trips a day, each carrying up to 70 people.

Zucula said the government hopes to expand the route in the near future, so that these vessels will also call at Costa do sol and Inhaca.

He stressed that the solution to transport problems in the major cities lies in diversifying the modes of transport, in order to increase the supply, accessibility and effectiveness of transport.

He encouraged citizens of Maputo, Matola and the nearby town of Boane to use the ferry service, rather than relying on private cars, "because it will save you time and money". Furthermore, the more people used alternative forms of transport, taking cars off the roads, the safer the roads would become.

The two 18 metre long boats, plus the docking points in Maputo and Matola, cost the Mozambican government two million euros (\$2.8 million).

### New classrooms in operation

The Mozambican 2010 school year began with a further 1,200 new classrooms coming into operation, many fewer than was planned.

According to the spokesperson for the Ministry of Education, Eurico Banze, of this number 1,137 classrooms are for basic primary education and the rest for secondary education.

Banze said that this year there are 425 new first level primary education (EP1) schools, and 407 second level primary (EP2) schools.

Three technical and professional schools will open, two at basic level and one at mid-level. There are 67 new secondary schools – 45 for the first cycle of secondary education and 22 for the second cycle.

Since 2005 the Education Ministry has been implementing an Accelerated School Building Programme, with the purpose of ensuring access to basic education for all children of school age by 2015 (this is one of the eight Millennium Development Goals, approved by the United Nations at its Millennium summit in 2000).

Under this programme, by the end of 2008, 2,900 classrooms had been built across the country, with houses for the teachers and other complementary infrastructures. However, this number is miserably small when compared with the programme's target, which is to build 45,000 new classrooms by 2015.

Initially, the Ministry envisaged the construction of 6,000 classrooms a year. However, the target was cut to 1,400 a year due to the difficulties in obtaining building materials and skilled labour.

The project seeks to use alternative materials and technologies, with controlled costs. It is supposed to rely on local contractors, NGOs and communities to plan and carry out the building work.

Although more children are attending school than ever before in the country's history, a sizeable minority are still excluded due to lack of sufficient places, and lack of teachers. This year it is estimated that over 200,000 children will be unable to attend school because of such problems.

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