

# Mozambique News Agency

## AIM Reports

Report no.436, 13<sup>th</sup> December 2011



## Opposition party wins by-election in Quelimane

Mozambique's National Elections Commission (CNE) on 12 December formally announced that Manuel de Araujo, of the opposition Mozambique Democratic Movement (MDM), and Tagir Carimo and Vicente Lourenco, of the ruling Frelimo Party, have been elected mayors of the cities of Quelimane, Pemba and Cuamba.

Mozambique's National Elections Commission (CNE) on 12 December formally announced that Manuel de Araujo, of the opposition Mozambique Democratic Movement (MDM), and Tagir Carimo and Vicente Lourenco, of the ruling Frelimo Party, have been elected mayors of the cities of Quelimane, Pemba and Cuamba.

The three municipal by-elections were held on 7 December, and because the initial count is done at the polling stations, the results were known that evening.

Supporters of Manuel de Araujo took en masse to the streets of the central city of Quelimane on 7 December when it became clear that he had won a convincing victory. So dense were the crowds of jubilant MDM supporters that the television station, STV, reported that it was difficult to move around the centre of the city.

In some of the 141 polling stations Araujo was beating his opponent, Lourenco Aboobakar by two or even three votes to one. But in areas near the centre of the city, Araujo's margin of victory was not so large.

The Frelimo Central Committee Secretary for Mobilisation and Propaganda, Edson Macuacua, sent a message of "congratulations to those elected for the trust they merited from the municipal citizens. I wish them all good luck and success in carrying out their noble mission".

Macuacua stated that the elections in the three cities had occurred "in a free, fair, peaceful, orderly and transparent way. Our democracy is to be congratulated. Our Mozambique is to be congratulated. One cycle ends and another begins. The struggle continues".

The formal results came after the CNE received the results sheets from the polling stations in the three cities, checked the arithmetic, and looked at all the votes declared blank or invalid at the polling stations. It rescued about a third of the invalid votes, deciding that in these cases the polling station staff had been too strict, and that the voters had expressed a preference, even if they had not put their cross or mark in the right place.

The result of "requalifying" the invalid votes was to increase still further (by 0.86 per cent) the winning margin of Manuel de Araujo in Quelimane. The changes to the Pemba and Cuamba results were marginal.

The final results, as declared by the CNE, are as follows:

### Quelimane

Manuel de Araujo (MDM)	23,080	63.14%
Lourenco Abubacar Bico (Frelimo)	13,476	36.86%

### Pemba

Tagir Carimo (Frelimo):	13,639	88.8%
Assamo Tique (MDM):	1,498	9.75%
Emiliano Mocambique (PAHUMO):	223	1.45%

### Cuamba

Vicente Lourenco (Frelimo):	4,120	63.75%
Mario Moreno (MDM):	2,343	36.25%

Of the various minor parties, only the recently formed Humanitarian Party of Mozambique (PAHUMO) stood a candidate. The CNE accepted the application from the National Reconciliation Party (PARENA) to stand a candidate in Pemba – but this party never submitted the name or nomination papers of its candidate.

CNE chairperson, Joao Leopoldo da Costa, expressed concern at the mass abstention during the election. Turnout was only 27.88 per cent in Quelimane, 18.21 per cent in Pemba and 14.59 per cent in Cuamba.

Thus is much lower than the turnout in the 2008 municipal elections which was 43.61 per cent in Quelimane, 40.77 per cent in Pemba and 33.28 per cent in Cuamba.

## Plan for 2012 envisages 7.5 per cent growth

Prime Minister Aires Ali on 12 December presented to the country's parliament, the Assembly of the Republic, the government's Economic and Social Plan for next year, envisaging an economic growth rate of 7.5 per cent. The target for growth in 2011 was 7.2 per cent. By the end of June, the growth rate was 6.8 per cent, and the government is confident that by the end of the year it will reach the target.

The 2012 plan envisages a 9.9 per cent increase in agriculture, livestock and forestry production. This includes a 4.8 per cent rise in maize production – from an estimated 2.18 million tonnes in 2011 to 2.28 million tonnes in 2012.

Rice production should rise by 13.8 per cent, from 271,000 to 309,000 tonnes, and wheat production from 20,000 to 23,000 tonnes (a 12.5 per cent increase). The figures mean that Mozambique will still be dependent on imports to meet its rice and wheat needs.

Cassava production is projected to be in surplus – rising by 12.8 per cent, from 10.1 million to 11.4 million tonnes.

As for cash crops, the major increase forecast is for sugar cane. The plan envisages a rise of 23.4 per cent, from 2.95 to 3.63 million tonnes. For what was once Mozambique's most important cash crop, cashew nuts, no increase is forecast – production is expected to remain at this year's figure of 112,800 tonnes.

As coal mining takes off in Tete province, production from the extractive industries is expected to rise by 27.5 per cent. Coal production this year is expected to reach a million tonnes, climbing in 2012 to 5.93 million tonnes (a 493 per cent increase).

Production at the dredge mine operated by the Irish company Kenmare Resources in the northern district of Moma will also rise significantly. A 34 per cent rise in the production of ilmenite (iron titanium oxide), 19.8 per cent for zircon and 41.8 per cent for rutile is forecast.

No increase is expected in natural gas production where the annual production will remain 132.7 million gigajoules. Over the past year there have been enormous finds of natural gas in the Rovuma Basin, off the coast of the northern province of Cabo Delgado, but these fields will probably not be in production until 2018.

The plan envisages a recovery in fisheries. This year, fisheries production fell by 5.1 per cent, but for 2012 an increase of 18.4 per cent is forecast. Since there are signs of over-fishing in the prawn fisheries, the government has set a maximum limit on commercial prawn fishing of 5,650 tonnes, the same as this year.

An increase of 3.6 per cent is forecast for manufacturing, with the major increases occurring in food processing, textiles, clothing and cement.

For the transport and communications sector, an increase in production of 16.9 per cent is envisaged. Contributing to this is the transport of coal along the rebuilt Sena railway from the Moatize coal basin to the port of Beira, the rehabilitation of the Beira Coal Terminal, the dredging of the entrance channels to Maputo and Beira ports, allowing much larger ships to dock, and the resumption of coastal and lake shipping.

The inflation target is to hold the average 12 monthly inflation rate over 2012 to no more than 7.2 per cent. This rate was 14 per cent in July (although the accumulated January-July inflation rate was only 3.36 per cent).

The plan also envisages commodity exports of \$3.02 billion in 2012, and a level of net international reserves sufficient to cover 4.7 months of imports of goods and services.

## Increased state expenditure

Under the plan the government intends to expand the country's school network by 6.3 per cent. The total number of pupils in general education will rise by 5.4 per cent, from 5.76 million this year to 6.07 million in 2012.

In health care, the government has set a target that 75 per cent of all children should be fully vaccinated against all the diseases covered by the country's vaccination programme. In the fight against malaria, 60 of the country's 128 districts should be covered by distribution of mosquito nets.

As for access to electricity, 100,000 new connections are planned for 2012, which will bring the total number of clients of the publicly owned electricity company, EDM, to 1,036,085. This means that the percentage of the Mozambican population with electricity in their homes will rise from the current figure of 19 per cent to 20.7 per cent.

## Dependence on foreign aid declining

Finance Minister Manuel Chang told the Assembly that Mozambique's dependence on foreign aid is declining. Introducing the state budget for 2012, Chang said that only 39.6 per cent of public expenditure will be covered by foreign grants and loans.

In the 2011 budget, 44.6 per cent of expenditure was to be covered by foreign aid, and in the 2010 budget the figure was 51.4 per cent.

Chang said the likely fall in foreign aid, in percentage terms, was due to "cautious calculations" by donor countries, who are themselves under enormous budgetary pressure, and to the impact of exchange fluctuations. The strengthening of the Mozambican currency over the past year means that aid can show a decline when expressed in meticaís, even if it has gone up when expressed in dollars or euros.

The budget sets total state expenditure for 2012 at 162.5 billion meticaís (\$6.02 billion). State revenue (mostly taxes) is forecast to bring in 95.5 billion meticaís, leaving a deficit of 67 billion meticaís to be covered by grants and loans.

The budget will allow the state to recruit 13,000 new workers, Chang said. Of these 8,500 will be teachers, 1,800 will be health workers, and 200 will be for the justice system.

The priority sectors for poverty reduction take up 66.7 per cent of the budget, once debt servicing and financial operations have been excluded – which is an improvement on the figure of 59.9 per cent in the 2011 budget.

18.2 per cent will be spent on education (up from 16.5 per cent in the 2011 budget), and 13.4 per cent will go to infrastructures (down from 13.9 per cent).

Health care (including the HIV/AIDS programmes) takes up 7.9 per cent of the budget – a significant increase on the 7.1 per cent in the 2011 budget, but a long way short of the 15 per cent that African leaders pledged in Abuja Declaration of 2001.

Another priority sector showing an increase is agriculture – up from 10.6 per cent in 2011 to 11.1 per cent in next year's budget. Governance, security and the judicial system account for 7.9 per cent of the budget (up from 6.9 per cent in 2011).

Chang said the main objectives of the budget are to maintain macro-economic stability, and to pursue "actions centred on the fight against poverty and on promoting sustainable and inclusive growth".

The government also hoped to "restore balance to the public accounts in the medium term, and to correct structural imbalances in the balance of payments in the long term".

## Cashew Master Plan launched

Deputy Minister of Agriculture, Antonio Limbau, on 12 December in Maputo launched the Cashew Master Plan for the 2011-2020 period, which seeks to increase cashew nut production by about 80 per cent over the next ten years.

Limbau put the current figure at about 100,000 tonnes of nuts marketed a year (though the figure given by the government in its Economic and Social Plan for 2012 is 112,000 tonnes). By 2020, he wanted to see that figure rise to between 185,000 and 200,000 tonnes.

The plan also envisages raising the capacity of the Mozambican cashew processing industry from the current 30,000 to 100,000 tonnes a year.

“The cashew sector is vital for the socio-economic development of the country”, said Limbau. “The production and marketing of cashew nuts is an economic activity for more than 1.4 million rural families and it creates jobs for thousands of workers”.

Limbau noted that Mozambique had once led the world in cashew production, and in the 1970s, one campaign had harvested over 200,000 tonnes of nuts.

There was a lengthy collapse, as the war of destabilisation took its toll on the cashew orchard, and fungal and pests severely damaged the ageing trees. Interference by the World Bank, which attempt to outlaw protection for the cashew processing industry, led to the closure of all the country’s large, mechanized cashew factories.

To rescue the cashew sector a master plan was approved in 1998, which improved production levels, particularly by distributing 1.5 million cashew saplings in eight provinces.

Cashew marketing rose from 50,000 tonnes in 2000 to 112,000 tonnes this year, while cashew exports rose from \$13.7 million in 2000 to \$39.5 million in 2010.

The processing industry has also revived, but is now based on 29 small, labour intensive factories. As a result the amount of nuts processed in Mozambique rose from 3,700 tonnes in 2000 to 38,400 tonnes last year.

However, studies into the cashew sector show that productivity is still very low, both for the peasant producers who harvest the nuts and for the processing industry.

## Anti-corruption prosecutors charged with corruption

Two Mozambican prosecutors working for the Central Office for the Fight against Corruption (GCCC) are facing criminal proceedings because of their alleged involvement in acts of corruption, according to a report in the Maputo daily newspaper “Noticias” on 9 December.

Cited by the paper, the director of the GCCC, Ana Maria Gemo, said that proceedings have been opened against one prosecutor because he accepted a bribe. The second case involved alleged theft of funds from the GCCC itself, which is part of the Attorney-General’s Office.

Gemo said the crimes committed by these two prosecutors, whom she did not name, were discovered thanks to the vigilance systems used to combat corruption in the state apparatus, and specifically within the GCCC.

“Internally there are measures we take, which are just like those we take when we hold citizens responsible for their actions”, said Gemo, who was speaking as part of the commemorations of International Anti-Corruption Day.

“It is possible to defeat corruption”, Gemo stressed, “but for that to happen, it is essential that citizens blow the whistle on the corrupt networks that infest the state apparatus. This task cannot be left solely in the hands of the GCCC”.

## Beira rail system returned to CFM

As promised by Transport Minister Paulo Zucula in the Assembly of the Republic, the public ports and rail company, CFM, has taken back control of the Beira rail system following the cancellation of the contract between the government and the Indian consortium RICON.

The Beira rail system consists of the Machipanda line, from Beira to Zimbabwe, and the Sena line, from Beira to the Moatize coal mines, with a spur to Malawi. The government granted management of the lines in 2004 to the Beira Railroad Company in which RICON was the main partner.

Zucula told the Assembly on 7 December that the Indian consortium was in breach of contract. It had repeatedly failed to complete work to rebuild the Sena line on schedule, and had not even touched the Machipanda line.

According to the Beira daily newspaper “Diario de Mocambique”, the Beira rail system returned to CFM management at a ceremony on 7 December.

The purpose of farming out the Beira system to private management was to repair the Sena line so that it could be used to export coal from Moatize via the port of Beira.

The initial deadline for completing the work was September 2009, but despite repeated extensions, the line was not in any condition to carry the coal trains until this year.

Exports of coal began in September – even though improvement work is still required on parts of the Sena line.

## Clean water for almost 60 per cent of rural dwellers

Almost 60 per cent of Mozambique’s rural population now has access to clean drinking water, the Minister of Public Works, Cadmiel Muthemba, told the Assembly of the Republic, on 7 December.

Answering questions from deputies, he said that coverage in the rural area had gone up from a mere 15 per cent of the population in 1997 to 58.6 per cent this year.

A National Water and Rural Sanitation Programme (PRONASAR) is now under way, with a common fund into which donors deposit money for rural water supply. “With this programme, 12,000 scattered water sources and 120 small water supply systems will be built throughout the country by 2015, serving more than 4.5 million people”, said Muthemba. “400,000 improved latrines will be built to benefit over two million people”.

The plans for 2011 were to build 1,866 new water sources, and rehabilitate 842, benefitting 1.35 million people.

The full figures are not yet available, but by the end of the third quarter of this year 992 sources had been built and 472 rehabilitated, benefitting 732,000 people. That left the government with just three months to build or rehabilitate the remaining 1,244 sources.

Improvements to the urban water supply have ensured that clean water now reaches 65 per cent of the residents of Mozambican cities and towns, Muthemba added. The rehabilitation and expansion of the water system for Maputo and Matola cities and the adjacent town of Boane have been completed. The system now serves over 830,000 people.

A further 80,000 people now get water from 16 small scale water systems set up in the Maputo and Matola peri-urban neighbourhoods and managed by private businesses.

As for sanitation, the rehabilitation of the Beira sanitation system has been concluded, said the minister, and the sewage network and the elevation and pumping stations have all been handed over to Beira Municipal Council. 120,000 people will be served directly by the new sewer system.

## Renamo leader promises no return to war

Afonso Dhlakama, leader of Mozambique's main opposition party Renamo, has told President Armando Guebuza that he has no intention of returning to war.

President Guebuza received Dhlakama, at the Renamo leader's request, in the northern city of Nampula on 8 December. Dhlakama is currently living in Nampula, and since President Guebuza had an official engagement in Nampula he saw no reason not to grant Dhlakama's request for a meeting.

President Guebuza told reporters that Dhlakama had told him he did not want another war, since this would hold back growth and development, and cause damage that would cost Mozambican citizens a great deal to repair. "He said he had no intention of waging war again", President Guebuza continued, "and naturally we agreed to meet on another occasion when one arises".

President Guebuza urged Dhlakama to avoid acts of violence that have occurred during the Renamo leader's visits to other parts of the country.

President Guebuza thought the meeting was positive, since it showed that a frank and open dialogue was possible. Establishing such a dialogue, in his opinion, was half the work in solving any problems or difficulties that might exist.

He said that Dhlakama had presented him with two concerns, one in the military sphere and one concerned with democracy. But because Dhlakama arrived late at the meeting, President Guebuza was unable to comment in any depth on these matters.

From a separate press conference given by Dhlakama, it is known that his military concern was the alleged removal of "Renamo officers" from the armed forces, and that he also complained about Frelimo control over the state apparatus.

Dhlakama said the conversation "was good because the President listened and took note of all the questions dealt with. We reached the consensus to set up working groups that will deal with the matters that concern Renamo. It was agreed that there will be a working group formed by representatives of Frelimo and Renamo that will continue the negotiations to solve some problems which are weakening the country".

Dhlakama repeated the longstanding Renamo claim that all elections in Mozambique have been fraudulent. "We have had a problem of frauds in Mozambique, and it is necessary to stop this because we can't continue to call people President of the Republic when they win on the basis of ballot box stuffing", Dhlakama said. "I had the courage to tell him we should stop this and create a basis for democracy".

The question of the mega-projects (such as the Mozal aluminium smelter, of the giant coal mines now opening in Tete province) was also discussed with President Guebuza. Dhlakama claimed "the mega-projects only go to Frelimo and its members when you, the other Mozambicans and I also want to become businessmen".

## Drop in new HIV infections

President Armando Guebuza declared on 1 December that the number of new infections by HIV, the virus that causes AIDS, has begun to fall, due to the efforts the government has been making to halt the spread of the epidemic.

Speaking at the Maputo ceremonies marking World AIDS Day, President Guebuza said that in 2005 there were an estimated 500 new infections every day, but the current estimate is 350 new infections a day.

For President Guebuza this was a sign that the epidemic had entered a stabilization phase, with the hope that there can now be a considerable decline in the disease.

Among the measures that the government has implemented, President Guebuza stressed access to the life-prolonging anti-retroviral drugs. "More than 250,000 Mozambicans are receiving anti-retroviral treatment", he said. "This is a noteworthy increase, when we recall that in 2004 only 7,000 Mozambicans were benefitting from this treatment".

He also stressed that around 70,000 Mozambican women are receiving anti-retrovirals to prevent the transmission of HIV to their unborn children. With this treatment there is every likelihood that the child will be born HIV-negative.

"It is also important to mention that paediatric anti-retroviral treatment, which did not exist in 2004, is now benefitting around 19,000 children", added President Guebuza. Furthermore counselling and HIV testing are now administered at community level, bringing service provision ever closer to where people live.

Nonetheless, large numbers of young men and women were still falling victim to HIV. President Guebuza called on young Mozambicans to behave responsibly every day of their lives, and think of the future rather than living only for the present.

The most exhaustive study to date, known as INSIDA, published in July 2010, showed an HIV prevalence rate of 11.5 per cent among people aged between 15 and 49.

This looked like a significant drop from the 2009 estimate of 15 per cent – but only because the sample was much larger. The previous estimates came from epidemiological surveillance surveys undertaken at sentinel sites, which only tested pregnant women, and were slightly biased towards the urban population.

The southern provinces are worst hit by the disease, followed by the centre, and then the north. In the southern province of Gaza, infection rates were 30 per cent among women (but only 17.5 per cent among men). The northern province of Niassa had the lowest infection rates (four per cent for men and three per cent for women).

*This is a condensed version of the AIM daily news service – for details contact [aim@aim.org.mz](mailto:aim@aim.org.mz)*

Mozambique News Agency, c/o 26 Withdean Crescent, Brighton BN1 6WH, UK. Tel: +44 (0)7941890630 - [mozambique-news@geo2.poptel.org.uk](mailto:mozambique-news@geo2.poptel.org.uk)

Subscription Rates (24 issues)	Individuals	Institutions
UK	£15.00	£25.00
Europe	£25.00	£40.00
Rest of the World	£30.00	£50.00

*Overseas subscribers are requested to pay in sterling. If payment is made in another currency, add the equivalent of £6.00 to cover bank charges.*