

Mozambique News Agency

AIM Reports

Report no.444, 26th April 2012



Mozambique donates fuel and food to Malawi

The Mozambican government has donated to Malawi two wagon loads of maize, one wagon of fuel, and one wagon of cooking salt. The gift also included ten head of cattle, 505 sacks of rice, 20 sacks of sugar, 500 sacks of salt, 20 crates of cooking oil, 50 crates of biscuits, and 50 crates of sardines.

The purpose of the gift is to assist the Malawian government in the funeral ceremonies of the country's late President, Bingu wa Mutharika, who was buried on 23 April in his family mausoleum at Thyolo, 38 kilometres from Blantyre, the country's economic capital.

Mutharika died of a heart attack on 5 April, at the age of 78. His final resting place is next to the tomb of his first wife, Ethel, who died in 2007.

Speaking at the funeral, Malawi's new President, Joyce Banda, thanked the Mozambican government for its gesture, and the other governments who, at a moment of sorrow, had not hesitated to extend a friendly hand to a neighbour.

She was particularly grateful for the donations of fuel. Malawi's shortage of foreign currency has led to a desperate shortage of fuel. The situation has improved due to gifts of fuel, particularly from Zambia, who delivered 210,000 litres—the first instalment of a donation of five million litres.

Banda also thanked Mozambican President Armando Guebuza for the gift of foodstuffs. This, she said, would help the Mutharika family and residents of the region during the mourning period which will last for 40 days.

The Mozambican gesture is a sign of improvement in the relations between Mozambique and Malawi, which had cooled in recent years due to incidents on the border, and particularly to Mozambique's refusal to allow Malawi to use the Zambezi and Chire rivers for its international trade without a thorough environmental impact study.

Six African heads of state attended the funeral. President Guebuza headed a Mozambican delegation that also included Energy Minister Salvador Namburete, the Minister in the Presidency for Social Matters, Feliciano Gundana, and Deputy Foreign Minister Eduardo Koloma.

The other heads of state in attendance were Presidents Robert Mugabe of Zimbabwe, Mwai Kibaki of Kenya, Jakaya Kikwete of Benin, Hifikepunye Pohamba of Namibia, and Yayi Boni of Benin, who is also the current chairperson of the African Union (AU). South Africa was represented by its Deputy President, Kgalema Motlanthe, and Angola by the speaker of parliament, Antonio Kassoma.

Speaking in the name of the Southern African Development Community (SADC), President Guebuza said that Mutharika, in the year that he had held the AU's rotating presidency (2010), he had shown his commitment to the economic independence of the continent. As part of this

commitment, he had drawn up a road map for Africa to attain self-sufficiency in food.

He took the opportunity to congratulate Banda and the Malawian nation "for the orderly and peaceful transition, following the sudden death of our colleague".

President Guebuza told Banda "as SADC, we feel comforted in knowing that your great country has a leader of your calibre, who has shown her commitment to the development of the Malawian people".

He praised Banda for her diplomatic experience and her readiness to extend the ties of friendship with SADC members and other countries. He urged the international community to continue offering support and encouragement to the people of Malawi.

Banda, despite her well-known disputes with her predecessor, was warm in praise. "President Mutharika spent most of his life in dedication to making Malawi a better country", she said, "and on his passing I want to pledge that I will do my best to follow what he wanted to achieve – to move this country from poverty to prosperity".

CNE announces Inhambane by-election result

The chairperson of the National Elections Commission (CNE), Joao Leopoldo da Costa, on 23 April announced the results from the mayoral by-election held on 19 April in the southern city of Inhambane, confirming the victory of Benedito Guimino, candidate of the ruling Frelimo Party, over his sole opponent, Fernando Nhaca, of the Mozambique Democratic movement (MDM).

The results were as follows:

Number of registered voters: 43,206
Turnout: 16,762 (38.8 per cent)
Abstentions: 26,444 (61.2 per cent)

Candidates:

Benedito Guimino (Frelimo): 12,720 (78.53 per cent)
Fernando Nhaca (MDM): 3,478 (21.47 per cent)

Privatisation judged a big success

Prime Minister Aires Ali said on 19 April that the government's decision to farm out management of the port of Maputo to a private company has produced results of great importance for the country's economy.

Speaking at the Second Annual Conference of Maputo Port, Ali said that, thanks to the investments undertaken by the Maputo Port Development Company (MPDC), the port is now financially more robust, and is more competitive, offering a speedy response to the concerns of its users.

The Mozambican government farmed out management of the port to MPDC in 2003, initially for a period of 15 years. The results were positive enough for the government, in 2010, to extend the lease for a further 15 years.

MPDC is a consortium of the private Portus Indico (with 51 per cent) the publicly owned port and rail company CFM (33 per cent), and the Mozambican state (16 per cent). Portus Indico is 48.5 per cent owned by DP World of Dubai, 48.5 per cent by Grindrod International of South Africa, and three per cent by Mocambique Gestores.

Ali recalled that, when it leased out the port to private management in 2003, it believed that this was the best way of making the port more modern and more competitive. "Today we have the privilege to witness the harvesting of these fruits", he said. "Our optimism is based on the forecast that this year Maputo Port will handle 14 million tonnes of cargo compared with 4.5 million tonnes a year prior to the lease, representing a growth of about 200 per cent".

As a corollary to this growth the port is now a major contributor to the public treasury. About a quarter of the country's customs revenue comes from Maputo Port.

"We are sure that the investments being made in Maputo Port will shortly have a significant impact on the real transformation of the lives of our people", declared Ali.

The Master Plan for the port, budgeted at \$1.7 billion, and under implementation since 2009, envisages an ambitious programme of investment in dredging the entrance channel, expanding the coal, container, vehicles and dry bulk terminals, and building or rehabilitating internal rail lines and roads, and the quays.

With these investments, a significant increase in traffic and the creation of more jobs are expected in coming years.

The downside was the increased use of roads to transport goods to and from the port. Ali pointed out that this reduces the useful life of the roads, increases fuel consumption, and has damaging environmental impacts.

To reverse this situation, the Prime Minister wanted to see an increase in the capacity of the country's railways. "I pose this challenge to CFM, as a partner in MPDC, and as the country's rail operator", he said.

Ali stressed that the Mozambican ports and railways should be endowed with the necessary capacity to take maximum advantage of opportunities offered by the market.

"Our country must take advantage of its geo-strategic location", he said, "by reacting speedily to the needs of the market, and by creating the transport conditions to ensure that the strategic resources generated by the countries of the hinterland reach the international market at competitive prices".

According to the MPDC statistics the amount of cargo handled by the port increased from 4.5 million tonnes in 2003 to 11.8 million tonnes in 2011, and is expected to reach 14 million tonnes this year. The expansion plan envisages an enormous increase in cargo, to 40 million tonnes a year within the next five to six years.

Much of this will be coal and iron. The coal terminal currently handles six million tonnes. This is expected to rise to 30 million tonnes a year – 20 million tonnes of coal and 10 million tonnes of iron ore (magnetite). The coal will mostly come from South Africa and Botswana.

SA mining companies prefer roads to rail

Transport Minister Paulo Zucula told reporters on 20 April that South African mining operators prefer to send their mineral exports to Maputo port by road because of the prohibitive fees charged by the South African authorities for use of the rail system.

Zucula said that the preference exporters express for roads has nothing to do with the Mozambican rail system. The railway between Ressano Garcia, on the South African border, and Maputo port has unused capacity of two million tonnes a year, Zucula said it has a capacity for eight million tonnes or cargo a year, but is only moving six million tonnes.

"What is happening is that the mining companies in South Africa pay high fees to use the railway to Ressano Garcia, which is intended to persuade them to use the port of Durban rather than Maputo", said Zucula, "Rather than pay that price, they prefer to come to Maputo by road which is much cheaper".

The government would like the Port of Maputo to send rail wagons to Ressano Garcia, and load the South African cargo into them – but there are not enough spare wagons available.

Zucula said that discussions have been held with the South African state rail company Transnet in an attempt to standardize transport prices, so that Maputo port will no longer be at a disadvantage.

Further funds pledged for demining

The Australian government is to provide, via the United Nations Development Programme (UNDP), \$3 million to support demining programmes under way in Mozambique.

This financial aid will be channelled over the next three years to the three humanitarian agencies working on mine clearance. The purpose is to ensure that all known minefields are cleared of mines by 2014 – this is the deadline for Mozambique to complete demining under the Ottawa Convention outlawing anti-personnel land mines.

There are still 16 million square metres of land suspected to contain mines, and which must be cleared before March 2014. The most heavily affected areas are in southern and central Mozambique.

Under its Plan of Action against Mines, the National Demining Institute (IND) intends to clear 25 districts of land mines this year, leaving 17 for 2013. Of Mozambique's 128 districts, the demining programme has already cleared 86.

The IND estimates that \$32 million is required to conclude the demining programme. So far less than half this sum – about \$14 million – has been pledged.

The Ottawa Convention obliges the 156 signatory countries to conclude demining within 10 years. Since Mozambique acceded to the convention in 1999, it should have ended mine clearance by 2009. This deadline was impossible to meet, and so the Mozambican government requested, and was granted, a five year extension to 2014.

This is a condensed version of the AIM daily news service. For details contact aim@aim.org.mz

Graca Machel appointed President of SOAS

The School of Oriental and African Studies (SOAS) has appointed Graca Machel as its new President. Machel was Mozambique's first Education Minister, and is the widow of the country's first head of state, Samora Machel.

Graca Machel, who is now married to former South African President Nelson Mandela, takes over the post from Baroness Helena Kennedy, who held it for the past ten years.

According to the chairperson of the SOAS Governing Body, Dr Tim Miller, "this is an immensely proud moment for SOAS. Mrs Machel is highly regarded as an international advocate for women's and children's rights and for her work as a social and political activist. Her achievements are prolific and she is a huge inspiration to many, including our own staff and students".

Graca Machel declared, "it is a great honour to accept the position of President of SOAS. SOAS is a highly regarded international institution whose alumni include many students that have gone on to become activists and leaders in economic, political and social change throughout the world. I look forward to making a modest contribution to the outstanding work of SOAS."

The President is not an executive post. In this role, Machel will be expected to preside over graduation and other ceremonies and act as an ambassador for SOAS.

ProSavana a priority programme - PM

Prime Minister Aires Ali has described the agricultural project ProSavana as a priority which should merit due attention from all the parties involved, in order to overcome possible difficulties and ensure success.

ProSavana is an abbreviation for the Programme of Triangular Cooperation for Developing Agriculture in the Tropical Savannahs of Mozambique. It will be developed in the north of the country, mostly along the Nacala Development Corridor, and is intended to increase agricultural productivity, using the transfer of technology.

Mozambique's partners in the programme are Brazil and Japan, and Ali was speaking on 20 April to a group of Japanese and Brazilian business people who had just visited ProSavana areas in Nampula and Cabo Delgado provinces.

The group assessed as positive the agricultural potential of the areas they had visited. The advantages they found included the commitment expressed by the government, the motivation of local agricultural producers, the existence of basic infrastructure and of a system favourable to investment, and access to domestic and foreign markets.

Nonetheless, the head of the Brazilian delegation, Luis Nishimori, pointed to some constraints that must be overcome if the programme is to produce rapid results – namely the need to establish a value chain, the development of agricultural technology, the strengthening of agricultural extension, and community consultation over access to land.

"Other difficulties concern poor access to inputs and credit, public security and feeble environmental awareness locally", said Nishimori.

Ali said that the difficulties found by the mission should be regarded as challenges, and solutions must be found to them in order for ProSavana to advance rapidly.

He considered the visit by the Brazilian-Japanese mission as an important stage in the programme's take-off.

Ali hoped that with the involvement of Mozambicans, Brazilians and Japanese it will be possible to increase employment, achieve food security and reduce poverty along the Nacala Corridor and in adjacent areas.

Cordial meeting held with Dhlakama

President Armando Guebuza has told reporters that his meeting on 15 April with Afonso Dhlakama, leader of the main opposition party, Renamo, had been cordial but had reached no conclusion on various issues raised by Renamo.

The meeting took place in the northern city of Nampula, where Dhlakama has been living for the last three years. President Guebuza said that, since he had been speaking at a youth conference in Nampula that day, he took the opportunity to speak with Dhlakama.

The two men spoke about the clashes on 8 March, when the police stormed the Renamo office in Nampula, where a large number of demobilised Renamo soldiers and armed members of Renamo's illegal security force, known as its "Presidential Guard", had gathered.

"He has his version and I have a different vision of reality", said President Guebuza. "We exchanged points of view and we agreed that peace must be maintained".

According to the police, the clash occurred because members of Renamo opened fire on a police vehicle. The police returned fire, and in the shoot-out one police officer and one Renamo member lost their lives.

"We have different ways of viewing the problem", said President Guebuza. "I explained my position. He has a different view".

He said Dhlakama had raised issues concerning the electoral legislation, notably the composition of the National Elections Commission (CNE) and an article in the existing law which Renamo claims facilitates fraud.

"We concluded that this is not something to be discussed by the two leaders", said President Guebuza, "since it is in good hands in the Assembly of the Republic (the Mozambican parliament), which is amending the legislation".

President Guebuza made a point of raising economic issues with Dhlakama. "I drew his attention to what is happening in our country in terms of large scale foreign investment", he said. "I believe the opposition has a role to play in encouraging the climate for investment".

The meeting did not advance any solution to the question of Renamo's "Presidential Guard", a group of fighters who have not yet been demobilised, almost 20 years after the peace agreement signed in Rome between the government and Renamo. These armed men "are a problem for us, but also for Renamo", said President Guebuza.

"The meeting was cordial and showed it is possible for us to talk", he said. There were no conclusions, but "dialogue does not always lead to immediate decisions, it's a process".

The two men had agreed to keep in contact by phone, and would meet face to face "when necessary".

High grade graphite found in Cabo Delgado

The Australian mining company Syrah Resources on 18 April announced that it has found high grade graphite resources at its Balama project located in the district of Namuno, in the northern province of Cabo Delgado.

Syrah stated "significant high grade results over broad intervals support Syrah's view that Balama has excellent potential to host a large, high grade graphite deposit".

It hopes that early next year it will have done enough research to formally estimate the volume of the resource.

Graphite is a form of carbon which is highly valued due to its properties as a conductor of electricity. It is used in batteries and fuel cells, and is the basis for the "miracle material" graphene. The price of graphite has recently rocketed to around \$3,000 a tonne.

Mozambican and American businessmen meet

Businessmen from Mozambique and the United States met in Maputo on 18 April for the start of a two day conference entitled "Let's Do Business", intended to create commercial opportunities for both countries.

The American mission which includes representatives of Boeing, Exxon Mobil and General Electric, received reports on diverse sectors of the economy, including agriculture, tourism, infrastructures, energy and mineral resources.

President Armando Guebuza, who chaired the opening session, stressed that more investment means more jobs, more income, more infrastructures and more goods and services. "In short, more investment means better living standards for our people", he declared.

He hoped that, during the conference, the American businesses would become aware of "the many opportunities and great potential for business".

He praised the recent increase in US investment which, in 2011, had placed the US among the top ten investors in Mozambique. He cited as an example the large scale investments made by the Texas-based company Anadarko in exploring for hydrocarbons in the Rovuma Basin, off the coast of the northern province of Cabo Delgado, which has led to the discovery of enormous deposits of natural gas.

But so far, American businesses had merely "scratched the surface" of the opportunities provided by Mozambique. The country's known natural resources, President Guebuza pointed out, include marble, titanium, iron, gold, precious and semi-precious stones, limestone and timber.

American investment, he added, was also welcome in light and heavy industry, in electricity generation and transmission, and in biofuels. All these areas would provide opportunities for employing more Mozambicans in the formal sector of the economy, and would allow the expansion of the country's tax base.

The President called for partnerships between foreign and national investors, pointing to advantages which can arise "from the combination of local knowledge and skills with external resources and the transfer of technologies".

This would have an impact "on productivity and on the diversification of the supply of goods and services".

President Guebuza pointed out that to protect the rights and property of national and foreign investors, Mozambique has signed investment promotion and protection agreements with 24 countries, including the United States".

Mozambique and Algeria to cooperate on hydrocarbons

Mozambique and Algeria are to reactivate their cooperation in the area of hydrocarbons, the Minister of Mineral Resources, Esperanca Bias, announced in Maputo on 16 April, after a meeting with the Algerian Minister of Energy and Mines Youcef Yousfi.

Bias told reporters that Mozambique, with the discovery of large reserves of natural gas in the Rovuma Basin, in the far north of the country, is going through a phase similar to that experienced by Algeria in the 1960s.

Mozambique is interested in producing liquefied natural gas (LNG), an area in which Algeria has a great deal of experience.

Bias thought that the areas in which Algeria could provide advice included monitoring and negotiations with hydrocarbon companies. "We are now negotiating LNG projects with multinational companies, and Algeria has already been through this", she said. "Some of the companies operating in Mozambique also operate in Algeria".

Yousfi, who was on a four day working visit to Mozambique, agreed that the negotiation phase "is an opportunity for Mozambique to learn from Algeria's experience".

He said that his visit is aimed at strengthening the cooperation between the two countries in energy and other areas of common interest.

Mozambique – Brazil: an example of south - south cooperation

The Vice-President of Brazil, Michel Temer, said on 17 April that the partnership between Brazil and Mozambique has shown the benefits of south-south cooperation in promoting social development that is also committed to democracy and social justice.

Speaking shortly after a meeting with Mozambican Prime Minister Aires Ali, who was on an official visit to Brazil, Temer said the work done in partnership with Mozambique reflects Brazilian interest and confidence in strengthening still further the existing ties.

"The commitment to development, good governance and improving the life of the population confers international recognition and prestige on Mozambique", added Temer. "I salute the Mozambican people for the gains they have made in recent years."

Temer pointed out that Mozambique is currently the greatest beneficiary in Africa of Brazilian cooperation, with more than 20 initiatives under way in the areas of health, education, professional training, sport and science and technology.

"One of these projects is the factory to manufacture anti-retroviral drugs and other medicines, which should go into production in the second half of this year", he said.

He pointed out that it is also in Mozambique that Brazil, in partnership with Japan, "is developing ProSavana, its most complete initiative for agricultural cooperation in Africa".

Aires Ali added that he expected ProSavana, which is being developed in Nampula, Niassa and Zambezia provinces to reduce poverty and combat hunger in Mozambique.

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