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New stiffer penalties for poaching

The Assembly of the Republic on 9 April unanimously passed the first reading of a bill on conservation areas, which dramatically increases the penalties for poaching, particularly of endangered species.

Introducing the bill, Tourism Minister Carvalho Muaria said the current legislation "does not allow for severe penalties against offenders, and so there are no measures that discourage poaching".

The pressure on wildlife from poaching had increased significantly in recent years. The animals most at risk were elephants and rhinoceros. Muaria said that, in the last quarter of 2012 and the first quarter of 2013, Mozambique's largest conservation area, the Niassa Reserve, in the far north, had lost elephants to poachers at the rate of two to three a day.

The Minister noted that Mozambique is also used as a corridor to smuggle ivory and rhino horns (often from rhinos killed in South Africa) to the Asian market.

The bill proposes prison sentences of between eight and 12 years for people who kill, without a licence, any protected species, or who use banned fishing gear, such as explosives or toxic substances. The same penalty will apply to people who set forests or woodlands on fire (poachers often use fire to drive animals into the open).

Anybody using illegal firearms or snares can be sentenced to two years imprisonment.

In addition, those found guilty of the illegal exploitation, storage, transport or sale of protected species will be fined between 50 and 1,000 times the minimum monthly national wage in force in the public administration (at current exchange rates, that would be a fine of between US$4,425 and US$88,500).

Violation of the provisions of the Convention on the International Trade in Endangered Species (CITES) could result in a fine of up to a thousand times the national minimum wage. So ivory or rhino poachers, if caught, are looking at a prison term of 12 years and a fine of US$90,000.

Those who degrade ecosystems through deforestation, fire "or any other voluntary act" will be obliged to restore the area to its previous condition. If they cause the decline of any wildlife species, they will have to pay for restocking, in addition to any other penalties imposed by the courts.

"The Mozambican state fully accepts its responsibility to humanity to protect the biological diversity on its territory", said Muaria.

The bill, he added, seeks to ensure the "rehabilitation and reorganisation of conservation areas, and to design innovative and pragmatic management models, reconciled with the interests of public and private sectors and of the communities who live within and nearby the conservation areas".

Each conservation area will be run by a Management Council, chaired by the government-appointed administrator of the area, and including representatives of local communities, private businesses and local state bodies.

The bill adds that the state "may establish partnerships with the private sector, local communities, national and foreign civil society organisations, through contracts, and with the private partner financing in whole or in part the administration of the conservation areas, thus creating synergies in favour of the preservation of biological diversity".

Any public or private body authorised to exploit natural resources in a conservation area or its buffer zone, must compensate for its impacts "and ensure that there is no net loss of biodiversity".

Current conservation areas cover about 25 per cent of Mozambique's surface area. The bill divides them into "areas of total conservation", and "conservation areas of sustainable use".

The former term covers nature reserves and national parks. In these areas no hunting, agriculture, logging, mining or other acts that may damage biodiversity are permitted. The introduction of exotic species is also banned.

Cultural or natural monuments are also fully protected, and the bill guarantees the preservation of any rare, endemic or endangered species found there.

The "conservation areas of sustainable use" include special reserves, environmental protection areas, official hunting areas, community conservation areas, wildlife sanctuaries and private wild life farms.

Each of these has its own set of rules, but they are less stringent than for national parks. In some of them hunting is allowed under licence, and communities are allowed to exploit their resources for their own subsistence, and in a sustainable manner.

Any tourist or other activities authorised in conservation areas must pay fees to the state, fixed by the government, and a certain percentage of those fees will be channelled to the local communities.

Assembly strengthens rights of HIV+ citizens

The Mozambican parliament, the Assembly of the Republic, on 10 April unanimously passed the first reading of amendments to strengthen the legislation defending HIV positive people.

The amendments, presented by the Parliamentary Office on the Fight against HIV and AIDS, concern two laws, one passed in 2005 to protect workers living with HIV, and one from 2009 establishing the rights and duties of all people living with HIV. At the suggestion of the Assembly's Constitutional and Legal Affairs Commission, the amended versions of both laws will now be rolled together into a single, comprehensive piece of legislation.

The amendments make it clear that nobody can be sacked or otherwise discriminated against because of their HIV-status. Nobody can be obliged to inform their employers whether they are HIV-positive, and job offers can never be made dependent on taking an HIV test.

If a worker does lose his job because of his HIV status, that counts as dismissal without just cause, and the worker will be entitled to compensation of four times his monthly wage for every year that he has worked.

HIV tests can only be carried out if the person being tested gives informed consent, except in cases where the person concerned is donating blood, is being operated upon, or where a doctor considers a test necessary for purposes exclusively concerned with the health of a patient.

All pregnant women must be offered HIV testing and counselling, but the test cannot be administered if the women refuses. Any breach of confidentiality gives the person tested the right to compensation.

If a worker is infected with HIV in the course of his job, the employer must provide compensation and provide him with information about counselling and treatment.

Anyone who is contaminated with the virus, either deliberately, or because of a medical mistake or negligence is entitled to compensation. This is the responsibility of the state in the case of people contaminated while undergoing treatment in the national health service.

For the first time, this compensation extends to people infected with HIV by traditional healers (something likely to be common, given the use of shared and unsterilised blades by many of those who call themselves traditional doctors). A healer guilty of infecting his clients may also face criminal proceedings.

All traditional healers must follow safety measures to avoid the risk of transmitting HIV, and they must refrain from claiming that they can cure AIDS.

Fines for breaking the provisions of this law can be as high as 60 times the statutory minimum wage (which would be about US$5,310 at current exchange rates). The deliberate transmission of HIV can be punished with a prison term of between eight and 12 years.

President inaugurates Namialo – Lurio road

President Armando Guebuza on 12 April inaugurated the rebuilt stretch of the main south-south highway between the town of Namialo, in the northern province of Nampula, and the Lurio River, on the border with the neighbouring province of Cabo Delgado.

Rebuilding this 150 kilometre stretch of road was financed by the United States government, through the Millennium Challenge Corporation (MCC), and was completed, months behind schedule, by the Italian company CMC.

Speaking to the crowd attending the ceremony, President Guebuza said that the road had existed for many years, but with the passage of time it had deteriorated and needed to be rehabilitated.

"The link between Nampula and Cabo Delgado is a factor of unity between all Mozambicans", he stressed. "You can't reach the Rovuma (the river that forms the frontier with Tanzania) without passing through here. The building of the new road and new bridge was possible thanks to your support because you regard this as your road and your bridge".

According to a US embassy spokesperson, the MCC made US$507 million in grants available for Mozambique, but the Mozambican government was only able to spend US$447 million before the deadline of September 2013.

The funds were used mostly on roads, water supply and sanitation, agriculture and land tenure in Cabo Delgado, Niassa, Nampula and Zambezia provinces.

Nacaroa electricity inaugurated

President Armando Guebuza on 12 April inaugurated the expansion of the country's electricity grid, based on the Cahora Bassa dam on the Zambezi River, to Nacaroa district, in the northern province of Nampula.

The electrification of Nacaroa was part of the "Electricity II Project" of the publicly owned electricity company, EDM. The project came in two parts – first, the rural electrification of Gaza and Inhambane provinces in the south, and later the electrification of rural Nampula.

According to EDM, the total cost of "Electricity II" was US$5.8 million. US$1.93 million was spent on the new transmission line from Namialo, in the neighbouring district of Meconta, to Nacaroa, including transformer posts, connections to customers and an EDM commercial building.

The Namialo-Nacaroa line is 71 kilometres long, and reaches 305 new consumers. Other transmission lines in the Nampula rural electrification are Nametil-Chalawa (51 kilometres, 315 new consumers, and Rapale-Mecuburi (60 kilometres, 297 new consumers).

"With the arrival of electricity in Nacaroa, the conditions have been created to speed up the development of Nampula province, with a direct impact on the life of the population", said an EDM spokesperson.

Speaking at a rally in Nacaroa, as part of his "open and inclusive presidency" in Nampula, President Guebuza said a sense of self-esteem has transformed the district "which is not the same as it was yesterday, and has changed for the better".

He recalled that some years ago, when uniforms were introduced in schools, he had visited Nacaroa and had been surprised to find a cooperative of women producing the uniforms for Nacaroa children, while people in other districts found themselves obliged to buy uniforms in Nampula city or even Maputo.

"I was very impressed with the sense of business opportunity of these women who understood what was needed and bought the cloth to produce uniforms locally", said the President.

He reiterated his call for Mozambicans to advance towards development, based on national unity and peace, and stressed the importance of a continual dialogue, without trying to transmit negative messages.

"We can't always be angry", he said, "and when moments of anger appear, we have to concern ourselves in transmitting joyous messages. We need friendship because we all have the same destiny".

Mozambique to miss education millennium goals

The Ministry of Education has admitted that the country will not attain the Millennium Development Goals (MDGs) for education by the cut-off date of next year.

The second of the eight MDGs is to achieve universal primary education, and the target is to ensure that, by 2015, all children will be able to complete a full course of primary schooling.

The third MDG is to promote gender equality and empower women. Here the key target is to eliminate gender disparity in primary and secondary education, preferably by 2005, and at all levels of education by 2015.

National Director of Planning in the Education Ministry, Manuel Rego, said the MDGs would be missed because of the high school dropout rate, the poor quality of education and continued lack of gender parity.

Rego said that, although over six million children aged between six and 12 are attending primary schools, there are still children of school age who are not at school. Among the main reasons that dissuaded parents from sending these children to school were poverty and the long distances between their homes and the nearest school.

Furthermore, large numbers of children drop out of school before completing primary education. "The great problem we face is keeping children at school", said Rego. "Children should be at school until they complete the seven years of primary education. There are still high dropout rates, of around 14 per cent, of children who do not complete primary education".

"We are very close to guaranteeing that all children enrol in school, but we are far from guaranteeing that they stay there", he admitted.

The situation is gradually improving. In first level primary education (first to fifth grades), the official statistics show a gross finishing rate of 72.6 per cent. This year the Ministry expects a finishing rate of 86 per cent.

EDM reaching limit of its capacity

Consumption of energy sold by Mozambique's publicly owned electricity company, EDM, grew by seven per cent in 2013 – but the company had to import electricity from South Africa to meet the growing demand, according to EDM chairperson Augusto de Sousa Fernando.

Speaking to reporters during a meeting on EDM's 2013 activities, which brought together directors, managers and other key EDM staff, Fernando said that in 2012 the company spent about US$75 million in importing electricity, and that sum rose to US$81 million in 2013. At the same time, EDM's exports of energy to neighbouring countries fell by 21 per cent because of increased domestic consumption.

The number of EDM clients rose from 1.14 million in 2012 to 1.26 million by the end of 2013. The proportion of the population with access to electricity from the national grid thus rose from 24 to 26 per cent.

EDM also prioritized expanding the grid to more of the country's districts. "In 2012, we ended the year with 109 districts electrified", said Fernando, "and in 2013 we reached 120 districts. There are just eight districts still to be electrified this year". (These figures do not take account of the 13 new districts established by law last year by the Mozambican parliament, the Assembly of the Republic. So far these districts, created by dividing existing districts, only exist on paper, and do not yet have district governments).

Fernando said that peak consumption rose from 706 megawatts in 2012 to 761 megawatts in 2013, and is now at its limits, given the current state of equipment.

"We are operating with a grid that is pretty much at the limit of its capacities", he said, "and we need to undertake maintenance to guarantee adequate supplies of electricity, at a time when we are not benefitting from any grants or soft loans".

New Nacala port and railway ready by December

Transport Minister Gabriel Muthisse has declared that the new port and coal terminal at Nacala-a-Velha, in the northern province of Nampula, and the railway linking it to the Moatize coal basin, will be concluded by December.

Once the port and railway are concluded it will be possible to export 22 million tonnes of cargo through Nacala, of which 18 million tonnes will be coal.

So far, coal exports from Moatize, in the western province of Tete, are all sent along the Sena railway line to the port of Beira. Even with an increase in handling capacity to 12 million tonnes a year, the Sena line cannot possible handle all the coal exports from Tete, which, in the medium term, could reach 100 million tonnes a year.

The railway from Moatize to Nacala, financed by the Brazilian mining company Vale, involves new stretches of line through Malawi. The railway will re-enter Mozambique at Entre-Lagos, in Niassa province, and the existing northern corridor, through Niassa and Nampula is being upgraded to deal with the coal traffic.

Muthisse added that in 18 to 20 months there will be a new coal terminal in Beira, with the capacity to handle 30 million tonnes a year. An entirely new port will be built at Macuse on the coast of Zambezia province, and another new rail line will link it to Moatize. It too will be able to deal with 30 million tonnes of coal a year.

"Our challenge in this area is not just having the facilities", said Muthisse. "It is to guarantee that they are managed in an efficient and competitive way. We don't want our national products to become uncompetitive because of our railways or our ports".

He warned that the tariffs for Mozambican ports and railways "must take into account those of the region and of the world. If our costs are higher than those in the region and the world, then we have to reduce our costs".

"We have to take international dynamics into account", stressed the Minister, in order to allow the Mozambican rail and port systems to attract more cargo from other countries of the region, such as South Africa, Zimbabwe, Malawi, Zambia and even the Democratic Republic of Congo.

President inaugurates water distribution centre

President Armando Guebuza on 7 April inaugurated the Sampene Water Distribution Centre, part of the water supply system for Quelimane, capital of Zambezia province.

The Distribution Centre, financed by the Mozambican government with the support of the World Bank, cost 63.3 million meticais (about US$2.1 million).

The work consisted of building a reservoir with the capacity to hold 2,500 cubic metres of water, a water tower with capacity for 300 cubic metres, and a pumping station.

At the same time, 25 kilometres of new piping was laid, as part of the expansion of the Quelimane city water supply.

Anadarko pays capital gains tax

The US oil and gas company Anadarko has paid the Mozambican treasury US$520 million in capital gains tax, the chairperson of the Mozambican Tax Authority, Rosario Fernandes, announced on 25 March.

The Anadarko subsidiary, Anadarko Mocambique Area 1 Limited, used to own 36.5 per cent of the Rovuma Basin Offshore Area One, in northern Mozambique, where vast quantities of natural gas have been discovered.

Anadarko sold ten per cent of these shares to the Indian company ONGC Videsh for US$2.64 billion. The capital gain on this deal was calculated at US$1.625 billion. The capital gains tax owing, at the standard rate of 32 per cent, was US$520 million, and this sum was paid on 13 March.

Capital gains tax on transactions involving Mozambican assets has now become a major source of revenue for the state budget. Fernandes said that, since 2012, there had been five large capital gains tax payments (including Anadarko's), amounting to a total of US$1.3 billion.

He thought this sum could be doubled by the end of this year, since the AT hopes to conclude by December the collection of tax from seven multinationals who have sold holdings in coal and natural gas operations. A further three, more complex transactions should be concluded in 2015.

He did name was the Australian mining company Riversdale, which was taken over by Rio Tinto in 2011, for US$3.6 billion. Riversdale's only assets worth mentioning were in Mozambique – notably the open cast coal mine at Benga which is now being operated by Rio Tinto.

No tax was paid to Mozambique on this sale, but Fernandes said the AT intends to pursue the matter.

"The Riversdale operation is not something we have abandoned and it never could be", he said. "The Riversdale-Rio Tinto operation is a tax dispute, and we expect to have results. Taxation is a legal imperative. So the operation remains on the table and we shall follow it to the end".

It is believed that capital gains tax on the Riversdale deal should bring at least US$200 million into the treasury.

US$85 million for fight against malaria

The Health Ministry has received a grant of US$85 million from the Global Fund to Fight AIDS, Tuberculosis and Malaria to step up the fight against malaria.

The grant, announced by the Global Fund in Maputo on 26 March, is to cover the 2014-2016 period. It will be used by the Ministry in the two programmes known to be highly successful in reducing mosquito bites – spraying homes with insecticide, and distributing insecticide treated mosquito nets.

Quinhas Fernandes, Deputy National Director of Public Health, said on the occasion "we are continuing to make efforts to ensure that each of the country's districts has at least one of these malaria control interventions – spraying or the distribution of nets – and, whenever the funds are available, both at the same time".

Fernandes noted that the number of cases of malaria in Mozambique is on the decline. 3.2 million cases of malaria were diagnosed in 2013, compared with 3.9 million the previous year. But despite this reduction, malaria remains an enormous burden, and is the largest single cause of death among children under the age of five.

A 2008 survey found said that 42 per cent of children who died before their fifth birthday were victims of malaria.

This year, the Health Ministry plans to distribute five million mosquito nets in 55 districts, in addition to the 3.5 million already distributed.

Fernandes added that the Ministry is educating communities to use the nets correctly and not to allow them to be used as fishing nets. Not only does such misuse remove the insecticide with which the nets are impregnated, but it can have devastating impacts on the marine environment, since nets with such a fine mesh catch not only adult fish and crustaceans but juveniles and larvae.

Kirsei Viisainen, the manager of the Global Fund's Mozambique portfolio, said the fund is very pleased to continue working with the country, providing means of diagnosis and treatment through the national health system.

"For us, Mozambique is an example of collaboration between the government, civil society and the private sector in financing and implementing a concerted response against malaria", she said. "We await with expectation the continued strengthening of this partnership".

President inaugurates Pemba airport terminal

President Armando Guebuza on 25 March inaugurated a new terminal at the international airport in Pemba, capital of the northern province of Cabo Delgado.

The work to reshape and expand the airport, including its runway, cost US$6.2 million, provided by the publicly owned Mozambican Airports Company (ADM) out of its own funds.

There are now two lounges for embarking passengers, one for domestic and the other for international flights (mostly to Dar es Salaam and to Johannesburg). Previously, domestic and international passengers were processed in the same room.

The check-in area has been expanded, and the passenger terminal now covers 3,000 square metres rather than the previous 1,800. This has made space available for shops and for offices for air companies. The embarkation area can hold 260 passengers at peak times (previously the maximum was 80), and with international standards of comfort.

The runway is now 1,800 metres long and 45 metres wide. The largest aircraft currently using the airport are Boeing 737s.

The airport was built in the 1960s, for a low volume of traffic, and was expanded and modernised in the 1980s. In recent years, with a boom in tourism and in mineral resources in Cabo Delgado, the airport has operating at above its theoretical maximum capacity.

More passengers have moved through the airport than it was built for, and as a result it was unable to observe international civil aviation standards for the comfort and safety of passengers.

The new terminal eliminates these problems, and is intended to transform Pemba into an attractive airport for tourists and business travellers.

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