

# Mozambique News Agency

## AIM Reports

Report no.506, 6<sup>th</sup> May 2015



## Assembly rejects Renamo bill on provincial autonomy

The Mozambican parliament, the Assembly of the Republic, on 30 April rejected the bill submitted by the country's largest opposition party Renamo, which aimed to set up "provincial municipalities", and ensure Renamo control over much of central and northern Mozambique.

The bill would have allowed "presidents of provincial councils" to be appointed in six northern and central provinces without any elections, and would have granted these new provincial authorities 50 per cent of mining, petroleum and gas revenue.

The Renamo bill demanded the immediate establishment of "provincial municipalities" in Manica, Sofala, Tete, Zambezia, Nampula and Niassa. These are the provinces which Renamo leader Afonso Dhlakama has been insistently claiming for Renamo.

In these six provinces the president of the provincial council would be appointed "by the candidate most voted in the presidential elections" - which was Dhlakama in Manica, Sofala, Tete, Zambezia and Nampula, and Frelimo candidate, now President of the Republic, Filipe Nyusi, in Niassa.

The president of the Provincial Council would appoint the members of the Council based on "political and personal trust". The President of the Council would also appoint all the district administrators and heads of administrative posts in the province and, after consulting the district administrator, the heads of localities too. If the Assembly had accepted this proposal, it would have put the entire structure of five provinces, from top to bottom, in the hands of Renamo.

Under the bill, the President of the Council would become the most senior executive in the province taking over most of the powers currently held by the Provincial Governor.

Powers of state bodies would be transferred to the "provincial municipalities" along with financial and human resources and other assets currently owned by the state. The bill did not make it clear how many new staff will be needed, and there was no estimate on how much the new provincial structure would cost the state budget.

All bills presented to parliament must include a forecast of cost. The failure of Renamo to provide a forecast was in itself sufficient grounds for the bill to be rejected.

The parliamentary commissions on constitutional and legal matters, and on public administration pointed out this failing. According to the chairperson of the constitutional affairs commission, Edson Macuacua, the estimate on how much the Renamo bill would add to public expenditure is 600 million meticais (about US\$18 million).

Renamo's main argument in favour of its bill was political. Presenting the bill, Renamo deputy Jose Manteigas claimed that the results of the 15 October general elections were fraudulent, and that all elections ever held in Mozambique had been fraudulent. Renamo had really won all the elections,

he claimed, but its votes had been "stolen".

"Since 1994 (the date of the first multi-party elections) Renamo has been prevented from governing, and Mozambicans have not been governed by the people they chose", he alleged. "This has created the present tension". The purpose of the bill was "to restore electoral justice".

Frelimo deputy Mateus Katupha retorted that Renamo still maintains an illegal armed force, in blatant violation of the law on political parties, "yet we live with this, in the name of tolerance". In the long running dialogue between Renamo and the government, Renamo was demanding a share-out of senior positions in the military between itself and Frelimo, and demanded a separation between political parties and the state, "yet, in the name of tolerance, we live with this".

As for the election results, Katupha pointed out that the electoral legislation has been changed to accommodate all Renamo's demands. The electoral bodies, as a result, were dominated by the political parties - and yet, when the results came in, Renamo still shouted "fraud!"

Katupha added that Dhlakama had become so used to declared "I've won! I've won!", that he convinced himself that he had indeed won.

When the vote was taken, the Renamo bill was defeated by 138 to 98. All Frelimo deputies in the chamber voted against, and the second opposition party, the Mozambique Democratic Movement (MDM), voted with Renamo.

The MDM vote was perhaps surprising in that the MDM took a position on provincial autonomy quite different from Renamo's. The MDM called, not for "provincial municipalities", but for the direct election of provincial governors. In the period before the next elections, it suggested, the provincial assembly, or the majority party in each province should put forward three names for provincial governor, and the President of the Republic should choose one of them.

After the vote, the head of the Renamo parliamentary group, Ivone Soares, said Frelimo was rejecting the will of the people of central and northern Mozambique "who voted for Renamo and Afonso Dhlakama".

She warned "the future is uncertain - neither we nor you can say what will happen tomorrow".

For Frelimo, Francisca Tomas declared that the Renamo bill would have demolished the existing city and town municipalities and made the country "ungovernable". "Destabilising the country is your trademark", she told the Renamo benches.

## First stone laid for new health institute

Health Minister Nazira Abdula and Japanese ambassador Akira Mizutani on 4 May laid the first stone of a future Maputo Institute of Health Sciences (ICSM).

The Japanese government, through the Japan International Cooperation Agency (JICA), has made US\$18.46 million available for the construction of the new Institute, in the outlying Maputo neighbourhood of Zimpeto.

The ICSM is intended to train mid-level staff in areas such as nursing, mother and child health, preventive medicine, laboratories, and maintenance of hospital equipment.

There is the seventh mid-level health institute to be set up in Mozambique, and the second in the capital.

“Courses will be given here that we don’t have in the current Maputo Health Science Institute, which is already too small for our needs”, said Abdala. “For example, the existing institute does not have a course in odonto-stomatology”.

The new institute will be able to cater for 900 students. It will have 15 classrooms, six laboratories, a computer centre, and a dormitory where 160 students can sleep.

The institute will be built by a Japanese contractor, Dai Nippon Construction, which will be supervised by a Japanese consortium formed by the companies Matsuda Consultants International and Intem Consulting.

Asked by reporters about the recent shortage of medicines, notably the pain-killer paracetamol and insulin (used to treat diabetes), in hospitals in the northern province of Nampula and in Maputo Central Hospital, Abdula said the situation has been solved and the hospitals concerned are now supplying medicines normally to their patients.

In Maputo Central Hospital, the largest health unit in the country, “we did indeed have some problems with a lack of insulin”, Abdula admitted. This was because one of the hospital’s staff decided, on his own initiative, to interrupt the distribution of insulin, without any explanation. He has subsequently been suspended from duty.

As for Nampula hospitals running out of paracetamol, Abdula blamed this on “problems in managing stocks. When we became aware of this, we tried to find out what was happening, and we sent paracetamol there”.

## Tourmalines seized in Nampula

Police have seized about 100 kilos of tourmalines at Nampula International Airport, in the north of the country, thus aborting an attempt to smuggle the precious stones to China.

According to a report in the daily “O Pais”, the tourmalines were about to be loaded onto a Kenya Airways flight to Nairobi. At the final checkpoint through which baggage passes, the police became suspicious, because there was no identity tag on the bundles in which the tourmalines were wrapped.

The police detained the passenger and an official in the airport cargo section who was apparently bribed to facilitate the smuggling attempt.

“Those previous stones arrived at the airport in a doubtful manner, and they passed through several control points in a fraudulent fashion, certainly with the collaboration of an airport official”, said Cise Panguene, the spokesperson for the Nampula Provincial Police Command.

The police were attentive to such matters, she said, since this is not the first time traffickers had tried to move precious stones through the airport. In February, the police arrested two Chinese citizens who were trying to smuggle 50 kilos of precious stones, including rubies, out of the country.

## World Bank loan for higher education

The World Bank on 28 April approved a loan of US\$45 million to support the Mozambican government’s projects in higher education, science and technology.

According to the World Bank, “continuous education expansion and high population growth has resulted in an increase in primary and secondary education enrolment and completion rates, which, in turn, has increased pressure to expand opportunities for Higher and Technical and Vocational Education”.

In 2004 only a handful of pupils – less than 8,000 – graduated from second level secondary education (12th grade). That figure more than quintupled, to 41,500, in 2012, and growth is projected to continue at a rapid pace. The government forecast that 140,000 pupils will graduate from education in 2016, and that this number will double, to 280,000, by 2020.

There are now 48 higher education institutions, both public and private, in Mozambique, and the World Bank notes that “the level of resources is inadequate to meet the system’s growing needs. System expansion has led to inadequate provision of access to laboratories, modern technological tools and computers, and challenges have emerged regarding overall quality and relevance of training provided”.

World Bank country director for Mozambique Mark Lundell commented, “Mozambique’s rapid economic growth has increased demand for graduates even more than supply has been able to provide, especially for graduates within applied sciences and engineering, and skilled technicians. Promoting more equitable access to post-basic education is critical for shared prosperity.”

The loan, from the International Development Association (IDA) will support the government’s drive to “increase the number and raise the quality of graduates at the undergraduate and graduate levels”.

It will also “strengthen the national research capacities to produce research outputs of relevance to strategic economic sectors”, and strengthen the institutional framework for technical and vocational education.

The leader of the project, Ana Ruth Menezes, stated that “preparing the young generation adequately for a productive life through education, including technical, vocational and higher education options, is critical for job-creation, productivity, competitiveness and poverty reduction”.

## South African workers return

The Irish company Kenmare Resources on 28 April announced the return of South African workers to its dredge mine in Moma district, on the coast of the northern Mozambican province of Nampula.

On 20 April the company had announced a temporary repatriation of South Africans from its Moma operation as a precautionary measure “due to unrest regarding foreign workers in South Africa which has recently created reciprocal unrest concerning South Africans working in Mozambique”.

The company employs 1,391 people, of whom 62 are South African. According to Kenmare, the temporary withdrawal of these staff led to “minimal disruption to operations at the mine”.

Other South African workers were withdrawn from Mozambique by the petro-chemical company Sasol and by the Brazilian mining company Vale.

The repatriations were carried out because of a fear of reprisals for the wave of xenophobic attacks in South Africa.

## Strike in Nampula cashew factory ends

Mediation by the Labour Ministry has brought to an end a strike by workers at the Condor Caju cashew processing factory at Anchilo, on the outskirts of Nampula city.

The 960 workers of Condor Caju went on strike from 21 to 24 April, demanding higher wages and the immediate removal of the factory manager.

The Centre for Labour Mediation and Arbitration (COMAL) and the General Inspectorate of Labour, which are both Labour Ministry bodies, mediated, and persuaded the workers to return to work on 27 April.

According to a Labour Ministry, workers and management reached an agreement “to solve the problems raised by the workforce, including the demand to dismiss the company manager, since they regard him as being the cause of the malaise in the company”.

The strikers had also complained about an excessive work load, lack of medical care in the event of work accidents, and failure of the company to provide them with basic information, including copies of their contracts, and information on their social security payments.

The strikers failed in their demand for wages above the rise in the statutory minimum wage decreed by the government, but COMAL and the IGT promised that they would monitor the situation to ensure that irregularities detected in the factory, particularly those which put the workers’ health at risk, will be corrected.

The two Labour Ministry bodies urged both the employer and the workers to respect the rights and duties of both sides as laid down in Mozambican labour legislation, in order to avoid future conflicts arising “because of lack of dialogue”.

## Strikers win long term contracts

Workers on the bridge over Maputo Bay, who went on strike on 27 April, have won their main demand, for work contracts for an indeterminate period, rather than precarious contracts for only two months which led the workers to fear that they might be fired at any moment.

The workers are employed by the China Road and Bridge Corporation (CRBC), hired by the state owned Maputo South Development Company to build the bridge over the bay from central Maputo to the district of Katembe.

About 200 of them (including metalworkers, mechanics, masons and drivers) went on strike and prevented people and equipment from entering or leaving the CRBC work yard in the Maputo neighbourhood of Malanga.

The Labour Ministry, through COMAL and the IGT, intervened and extracted sufficient concessions from the management to persuade the strikers to return to work.

CRBC gave way and agreed to sign contracts with the workers for an indeterminate period (which probably means until 2017, when the bridge is expected to be complete).

This was the second strike at CRBC in April. The first strike, on 14 April, raised questions, not only of the work contracts, but also of lack of protective equipment, racism at the workplace, unjust dismissals, and excessively long working hours without overtime pay. The workers complained that when they were ill, or when they attended family funerals, the management docked their wages.

Most of these issues are dealt with in an agreement reached under COMAL and IGT mediation. The Chinese company has now promised to implement the agreement in full. It established that, in line with the country’s labour legislation, the normal working day is eight hours long, and any overtime must be paid for.

## Rise in malaria cases and deaths

The number of cases of malaria in Mozambique, and of deaths from the disease, worsened substantially in 2014, according to the latest figures from the Ministry of Health. 5,485,327 cases of malaria were diagnosed in 2014 – an alarming leap of 38 per cent over the 2013 figure of 3.9 million. The current estimate of the size of the Mozambican population is 25.7 million – so more than a quarter of the population suffered a bout of malaria last year.

The number of known malaria deaths rose from 2,941 in 2013 to 3,245 last year, a 10.3 per cent increase. Malaria thus remains the leading cause of death in health units.

The rise in malaria is despite substantial government expenditure on combating the disease – and particularly combating the mosquitoes that carry the malaria parasite. In 2014, 5.1 million insecticide treated mosquito nets were acquired at a cost of 625.8 million meticaís (about US\$18 million). Another 42.2 million meticaís was spent on acquiring insecticides for house spraying campaigns.

The province worst hit by malaria is Zambezia, where 55.2 per cent of the entire population was infected by the malaria parasite. It was followed by the northern provinces of Cabo Delgado (43.7 per cent) and Nampula (42.2 per cent).

The south of the country is the area least affected by the disease. In Gaza province, 12.6 per cent of the population were infected, in Maputo province 4.8 per cent, and in Maputo city 2.5 per cent.

This is perhaps partly because southern Mozambique is much drier than the central and northern provinces, and thus provides less favourable conditions for mosquitoes. But also, under the “Limbombo Development Spatial Initiative”, there has been a combined effort against malaria by Mozambique, South Africa and Swaziland in the border areas, which health officials believe greatly reduced transmission of the disease.

## Mozambique to further promote renewable energy

Mozambique is to receive a grant of US\$740,000 to pay for technical assistance to develop a feed-in tariff system for small and medium sized renewable energy projects.

According to the African Development Bank (ADB), the grant will come from the Sustainable Energy Fund for Africa (SEFA), a body set up with funds from the governments of Denmark, the United States and the United Kingdom, and hosted and managed by the ADB.

Under the scheme, the government will set up standardised power purchase agreements, procedures for grid connectivity and investor guidelines for prospective developers.

SEFA Coordinator Joao Duarte Cunha stated, “this SEFA project will play a key role in unlocking investments in small-scale renewables, particularly in rural areas where needs are greatest. This will certainly improve energy access for households and businesses while reducing dependence from large-scale hydro and upcoming coal and gas projects”.

Among the opportunities highlighted by SEFA are the significant hydro potential along the Zambezi River; the large biomass potential – particularly from rice husk in Quelimane; the considerable wind resource in the south of the country; geothermal energy in the northern provinces due to their proximity to the East African Rift Valley; and the largely untapped solar potential across most of the territory.

This is a condensed version of the AIM daily news service – for details contact [pfauvet@live.com](mailto:pfauvet@live.com)

## Triton Minerals secures funding

The Australian mining company Triton Minerals, which holds the rights to graphite deposits in the northern province of Cabo Delgado, announced on 27 April that it has secured up to US\$200 million to develop its mine.

Triton has signed a letter of intent with Chinese company Shenzhen Qianhai Zhongjin (SQZG) for funding a graphite concentrate facility with the initial capacity to produce 200,000 tonnes of per year at its Nicanda Hill project.

Under the agreement, SQZG will take up to US\$100 million in direct equity in Triton, with another US\$100 million in debt facility.

In addition, there is an off take agreement covering up to 200,000 tonnes of graphite per year for a decade. This will be at a fixed price of US\$875 per tonne (FOB). Once Triton's debt to SQZG has been repaid, SQZG will be supplied with graphite at a discounted price.

The agreement is in addition to the two billion dollar accord Triton has with Yichang Xincheng Graphite. Under that agreement, Triton will supply an average of 100,000 tonnes of graphite per year over a twenty year period at a minimum price of US\$1,000 per tonne.

Graphite is a form of carbon that 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, which is the strongest material ever measured, with vast potential for use in the electronics industries.

## Governor denounces armed gangs

The governor of the central province of Sofala, Helena Taipo, has denounced the presence of armed men, believed to be from the illegal militia loyal to the largest opposition party Renamo, roaming around the district of Nhamatanda. The armed gangs are threatening local people, hindering agricultural activities and impeding the free circulation of people and goods.

Taipo went public on the matter on 25 April after meetings with veterans of the independence war, community leaders, and public employees during a visit to Nhamatanda.

"I found very worrying situations, particularly the question of armed men who are making death threats against the people living here", Taipo told reporters.

She said that in all the meetings she addressed in Nhamatanda, people were worried by the presence of armed men, and impatient that the situation had not yet been solved.

Young people, Taipo said, must participate in the development of the country, in an environment of peace without conflict. A country united and at peace produces more than one that is plunged into confusion, she added.

"We shall talk with these people who are threatening us with death so that they abandon this attitude", she said. "I appeal to the community leaders and to everyone else here to mobilize them to change their behaviour. Only thus are we going to progress".

## Equipment mobilised for Pemba Logistics Base

The China Harbour Engineering Corporation (CHEC), the contractor for building the first phase of the Hydrocarbon Integrated Logistics Base, in the northern Mozambican city of Pemba, has begun to mobilize its equipment for the take-off of construction, according to a press release from the publicly owned National Hydrocarbon Company (ENH).

Eduardo Naiene, managing director of ENH Logistics, a wholly owned subsidiary of ENH, said CHEC's mobilization will take about 30 days, after which a start will be made on building the infrastructures.

"Our forecast is that by the third quarter of 2016 we shall have the infrastructure that is the first phase of the project ready to serve the logistical activity of the hydrocarbon industry", said Naiene.

The Pemba logistics base has been designed to serve the logistics requirements of all current and future hydrocarbon exploration and development activities in northern Mozambique. Consortia headed by the American company Anadarko and by ENI of Italy have discovered reserves of around 200 trillion cubic feet of natural gas in deep water in the Rovuma Basin, off the coast of Cabo Delgado province.

Plans are under way to build LNG (liquefied natural gas) factories in Palma district. Anadarko proposes to build its factory onshore, on the Afungi peninsula, while ENI is pressing ahead with the design of a floating LNG facility.

The Pemba Logistics Base is operated by Ports of Cabo Delgado (PCD), which is owned by ENH and by the national ports and rail company, CFM. PCD's strategic partner in developing the Pemba base is ENH Integrated Logistics Services (ENHILS), with which it has signed a sub-lease. ENHILS is, in turn, a partnership between ENH Logistics and the Nigerian company Orlean Invest.

The then President, Armando Guebuza, laid the first stone for the construction of the base in August last year.

An ENH spokesperson told AIM on 28 April that the period between August and now has been spent on necessary preliminary operations, such as obtaining construction and environmental licences, and resettling people who had farms and land rights on the area where the base is being built.

There had been no delays, he said, and "we are still within the project calendar".

Initially, the Pemba base will have 300 metres of quay. But that is only the first phase, due to be complete in 2016. Three further phases are envisaged, and will be built as required by the hydrocarbon operators. The final vision for the Pemba base is for five kilometres of quays. The first phase requires investment of around US\$150 million, but for all four phases, the sum will rise to a billion dollars.

Pemba will become the onshore base for the vessels that carry supplies, equipment and spare parts to the rigs drilling for hydrocarbons in the Rovuma Basin. Plans for the future involve a shipyard to repair vessels, and an LNG terminal.

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