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22 per cent increase in cargo handled by Maputo Port

The amount of cargo handled by the port of Maputo rose from 14.9 million tonnes in 2016 to 18.2 million tonnes in 2017, an increase of 22 per cent, according to the consortium operating the port, the Maputo Port Development Company (MPDC).

A press release from the company said the increase was influenced by the dredging of the port access channel, which was completed in January 2017, increasing its depth from 11 to 14.2 metres. Until the channel was dredged, the largest size ship that could enter the port was about 55,000 tonnes.

The dredging increased the cargo capacity in Maputo by 40 per cent, and the capacity of the Matola end of the port by 55 per cent, according to MPDC managing director Osorio Lucas. The largest ship that used the port in 2017 was the bulk carrier “MV Amani”, carrying 96,400 tonnes of magnetite.

The number of ships which used the port declined from 955 in 2016 to 896 in 2017 – but those ships carried an additional 3.3 million tonnes of cargo.

The Matola Coal Terminal began to rehabilitate its quay in July 2017, increasing its depth to 15.4 metres. It can now receive ships up to 275 metres long, with 14.5 metres draught at low tide and 15.5 metres at high tide.

The average amount of coal loaded on a ship at the terminal is now 85,000 tonnes. The rehabilitation of the quay, plus improvements in the railway from South Africa to the port, allowed the terminal to handle a record 5.3 million tonnes of coal in 2017.

In 2017, the container terminal began expanding its capacity from 150,000 to 250,000 TEUs (twenty foot equivalent units). This expansion should be complete in the first half of this year. The second phase of expansion, depending on market demand, could see an increase in capacity to 450,000 TEUs.

This year, MPDC plans to rehabilitate four obsolete quays, with a total length of 1,058 metres. “This is a major project that marks the last of the great steps laid down in the Maputo Port Master Plan”, said Lucas, “The rehabilitation will not only create quays with depths of up to 15 metres, but will improve the rate of occupation of the berths, by creating a greater mooring area”.

MPDC is also building a terminal to receive cruise ships, which should be concluded by March. According to the release, this new terminal will make it possible to receive passengers from the cruise ships “with greater dignity”.

MPDC is a partnership between Mozambique’s publicly owned ports and rail company, CFM, DP World of Dubai, Grindrod of South Africa, and the Mozambican private company Mozambique Gestores.

The government leased the port to MPDC in 2003, and in 2010 the lease was extended for an additional 15 years, so that it will not run out until 2033.

Ring Road losing 2 million meticaís per day

The Mozambican public company Maputo-Sul, which operates the Maputo Ring Road, is losing around two million meticaís (US\$ 33,300) a day because of its failure to install the promised toll gates along the road, according to a report by the independent television station STV.

The 74 kilometre long ring road, built with a US\$300 million loan from China, came into operation two years ago, and since then motorists have been using what is the most modern road in the country without paying a cent.

Maputo-Sul admits that four toll gates should have been installed in 2016. None at all have been set up. From the time they should have been installed up until now, the total loss is put at 788 million meticaís.

“We had some difficulties, above all financial difficulties”, Maputo-Sul chairperson Silva Magaia told STV. “When the plan for toll gates was first drawn up, the financial situation of the country was different from what it is now”.

Tolls are needed, not only to repay the Chinese loan, but also to ensure maintenance of the ring road.

“The road is new. It doesn’t have many problems except the accumulation of sand along the coastal stretch”, said Magaia. “But we shall soon need more money to guarantee the maintenance and longevity of the road”.

Maputo-Sul is looking to the solution of farming out the construction and management of the toll gates to a private company. Magaia said the contract will last for 10 years, and Maputo-Sul will be a partner in operating the toll gates.

“We think it’s possible to have the toll gates ready in the next six months”, said Magaia. “If we can finalise the understandings in February, we can ensure the conclusion of the first two gates”.

Accidents have been occurring on the ring road, in which several lampposts have been knocked down. Each post costs over US\$3,100 to replace. Magaia said the money for such costs ought to come from the tolls.

Second round required for Nampula by-election

It has been confirmed that no candidate in the by-election in the northern city of Nampula, held on 24 January, received more than half of the votes cast, and there must therefore be a second round.

The National Elections Commission (CNE) on 28 January “requalified” some of the votes declared invalid at the polling stations in the by-election, but this made no material difference to the result.

With the requalified votes included, the final totals and percentages from the by-election are as follows:

Valid votes	71,975	
Amisse Cololo (Frelimo)	32,037	(44.11%)
Paulo Vahanle (Renamo)	29,023	(40.42%)
Carlos Saide (MDM)	7,271	(10.1%)
Mario Albino (Amusi)	3,071	(4.28%)
Filomena Mutoropa (Pahumo)	573	(0.8%)

As no candidate received over 50 per cent of the vote, a second round must be held between the two candidates with the most votes, Cololo and Vahanle.

Speaking in Nampula at a Saturday press conference, Frelimo Political Commission member Tomaz Salomao claimed Frelimo was comfortable with the first round results. The numbers showed that Cololo “is leading without any doubt”, he said.

Sitting beside Salomao, Cololo denied rumours circulating on social media that he had suffered a stroke when it became clear that he had not won in the first round. Cololo certainly appeared perfectly healthy as he addressed the media.

Renamo has grounds for optimism about the second round, in that a large proportion of those who voted for the MDM are expected to vote for Vahanle than for Cololo in the run-off.

However, almost 75 per cent of Nampula’s registered voters did not vote and the two candidates will also be seeking these abstainers.

The MDM’s poor result has led to recriminations inside this party. One prominent MDM member, Antonio Frangoulis, who is a regular guest on chat shows on the independent television station STV, openly blamed the party’s leader, Daviz Simango, for the Nampula defeat.

He accused Simango of mismanaging the crisis in the relations between Amurane and the MDM leadership. Although Amurane never formally left the MDM prior to his assassination on 4 October, he was openly hostile to Simango, and promised that he would stand for a second term as Nampula mayor, but not as an MDM candidate.

Frangoulis also criticised Simango for picking Carlos Saide as the MDM candidate, pointing out that Saide was a city councillor expelled by Amurane, supposedly for corruption. He said that Simango had never called any meeting to discuss the problems in Nampula that affected the credibility and the image of the MDM.

He declared that Simango, as President of the MDM, “is politically responsible for the political embarrassments which pushed the MDM to this heavy and shameful defeat”.

It is likely that the second round of voting will take place in March.

Assassin sentenced to 24 years for murder of prosecutor

The Maputo Provincial Court, sitting in the city of Matola, on 26 January sentenced Amad Antonio Mabunda to 24 years imprisonment for the murder of prominent prosecutor, Marcelino Vilanculos, in April 2016.

Although Vilanculos lived in Matola, he worked in the Maputo City branch of the Public Prosecutor’s Office, where he was one of the key prosecutors working on the spate of kidnappings of wealthy business people that had struck the city since late 2011.

The Matola court accepted the prosecution case that the motive for the murder was to obstruct the investigations into the kidnappings.

The three man death squad that murdered Vilanculos was led by Jose Ali Coutinho. He recruited the two others, Mabunda, who fired the fatal shots, and Abdul Tembe, who drove the car. The three met each other when they were all serving terms in the Maputo top security prison.

All three were arrested – but by the time of the trial only Mabunda was still in custody. Tembe escaped from Maputo Central Prison during a thunderstorm on the night of 24 October 2016. The director of the prison, Castigo Machaieie, and eight prison guards were detained on suspicion of facilitating Tembe’s escape. Tembe has not been seen since the escape.

On 24 April last year Coutinho was sprung from custody. Coutinho and a second prisoner, Alfredo Muchanga (not believed to be associated with the Vilanculos murder) were taken from their cells in the Maputo City Police Command, and driven towards a Maputo police station, where they were to be interrogated in connection with alleged attempts to sabotage the security system in their cells. Before they could reach their destination, the vehicle, belonging to the Criminal Investigation Police (PIC), was ambushed by a group of four armed men, all wearing hoods.

The assailants fired more than 20 shots, mostly at the tyres of the police vehicle, immobilising it. The two policemen in the car, a Land Cruiser, fled for their lives, allowing the gangsters to rescue Coutinho and Muchanga. But it soon turned out that this was not an escape at all: three days later, the bodies of Coutinho and Muchanga were found in a shallow grave in Moamba district, about 60 kilometres north of Maputo. Coutinho had not been released – he had been silenced.

An alleged accomplice in the murder, Edith D’Campta da Câmara Cylindo, was also tried. Although this was technically a separate case, the Maputo Provincial Court also delivered its verdict. Judge Samuel Artur found there was not enough evidence to tie Cylindo to the assassination.

The prosecution had argued that she had provided the death squad with information on the movements of Vilanculos. The prosecution said she had been contacted by Coutinho, to help the death squad identify the victim. So not only did she follow the prosecutor’s car, but she also photographed Vilanculos, and gave the photos to Coutinho. According to the prosecution, after the murder Coutinho paid Cylindo 500,000 meticaís (US\$8,400).

The judge, however, ruled that the prosecution had not produced enough evidence to convict Cylindo.

Notably absent from the trial was whoever gave Coutinho his orders. The prosecutors believed that Coutinho was closely linked with Momad Assife Abdul Satar (better known as “Nini”), and that both were connected to the wave of kidnappings.

Cholera cases continue to rise in Cabo Delgado

The number of cholera cases in the northern province of Cabo Delgado has steadily increased, the National Director of Public Health, Rosa Marlene, told reporters on 24 January.

During the previous week the health authorities announced there was an outbreak of cholera in the Cabo Delgado provincial capital, Pemba, and Marlene has admitted that the situation is worsening.

Speaking to the press after an official ceremony to distribute hearing aids to children with hearing disabilities, Marlene said “We would like the figures to show that the number of cholera cases is dropping, but that’s not the trend. Cholera is on the increase because, for example, latrines are not used properly in Cabo Delgado. This increase shows that we are failing”.

Marlene said that the cumulative number of cholera cases diagnosed so far was 92. On 24 January ten new cases entered Cabo Delgado health units - twice as many as the day before.

Cabo Delgado has been lashed by severe storms. Marlene feared that, if it continues to rain in the province, “the number of cases of cholera and diarrhoea will increase”.

Cholera is a water-borne disease, and spreads most easily through the drinking of contaminated water. Heavy rains and poor sanitation create the conditions for human waste, carrying the cholera bacterium, to seep into the water supply.

So far there have been no deaths in the Pemba cholera outbreak.

There has also been a rise in other diarrhoeal diseases. In all cases, the victims are checked to make sure that they are not carrying cholera.

Tax revenue expected to reach US\$3.7 billion

The Mozambican Tax Authority (AT) forecasts tax collection in 2018 of 222 billion meticais (US\$3.73 billion), excluding payments from the foreign investment megaprojects.

In 2017, the AT collected 202.25 billion meticais which was more than 8.5 per cent greater than its initial target.

Speaking at a Maputo press conference on 23 January, after a meeting between the AT and Maputo business people, the general inspector of taxes, Augusto Tacarindua, said that the AT could very well exceed its target for this year too, since it is currently updating its database of taxpayers.

He announced that as from 1 February the AT will fine all taxpaying businesses that fail to issue invoices or receipts. But the likelihood of any serious implementation of this threat is minimal – AT documents show that in the last quarter of 2017, out of 3,924 taxpayers, only 704 issued invoices.

Tacarindua also threatened fines for printing companies which print invoices without due authorisation, and for taxpayers who use invoices printed by unauthorised printing companies, or who use electronic mechanisms for issuing invoices without due authorisation.

During the meeting, some participants complained that the AT sometimes sends three or four brigades to a company to carry out the same kind of inspection, within a short space of time. Such overlapping audits, said businessman Antonio Langa, make it difficult to deal with the documentation that should be presented.

“In the same year we receive four audit teams and they are not coordinated”, he said. “When the first team arrives we hand over all the material, and before we can adjust the other papers another team arrives. This complicates our activities”.

AT chairperson Amelia Nakhare admitted that what is laid down in the legislation is different from the reality found on the ground. Nonetheless, she urged her audience to obey fiscal laws scrupulously, otherwise they risked being penalised.

Maputo Council demolishes informal stalls

Maputo Municipal Council on 26 January began to demolish informal stalls in the urban district of Katembe, located near the jetty used by the Maputo-Katembe ferry service.

The stall owners reacted with outrage, although they had been warned three times to move because they were occupying space on which the Council intends to build a road.

The first warning came in May 2017, when the Council told the stallholders they would have to move. The Council offered them land elsewhere, but they refused to move, saying the new site was “too far away”. The stallholders demanded compensation, but the Council said they had no right to any compensation.

Two further warnings came, the latest on 5 January, and still the stallholders refused to go. Now the Council has shown that its threat to remove the stalls by force was serious. According to a report on the independent television station STV, on one plot of land the bulldozers destroyed 14 stalls.

There has been a trend for informal markets to spring up on unused land, and although they have no legal right to the land, the stallholders have often been tolerated and have become part of the urban landscape. The tolerance then backfires when the municipal authorities want to use the land for something else, and the stallholders refuse to move.

The stalls sell to people using the ferry. But in a few months time when the Maputo-Katembe bridge opens, there will be no more requirement for a ferry service and the main clientele for the stalls will disappear.

Record production at Kenmare mine

The Irish company Kenmare Resources, which operates the Moma Titanium Minerals mine, on the coast of the northern Mozambican province of Nampula, has reported record annual production in 2017 of the three minerals it extracts – ilmenite (iron titanium oxide), rutile (titanium dioxide) and zircon (zirconium silicate).

Kenmare’s review of the year said that ilmenite production increased by 11 per cent, from 903,300 tonnes in 2016 to 998,200 tonnes in 2017. Over the year, zircon production increased by nine per cent, from 68,200 to 74,000 tonnes. Rutile production of 9,100 tonnes was a 17 per cent improvement on the 2016 figure.

Total shipments of finished products were up by two per cent, from 1,024,200 to 1,040,400 tonnes.

The company’s net debt fell from US\$44.8 to US\$34.1 million. Kenmare is optimistic about the future, since prices have increased for all its products, and the outlook is favourable for ilmenite and zircon demand in 2018.

The Kenmare managing director, Michael Carvill, commented “2017 was a further consecutive year of record delivery for Kenmare. Both production and shipments of all products were at record levels”.

He expected production in 2018 “to moderate slightly, mainly due to lower opening stockpiles, though ilmenite shipment volumes are expected to be maintained as finished goods inventory is drawn down”.

Kenmare expects the prices for its minerals to increase still further in 2018, benefitting from new contract prices and higher spot prices, particularly for zircon.

Inflation brought under control

Inflation has been brought under control and the exchange rate of the Mozambican currency, the metical, has stabilised, declared the governor of the Bank of Mozambique, Rogerio Zandamela, on 24 January.

Speaking in the northern city of Lichinga, at a meeting of the Consultative Council of the Bank, Zandamela recalled that a year ago, the economy faced “an environment of risk and uncertainty”, and it was feared that inflation in 2017 would be around 14 per cent, after reaching 25 per cent in 2016.

He attributed the dramatic improvement in the economic outlook since January 2017 to the vigorous measures taken by the central bank. The final figure for inflation in 2017 was just 5.65 per cent, and the average 12 monthly inflation rate over the year was 15.1 per cent.

The metical was now stable in relation to the main foreign currencies. After reaching a peak of 80 meticaïs to the US dollar in September 2016, the metical recovered to 58.8 to the dollar by the end of December.

The balance of payments had improved significantly, said the governor, with the deficit on the current account falling by US\$1.74 billion. The country’s net foreign reserves now stood at US\$3.3 billion, enough to cover seven months of imports of goods and non-factor services, excluding the transactions of the foreign investment mega-projects. At the end of 2016, the reserves had covered only three months of imports.

After the central bank’s intervention in two commercial banks in late 2016 (including the liquidation of the hopelessly insolvent Nosso Banco), the banking system was now “more solid and robust” said Zandamela. The solvency ratio of the system, had improved from less than eight per cent in the fourth quarter of 2016 to about 20 per cent at the end of 2017.

He added that among the reforms made in 2017 was the abolition of the requirement that 50 per cent of export earnings be converted into local currency, and decentralisation of some capital operations to the commercial banks themselves “which contributes to an improvement in the business environment”.

To ensure that all banks are properly capitalised, the Bank of Mozambique had also raised the obligatory solvency and liquidity ratios and increased the minimum share capital required for any bank to operate.

Banks are also now obliged to publish regular information about their solvency and liquidity situation. Zandamela promised that the Bank of Mozambique will publish the names of any banks that are penalised for any financial offences “in order to promote the transparency, competitiveness, stability and solidity of our financial system”.

District police commander sacked

The General Commander of the police, Bernadino Rafael, on 22 January publicly sacked the police commander in Magude district, in Maputo province, Fabio Nhantumbo.

According to a report by the independent television station STV, at a meeting in Magude Rafael criticised the lack of communication between the district command and the police rank and file, and the delays in issuing dispatches concerning police promotion.

When Rafael spoke to residents of the district, they complained at Nhantumbo’s apparent ineffectiveness. They claimed that he was never present on the front line of fighting crime in the district.

“Our major concern in Magude is stock theft”, said one resident, Timoteo Nguenha, “but when we undertake patrols the district commander is never there. The person who always accompanies us is the head of operations in the district command”.

Another livestock farmer, Alexandre Manvico, complained that when a group of cattle thieves was recently caught, they were immediately released. “It was a group of seven heavily armed people”, he said. “Nothing happens to them, even with confessions that they were responsible for stealing our cattle”.

Rafael had heard the same concern from cattle farmers in the neighbouring province of Gaza, and he promised to work with the Attorney-General’s Office and with the Supreme Court to provide explanations to rural communities about the criteria used to release individuals detained by the police.

As for Nhantumbo, Rafael replaced him on the spot by the head of operations. “You’ve already said that she is strong. So, if she’s a strong woman, she will be district commander, and the current commander will have a desk job”.

Husband sentenced for murder of Valentina Guebuza

The Maputo City Court on 23 January sentenced businessman Zofimo Muiuane to 24 years imprisonment for the first degree murder of his wife, Valentina Guebuza, daughter of former President, Armando Guebuza, on 14 December 2016.

The court also ordered him to pay 50 million meticaïs (US\$840,000) in compensation to the Guebuza family.

The judge, Flavia Mondlane, also declared that the court found Muiuane guilty of two other crimes, and sentenced him to 12 years imprisonment for the illegal possession of firearms, and eight years for the falsification of an official document. However, the prison sentences will be served simultaneously, since, under normal circumstances, 24 years is the maximum prison term under Mozambican legislation.

The forged document refers to a South African passport found in Muiuane’s possession, in the name of “Washington Dube”, but bearing Muiuane’s photograph.

The court rejected Muiuane’s claim that Valentina shot herself accidentally. His defence was that, in a bitter argument between them, Valentina pulled out a gun and pointed it at him. He then supposedly tried to disarm her and in the struggle she pulled the trigger and shot herself. This account failed to explain how Valentina was shot twice, and was contradicted by the forensic and ballistics evidence, which showed that the gun could not have been fired at point blank range.

Judge Mondlane said there were also aggravating circumstances, including Muiuane’s lack of any sign of repentance during the trial, and his refusal to collaborate with the court in discovering the truth.

Muiuane’s lawyer, Amadeu Uqueio, announced that his client will appeal against the verdict and sentence. The defence insists that the shooting was accidental, and that the evidence to the contrary is flawed.

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