

MOZAMBIQUE News reports & clippings

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Editor: Joseph Hanlon (j.hanlon@open.ac.uk)

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War, economy. Renamo joining elections?

Renamo attends talks

After three months of boycotts, Renamo yesterday returned to the Monday morning talks with the government at the Joaquim Chissano conference centre. The topic of discussion was Renamo's demand for national and international "mediators", which was also responsible for the long Renamo boycott. Government has accepted as "observers" two Mozambicans proposed by Renamo: Anglican bishop Dinis Sengulane and prominent academic Lourenco do Rosario.

Although Renamo always uses the word "mediator" and Frelimo says "observer", the two sides seem willing to ignore the difference.

The big issue is Renamo's demand to internationalise the talks. It wants the mediator of the 1990-92 Rome peace talks, Bishop Matteo Zuppi of the Sant'Egidio Community, to be a mediator of these talks and wants these talks to be seen as an extension of the Rome talks more than 20 years ago. In addition Renamo wants former South African President Thabo Mbeki, and representatives of the European Union, the United States, China, Portugal, Cape Verde, Kenya and Botswana. It also wants Prof Gilles Cistac, who has been in Mozambique since 1983 but is French. Finally Renamo wants two other Mozambicans – Filipe Couto, the former Vice-Chancellor of Maputo's Eduardo Mondlane University, and Alice Mabota, Chairperson of the Human Rights League (LDH).

The head of the government delegation was Transport Minister Gabriel Muthisse. The head of the Renamo delegation was a senior member of parliament, Saimone Macuiana, who said the only issue of discussion was mediation, and there was no discussion of ending Renamo attacks.

President Armando Guebuza will attend the meeting of the African Union Peace and Security Council tomorrow in Adis Abeba, to discuss internal conflicts in Egypt, South Sudan and Central African Republic. At a press briefing Sunday, presidential press spokesman Edson Macuácuá was asked if the instability in Mozambique might also be dealt with by the AU Council. "We are not living with any instability," he said. "We are not, in our country, in a situation of this nature. ... Our country lives in peace; our country is stable." In Mozambique, there are only attacks, he explained, but the country is at peace. (AIM 26 Jan 2013).

Comment: The discussions have been deadlocked because of the rigidity of the two leaders. What is needed is mediators or observers who have the confidence of those leaders - someone who can tell Afonso Dhlakama that he cannot have everything he demands, and someone else who can tell Armando Guebuza that he must give something.

Renamo's real demand is for money and status - for a share of the resources being used

increasingly ostentatiously by the Frelimo elite. Any settlement will involve money and jobs for Renamo. But Renamo has always said that before this can be discussed, there must be an agreement to give Renamo a political representation at all levels of the electoral process. This will be much harder to resist after the local elections. The Constitutional Council recognised that Frelimo members in the electoral administration stole the election in Gurué; the same happened in Marromeu. And there was overtly pro-Frelimo political actions by electoral officials in Beira, Angoche, and elsewhere. It will now be much harder to refute Renamo's argument that it should have equivalent political representation inside the electoral machinery. jh

Renamo joining elections?

Ivone Soares, a member of the Renamo Political Commission and Renamo member of parliament, announced today (28 January) that Renamo will participate in the October elections, even if the election law is not changed, according to @Verdade.

<http://www.verdade.co.mz/destaques/democracia/43590>

She made the announcement in Quelimane at a provincial meeting of district delegates and Renamo members of the Zambézia provincial assembly. Renamo will also observe the current registration, she said.

Soares added that the "military instability in various parts of the country is a way of persuading the government to dialogue seriously with Renamo."

But the fighting continues

Attacks by Renamo or confrontations with the army have occurred in seven different places in the past three weeks, creating panic in those zones. Since the first attack on 4 April 2013, at least 60 people have been killed and more than 300 injured.

On 13 January the European Union issued a strong criticism of Renamo. The statement by the Spokesperson of EU High Representative (foreign minister) Catherine Ashton said: "The High Representative is concerned by the recent outbreak of violence caused by the deployment of armed men, suspected of belonging to the Renamo, in the province of Inhambane. This represents a spreading of the insecurity in the Centre of Mozambique to Southern areas of the country. The High Representative condemns any use of force as a political means. She deplores the loss of lives and the displacement of local populations due to a continued climate of insecurity. The High Representative calls for an immediate end to armed attacks on civilians and governmental security forces. She also calls on Renamo and the Government of Mozambique to establish without delay a genuine and constructive political dialogue."

http://eeas.europa.eu/statements/docs/2014/140113_01_en.pdf

Recent military action

Muxungué, Sofala. Traffic on the main north-south N1 road continues to travel only in military convoy in the 100 km section from Muxungué to the River Save. The convoy was attacked near Muxungué Saturday morning **25 January**. (@Verdade, 26 Jan, <https://www.facebook.com/JornalVerdade>). One soldier was killed and five injured in an attack on **18 January**. Three people were killed and five injured in an attack on **15 January** in the same area. Two of those injured were players who had just left the football club Ferroviario de Quelimane and were travelling to join their new team, Clube de Chibuto. Renamo appears to have mainly shot at buses of the Etrago company, which O Pais (20 Jan) reports is frequently hired to transport soldiers on this road. There are two videos of this attack posted on YouTube by a South African driver: <http://youtu.be/DnNavxEt0Pw> and <http://youtu.be/P0VuRmnGZps>. There was an attack on a northbound convoy on **12 January** with two people injured. Meanwhile, very heavy rain has

caused flooding, which is also disrupting traffic on the N1 in both Sofala and Inhambane.

Nacuka, Murrupula, Nampula. A group of armed men, believed to be Renamo, attacked this village Saturday night, **25 January**, and stole goods from houses, according to Nampula police spokesman Size Jaime Panguene. (Notícias, 28 Jan) Murrupula district is just west of Nampula city. This is near former Renamo bases which were kept operational by Renamo after the 1992 peace accord, and also close to the location of attacks last year on the main Nampula-Cuamba road.

Zobué, Moatize, Tete. Renamo guerrillas attacked a border post in Nkonedzi, Moatize district, on **23 January**, injuring four border guards. An estimated 50 Renamo guerrillas were seen on **17 January** near this town on the border with Malawi. CanalMoz reports that there was a Renamo base here during the war and Renamo appears to be reopening the base. @Verdade reports that the editor of the local independent newspaper Malacha had been threatened by the district administrator for publishing the first reports of the Renamo presence.

Nhamatanda, Sofala. STV reported early in January that Renamo groups had been seen in Tica and Muda, Nhamatanda district, on the main Beira-Manica road 60 km west of Beira. @Verdade reports that Renamo guerrillas ambushed a group of soldiers in Nhampoca, Nhamatanda on **8 January**. Renamo had attacked the Tica police station and health post on 4 December.

Inhambane. Renamo guerrillas are now reported in at least three districts of Inhambane: Homoine, Funhalouro, and Vilankulo. Six soldiers were killed and eight injured in fighting in Nhamangue and Catine in Homoine early this month. On **14 January** a policeman was killed in Mavume, Funhalouro, when 12 Renamo guerrillas attacked a health post and police station. They took medicines and surgical material and raided the local market. From the police station they took utensils and police uniforms. Local people said they did not speak a local language, but instead spoke Portuguese and Ndau, which is spoken in Sofala. On **21 January** @Verdade reported that dozens of Renamo guerrillas were seen in Mapinhane, Vilankulo district.

Vunduzi, Gorongosa, Sofala. At least 4000 people have fled to Gorongosa town because on-going fighting around the former Renamo base of Satunjira. The town of Vunduzi has been abandoned, with almost every building - both government premises and the local Renamo offices - vandalised. @Verdade quotes Manuel da Costa Simão, pastor of the local Nazarene church, to say that Renamo summarily executed two people in Vunduzi.

STV also confirmed that the army still controls Satunjira, showing pictures of Dhlakama's former office converted into a kitchen. @Verdade had claimed on 7 December that Renamo had retaken the based, but this is clearly wrong.

Six kidnappings this year

Police shot and killed two kidnappers and freed their victim Monday in Triunfo, near the beach in Maputo. This was the sixth kidnapping so far this year. The eight year old son of a customs official, who was kidnapped on 19 January in Matola, has been set free. Some customs officials have become wealthy, and the kidnappers had demanded a ransom of 5 million meticals (\$165,000). On 16 January an eight year old child was kidnapped in Beira; three armed men took the child when the driver stopped to allow the child and its mother leave the car.

Three Asian businessmen were kidnapped in five days. Two own shops on Avenida Filipe Samuel Magaia in Maputo. One, Subash Chandra, was kidnapped 15 January in front of his house in Sommerschild, by men in police uniforms who fired an AK-47 into the air. Kishoor Chootalal was

seized on 10 January from outside his shop. He was in a car with a driver and a bodyguard who was shot and wounded.

Meanwhile Nassar Momad was kidnaped from his home in Bunhica, Matola on 12 January. Police press spokesman Joao Machava said local people started to steal goods from the house before the police arrived.

Banks warn of impact of violence

Banco Português de Investimentos (BPI) in a report has warned that the climate on instability is leading people to take capital out of Mozambique and reducing foreign investment. It says a Russian bank (VTB) has cancelled a project and coal exports have been reduced. Some business people are moving money out of the country because of the kidnappings, especially in the past six months, according to Prakash Ratilal, chair (Presidente do Conselho de Administração) of MozaBanco. Some have also sent their children out of the country. (O Pais, 17 & 21 Jan)

And in a 16 January statement the IMF noted that "new risks associated with the political/security environment have emerged."

Praise-singing for the President

Demonstrations in Nampula on 26 January and in Maputo on 19 January were organised by Frelimo to praise President Armando Guebuza, who celebrated his 71st birthday on 19 January. State employees complained that they were being encouraged by their bosses to attend. This is partly a response to peace demonstrations in October, which Frelimo saw as anti-Guebuza, and partly a continuation of a year-long campaign to polish Guebuza's image, which included the dismissal of two key newspaper editors who did not praise Guebuza enough.

At the end of the Maputo rally, Frelimo general secretary, Filipe Paunde, on Saturday condemned what he regarded as attempts to distort and damage the image of President Armando Guebuza through a campaign of insults. He said the President does not deserve the harsh treatment meted out to him by some circles of public opinion. "To say that Guebuza is avoiding dialogue with the leader of Renamo, Afonso Dhlakama, is a gross falsehood and an injustice", he said.

Campaigning to be Frelimo candidate

The Central Committee will choose the Frelimo presidential candidate at its meeting 27 February-2 March. The three ministers proposed by the Political Commission as possible candidates from President have been travelling to provincial party meetings to present their manifestos. They are Alberto Vaquina, Prime Minister; Filipe Nyussi, defence; and José Pacheco, agriculture.

Party leaders had tried to say that the Central Committee would only consider these three, but as the Frelimo ruling body, it can do anything it wants, and other candidates are likely to be proposed. Names in discussion include Luisa Diogo, Sérgio Vieira, and Eduardo Mulembwé.

Ematum causing donor delays

Some donors are delaying disbursement of budget support funds because of a lack of transparency around the Ematum \$850 million bond issue, Alex Segura, IMF representative in Mozambique, told a press conference 17 January.

Empresa Moçambicana de Atum (Ematum) was created in August 2013 and is owned by the

secret service (SISE), the government, and the government owned fishing company. It negotiated Mozambique's first major government guaranteed international bond issue with no approval of parliament and without informing some ministers. The money is to pay for 24 fishing boats and 6 patrol boats from a French shipyard, for arming the patrol boats, and perhaps for other weapons.

The surprise announcement angered donors and the IMF. In a 16 January statement, the IMF said: "A recent government guarantee for large-scale borrowing by a public enterprise has raised transparency and prioritization issues that point to the need to strengthen investment and macro-economic planning."

New Buildings

The new \$72 million presidential headquarters was inaugurated last week. It was built by a Chinese company on an Exim Bank credit. Council of Ministers meetings will now be held in the building, rather than in the prime minister's offices. (O Pais 27 Jan)

A \$250 million hotel and expansion of the Joaquim Chissano conference centre in Maputo has been announced. It will be a joint venture between the government and the Chinese Anhui Foreign Economic Construction Group (AFECC). It will have a 290-room five star hotel with a banqueting hall for 1500 people. Completion is planned for 2015. (AIM 16 Jan, O Pais 17 Jan)

A \$1 mn house for the district administrator of Ilé, Zambézia, is causing some controversy. The cost will be 28.912.266,40 Meticaís, according to the notice outside the construction site. The notice with the architect's drawing of the new house is on https://www.facebook.com/echaras/posts/10151896554812584?stream_ref=10

Economy

The average interest rate for commercial bank loans remains a very high 20.25%. The Bank of Mozambique has maintained the rate at which it lends to banks at just 8.25%. A joint study by the economic association CTA and the University of Copenhagen showed that lack of credit and high interest rates are still major problems preventing the growth of local businesses/ (O Pais 27 Jan)

Inflation over the past year was only 4.26%, compared to the 7.5% predicted. (AIM 9 Jan)

Oil will be produced this year from a small well alongside the gas field in Temane, Inhambane. Sasol, which is the gas producer, expects to produce 2000 barrels per day. (O pais 7 Jan)

Control of Pemba port has been kept in government hands through a privatisation of Pemba and Palma ports to a new Ports of Cabo Delgado company, owned half each by two government agencies, the port and railway company CFM, which currently runs Pemba port, and the national hydrocarbon company ENH, which needs to develop Palma for the gas industry. Pemba has traditionally been a small but important port for the import of heroin, which is informally controlled by the government, so it was the only port never to be privatised. A new port will be built in Palma and a second port complex in Pemba.

Vale agrees new compensation for residents of Moatize who lost farmland. On 23 December 290 families blocked access to the Vale mine to complain they had never been given land promised in a 2008 resettlement agreement.

Participatory budgeting is being tried in Maputo, following a practice introduced in Brazil two decades ago. Sixteen neighbourhoods have been allocated 1.5 mn MT (\$50,000) each, and

choose how to use it at public meetings. Choices include school rehabilitation and a new market.

A new fertilizer terminal is to be built in Beira port to import for Mozambique, Malawi, and Zimbabwe, as an alternative to Durban port.

An ecotourism project has failed. The \$180 million project planned by Fresh Limitada on islands off the coast of Moma was to have included a five star hotel. But the Moma district administrator Araújo Momade told Noticias (28 Jan) that work stopped two years ago and the project has collapsed.

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The new book

Zimbabwe takes back its land

by Joseph Hanlon, Jeanette Manjengwa & Teresa Smart is now available from the publishers

https://www.riener.com/title/Zimbabwe_Takes_Back_Its_Land

<http://www.jacana.co.za/book-categories/current-affairs-a-history/zimbabwe-takes-back-its-land-detail>

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Do bicycles equal development in Mozambique?

by Joseph Hanlon & Teresa Smart

is now available in **paperback**, for £17.99 (+ p&p)

from the publisher <http://www.boydellandbrewer.com/store/viewItem.asp?idProduct=13503>

and on Amazon.co.uk for £17.09

Just Give Money to the Poor:

The Development Revolution from the Global South

by Joseph Hanlon, Armando Barrientos, and David Hulme

Most of this book can now be **read on the web**

tinyurl.com/justgivemoney

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Also on the web: Previous newsletters and other Mozambique material are posted on

tinyurl.com/mozamb

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Joseph Hanlon

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Mozambique media websites:

Noticias: www.jornalnoticias.co.mz

O Pais: www.opais.co.mz

Macauhub English: www.macauhub.com.mo/en/

Savana: www.savana.co.mz

Canal de Moçambique: www.canalmoz.co.mz

AIM Reports: www.poptel.org.uk/mozambique-news

Carlos Serra Diário de um sociologo: <http://oficinadesociologia.blogspot.com>

Good daily newsletters:

English: Mozambique Investor. Send e-mail to joaquim.fale@clubofmozambique.com

Portuguese: Mozambique Hoje. Send e-mail to moçambiquehoje@clubofmozambique.com

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