

Mozambique Peace Process Bulletin

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Local elections in 33 cities

Local elections will be held in 33 cities and towns in December or early next year, following the approval of a package of 8 laws at a marathon parliament session that ended 30 April.

The guiding concept of gradual decentralisation means that the new elected bodies will initially only have the same limited responsibility as the present appointed city councils. This includes only services already provided, such as rubbish collection and street repair, as well as existing control of markets, land-use planning, and public transport.

But the laws provide the opportunity for elected local governments in future years to take a central

role in economic development, as well as health and education. This initial decentralisation is a top-down process, but the laws are structured to create a framework for the process in future to be bottom-up, with local governments taking more power and responsibility when they demand it.

"Local government must grow through local initiative. The state has created the basis for local communities to take initiatives," explained Fernando Macamo, deputy director of local administration. The Ministry of State Administration (MAE, *Ministério da Administração Estatal*) expects wide variation between cities, with some moving faster than others and in different directions.

Traditional urban services are the ones which directly affect people's lives, offer the greatest opportunity for a rapid improvement, and will provide a good training ground for the new elected local governments, argue MAE officials. Furthermore, the biggest headache for the new local governments will be increasing revenue, which should be a bit easier if higher taxes are seen to be linked to better services.

1.5 mn people can vote

Local elections will be held in 23 cities and 10 towns. It is estimated that 1.5 to 1.7 million people will be eligible to vote – about one-quarter of the 1994 electorate of 6.1 mn. Voters will select a president of the council (mayor) and a municipal assembly. Voting procedures will be almost identical to the 1994 national elections, but there will be only one day of voting. Polling stations will be in the same places as in 1994.

Elections take place in Maputo, the 10 provincial capitals, the 12 other places that already have the status of city (such as Nacala and Chókwè), and one town (*vila*) in each province. The full list is on page 5.

Election dates

The new laws call for local elections in 1997, which is still theoretically possible, but widely considered impractical. Dates of 20 December, 17 January, and sometime in April are under discussion.

The package of laws was only formally passed by parliament on 30 April, and must go through a formal editing process before finally being promulgated by

President Joaquim Chissano, probably in June. The election law requires the Council of Ministers to announce the election date at least 180 days before the election, which means it must meet and agree a date during June. Minister of State Administration Alfredo Gamito is pushing hard for Saturday 20 December for the election, and many in government want to get elections over as quickly as possible.

But the people who have to carry out the election process at STAE, the technical secretariat, say that seven months is simply too little time for registration and preparation of the election. The new National Elections Commission has still to be named, the national census 1-15 August will inevitably interfere with preparations, and most donor funding will not be available until September at the earliest.

STAE says it could hold elections on Saturday 17 January. But STAE Director General Arménio Correia and many others argue that late December and January are the height of the rainy season. It is unreasonable to ask voters to queue in the rain and heavy rain on election day will inevitably reduce the turnout. So Correia is proposing March or April.

Privately, the key donors all support a delay to March or April.

A choice of January or April would require changes in two laws, which could be done at the special parliamentary session scheduled for June.

With a December or January election, registration

would be for two weeks, 10-24 September. With a March or April election, registration could last one month and be done in October.

People have to register their intention to be candidates 75 days before the election, which would be by 5 October or 2 November for 20 December or 17 January elections.

The political process: *Mixing cooperation & confrontation*

Frelimo and Renamo have swung back and forth between cooperation and confrontation over local government. In the parliament session in late 1996, they agreed on a radical change – from elected governments for entire districts to elected governments only for towns and cities – and on the required constitutional amendment. There was also agreement in drawing up the main framework law. Then, at the last minute, Renamo switched to opposition; on the last day of the session it unexpectedly proposed a further radical restructuring which involved reactivating the old and moribund people's assemblies, and then walked out when its proposal was not accepted. The framework law was then passed with only Frelimo voting.

Diplomatic sources report that at internal meetings in January, Renamo decided on a strategy of disruption and confrontation. When the new parliament session opened in February, there was some degree of cooperation but this soon degenerated. Renamo delayed the parliament sessions with innumerable points of order and tiny amendments. Renamo also threatened to boycott the local elections or make them "unviable".

Tension grew, leading on 6 March to Renamo and Frelimo accusing each other of murder, in particular of killing priests. This was the most angry clash between the two parties since the first parliament session in December 1994.

Renamo's traditional international backers did not support the confrontation strategy, and became increasingly alarmed at the tension it was creating. Renamo may have been trying to gain a veto over the local election process because of a September 1995 statement by the donor Aid for Democracy (AfD) group which demanded consensus. But the international community, including the US, made clear to Renamo that the demand for consensus could not be used to override normal parliamentary procedures and the rights of the parliamentary majority.

Diplomats also told Renamo that its strategy was counterproductive. As one diplomat commented: "It was the Frelimo hardliners who gained from the Renamo confrontation strategy. Those Frelimo parliamentary deputies who wanted to compromise

Registration

There will be a registration campaign in September or October. It will occur throughout the entire country but the emphasis will be on the 33 places to have elections. Existing registration ledgers and voter's photo-ID cards remain valid. The registration campaign will be mainly aimed at the 450,000 young people who have turned 18 since the 1994 election, those refugees who returned after the election, people who have moved since the election, and voters who have lost their cards. It is estimated that up to 1.5 mn people will be registered during the campaign.

People who have not moved and who still have their voter's card will be asked to go to registration posts to confirm their existing registration, in part because some registration books have been rewritten and may contain errors, but this confirmation is not mandatory.

In future, there will be an annual updating of the electoral role. The law also calls for registration of Mozambicans abroad, but that will not be done this year.

The next national elections are due in 1999.

were marginalised."

Finally on 14 March Renamo parliamentary leader Raul Domingos spoke to a US-hosted meeting of the diplomatic community at the World Bank office. He effectively confirmed that Renamo had abandoned its confrontation strategy and would participate in the election process, and set out a more modest list of demands for changes in the laws.

Although donor pressure is seen as the main reason for the Renamo policy change, one diplomat sympathetic to Renamo commented: "Dhlakama deserves credit for the change in policy. This was a strategy which was agreed on by Renamo leaders. It was then evaluated and when it was found to not be working, it was changed."

National Election Commission

The government had proposed that all future elections be run by the permanent election administration technical secretariat (STAE - *Secretariado Técnico de Administração Eleitoral*). Renamo's strongest demand was for the reintroduction of a National Election Commission (CNE - *Comissão Nacional de Eleições*) with political party representatives to oversee the process.

This had been part of an earlier package but was deemed unconstitutional because elections are supposed to be supervised by the Constitutional Council (which has never been appointed). But it was always possible to put a CNE between the Constitutional Council and the STAE. After Renamo ended its confrontation phase, this was agreed unanimously by the parliamentary standing committee on agriculture and public administration.

CNE will be composed of an independent president nominated by the President of Mozambique, one member (expected to be a technician) designated by the Council of Ministers, and seven members selected by parliament in proportion to party representation in parliament.

The CNE will oversee all elections, not just local ones. The first CNE will serve only until after the 1999 national election; after that CNEs will serve for five years. The CNE is expected to guarantee conditions for "free, just and transparent" elections. It will also register political parties and candidates, set the election calendar, publish results, and decide on protests.

Local elections will use the 1994 electoral register as a base, and 1994 voters cards will be valid. As part of the package of laws, the government also included one saying that registration was permanent and to be used for all elections, and setting out annual updating of the register

Other Renamo points

During the debate, Renamo raised a number of objections. Renamo parliamentary leader Raul Domingos complained that 33 cities and towns "is very insignificant". David Alone, Renamo deputy parliamentary leader, said "we accept that some towns do not have the conditions to have elections yet, so we accept the principle of gradualism. But this does not mean just a few cities, which is what Frelimo thinks." Renamo objected to the choice of towns and proposed that the list be extended to 27 more towns.

'Frelimo preparing fraud'

Renamo retains a deep distrust of Frelimo and was strongly opposed to elections run only by STAE. "It is not independent. STAE is a government institution run by people who have the maximum confidence of the Frelimo party. To have only STAE is to give the election to Frelimo as a gift," declared David Alone, Renamo deputy parliamentary leader. "Frelimo is dishonest. We know they will cheat."

Alone agreed that establishing a national, independent CNE was a major concession by Frelimo which was essential to guarantee a fair election. But Renamo also wanted independent local election commissions. Alone argued that if there are local problems during an election, they cannot be taken quickly enough to Maputo for resolution; there is a need for a local dispute resolution mechanism, like the CNE at national level, that parties are involved in.

Alone also argued that local election commissions were psychologically important: "if something goes wrong and I do not complain to the local election commission, then it is my fault."

Some donors, particularly the US, put pressure on Frelimo to allow at least small provincial election commissions, of three or five people. Although it was widely accepted that the creation of the CNE and the extension of elections from 23 to 33 places were important Frelimo concessions to Renamo, many people felt that provincial elections commissions would have been a generous gesture which would have cost Frelimo nothing. But Frelimo did not shift.

Alone concluded that "if Frelimo opposes local elections commissions, it means they are preparing fraud."

The government responded that the addition of the 10 towns after the matter was discussed last December was already a political concession to Renamo. State Administration Minister Alfredo Gamito admitted that the choices were somewhat arbitrary, but told journalists that an attempt was made in each province to pick the most developed town which was already making the largest tax payments.

Alone disputed this. "Look at Zambézia. The government selected Milange, but Alto Molócuè has better conditions on all counts. But Alto Molócuè is more likely to vote for Renamo." Examining the data shows that Alto Molócuè does have a larger population and more functioning shops, industries and schools than Milange. But, as the table below shows, in the district as a whole it gave less support to Renamo in 1994 than did Milange.

Similarly, Alone argued that in Tete Ulónguè would have been a better choice than Moatize, "which is dead – paralysed – since the coal mine closed."

Gamito made clear that he was not prepared to extend the list to more than 10 towns, but had no objections to the parliament changing the list. Surprisingly, there seems to have been no discussion of this between the parliamentary parties. But a look at the 1994 vote suggests that Renamo would not have gained much from such a swap, and it may have felt that a better choice was simply to argue that

Campaigning has begun

Renamo now seems on course to take an active part in the local elections, despite threats earlier this year to boycott the elections if the government did not make substantial changes to its proposals. The government did not make the changes, but Renamo's friends in the international community persuaded the party that participation was in its own best interests.

In an interview in the independent weekly *Savana* (16 May), Renamo president Afonso Dhlakama confirmed Renamo would take part. Renamo parliamentary leader Raul Domingos made similar pledges to donors privately.

In May Renamo staged a series of anti-government demonstrations in many of the cities to have local elections. At least two provoked a violent response by the police, ensuring that the demonstrations received wide publicity. *Savana* (16 May) considered the demonstrations part of Renamo's "pre-campaign" in relation to the local election, although Dhlakama denied this.

For Frelimo, the party congress in May was the effective start of its campaign.

these were the towns chosen by Frelimo.

Instead, Renamo held out for adding all 27 town to the list. The Frelimo hard line responded by proposing that elections be held only in cities and no towns at all. The final "compromise" was to accept the 10 towns proposed by the government.

Renamo also opposed the government on a number of other points, only one of which was partly accepted:

- Government wanted annual voter registration even in areas where there will be no local elections. Renamo said it would be cheaper to only register where people needed to vote this year. Government says that Mozambican law contains several possibilities of snap elections where there is no time to draw up a new register, so it must be regularly updated; this is, indeed, done in most countries.
- Renamo opposed registration of Mozambicans abroad. This was included in the law, but in the only concession to Renamo STAE has accepted that as there are no conditions prepared, foreign registration will not be done this year.
- Renamo opposed a government plan to write a separate law for Maputo city.
- Government wanted to prevent individuals serving both as local officials and as members of the national parliament, arguing that cities could not be run if officials were away in Maputo half the time. Renamo argued that in France and elsewhere, people can hold posts at two levels.

How they voted in 1994

The following table gives the 1994 election results for 17 of the 23 cities and for the districts containing the remaining 6 cities and 10 towns that will have local elections, as well as for the districts containing the towns proposed by Renamo but rejected by parliament.

It cannot be assumed that people will vote the same way in local elections. In particular, in those places where results are available only for the entire district, it cannot be assumed that people in rural areas of the district voted the same way as those in the district town.

However, if this vote were repeated in local elections, Frelimo would win control of 13 cities including Maputo while Renamo would win control of 7 cities including Beira and Quelimane. But in the other 3 cities, including Nampula, no single party would have a majority of seats in the municipal assembly.

In the districts containing the 10 towns, Renamo did better in half and Frelimo in half. In the districts containing the 27 towns proposed by Renamo, Renamo and Frelimo each did better in 13 and one was tied.

City	Frelimo	Renamo	Other
Pemba	61%	30%	10%
Montepuez	54%	27%	19%
Lichinga	57%	31%	12%
Cuamba **	65%	17%	17%
Nampula	44%	45%	12%
Angoche **	29%	55%	16%
Ilha de Moçambique	22%	66%	11%
Nacala	23%	65%	11%
Quelimane	36%	51%	13%
Gúrué **	54%	29%	17%
Mocuba **	41%	47%	11%
Tete	54%	29%	18%
Chimoio	30%	59%	11%
Manica **	46%	39%	15%
Beira	22%	69%	9%
Dondo **	18%	73%	9%
Inhambane	73%	10%	17%
Maxixe	66%	13%	21%
Xai-Xai	89%	3%	9%
Chibuto	86%	1%	13%
Chókwè	86%	3%	12%
Matola	79%	8%	13%
Maputo	79%	9%	12%

Towns

Mocímboa da Praia **	56%	33%	11%
Metangula **	54%	24%	22%
Monapo **	23%	56%	22%
Milange **	10%	73%	17%
Moatize **	30%	49%	21%
Catandica **	22%	61%	18%
Marromeu **	25%	63%	12%
Vilankulo **	67%	6%	27%
Mandlakaza **	80%	3%	17%
Manhiça **	80%	3%	17%

Renamo proposed towns

Mueda **	84%	3%	13%
Macomia **	66%	20%	14%
Mandimba **	41%	41%	19%
Marrupa **	44%	22%	34%
Nsaka **	44%	34%	22%
Namapa **	31%	34%	35%
Nametil **	23%	54%	24%
Nacala Velha **	15%	64%	21%
Morrumbala **	12%	77%	11%
Pebane **	27%	58%	15%
Alto Molócuè **	24%	66%	10%
Ulónguè **	20%	60%	20%
Songo **	65%	13%	22%
Nhamaiabwe **	11%	77%	12%
Gondola **	25%	61%	14%
Machipanda **	46%	39%	15%
Búzi **	3%	91%	6%
Nhamatanda **	9%	82%	10%
Gorongosa **	18%	64%	19%
Inhaminga **	2%	94%	5%
Massinga **	52%	11%	36%
Homoíne **	59%	17%	24%
Quissico **	68%	6%	26%
Morrumbene **	43%	31%	26%
Macia **	80%	2%	18%
Namaacha **	80%	6%	14%
Boane **	77%	7%	17%

** = result for the district containing the town or city

Donors:

Failing to drive the process

Donors have tried to drive the local elections and decentralisation processes but have been consistently caught off balance by Mozambican actions.

When the last session of the one party parliament passed the first local government election law in September 1994, most donors did not even notice. It was not a subject of discussion at diplomatic cocktail parties, and many embassies failed to report the new law to their capitals.

Suddenly at the end of 1994, when the new Frelimo government rejected heavy pressure from the international community to appoint Renamo governors and ministers, diplomats saw local government as an alternative form of "power sharing". They also saw local government as an alternative channel for aid that would be less subject to control by the Frelimo government.

In September 1995 the donor's Aid for Democracy (AfD) group issued a policy statement. It said that "donors believe the elections should be held promptly in as many districts as possible", surely during 1996. But the statement also said "consensus [in parliament is] the most important factor which will determine the degree of donor support".

Renamo and Frelimo responded with a consensus position which effectively postponed the elections, meeting the letter of the AfD statement but not the real donor demand for early elections. The parties agreed that the 1994 law was unconstitutional and that the constitution should be amended.

During 1996 Renamo and Frelimo seemed to be getting on well, and the donors lost interest in the decentralisation and local election process. When the two parties reached a consensus on amending the constitution late last year, it involved a radical change in policy and ensured that elections would be held in a smaller number of places than donors wanted. AfD never discussed the amendment and donors seem to have paid little attention.

Donors only began to notice when parliament began considering the package of local government bills in February. There were two issues.

First, some donors concluded that the 1995 AfD statement had unintentionally given Renamo the idea that it had a veto, and thus donors were indirectly responsible for the parliamentary disruption and growing tension in February and early March.

Second, a small donor working group began to meet weekly, and some its members suddenly realised they did not agree with the Frelimo/Renamo consensus on the amendment. There was annoyance that they had failed to notice and had failed to put pressure on the parties to revise the amendment.

No donor \$s for parties

There will be no donor money for political parties in the local elections, it has been agreed by the joint donor Aid for Democracy group (AfD, now officially known simply as the Donor Policy Group). This is the reverse of the policy in the 1994 national elections, but none of the donors were happy with the way the 1994 party trust fund money was used.

However the \$800,000 left over from the 1994 party trust fund was finally sent to the UN in Maputo in April; the UN will simply distribute it to political parties in proportion to their 1994 parliamentary vote; no accounts will be required and no questions will be asked, because the UN feels it would be too expensive to audit the spending of such small amounts of money by the small parties. Renamo is also receiving the \$350,000 remaining in its special trust fund; this is supposed to be used to pay debts left over from the 1994 election, but Renamo will be free to use the money for other purposes if it wishes.

The original local government law had called for elections in entire districts, while the new amendment calls for elections only in towns, excluding rural areas. Some donors argued that this would reduce Renamo's results, because it had done better in rural areas. Others argued that it made local government non-viable in the long term by excluding many rural industries and thus reducing the possible tax base.

Not all donors agree. A high official of one of the most important donors said the amendment was a "sound choice". Districts were too large, he argued, and "democracy tends to be urban". He also argued that the package of laws involved genuine decentralisation and that "local government will be powerful."

But this seems a minority view in the donor community. And when donors realised that there was Mozambican consensus to do something to which they objected, some donors suddenly lost interest in local elections. But they will still pay and cannot push for further changes. As one aid official commented: "the donors admit they pushed so hard for local elections that they cannot back down now, just because they don't like the way the Mozambicans have decided to establish them."

Fighting to pay \$16.5 mn

Donors are competing with each other to fund the local elections. The European Union was prepared to pay the entire cost, and it would have been easier for Mozambique to have just one donor. But other donors protested at being left out. Elections are fashionable and many donors need to be seen to be spending money on elections here.

Also some countries feared they would lose political leverage over the process if they were not donors. At least one donor says it will try to impose additional conditions relating to transparency and observation, despite the fact that the 1994 election was widely considered transparent and successful.

The solution is that the EU will pay two-thirds of the bill and UNDP will set up a trust fund for smaller donors. EU member states will put their money into the EU pot or the trust fund. Some countries, notably the United States, may make individual contributions. All donors see it as politically important to keep the US involved.

UNDP and STAE have drawn up a single budget. Each budget line will be taken by the EU, the Trust Fund, or an individual donor. The budget is lower than the original forecast of \$20 million because so much equipment, including more than 100 cars, is still available from the 1994 election and has been kept in good condition by STAE.

The draft budget distributed on 7 May is:

	\$ mn
Personnel, offices	3.7a
Materials	3.5
Transport	2.8
Civic Education	2.4
Training	1.8
Technical assistance	1.5
Second round	.8
TOTAL	16.5

The budget includes \$1.8 mn for aircraft and helicopter leases and fuel. STAE has proposed a \$1 mn project to computerise registration, but this is not included in this budget and is probably not practical in the short time available. UNDP estimates that postponing the elections to April will add \$1.2 mn to the costs.

Creating local government

Mozambique is creating elected local government virtually from scratch, as it has never existed here before. The Ministry of State Administration (MAE, *Ministério da Administração Estatal*) has been working on the issue for more than a decade as part of a much larger process of decentralisation. But the actual package of a constitutional amendment and nine laws covering the structure of local government, finance, and elections was approved by parliament in only seven months.

Four key political choices have been made in this process:

- Elected local government will be urban, not rural.
- There is to be real decentralisation and local governments will be the driving force behind local development.
- Local government will have to raise a significant part of its own revenue, meaning a sharp increase in local taxes.
- Local governments will reproduce the structure of

national government and its division of powers. The executive branch will be composed of an elected president (effectively a mayor) who will have "ministers", known as *vereadores*. The legislative branch will be an assembly elected from party lists as in national elections, although with more space for independent candidates.

In this section of the *Bulletin* we provide more detail about the structure of local government and about local elections.

Step by step

"Gradualism" has been the word guiding the entire decentralisation process. It is seen as a step-by-step process in which local officials gain in confidence and power at each step. Mozambican officials talk of children who must learn to walk before they can run.

This has proved frustrating for some donors who wanted a "big bang" approach, creating local governments everywhere at once and allowing local creativity to resolve problems. One US official argued that the new local governments needed no facilities, and that newly elected local assemblies could simply meet under trees and create their own facilities.

By contrast, Mozambicans have increasingly accepted that there is a need for at least a few facilities and a few trained staff to create a local government. To the annoyance of some US officials, even Renamo has come to accept the principle of gradualism.

Gradualism means that it will take decades to fully decentralise, but that the process will be much more in the hands of Mozambicans and less of donors. It also means that Mozambique will be able to learn from the initial experiments and modify the system as it expands. In particular, Mozambican officials fear that if they move too quickly the system could simply collapse into chaos, which would kill any desire for decentralisation.

Gradualism has always been seen to mean both that local governments would not be created everywhere at once, and also that powers would be handed over only gradually. But the process of writing the constitutional amendment led to agreement on a third form of gradualism – starting in urban areas.

The 1994 law had called for elected councils in the

Terminology & translation

Mozambican local government terminology will be confusing for English speakers accustomed to British or US local government. Especially difficult is the term "council", which in Mozambique is not the elected body but the administrative body. In the *Bulletin* we will follow local usage and translate directly, using the following terms:

Municipal assembly (*a assembleia municipal*): the elected legislative body. People elected to the assembly are known simply as "members". The assembly elects its own "president" or speaker.

Council president (*o presidente do conselho municipal*) or **mayor**: the directly elected head of the city or town. The council president does not sit in the municipal assembly, but is head of the executive branch.

Vereadores: the "ministers" in the local government, who work full or part time, and are chosen by the council president. At least half of the vereadores must be elected members of the municipal assembly. As there is no common English equivalent for elected members who become paid local officials, we will simply use the Portuguese word.

Municipal council (*o conselho municipal*): the town or city administration, composed of the council president and the vereadores.

There is a clear division of powers: the council is the administrative or executive body, while the assembly is a legislative and representative body.

11 provincial capitals and later in the 128 districts which cover the rest of the country. It became clear, however, that district councils would be a logistic nightmare. Members of local assemblies would have to travel up to 100 km to go to meetings, and would need food and lodging. By contrast, in towns people could walk to meetings and go home at night. Similarly, managing towns will be much easier than managing districts.

Therefore parliament unexpectedly decided in the constitutional amendment that in the first instance there would be elected local government in urban areas only. The amendment defines two levels of local government. Cities and towns (*vilas*) will become "municipalities". The remainder of the country is already divided into "administrative posts", and elections will eventually be held only in the headquarters of administrative posts, which will be known as villages (*povoações*). Rural areas remain under the control of an appointed district administrator. There are presently 23 cities, 116 towns and 394 administrative posts, so there will eventually be 533 elected local councils instead of 139 as intended by the 1994 law.

The government proposed the first election only in the 23 cities, but later extended this to one town in each province. In future years there will be elections in other towns, but there are no plans yet to move on to villages.

Powerful bodies

Municipal councils and elected assemblies will be powerful, autonomous bodies. The constitutional amendment charges them with "promoting local development" and they will have the right to develop their own plans and budget and to collect a wide range of taxes and fees. The state can only intervene if local bodies break the law.

Municipalities are to be given responsibility for "local economic and social development", environment and "quality of life", and urban planning. Specific responsibilities will include:

- roads, parks, cemeteries
- markets, street traders, shop licences
- local police and a fire service
- street lighting
- electricity distribution
- water, sewerage, and rubbish disposal
- public transport
- pre-school education and primary schools
- adult education
- libraries and museums
- sports facilities
- lowest level health facilities
- low cost housing

Municipalities will be free to create "municipal

Traditional authorities

There has been much debate about the role of so-called "traditional authority" including chiefs and local religious leaders. In general, traditional leaders have more power in rural areas, and the decision to exclude rural areas from elections has reduced concern over this issue. The local government law says that "local government organs may ask for opinions and suggestions from traditional authorities recognised by their communities as such" but they are not required to do so.

companies" and "autonomous services" which will operate on a commercial basis. This will provide significant opportunities for municipalities to become a driving force in economic development.

The local assembly has the right to contract out the provision of public services, but is not required to do so. Services users should be represented on the bodies supplying public services.

Finally, the municipal council is given the specific right to accept "help from non-government organisations and other entities", and the council can accept donations. A number of international agencies have already indicated their interest in supporting projects in the new municipalities, but it appears that donors have no firm plans yet.

Cities: local control of present services

The 23 cities already have "executive councils" (*conselhos executivos*), set up under a 1978 law. Their staff are central government employees and there is a nominated president.

All cities have responsibility for basic services such as rubbish collection, even if this is only carried out by two men with a donkey cart. They are also responsible for roads, parks, markets and street traders, and especially urban development policy and planning, including the allocation of building sites. Many are responsible for street lighting.

In 1978 water and electricity in some cities were taken over by state companies, while others, especially those with small local systems, remained in the hands of the executive councils.

In the first instance, the newly elected president and assembly will simply take over the functions of the existing executive council. Existing executive council staff will be transferred to the new local government, although they will retain all their rights and the salary scales of national civil servants. Only buildings and equipment used for present local

Voluntarism

Officials working on decentralisation hope that elected and accountable local governments will give people more interest in local affairs and more sense that the city belongs to them. Because people are poor, money will be very tight and there will not be enough local revenue to pay for all desired services. The hope is that people will take pride in their city and will contribute time and labour even if they do not have money.

Officials point particularly to the period just after independence, when volunteers were involved in adult literacy campaigns and when people got together on Sunday mornings to clean their neighbourhood. War and general disillusionment has destroyed much of that spirit of neighbourliness and self-help, but the dream is that some of this spirit can be created again. Also, if people feel responsible for their own city and feel that they are part of keeping it clean, they may not be so careless about dropping litter on the streets.

There is also a hope that local councils and assemblies will look for cheap solutions to problems. "For example, a council could create a local farmers' market so that peasants could bring their own produce to the city and sell it at a lower price than the traders. This would lower the costs of food for city people, and raise the income for peasants, and would cost little to introduce," commented José Guambe, national director for local government.

government services will be transferred initially.

The first task will be to improve the basic services already being provided. This will also be the best way to make rapid and obvious gains before the 1999 national elections. José Guambe, national director for local government, said that many councils will be under heavy initial pressure to improve environmental conditions in the dense inner suburbs, with better drainage, rubbish collection, markets and lighting.

The next step will be to clarify the role of the elected municipal government. "Since they were created in 1978, the functions of the executive councils have been poorly defined", in part because no law or regulation was ever issued setting out their precise structure and functions, admitted MAE local government officials at a meeting in Inhambane in April.

The 1978 law was also widely criticised because it led to a much too centralised, inefficient and sometimes corrupt administration with no local accountability. Budgets were defined centrally. So the

initial task will simply be decentralisation and localisation of local services.

One problem for cities is that the first elections, at least, will be based on old city boundaries, last redefined more than a decade ago. Since then populations have grown and many people outside the formal city boundary consider that they live in the city and use its services. Yet they will not be able to vote and will not have to pay some local taxes, particularly head and property taxes.

Defining the towns

For the ten towns (*vilas*) there is more of a problem. They are all district capitals and they have been administered as part of the district with no separate executive council. Indeed, these towns have no formal boundaries.

MAE is moving quickly to separate the administration of these ten towns from their surrounding district. As well as defining boundaries, they will try to identify buildings for use by the new town council, and to set up three basic components: an office, a finance department with separate accounts, and an urban services department. Four or five senior officials will be transferred to the town, as well as market and road workers.

These will be in place at least provisionally by the end of the year, but accommodation may be temporary. People always refer to the mayor's "palace", but Guambe notes that this is a "concept" rather than a building and in some towns the *palácio* may in fact be a *palhota* (a traditional hut built of local materials).

The main confusion for the next few years will be that these towns will have elected mayors and appointed district administrators with offices side by side. The administrator will still be responsible for the surrounding district and for its schools, health posts, markets, etc. The mayor will be responsible for services within the town.

The confusion will be compounded, because the principle of gradualism means that the district administrator, as the representative of the state, will also have responsibility for some services within the town, such as health and education, until they are handed over at a later date.

Plans and budgets

Local governments are required to have annual activity plans and budgets, and also must create development and structure plans. These, as well as annual reports and accounts, are proposed by the municipal council and approved (or rejected) by the assembly.

The national government must ratify the budget

and development plan and a staffing plan, and also ratify any local borrowing with a term of more than one year. Central government can only accept or reject, and cannot modify. Ratification can only be refused if the budget, plan or loan violates the law or goes against existing plans or programmes. Anything not considered within 45 days is automatically approved.

In addition, national government will establish the normal inspectorates to monitor local government, but again can only intervene in the case of illegal actions. The legislation goes a long way to guarantee local autonomy.

Taking more power

Elected municipal governments will start managing only those services already being provided locally, which is far short of the wide range of powers granted them in the law.

The intention is that as local governments gain power and experience, they should take over more responsibilities, and that the pressure should come from the local governments themselves.

The ministries of health and education will need to set up procedures for what can be localised and what cannot be. It is intended, for example, the curriculum and teacher training remain national, but that management of at least primary schools be decentralised.

Much will have to be negotiated. Giving local governments power over water and electricity does not mean that they can automatically take over these

services. Indeed, Guambe argues that local government will be extremely reluctant to take over services which now have large deficits. But local councils will draw up plans for the extension of these services, and water and electricity companies will be expected to agree their plans with the local government.

Councils have the power to expand services. For example if the electricity company did not want to extend electrification to a suburban neighbourhood, the local government could do so. Similarly, even without taking over the provision of education, local councils could use existing legislation to build and maintain new schools and ask the Ministry of Education to provide the teachers.

There will clearly be conflicting pressures at central level. Some officials will want to pass as many costs to local government as possible, while others will want to keep power centrally. MAE officials see the expansion of services through local initiative as one weapon in the armoury of local government – if a local council proves it can build and run a school, it will be much harder for national education officials to resist handing over more management of the local school system.

Officials expect a wide variation. Maputo is bigger and richer than any other city, and can be expected to take over some services very rapidly and to become more autonomous than most other cities. On the other hand, Maputo may never take over the electricity system, while some small towns already generate electricity locally because the colonial system was never taken over centrally.

Finding money

Money and taxes will be the biggest headache for the new local governments. The centralisation of 1978 meant that the new executive councils saw little reason to raise revenue; some fees and taxes have not been increased since the colonial era and cost more to collect than they yield. The present executive councils collect about half of their budget as local revenue, although the four cities of Beira, Quelimane, Nampula and Pemba together raise nearly 80%, according to MAE estimates.

This means that the first task of the new elected governments will be unpopular tax increases, which hopefully can be justified by improved services.

There will continue to be a government subsidy to local government, both for individual development projects, and in the form of a "compensation fund". This fund must be between 1.5% and 3% of total government receipts, and will be transferred to each local government according to a formula to be published in the annual budget and based on four criteria: area, population, level of development, and

Salaries capped

Municipal assemblies will set the salaries and expense payments of themselves and of the mayor and vereadors, but the law imposes strict limits. The total bills for wages and expenses for the assembly and council cannot exceed 30% of the council's own income (that is, money it raises directly, not including money from the national budget), which will serve as an incentive to collect local taxes. In addition, top limits are set on the salaries of the council president and vereadors. The council president of a larger city will receive the wage similar to a national director, while a vereador in a town will receive the wage similar to that of the head of a school. Members of assemblies can be paid for the days they attend, but the president of the assembly cannot be paid more than 10% of the wage of the council president and an ordinary member cannot be paid more than 3% of the wage of the council president in a year.

success in collecting local taxes.

In addition, several national taxes will be transferred to local councils: 30% of the tourism tax collected by local establishments, 75% of the vehicle taxes, and the present "section B" income tax for people working locally.

A key local tax will be a head tax or poll tax for everyone between the ages of 18 and 60 and able to work. Housewives and peasant women, students, and the ill and infirm will be exempt. The annual tax must be less than 20% of the monthly minimum wage – at present the tax would be less than 62,359 meticais

Preventing conflicts

Strict limitations to prevent conflict of interest have been included in the new laws. Council presidents, vereadors and members of local assemblies cannot participate in any discussion or vote on any issue that would directly benefit their family. And "family" is defined by a long list including parents and step-parents, brothers and sisters, children and grandchildren, aunts and uncles, spouse, in-laws, nephews and nieces, and first cousins.

Similarly, council presidents, vereadors and members of assemblies are prohibited from being part of companies with a wide range of dealings not only with that particular local government, but with any part of the state.

Council presidents and full time vereadors are prohibited from taking any other paid employment.

No one can be a council president, vereador or member of a local assembly if they are likely to have any decision-making power over local government. This bar includes members of national and provincial government, the national parliament, magistrates, and staff of agencies which will regulate local government.

People who work for a local government can be members of an assembly but cannot serve on the council (e.g. cannot be president or a vereador).

Nevertheless, there are real fears about continued corruption. In big cities like Maputo it will be hard to stop high officials from continuing to demand bribes for allocating building plots, for example; indeed, even if the salaries are being kept low, some people may stand for mayor in the hopes of gaining a substantial income through corruption.

And at the other end of the scale, what market inspector will be brave enough to try to collect the market fee from the cousin of the council president?

(\$5.50) per year. The levels of this and other local taxes are set by the municipal assembly. But collecting the head tax will be particularly important because for the first three years compensation fund payments are to be "directly proportional" to the collection rate of the head tax.

All other local taxes reflect a recognition of the abject poverty of most people living in cities in Mozambique, and are therefore based on taxing directly or indirectly existing transfers of money or on taxing the better off.

There will be a property tax, but only on permanent buildings and vacant urban land. People buying or building their own house will not pay property tax for up to 15 years.

There can be taxes on all economic activity, including licences for market and street traders, charges for construction permits, fees for parking, fees for required health inspection, etc. Finally, the local councils can charge for services.

Built into the laws is the possibility of cross subsidy. One reason that councils have been given authority over electricity distribution is to allow them to make a relatively high charge to the better off electricity consumers and use this money for development of poorer parts of the city.

Election: similar to 1994

The election process will be very similar to the 1994 national elections. The same electoral roll will be used and will be updated. Polling stations will be in the same places and have the same organisation. In the vote for president, if no candidate receives a majority, there must be a second round between the two top candidates within 30 days of the publication of the results. The vote for an assembly will be by city-wide party lists. A person can stand for the presidency and also be on a party list for the assembly.

As in 1994, party agents (*delegados de lista*) in the polling stations and registration centres will be a key factor in ensuring the integrity of the process. It is left to the National Elections Commission to regulate and approve non-party observers.

Space for independents

Perhaps the most important change is that independent candidates and lists are put on the same footing as recognised parties. To be a presidential candidate or to put forward a list for the assembly, both parties and citizens groups must obtain the signatures of 1% of the registered voters. This should have the effect of excluding some of the very small

parties.

In addition, there is no "threshold". In the national election, a party had to obtain at least 5% of the national vote to gain members of parliament, which excluded some small parties. For local elections, there is no threshold, which means that in larger cities parties could gain a member of an assembly with as little as 2% of the vote. This means more small parties and independents will be represented in local assemblies.

Other changes include:

- Voting will be for one day instead of three.
- The tasks of the polling station staff are less precisely defined, allowing roles to be shared more equally; in 1994 the presiding officer (*presidente*) had too many tasks.
- Journalists are still allowed free access to polling stations, but with two new and sensible restrictions: they cannot take pictures of people actually voting, and they cannot interview voters within 300 metres of a polling station.
- The official campaign period will be only 13 days. This period grants extra rights, such as time off work for candidates, and there are no restrictions on campaigning before this time.
- All candidates must have been resident in the local government area for at least six months.

The ballot paper will have the same format, with long rectangles containing the names and symbols of the party or candidate, followed by a small box on the right. The law still specifies that the cross or fingerprint of the voter must be in the tiny box (and thus not elsewhere in the rectangle), although the law also says that a vote should be accepted if the mark shows the "unequivocal will of the elector". This caused problems in 1994, but STAE says that polling station staff will have clearer instructions this time to accept a cross or fingerprint anywhere within the larger rectangle.