

MOZAMBIQUE News reports & clippings

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2 Renamo killed near Dhlakama headquarters

Two Renamo fighters were killed Thursday 17 October in one of set of three confrontations with the Mozambican army at Mucodza, just 20 kilometres from Satunjira, the current headquarters of Renamo leader Afonso Dhlakama in Gorongosa district, Sofala. This is the closest incident involving a government military patrol, and *O País* Friday said that that the military was stopping some road traffic to Satunjira.

This could indicate increasing government military pressure on Renamo, following a Renamo attack on a police post at Samacueza railway station, Muanza district, Sofala, on Saturday 12 October. The station is on the Sena railway line, which carries coal from Tete to Beira port, and not far from the Savane arms dump raided by Renamo in June. The Thursday incident coincided with ceremonies in Satunjira marking the death, on 17 October 1979 in Gorongosa, of the first Renamo commander, Andre Matsangaissa.

Speaking at the Matsangaissa anniversary, Dhlakama once again pledged that he would never return to war. He promised not to attack any vehicles on the main north-south highway between the Save River and the small town of Muxungue. Vehicles have been travelling in convoy under military escort along this stretch of road since June, when two people were killed in Renamo ambushes.

"I, Dhlakama, guarantee that nobody from Renamo will attack the Muxungue stretch of road", he said. On the basis of that promise, he called for the military escorts to be stopped, because the road was now safe and nobody in Renamo would dare defy him and attack the road.

Dhlakama said the solution to the current tensions would be for President Armando Guebuza to come to Satunjira for a face-to-face meeting with him. Dhlakama has repeatedly said he cannot leave Satunjira to meet with Guebuza because he fears that if he leaves the base, the army will attack it.

Negotiations between Renamo and the government remain stalled. Government continues to reject two key Renamo demands – that facilitators be called in to bring the sides together, and that government and Renamo agree changes to the electoral law. On the law, government has always insisted that Renamo simply submit its proposed changes to parliament, where they will be rejected by the Frelimo majority.

And, despite both sides having set up military negotiating teams, they have not met.

First coal company power station deal

Ncondezi Energy on 14 October announced it has signed a 25-year "non-binding" agreement with the state-owned Electricidade de Mozambique (EdM) to buy all the electricity from a 300MW integrated thermal coal mine and power plant. Power generation should begin in 2017. The power plant will cost \$500-600 million. Ncondezi would like to expand this in 300MW units to reach 1800MW, if buyers can be found.

All of the Tete coal mines are dependent for their profitability on using the poorest quality thermal coal on site in coal-fired power stations. South Africa's Eskom is the obvious buyer because it has been short of power in recent years, but has declined to sign any new contracts. Ncondezi's contract with EdM is thus the first coal electricity contract.

Many of the Tete coal mines intend to export high value coking coal and some high value thermal coal. But there is a top layer of lower quality thermal coal not worth exporting, which is just left in huge piles. But spontaneous combustion is a frequent and dangerous cause of fires in stored coal, so there is pressure to use the coal to generate electricity at the mine. Ncondezi is different in that its area has no coking coal, and it was always designed simply for electricity generation at the mine.

On 8 October Ncondezi announced that the Ministry for Coordination of Environmental Action (MICOA) had approved the Environmental Social Impact Assessment for the Ncondezi mine.

The main owner of Ncondezi is the British investment fund Strata, with 45% of shares. Ncondezi shares are currently trading at 11.38 British pence (\$.18), down from a peak of 225 pence three years ago.

Ncondezi's concession is 25 km north of Moatize. The best map showing the Ncondezi, Rio Tinto and Vale concessions is on page 5 of a 2012 investor presentation, posted on http://www.ncondezicoal.com/uploads/nccinvestorpresentation_september2012.pdf

The agreed price of the electricity is secret, although this information is published in many other countries.

EITI forcing more transparency

Changes to the Extractive Industries Transparency Initiative agreed at a conference in Sydney, Australia, in May, will force Mozambique to provide substantially more information on the receipt and use of funds coming from mining companies, according to a new report from the Centro de Integridade Publica: <http://bit.ly/16oAqFZ>

In particular, from next year Mozambique will have to published much more information on state extractives companies, such as Companhia Moçambicana de Hidrocarbonetos (CMH), Empresa Moçambicana de Hidrocarbonetos (ENH) and Empresa Moçambicana de Exploração Mineira (ENEM).

Survey shows people poor, optimistic, pro-Frelimo

Mozambicans are poor but optimistic, according to the latest Afrobarometer survey. Nearly everyone has been short of money, and 53% had sometimes gone without food in the previous year. Nevertheless, most people expected their living conditions to improve in the next year (85%

of urban respondents and 74% of rural).

The survey of 2,400 adult Mozambicans (one-third urban) was carried out in November 2012 and published in August this year. The full survey is posted on

http://afrobarometer.org/files/documents/summary_results/moz_r5_sor.pdf

In this article, unless noted, results have been corrected to exclude don't know or didn't answer. On most questions, rural and urban were similar.

Looking to upcoming elections, Frelimo will take some comfort from the survey, with 81% approving of President Armando Guebuza and 59% saying they trust him "a lot". Of respondents, 77% said they identified with a political party, and of that group, 91% said they identified with Frelimo, 5% with MDM and 3% with Renamo. Trust of parties showed a wide variation: 11% do not trust Frelimo "at all", 28% trust it "a little or somewhat", 54% "a lot", only 5% don't say. For opposition parties, 39% do not trust them at all, 37% a little or somewhat, and only 16% trust the opposition a lot (and 7% don't say).

Asked if the country is going in the right direction, 83% of rural respondents and 70% of urban said yes.

Asked to choose the most important problem facing the country, an overwhelming 22% cited unemployed, followed by water at 15%. And here the government did not score well; 70% said the government was doing very badly or fairly badly in creating jobs. A similar percentage said it was doing badly in keeping prices down and narrowing gaps between rich and poor. But on the social side it was seen as doing well on education (81%), health (66%) and even reducing crime (56%). Nevertheless, crime remains high with 35% reporting thefts from their house in the previous year and 8% saying they had been physically attacked.

Corruption remains high. Of those who needed a document or permit, a school place, or health care in the year before the survey, roughly one quarter had to pay a bribe.

Urban residents were split on municipal services, with roughly half saying municipalities did well on roads, markets and rubbish collection and half saying they did poorly.

Given a choice, two-thirds said opposition parties should cooperate with government to develop the country, while only one-third saw the opposition priority as regularly examining and criticising government policies and actions.

Similarly, given a choice, 75% agreed that "government is like a parent. It should decide what is good for us" while only 25% chose the alternative "government is like our employee. We are the bosses and should tell government what to do."

A quite high 70% said that the ruling party and state were the same, but 89% said that the ruling party does not have the right to use state resources to conduct its business.

Some caution must be taken with the validity of the responses. Half of the respondents said they thought they survey was being done by the government, 72% said people often or always had to be careful of what they say about politics, and 41% said opposition parties and supporters were often or always silenced by the government. One indicator of validity is that 87% of those who said they were registered in 2009 claimed they voted. In fact, turnout was only 45% of registered voters in 2009.

Base rate cut

The Bank of Mozambique has cut the base rate for the 11th time, to 8.5% compared to 16.5% in January 2011. This is the rate at which the Bank lends to commercial banks, the Facilidade Permanente de Cedência (FPC).

Getting off easy on climate change

Mozambique will be less affected by climate change than its neighbours, according to a study published in *Nature*, one of the most prestigious academic journals, on 10 October. The study combines 39 different models of the impact of climate change.

The study asks when annual mean air temperature will rise above the historical boundaries. For Mozambique, this will not be until around 2050, and the rise will be around 4 degrees. In contrast, for Zambia it will be around 2030 and the rise will be around 7 degrees, and for some west African countries such as Guine it will be before the end of this decade - although the temperature rise will be less, about 4 degrees.

However, Mozambique does not get off all that easy. Air temperatures in the Mozambique Channel will exceed historical boundaries by 2030, which probably means more serious cyclones. And the study points out that means earlier damage to coral reefs, mangroves, and fish.

The models also show that the United States and Europe, which have done the most damage to the climate, will also get off easiest, and will not rise above historical boundaries until around 2060.

The research team is from the University of Hawai'i. The article contains detailed maps.

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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.rienner.com/title/Zimbabwe_Takes_Back_Its_Land

Currently out of print and not available in southern Africa.

Now in paper at a reasonable price

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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NOTE OF EXPLANATION:

This mailing list is used to distribute two publications, both edited by Joseph Hanlon. This is my own sporadic "News reports & clippings", which is entirely my own responsibility. This list is also used to distribute the *Mozambique Political Process Bulletin*, published by CIP and AWEPA, but those organisations are not linked to "News reports & clippings"

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 Diario 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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