

MOZAMBIQUE News reports & clippings

418 11 July 2018 Editor: Joseph Hanlon (j.hanlon@open.ac.uk)

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Also in this issue:

Forest sector remains troubled

Demilitarization deal today saves elections

President Filipe Nyusi and Renamo acting head Ossufo Momade met in Beira this afternoon and announced agreement on "military matters" and stressed their desire to resolve matters before the October local elections. (*O Pais*, *Lusa* and *Noticias* 11 July, all on-line) This should save the 10 October municipal elections.

A joint declaration says:

- + A Military Affairs Commission will be established, with three joint technical groups: 1. Disarmament, demobilization and reintegration; 2. Incorporation into army (FADM) and police; and 3. Monitoring and Verification.
- + Renamo will give a list of people to be incorporated into police and the army within 10 days.
- + Within 10 days government and Renamo will name people to the joint Military Affairs Committee and the technical groups.
- + Demilitarization begins at the same time.

The declaration is on <http://bit.ly/2L5tNXJ>

Momade has agreed to a submission of lists, a rapid start, and demonstrable progress before October elections. Nyusi has accepted the appointment of four commissions and thus that the actual demilitarization will take a long period of time.

Momade told the press conference in Beira that he expects there will be a solution agreed "before October" elections, but he stressed that there is a sequence: "first is the framework, then integration, then demobilization and handing in of arms".

Momade said that "we can now advance with integration of Renamo officers into the army (FADM)".

He added that "in our conversation we arrived at agreement" that it is possible to incorporate Renamo fighters into the police and that a list of people would be submitted. Nyusi said that it had not been possible to integrate Renamo into the police in 1992 or 2014, "but it is now possible because Renamo has promised us a list."

The security services SISE are not mentioned, but it is believed there may also be a secret agreement there.

Elections in October likely

In our companion publication *Mozambique Political Process Bulletin 2018 Local Elections* (5 July, same editor, Joseph Hanlon) it was predicted that local elections could go ahead in October if

there was a deal on military matters within two weeks - and it has happened in just one week.

Constitutional amendments were approved on 24 May by parliament to end the direct election of mayors and instead specify that the head of the party list that receives the most votes for municipal assembly is automatically elected mayor. Legislation was tabled and a special session of parliament was scheduled for 21-22 June to approve it, but Frelimo forced the session to be cancelled and said nothing could happen without a military agreement. The National Elections Commission (CNE) said on 4 July that it could not move forward without a new law, and did not go ahead with acceptance of candidates for municipal assembly set for 5-27 July.

Parties have, however, continued to prepare their lists and the CNE has moved on issues such as a tender for ballot paper printing, which meant both Frelimo and Renamo expected a deal.

In the 5 July election *Bulletin*, it was argued that if a deal was reached within two weeks, the special parliament session could be held before the end of the month, and the period for acceptance of candidates could be cut to 10 days. That would allow the elections to continue on 10 October as planned, although it might make sense to delay until 17 or 24 October, which is still before the start of the rains.

Portucel may resume planting but forest sector remains troubled

Huge eucalyptus plantations have not proved a boon to either foreign investors or local residents, but the Portuguese company Portucel, now called Navigator, announced Monday that it would resume planting, subject to the government making substantial "logistical" investments. (Zitamar 10 July, AIM En 11 July)

However the other large company, Green Resources of Norway, continues "restructuring" (@Verdade, 5 June) and is doing no new planting. It's most recent financial statement admits "Green Resources is operating under significant cash constraints. This leads to material uncertainty regarding the Group's ability to continue as a going concern."

Portucel has one of the largest land concessions in Mozambique, 356,000 hectares (3560 square kilometres, equivalent to a block 60 km on each side) of Manica and Zambézia, while Green Resources has 300,000 ha (3000 sq km) in Niassa and Nampula.

Portucel is a major European producer of pulp and paper, notably brown paper bags. It announced on 9 February 2017 that it would "permanently ... scale down" its operation in Mozambique. But on Monday 9 July it announced it had signed a memorandum of understanding with the Ministry of Land, Environment, and Rural Development to invest \$140 mn in planting 40,000 ha of eucalyptus trees and building a pulp mill. The statement said that the investment would get ahead only if government "addresses a series of conditions precedent to the investment, including the construction of the logistical infrastructure needed to export wood chips." It estimates it will take six months to gain the government commitments.

http://en.thenavigatorcompany.com/var/ezdemo_site/storage/original/application/cf7758efa806954174d199432d782ea3.pdf

Navigator originally promised to invest \$2.3 bn, but it has only invested \$120 mn so far and planted 13,200 ha under its scaled down programme. The World Bank's International Finance Corporation owns 20% of Portucel Moçambique and Navigator owns 80%.

The struggle between the Portuguese paper company Portucel and local peasants continues after more than five years. Controversially, Portucel was given good farmland in Manica to plant trees to make pulp for brown paper bags for Europe, and families said they were being pushed off their land by Portucel. (*O País*, 6 Dec 2017) A study last year showed the Portucel plantation in Zambézia was benefitting few local people. Peasants gave up land on the promise of jobs, but in

practice there are few jobs; only 9% of families that gave up land gained permanent jobs and 75% of local people say their lives were no better.

Green Resources is facing similar problems, with 700 families in Ligonha, Ribaue, Nampula saying they were pushed off their land without promised compensation. There is also an issue of farmers on adjoining land, who claim the eucalyptus drinks so much water that it has dried out their farms. A sign of the bad relations with the community is that the Green Resources most recent (2016/17) financial report notes that 2000 ha of their forests were lost to fire, and there have been significant thefts. They do not say so, but almost surely fires were set by disenchanted neighbours. The company is also in trouble with former donors, saying in its report "The group did not receive government grants in financial year 16/17. Regarding certain grants received in prior years, the use of funds is disputed by the grantors."

(For more details, see this newsletter 360 14Feb2017, 377 17July2017, and 394 10Dec2017; Natacha Bruna, Rural Observatory report: <http://omrmz.org/omrweb/wp-content/uploads/Observador-Rural-53.pdf> and Green Resources <http://dev.greenresources.no/Portals/0/pdf/Green Resources Annual Accounts FYE 2017 Audited.pdf>)

COMMENT: In our book *Galinhas e Cerveja*, we pointed out that **no** new plantation project in Mozambique has succeeded since independence 43 years ago. With the exception of the old colonial sugar plantations, large plantation-scale farming does not work. Green Resources and Portucel seem to be proving the rule, yet again; a reminder that big foreign investors are often wrong. *jh*

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This newsletter can be cited as "Mozambique News Reports & Clippings".

If you need to cite it for academic purposes, treat it as a blog. The normal citation format would be:

"Mozambique News Reports & Clippings, number XXX", DATE, bit.ly/mozamb, accessed XXX.

Previous newsletters and other Mozambique material are posted on bit.ly/mozamb

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Election study collaboration: We have detailed election data from 1999 through 2014 and are inviting scholars to use this data collaboratively. <http://bit.ly/MozEIData>

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Other books and reports by Joseph Hanlon

The Uberisation of Mozambique's Heroin Trade <http://bit.ly/Moz-heroin>

and in Portuguese <http://bit.ly/Moz-heroina>

Special report on four poverty surveys: bit.ly/MozPoverty

Comment: something will turn up: <http://bit.ly/28SN7QP>

Oxfam blog on Bill Gates & chickens:

<http://oxfamblogs.org/fp2p/will-bill-gates-chickens-end-african-poverty/>

Bangladesh confronts climate change: Keeping our heads above water

by Manoj Roy, Joseph Hanlon and David Hulme

Published by Anthem Press

<http://www.anthempress.com/bangladesh-confronts-climate-change-pb>

Chickens and beer: A recipe for agricultural growth in Mozambique by Teresa Smart and Joseph Hanlon

In pdf format, 6 Mb file, free on <http://bit.ly/chickens-beer>

E-book for Kindle and iPad, <http://www.amazon.com/dp/B00NRZXXKE>

Galinhas e cerveja: uma receita para o crescimento

by Teresa Smart & Joseph Hanlon.

Copies are in Maputo bookshops (Karibu at airport, Livaria UEM, Bazar Pariso, Mivany) or from

Recent reports

Special report on social protection <http://bit.ly/MozSocPro>

Mozambique corruption articles 2016-7 <http://bit.ly/2upF8XI>

Secret debt documents and report:

Kroll full report (80 Mb!) <http://bit.ly/Kroll-Moz-full>

Kroll audit Executive Summary <http://bit.ly/Kroll-sum>

Parliamentary Report on the Secret Debt (complete, in Portuguese) bit.ly/MozAR-debt

Key points from the Parliamentary Report on the Secret Debt <http://bit.ly/MozAR-debt-En>

Mozambique should not pay the hidden debt <http://bit.ly/Moz-do-not-pay>

Following the donor-designed path to the \$2.2 billion secret debt <http://bit.ly/3WQ-hanlon>

Other books and reports:

Government's detailed flood reports: <http://bit.ly/flood-17>

Local media monitoring of Mozambique elections (background of election newsletters)
<http://bit.ly/LSE-newsletter>

Chickens and beer: A recipe for agricultural growth in Mozambique book by Teresa Smart and Joseph Hanlon, **free** English download <http://bit.ly/chickens-beer>

Há mais bicicletas - mas há desenvolvimento? book by Joseph Hanlon and Teresa Smart, **free** Portuguese download <http://bit.ly/Mais-bicicletas>

Gas for development or just for money? <http://bit.ly/MozGasEn>

Minimum wages & exchange rates 1996-2018 <http://bit.ly/MinWage18>

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KAPICUA, which recently moved to Av de Maguiguana (nr Lenine), Maputo; Tel: +258 21 413 201.

Telm.: +258 823 219 950 E-mail: kapicuir@tdm.co.mz / kapicuacom@tdm.co.mz

Outside Mozambique, we have a few copies we can send from London. Please e-mail j.hanlon@open.ac.uk.

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 also as an e-book and

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

Do bicycles equal development in Mozambique? by Joseph Hanlon & Teresa Smart

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

Há mais bicicletas - mas há desenvolvimento? **free download** of Portuguese edition (5 Mb)

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 be **read on the web** tinyurl.com/justgivemoney

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NOTE OF EXPLANATION:

One 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, Portuguese:

Notícias: www.jornalnoticias.co.mz

O País: www.opais.co.mz

@Verdade: <http://www.verdade.co.mz>

Diario de Moçambique (Beira): <http://www.diariodemocambique.co.mz>

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

Mozambique media websites, English:

Club of Mozambique: <http://clubofmozambique.com/>

Rhula weekly newsletter: <http://www.rhula.net/news-announcements.html>

Zitamar: <http://zitamar.com/>

Macauhub English: <http://www.macauhub.com.mo/en/>

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

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