

# MOZAMBIQUE News reports & clippings

502 27 September 2020 Editor: Joseph Hanlon ( [j.hanlon@open.ac.uk](mailto:j.hanlon@open.ac.uk) )

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## In this issue

### Military support

- + Mozambique asks EU for military help
- + European parliament points to poverty, inequality
- + Government says donors and lenders returning
- + Choosing sides
- + Police claim control of empty Mocimboa, from a distance

### UAE and Dubai

- + What UAE role in Mozambique?
- + Is Eric Prince coming?

### Other news

- + Guebuza to be interrogated over secret debt
  - + Renamo Junta small war continues
  - + Covid-19 growth continues, mainly in Maputo
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## Mozambique asks EU for military help

Mozambique has asked the EU for "support in the area of specialist training for the fight against terrorism and insurgency." This support could take the form of training, logistics for the forces fighting the insurgency, equipment for medical assistance in combat zones, and technical capacity building. The explicit request for military support was sent by Foreign Minister Veronica Macamo to EU Foreign Minister Josep Borrell on 16 September, several months after the EU made a vague offer of support.

The letter was sent a week after an 8 September meeting between Borrell and Portuguese Foreign Minister Augusto Santos Silva. Portugal is pushing Mozambique's case and Silva said that there was a "terrorist and jihadist insurgency" in Cabo Delgado. In an interview with Lusa on 24 September he said "I am confident that the EU will respond positively" to the Mozambican request for military help. In part this is because Portugal will be president of the Council of the European Union for the first half of 2021.

In exchange, Mozambique has agreed to open a dialogue with the EU on humanitarian issues.

## European parliament says root causes are poverty, human rights violations

But a highly critical European parliament resolution was overwhelmingly approved on 17 September. It admits that the "Mozambican army is ill-equipped to deal with the surge in terrorism," but the resolution puts more emphasis on internal causes.

The resolution stresses "the need to work towards the elimination of some of the root causes of terrorism such as insecurity, poverty, human rights violations, inequality, exclusion, unemployment,

environmental degradation, corruption and misuse of public funds, impunity, thereby contributing immensely to the eradication of terrorist organisations."

Parliament "underlines the importance of pursuing the necessary reforms in order to adequately respond to the needs of the Mozambican people, preventing them from being vulnerable targets of radicalisation; underlines in particular the urgent need to create jobs and opportunities for the people in Cabo Delgado, in particular young people."

The resolution "considers it of the utmost importance that the local population, in particular in the poorest provinces of the country, benefit from the exploitation of their natural resources [and] calls on the government to fairly allocate incomes from exploitation projects to local development projects."

The European parliament says that the "Mozambican government security forces have responded with disproportionate violence, at times in contravention of international human rights commitments." It "calls on the Government of Mozambique to launch an independent and impartial investigation into torture and other grave violations allegedly committed by its security forces in Cabo Delgado." It cautions that "barbaric actions attributed to Al-Shabaab should not be met by further violations of human rights by the security forces of Mozambique."

Finally, it notes "incidents of crackdowns on freedom of expression, as well as harassment of journalists." The full text is on: [https://clubofmozambique.com/wp-content/uploads/2020/09/TA-9-2020-0235\\_EN.pdf](https://clubofmozambique.com/wp-content/uploads/2020/09/TA-9-2020-0235_EN.pdf)

## Government says donors and lenders returning

Mozambique's government believes global politics and gas have trumped governance, and five years of aid and loan restrictions due to the \$2 bn secret debt are ending. The Council of Ministers approved the draft economic and social plan at its 22 September meeting, which includes includes a 43 bn Meticaís (\$ 600 mn) deficit, which it believes will be met by foreign aid and loans. After five years of no budget support due to the secret debt, Council spokesperson, Deputy Justice Minister Filimao Suaze, said enthusiastically that "our partners are returning in a wave", led by the IMF. (AIM 22 Sep, *O País* 23 Sep)

The US stressed its priorities when the US Export-Import Bank (Exim) in July approved a US\$4.7 billion loan for the Cabo Delgado gas, the largest direct loan in the bank's history to Sub-Saharan Africa. Exim head Kimberly Reed said explicitly that this was to block China lending for the project. And the loan involved contracts for at least 68 US companies and will create 17,000 US jobs.

## Comment: choosing sides

The dispute about causes of the Cabo Delgado civil war is deepening, and interveners are being pushed to choose sides. President Filipe Nyusi told the UN General Assembly on 23 September that Mozambique is subject to attacks from international terrorism linked to organised crime, and he asked for international support to combat terrorism. (Full text on <https://www.presidencia.gov.mz/por/Media/Files/100-Discurso-PR-AGNU-2309020>) Nyusi and Frelimo are making clear that any intervener must choose their side, blaming Islamic terrorists and backing the corrupt elite.

The European parliament put the emphasis on internal causes - poverty, inequality, corruption, and the failure of the wealth of the province to reach the majority.

Is the Cabo Delgado civil war rooted in external terrorist destabilisation, or internal concentration of wealth and power in the hands of an elite creating a failed state?

The international community, ranging from the US State Department to Tony Blair, blames Islamic State. Portuguese Foreign Minister Augusto Santos Silva wants the European Commission to take that line. The Commission will probably ignore the European Parliament, which has little power on foreign policy and aid matters.

The dispute over the roots of the war really date back 30 years, to long before the start of the war. After the fall of the Berlin Wall in 1991, there have been two key agendas of the victorious "West". First, in 1993 Samuel Huntington published his notorious paper "The Clash of Civilisations", arguing that a confrontation between the West and the "Muslim World" was inevitable. This thinking was widely adopted and Islam came to replace communism as the enemy and evil ideology.

The second agenda was economic. The world came to be dominated by a free market ideology known as neo-liberalism; from the 1990s the Mozambican elite was told that the free market would end poverty, and that by becoming rich they were helping the poor because wealth would "trickle down" to the poorest. Transnational companies made deals with local elites, creating local oligarchs, and both profited.

The European parliament analysis of the war in Cabo Delgado is that this neo-liberal, trickle-down, "greed is good" ideology has failed - it has worsened poverty rather than redressed it, and the victims are prepared to go to war to force a change.

That creates a challenge. The EU, IMF, and others cannot admit that the ideology imposed for three decades on Mozambique has failed. Mozambican oligarchs cannot admit, perhaps even to themselves, that their getting rich harmed the majority of Mozambicans. It is probably too much to ask, so they will fall back on the clash of civilizations, and say it is fundamentalist Islam trying to destroy us - that the war in Cabo Delgado is part of the new cold war.

It looks increasingly like the European parliament will be ignored. The implications of accepting their analysis are just too great.

Instead, the European Commission, the Portuguese foreign minister, Tony Blair and others in the international community are choosing the side of the Frelimo elite, blaming Islamic jihadists for the war. Which also allows European companies and the Frelimo elite to continue to take the profits of minerals and gas. *jh*

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## **What is the role of the UAE in Mozambique?**

United Arab Emirates (UAE) has become a major, if extremely obscure, player in Mozambique, and little is known about its role in Cabo Delgado. It has also been in the news recently, in ways that link to Mozambique.

With only 10 million people and huge wealth due to the seventh largest gas and oil reserves in the world, it has set out to become a major global player. Frank Gardner, BBC security correspondent, published an excellent and detailed report last week (23 Sept), "How the UAE emerged as a regional powerhouse". <https://www.bbc.co.uk/news/world-middle-east-54235209> It is involved in the wars in Libya and Yemen and is backing Somaliland. Its main enemy is Iran and it is opposed to Qatar and Turkey, while being allied to Russia and Saudi Arabia and recently signed a peace deal with Israel. Clearly Africa is an area of expansion and Mozambique is one target.

The UAE is a federation of seven emirates, with Abu Dhabi as capital and Dubai the largest city; both are major banking centres. A July report from the Carnegie Endowment for International Peace is titled "Dubai's role in facilitating corruption and global illicit financial flows". [https://carnegieendowment.org/files/PageVittori\\_DubaiCorruption\\_final.pdf](https://carnegieendowment.org/files/PageVittori_DubaiCorruption_final.pdf)

The links to Mozambique are well known. All money from the \$2 bn secret loan (after large bank fees were deducted) went to Privinvest, based in Abu Dhabi, and payments - licit and illicit - were made from there. When former finance minister Manuel Chang was arrested two years ago at Johannesburg airport, he was on his way to Dubai.

The UAE has been strengthening its presence in Mozambique and in 2019 was Mozambique's fifth largest trading partner, with \$600 mn in trade. (Dubai Chamber) But a significant part of that trade may involve money laundering transit traffic rather than goods made or used in the UAE. The Carnegie report stresses that "Dubai is a haven for trade-based money laundering. Operating with minimal regulatory oversight or customs enforcement, these zones allow businesses to disguise the proceeds of crime via the over- and under-invoicing of goods, multiple invoicing, and falsifying of other trade documentation." Thus a Mozambican trader importing a container may falsely say it contains very expensive goods, and then use heroin money to make the payment, and someone in Dubai deposits the money in the appropriate bank account.

The UAE investment level approved by the Agency for Investment and Export Promotion (APIEX) reached over \$1 bn between 2014 and 2018, with 20 companies from the Arabic federation investing in the Mozambican market. "Our investment has focused on energy, logistics and real estate. Also of note is our significant presence in the management of the Port of Maputo through DP World," Abdulla Momade, representative of the Dubai Chamber of Commerce in Maputo, told O Pais. (11 Oct 2019)

The largest investment is in Maputo port, run by DP World Maputo which is 60% DP World and 40% CFM, the state railway company, and has the contract until 2043.

Prime Minister Carlos Agostinho do Rosário, after a visit to Abu Dhabi, said the Abu Dhabi Development Fund was open to investing in agriculture. (*Further Africa*, 21 Nov 2019) Dubai Chamber has an office in Maputo and on its website is promoting agriculture: "There are 36 million hectares of arable land, of which only 16% is utilized, combined with tremendous irrigation potential from major rivers and the Sector has the best incentives for investors."  
<https://www.dubaichamber.com/international-offices/mozambique/economic-overview-and-synergies-with-dubai>

UAE produces only 10% of its own food and is particularly active in investing in land and agriculture abroad, including in Mozambique, according to a report (10 Sept 2019) by the Dubai and Abu Dhabi based Alpen Capital. <http://www.alpencapital.com/downloads/reports/2019/GCC-Food-Industry-Report-September-2019.pdf>

## Is Eric Prince coming in on UAE's coat tails?

Despite some ups and downs, Erik Prince is said to be still close to UAE ruler Mohammed bin Zayed, a graduate of Britain's Royal Military Academy Sandhurst. *The Intercept* in 2019 detailed his complex links to China, Russia, USA and UAE. <https://theintercept.com/2019/05/03/erik-prince-trump-uae-project-veritas/> Using his UAE connections, Prince has been trying to take a big role in Mozambique. A major investigation by *Africa Intelligence* (9 Sept) comments that Price always has grand ideas and plans, but so far only has small links in Mozambique, which are listed by *Africa Intelligence*. Phoenix Aviation based in Kenya has moved from doing executive and safari flights to medical evacuation, particularly for the UN, and works in Mozambique.

Prince's Blackwater had large mercenary forces working for the US government in Afghanistan and Iraq, but this ended after Blackwater security contractors shot and killed 17 Iraqi civilians in Baghdad in 2007. He then moved to Abu Dhabi and eventually set up Frontier Services Group (FSG). FSG opened its Maputo branch in 2017 with offices in Torres Rani on the sea front. FSG in 2019 set up a joint venture, Blue-Fin, with Mozambique's state energy company, Empresa Nacional De Hidrocarbonetos (ENH), but FSG suddenly withdrew later that year. FSG Mozambique Segurança Lda was also established in 2019, but has apparently remained inactive after the majority owner Lucílio Matsinha, the son of a former security minister, was arrested in for

allegedly smuggling rhinoceros horns. And in 2018 FSG set up TunaMar to take over Ematum and its unused tuna boats, promising fishing by the end of 2018, but nothing has happened.

Ex Australian air force pilot Christian Durrant is said by *Africa Intelligence* to be Prince's man trying to get mercenaries into Mozambique. It also says that Prince has links to Henk Bam, who is Lionel Dyck's assistant in Dyck Advisory Group (DAG), which is currently flying helicopters in Cabo Delgado.

## Police claim control of empty Mocimboa, from a distance

"We are not physically in the port and town of Mocimboa da Praia [but they] are not in the hands of the terrorists because we exercise an increased control," said Police Commander Bernardino Rafael in a press conference in Pemba Saturday (26 Sep). Many towns and villages are abandoned because of the war, but "there is no town taken as such, where they live and operate." (*Notícias de Defesa*, 27 Sep, <https://defesamoz.info/inicio/ff/porto-de-mocimboa-da-praia-esta-sob-controlo-das-fds---brafael>)

Roads to Mocimboa remain closed. Along the coast insurgents appear to be stockpiling food. For example, villages have been raided when the fish catch comes in. People are told to go away, no one is hurt, but the fish are taken. Inland, there have been attacks and continued fighting on the road linking Mocimboa and Mueda and attacks on villages, including Chai, on the road going south toward Macomia. Electricity to the northern three districts was again cut.

People in Palma remain frightened and fear an attack. Vehicles carrying people fleeing Palma on the dirt road to Mueda were attacked near Pundahar, killing at least 28, on 12 September. Bangladeshi traders reportedly closed their shops and evacuated after learning that a Bangladesh national was among the victims in Pundahar. The road is still in use and there has been at least one attack more recently. Palma has been reinforced by the military which claims to have arrested some insurgents, including Palma residents, and to have killed 19 insurgents near Pandahar.

The tourist island of Vamizi was retaken by security forces, and now has at least 50 soldiers based there. The island is important for controlling the coastal route north to the Afungi peninsula where the gas processing is being developed. A very different view of the attack was given in the British newspaper, the *Sun*, which is only interested in celebrities: "Hell in paradise: ISIS take over stunning islands where Daniel Craig and Bono holiday". The "luxury islands off the coast of Mozambique, where A-list celebrities spend their holidays, have been overrun by insurgents." With pictures of the damage as well as of the celebrities. (*Sun*, UK, 17 Sept) <https://www.thesun.co.uk/news/12693374/isis-paradise-islands-daniel-craig-bono-sharia-law/>

Further south the government has recaptured the town of Bilibiza and on 25 September repelled an insurgent attack there, but there has been fighting in the mangrove zones to the east, between Quissanga and Ibo.

## Other news

### Guebuza to be interrogated over secret debt

The Attorney General (PRG, Procuradoria Geral de República) will interrogate former president Armando Guebuza over the \$2.2 bn secret debt, contracted during his administration. His son Ndambi is currently in jail awaiting trial over the case. The Council of State must agree to the questioning of an ex-president, which it agreed to after Guebuza said in a 16 September letter that he agreed. But he said in the letter that he was being targeted by "a campaign of attempted political assassination, using the judiciary", attempting to "silence" him.

Guebuza was first interrogated by the PGR and the special Parliamentary Commission of Inquiry (CPI) after the emergence of the secret debt in 2016. The PRG requested a second questioning of Guebuza in November 2018 and it has taken nearly two years to get political agreement. The questions submitted then related to the three companies created as part of the loan, about the contract with Prinvest and its repeated changes, about Prinvest's apparently failure to supply the contracted equipment, and about the \$500 mn that forensic auditors Kroll could not find.

There are on-going legal cases over the debt in London and New York.

*Savana* (25 Sept) describes this as part of an "open war" between Guebuza and President Nyusi. It points out that it has taken five years since Guebuza left office to force his interrogation, but marks how much his power within Frelimo has declined.

## Renamo Junta small war continues

The Renamo dissident group led by Mariano Nhongo continues to wage a small and largely unchallenged war along the main north-south EN1 road running along the border between Manica and Sofala. Many of the attacks are at the Pungue River bridge and in two attacks on buses on 17 and 20 September two people were killed and 11 injured. Two attacks on the same days south of the Inchope junction on a bus and lorries did not cause injuries. There have also been attacks on villages. Nhongo denies some of the attacks, but has also threatened to attack the Mafambisse sugar factory on the road to Beira.

*Carta de Moçambique* (22 Sep) says defence forces have set up more than 10 traffic control posts between Inchope and Muxungue to the south. The posts are meant to protect the route from the armed attacks. However, the men say they are without sufficient food and demand bribes from passing traffic. *Carta* says that those who refuse to pay a bribe are sometimes ambushed later.

## Covid-19 growth continues, mainly in Maputo

Covid-19 deaths have reached 54 and the total cases 7,757, the Ministry of Health reported today. (27 Sep) Increase in deaths remains exponential, doubling every month. But the number of new cases has slowed, from 214 a day a week ago to 175 a day now. Of 168 new cases, 118 were in Maputo and Matola, which remains the main centre of the epidemic. In contrast, an anti-body blood test survey done by the National Institute of Health in Tete city showed less than 1% of the city's population has or has had Covid-19.

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### Important external links

**Cabo Delgado civil war** weekly report - Zitamar, MediaFax, ACLED - <http://bit.ly/CaboLigado>

**Covid-19** daily updated data and graphs <https://covidmoz.netlify.app/>

Previous editions of this newsletter: [bit.ly/MozNews2020](http://bit.ly/MozNews2020)

Downloadable books: <http://bit.ly/Hanlon-books> Election data: <http://bit.ly/MozEIData>

Other Mozambique material [bit.ly/mozamb](http://bit.ly/mozamb)

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## Six special reports on the Cabo Delgado war

Notes on the evolution of the Cabo Delgado war: Although the global should not be forgotten, the local is most important. 27 Feb 2020 <http://bit.ly/CDelgadoOrigins>

Religion is shaping Cabo Delgado civil war. 30 April 2020 <https://bit.ly/CDelgadoReligion>

Intensifying argument over roots of war. 28 June 2020 <https://bit.ly/Moz-492>

Are the drums of war silencing any hope of peace? 26 July 2020 <http://bit.ly/Moz-496>

A history of violence presages the insurgency. 13 August 2020 <http://bit.ly/Moz-498>

## Background reading

### Special reports

#### Mozambique heroin transit trade

English - LSE - <http://bit.ly/Moz-heroin>

Portuguese - Pt - CIP - <http://bit.ly/HeroinaPT>

2001 first article - English and Portuguese <https://bit.ly/MozHeroin2001>

#### Gas for development?

Gas\_for\_development\_or\_just\_for\_money?\_2015 [bit.ly/MozGasEng](http://bit.ly/MozGasEng)

Gás\_para\_desenvolvimento\_ou\_apenas\_dinheiro?\_2015 [bit.ly/MozGasPt](http://bit.ly/MozGasPt)

Social protection report - 2017 Mozambique - <http://bit.ly/MozSocPro>

Special report on four poverty surveys: [bit.ly/MozPoverty](http://bit.ly/MozPoverty)

2018 Constitution - <http://bit.ly/2KF588T>

Minimum wage and exchange rates 1996-2018 -- <http://bit.ly/MinWage18>

#### \$2bn secret debt - in English

Kroll - Full report on \$2bn debt - <http://bit.ly/Kroll-Moz-full>

Kroll report summary - <http://bit.ly/Kroll-sum>

Key points of Mozambique parliament report - Nov 2016 - <http://bit.ly/MozAR-debt-En>

Following the donor-designed path to Mozambique's \$2.2 bn debt - <http://bit.ly/3WQ-hanlon>

#### In Portuguese:

Parliamentary Report on the Secret Debt (complete) [bit.ly/MozAR-debt](http://bit.ly/MozAR-debt)

**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>  
Election newsletters are on <http://bit.ly/2H066Kg>

**Eight books by Joseph Hanlon can be downloaded, free:** <http://bit.ly/Hanlon-books>

Bangladesh confronts climate change (2016)

Chickens and beer: A recipe for agricultural growth in Mozambique (2014)

Há Mais Bicicletas – mas há desenvolvimento? (2008)

Moçambique e as grandes cheias de 2000 (2001)

Paz Sem Benefício: Como o FMI Bloqueia a Reconstrução (1997)

Peace Without Profit: How the IMF Blocks Rebuilding (1996)

Mozambique: Who Calls the Shots (1991)

Mozambique: The Revolution Under Fire (1984)

#### Two more will be available shortly to download:

Apartheid's 2nd Front (1986)

Mozambique and the Great Flood of 2000

#### These are still available for sale:

Galinhas e cerveja: uma receita para o crescimento (2014) (free in English)

Zimbabwe takes back its land (2013)

Just Give Money to the Poor: The Development Revolution from the Global South (2010)

Do bicycles equal development in Mozambique? (2008) (free in Portuguese)

Beggar Your Neighbours: Apartheid Power in Southern Africa (1986)

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#### Mozambique media websites, English:

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

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

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

AIM Reports: [www.poptel.org.uk/mozambique-news](http://www.poptel.org.uk/mozambique-news)

#### Mozambique media websites, Portuguese:

Notícias: [www.jornalnoticias.co.mz](http://www.jornalnoticias.co.mz)

O País: [www.opais.co.mz](http://www.opais.co.mz)

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

Carta de Moçambique <https://cartamz.com>

#### Mozambique think tanks and pressure groups, Portuguese:

Centro de Integridade Pública: CIP <https://cipmoz.org/>

Observatório do Meio Rural: OMR <https://omrmz.org/>

Instituto de Estudos Sociais e Económicos: IESE <https://www.iese.ac.mz/>  
Centro Para Democracia e Desenvolvimento CDD <https://cddmoz.org/>

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