

MOZAMBIQUE News reports & clippings

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In this issue

2 more kidnappings

Gas & Cabo Delgado

+ No gas restart this year

+ Will a security zone work?

+ Exxon, Galp waiting for Total

Rentseeking capitalism

+ Elite group controls car number plates

+ Selling the post office

2 more kidnappings as Attorney General tells parliament that police, judges & lawyers involved

The wave of kidnappings which resumed last year dominated Attorney General Beatriz Buchili's report to parliament Wednesday and Thursday last week (27, 28 Apr). She said those involved including not only members of the Criminal Investigation Service (Sernic) and police, as already stated by President Filipe Nyusi, but also magistrates and lawyers.

Buchili added that kidnapping victims are "constantly blackmailed" by kidnappers for money even after their release. She said released victims effectively remain hostages, which contributes to a wider sense of insecurity. Abductions are of mainly of Asian-origin business people and their families, and word in that community is that more than \$500 million in ransoms have been paid in the past decade. This is big business which can buy important people.

The kidnappers flaunted their power the day before and day after Burchili's presentation. On Friday (29 Apr) Hafez Huzeifa, the 20-years-old son of a nationally important Muslim leader, Mufti Imtiaz, was kidnapped at 22.00 at the corner of Filipe Samuel Magaia and Ho Chi Minh in downtown Maputo (baixa) by armed men who used their two cars to block the victim's car.

On Tuesday 26 April at 11.00 in the upmarket area of Sommerschield, on Av Armando Tivane in front of his house, the 24-year-old son of businessman Faruk Ayooba was taken from his car and bundled into the car of the abductors. Armed with an AK47, they shot in the foot a woman who tried to intervene. The abduction was only 200 metres from the presidency and the headquarters of Sernic, which underlines its brazenness. (*Savana* 29 Apr, *Lusa* 28,28 Apr, *Zitamar* 3 May, *Carta de Mozambique* 3 May)

The Ayoob family owns Ayoob Commercial, with retail and wholesale operations in Cabo Delgado and Maputo. Faruk Ayoob was shot and seriously injured in his car in front the US embassy on Av Kenneth Kaunda on 14 October 2016. (*Lusa* 14 Oct 2016)

Faruk Ayoob's brother Momad Khalib Ayoob was caught with \$2.7 million in cash at Matsapa airport, Swaziland, on his way to Dubai, in December 2010. He was then assassinated in April

2012 near the mosque in downtown Maputo. His widow Reyma and cousin Hina Faruk Ayoob, as well as Faruk Ayooba's son Bilal, were all kidnapped in 2012-4 and released on payment of ransoms, according to *Expresso* (17 Oct 2016, https://macua.blogs.com/moambique_para_todos/2016/10/baleamento-de-ferreiros-pondeca-e-omar-faruk-ayoob.html); see also the *Canal* 2010 article (https://macua.blogs.com/moambique_para_todos/2010/12/quantos-mais-misterios-tem-a-familia-ayoob-comercial.html)

Gas & Cabo Delgado

TotalEnergies CEO: No gas restart for at least a year. Prior condition remains: 'Bring back the population in peace to have a normal life.'

Ukraine, rising gas prices, and the soft ride given to gas at COP26 in Glasgow last year have led TotalEnergies to give gas a higher priority. Indeed TotalEnergies CEO Patrick Pouyanné told investors on 28 April that Mozambique is one of the alternatives to Russian gas.

But that has not led to any reductions on the demands for a return to the project site on the Afungi peninsula near Palma. "There is an activity on the ground, not from us, but from the government of Mozambique, initially to recover the security. And then to bring back the population in peace to have a normal life. These are the 2 conditions we agreed with the Mozambique government," Pouyanné told investors.

"My view is that all that will take at least 2022 and then what we plan on our side is to go back there," he said. In a briefing *Savana* (29 April) was told "TotalEnergies will re-evaluate the situation at the end of 2022 to see if there are conditions to return."

"And then once we will consider that the situation is really under control ... we'll be able to remobilize and we know that it will take us more or less 6 months to come back to, I would say, a stabilized construction level. So the opportunity is there ... but it's not in our hand. It depends again on the actions of the Mozambique government", said Pouyanné. "It's a question of patience."

"We will restart all the activity the day that I will myself be able to visit Afungi, Palma and Mocimboa da Praia because if my security people told me not to go, I will not send any of my people or contractors to face a difficult situation." And he stressed: "We don't want to restart our activity surrounded by refugee camps. We want the situation to be stabilized" with peace and a return of the local population and of economic activities. <https://seekingalpha.com/article/4504857-totalenergies-se-tte-ceo-patrick-pouyanne-on-q1-2022-results-earnings-call-transcript>

Comment: Security zone?

Pouyanné's condition that return depends on the "population in peace" living "a normal life" seems unchanged, but it may no longer require an end to the war. Rwandan forces are in control of Palma and Mocimboa da Praia districts and the road to Mueda, Afungi has a port and air strip adequate for most things, except aggregate (building stone) which comes from a quarry in Mueda. So the gas project could resume with this level of security. But, in practice, it is not enough.

Fighting continues in Nangade district which adjoins Palma, and in the north of Macomia district where there are frequent attacks near the N380, the only paved road north from Pemba to the gas. These are zones supposedly controlled by South African forces but their failure has meant a "temporary" intervention last month by the Rwandans. Will the Rwandan zone be expanded permanently? Will Ugandan troops or extra South African troops bring those zones under control?

The other issue is that some people are returning to Palma, but the government is discouraging displaced people from returning to Mocimboa da Praia. There is little chance of people returning and normal life resuming this year, which suggests "a normal life" is at least a year away.

Surely a security zone of Nangade, Palma, Mocimboa da Praia and the road to Mueda, with displaced people returned to living a normal life, is two years away. As Pouyanné said: "patience".

President Filipe Nyusi will not be pleased. He has been hoping for a firm go-ahead from TotalEnergies in the next two months, to strengthen his hand at the Frelimo party congress in September. But that is unlikely. *jh*

Exxon, Galp waiting for Total

TotalEnergies is the consortium lead for the zone closest to the coast (area 1). ExxonMobil is the lead for the deep water zone (area 4), with Galp and ENI as junior partners. ExxonMobil and Galp have both said they want to go ahead and will start as soon as TotalEnergies lifts its "force majeure" declaration, which stopped work last year.

ENI is installing a 3.4 million tonnes per year (mt/a) floating LNG platform, with no connection to land and thus completely unaffected by the war. It should start producing this year. And ENI is now talking about a second floating platform.

Technology has changed rapidly. TotalEnergies took over the Anadako plan and is continuing to construct 2 mega LNG trains (which clean and condense natural gas into liquified natural gas - LNG) producing a total of 12.88 mt/a, at a cost of about \$12 billion. These are being built on the Afungi peninsula.

ExxonMobil plans to pipe its gas to Afungi and install its own trains, but it has cancelled its plans for mega trains. Instead it seems like to use mini-trains of 0.63 mt/a, with two trains combined into a liquification block. These mini-trains are factory built and are cheaper and faster to install and repair. <https://venturegloballng.com/about/our-strategy/>

Afungi is only 85 km from the southern end of pipes taking gas from Tanzania's gas field, so a link between the two is possible.

Galp is pulling out of Angola to concentrate on Brazil and Mozambique. The Portuguese company Galp is owned by Amorim Energia (33.34% which is 55% owned by the billionaire Amorim family) and by Angolan state oil company Sonangol (45%).

Rentseeking capitalism

Elite group controls car number plates and hikes price

The cost of car number plates (licence plates, *chapas*) increased 150% on 25 April, from \$30 to \$77 per pair. A Public Integrity (CIP) investigation by Borges Nhamirre calls it clear elite rent-seeking. The production of car number plates was awarded in 2009 to Whasintelec, a company with no experience in the area and formed to bid for the tender.

At the time Armando Guebuza was president. WhasIntelec was formed by Intelec Holdings, owned by Armando Guebuza and family (25.5%), Whatana Investments, owned by Graça Machel and Malengane Machel (25.5%) and a German company called Siervers GmbH (49%) which had the technology and production facilities. Mussumbuluko Guebuza, son of the president, was chairman of the board.

In exchange for the exclusive right to sell number plates, it agreed to build a number plate production unit in Mozambique that would enable technology transfer, job creation and contribute

to lowering retail prices. However, the production unit was never built. The National Institute of Land Transport (INATTER) terminated the contract with Whasintelec in 2013.

Gabriel Muthisse was named Minister of Transport in 2013 by President Guebuza. He dismissed the head of INATTER and rescinded the contract termination. Whasintelec continues with the contract, and imports the number plates from Germany.

"WhasIntelec is typical of rent-seeking companies, which without experience or the capacity to produce, position themselves to win state tenders, benefiting from the political influence of their shareholders or beneficiaries," notes CIP. <https://www.cipmoz.org/en/2022/05/03/aumento-do-preco-de-chapas-de-matricula-e-resultado-de-rent-seenking-nas-parcerias-publico-privadas/> (Portuguese only)

Selling the post office cheap

When the postal service was closed last year, it was seen as an attempt to grab the property, which includes some historic buildings. The Institute for the Management of State Holdings (IGEPE) published its list of valuations on 20 April. They were done by Intellica, a company part owned by Agriculture Minister Celso Correia.

A study by Estrela Charles of CIP finds the properties consistently undervalued. Maputo apartments are valued at only 20% to 50% of the market value. The historic main post office on Av 25 de Setembro is valued at \$1.4 mn, but would clearly be worth more for its development value.

The 176 properties are valued, in all, at \$17 mn, just enough to pay the debts of the company. <https://www.cipmoz.org/en/2022/04/25/correios-de-mocambique-conclui-avaliacao-dos-imizeis/> (Portuguese only)

Upcoming events and useful links

Institute of Social and Economic Studies (IESE) 6th International Conference, in Maputo, from 19th to 21st of September 2022. Conference theme: "**Conflict, Violence and Development**". Proposals for papers and panels by 1 June. The conference will be held simultaneously in person and online; English & Portuguese. <https://www.iese.ac.mz/conf6iese-internacional-2022/>

Reconstructing Cabo Delgado: who will benefit?, Institute of Security Studies webinar, with Tomás Queface of the Cabo Ligado Project, Prof Armindo Ngunga head of the Integrated Development Agency for the North, and your editor Dr Joseph Hanlon. Video on <https://issafrica.org/events/reconstructing-cabo-delgado-who-will-benefit>

Mozambican publications on Hip Hop and publications on Mozambican Hip Hop <https://networks.h-net.org/node/73374/announcements/9981742/mozambican-publications-hip-hop-and-publications-mozambican-hip>

Good lists of Lusophone Africa journal articles are published regularly on the e-mail list H-Luso-Africa. To subscribe, <https://networks.h-net.org/h-luso-africa>, and click the Subscribe button. Choose network H-Luso-Africa.

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\$2bn secret debt trial: Daily press clippings in English on <https://bit.ly/Moz-Debt-Map-Trial> .

Important external links

Exchange rates 2006-21 & minimum wages 1996-2021 <https://bit.ly/Moz-Exch-wage-2021>

Covid-19 daily updated data <https://www.facebook.com/miguel.de.brito1> and <https://covid19.ins.gov.mz/documentos-em-pdf/boletins-diarios/>

Daily flood and monthly dry season reports - <https://bit.ly/Moz-Flood-2022>

Cyclone trackers, <https://www.cyclocane.com/> and <https://www.metoc.navy.mil/jtwc/jtwc.html>

Cabo Ligado weekly report on civil war <https://www.caboligado.com/>

Previous editions of this newsletter: <https://bit.ly/MozNews2022> and <http://bit.ly/MozNews2021>

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

My Mozambique archive: <http://bit.ly/Mozamb>

Cabo Delgado

Archive with reports, detailed maps, and census data <https://bit.ly/Moz-CDq>

Special reports on the war

Evolution of the war: global vs local. 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>

Military & economic intervention. 3 Sept 2020 <https://bit.ly/CDelgadoIntervene>

Mozambique heroin transit trade

English - LSE - 2018 - <http://bit.ly/Moz-heroin>

Portuguese - CIP- 2018 - <http://bit.ly/HeroinaPT>

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

Gas for development?

Gas_for_development_or_just_for_money?_2015 bit.ly/MozGasEng

Gás_para_desenvolvimento_ou_apenas_dinheiro?_2015 bit.ly/MozGasPt

Background reading

Special reports

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

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

\$2bn secret debt - in English

Secret debt trial (Aug-Oct 2021) press reports <https://bit.ly/Moz-secret-debt>

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

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

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

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/2H066Kq>

Ten 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) is on <https://bit.ly/Chickens-Beer>

Há Mais Bicycletas – mas há desenvolvimento? (2008)

Civil War Civil Peace (2006): <https://bit.ly/Civil-War-Civil-Peace>

Moçambique e as grandes cheias de 2000 (2001)

Mozambique and the Great Flood of 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)

Apartheid's 2nd Front (1986) <available shortly>

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)

Mozambique media websites, English:

Club of Mozambique (free): <http://clubofmozambique.com/>

Zitamar (paywall): <http://zitamar.com/>

Mozambique media websites, Portuguese (all with partial paywall):

Notícias: www.jornalnoticias.co.mz

O País: 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/> (some CDD in English)

Also CDD now controls Fórum de Monitoria do Orçamento - FMO (main debt group) <http://www.fmo.org.mz>
and RMDDH - Rede Moçambicana dos Defensores dos Direitos Humanos (a human rights group).

To subscribe to all CDD publications: <http://eepurl.com/gO9l6v> (English or Portuguese).

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