

MOZAMBIQUE News reports & clippings

335 3 August 2016 Editor: Joseph Hanlon (j.hanlon@open.ac.uk)

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

Oxfam blog: Bill Gates & chickens:

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

Chickens and beer: A recipe for agricultural growth in Mozambique

by Teresa Smart and Joseph Hanlon is on <http://bit.ly/chickens-beer>

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

Also in this issue:

Domestic producers need protection

Rio Lurio land grab?

BBC fingers ADPP for links to 'cult-like group' led by people wanted by Interpol

ADPP is a Danish-origin NGO which has become a dominant player in the second hand clothes trade in Mozambique and has been heavily involved in teacher training in Mozambique. In a report Tuesday 2 August the BBC says that ADPP is part of a group "under the control of a cult-like organisation" and that "the group's senior leaders - wanted by Interpol - are thought to be holed up in a luxury coastal compound in Mexico." <http://www.bbc.co.uk/news/magazine-36940384> Unicef on 30 June halted funding to ADPP's Malawi associate.

The group has been subject to repeated media investigations for two decades but has been able to raise substantial funds from US, UK and UN agencies. Last year the US Department of Agriculture gave \$31.6 million for work in Mozambique to another member of the group, Planet Aid.

<http://www.fas.usda.gov/programs/mcgovern-dole-food-education-program/mcgovern-dole-funding-allocations-fy-2015>

ADPP is Ajuda de Desenvolvimento de Povo para Povo which operates as Development Aid from People to People (DAPP) in English speaking countries. Its Mozambique website <http://www.adpp-mozambique.org/> says "ADPP Mozambique is a co-founder and member of the Federation for Associations connected to the International Humana People to People Movement", which includes Planet Aid.

The investigation alleges that the network is controlled by "a cult-like organisation - the Teachers Group". The investigation was conducted by the BBC and the US-based Centre for Investigative Reporting, and three major articles have been published:

<http://www.bbc.co.uk/news/magazine-36940384>

<https://www.revealnews.org/article/unicef-cuts-off-funding-to-nonprofit-linked-to-alleged-cult/>

<https://www.revealnews.org/article/us-taxpayers-are-financing-alleged-cult-through-african-aid-charities/>

The main part of the investigation was about DAPP Malawi, which has links to ADPP Mozambique.

It is alleged that:

- + Malawi staff are pressured to join Teachers Group and donate 25% of their salary to it;
- + projects were not carried out and money was diverted;
- + significant amounts of money have been taken out of Africa, either in cash or payments to related companies, with millions of dollars going to build a luxury headquarters in Mexico; and
- + accounts were not supplied, and group-linked companies submitted duplicate and inflated invoices.

The group has been the subject of repeated investigations. Two decades ago it was investigated by the London *Observer* (28 Jan 1996) and Humana was subsequently deregistered by the British charity commission; it was later registered again and changed its name. In 2002 there was a report on the BBC: http://news.bbc.co.uk/1/hi/programmes/crossing_continents/1885116.stm

The head of the Teachers Group and founder of Humana is said to be Mogens Amdi Petersen, who, with several associates, was charged with fraud and embezzlement; they fled Denmark, were convicted in absentia in 2013, and are now wanted by Interpol.

ADPP Moçambique did not respond to a request for comment. DAPP Malawi and spokespeople for DAPP denied all the allegations in statements to the BBC and the Centre for Investigative Reporting.

Domestic producers need protection & farm bank says CTA

"We continue to spend lots of money importing products that we could grow locally" because domestic producers are not protected and cannot obtain credit, according to the president of the Confederation of Mozambican Business Associations (Confederação das Associações Económicas de Moçambique, CTA), Rogério Manuel. (*O Pais Económico* 22 July)

In order to encourage foreign investment, the sugar industry and Coca Cola were given high protective tariffs to discourage competing imports. But such protection is only allowed for international companies, not for domestic producers. "There should be incentives for the domestic producer. Here, there are no protection policies for producers of rice, tomato, potato, among others. ... If there were protection for domestic producers, entrepreneurs would have more than enough incentive to invest in agriculture."

The other issue is agricultural finance. "We cannot discuss the production of rice or other agricultural products based on commercial funding. This is unthinkable and unsustainable - it has to be a specific funding. Only a crazy entrepreneur would go to a commercial bank for a loan at twenty-some percent interest to invest in agriculture."

A decade ago donors and lenders blocked the setting up of a development bank. Later BNI (Banco Nacional de Investimento, National Investment Bank) was set up, but "BNI is not playing the role of a development bank. Since its inception, it has been focused on large investments in infrastructure and energy." Manuel continued: government "recently invested millions of dollars - which it borrowed from Brazil - to buy equipment to mechanise the agricultural sector. But these machines are in the hands of people who rent them out to farmers - activity that should have been undertaken by a development bank, but the donors did not agree."

Manuel is caustic about the government. "There is talk of a local production strategy, but this is merely political talk - behind the speeches there is no tangible activity related to local production." He continued: "Recently, the economist Ragendra de Sousa - who was appointed Deputy Minister of Industry and Commerce - said that in Mozambique there are no business people - just people with business cards and that's it. This is ridiculous, and I think it is this perception that some government officials have, a way of seeing national businessmen as not going anywhere." But it

seems as if the only entrepreneurs they know are just the ones only with cards in their pockets, he concluded. (An English translation of the interview is published by Rhula on [http://www.rhula.net/pdf/Mozambique Weekly 22 JULY TO 29 JULY 2016.pdf](http://www.rhula.net/pdf/Mozambique%20Weekly%2022%20JULY%20TO%2029%20JULY%202016.pdf))

Panama papers reveals would-be Lurio valley land grab

More details have been revealed of what would be the largest agricultural development project in Africa. The Lurio River Valley Development Project (Companhia de Desenvolvimento do Vale do Rio Lúrio) says it has applied to government for 600,000 hectares - 347,528 ha in Nampula, 107,117 ha in Cabo Delgado and 152,591 ha in Niassa - and that local consultations (which no one has noticed) are complete. It claims it signed a memorandum of understanding (MoU) with government on land and water use in 2012. The \$2.5 billion project aims to develop large private industrial farms, two major dams and other infrastructure such as canals.

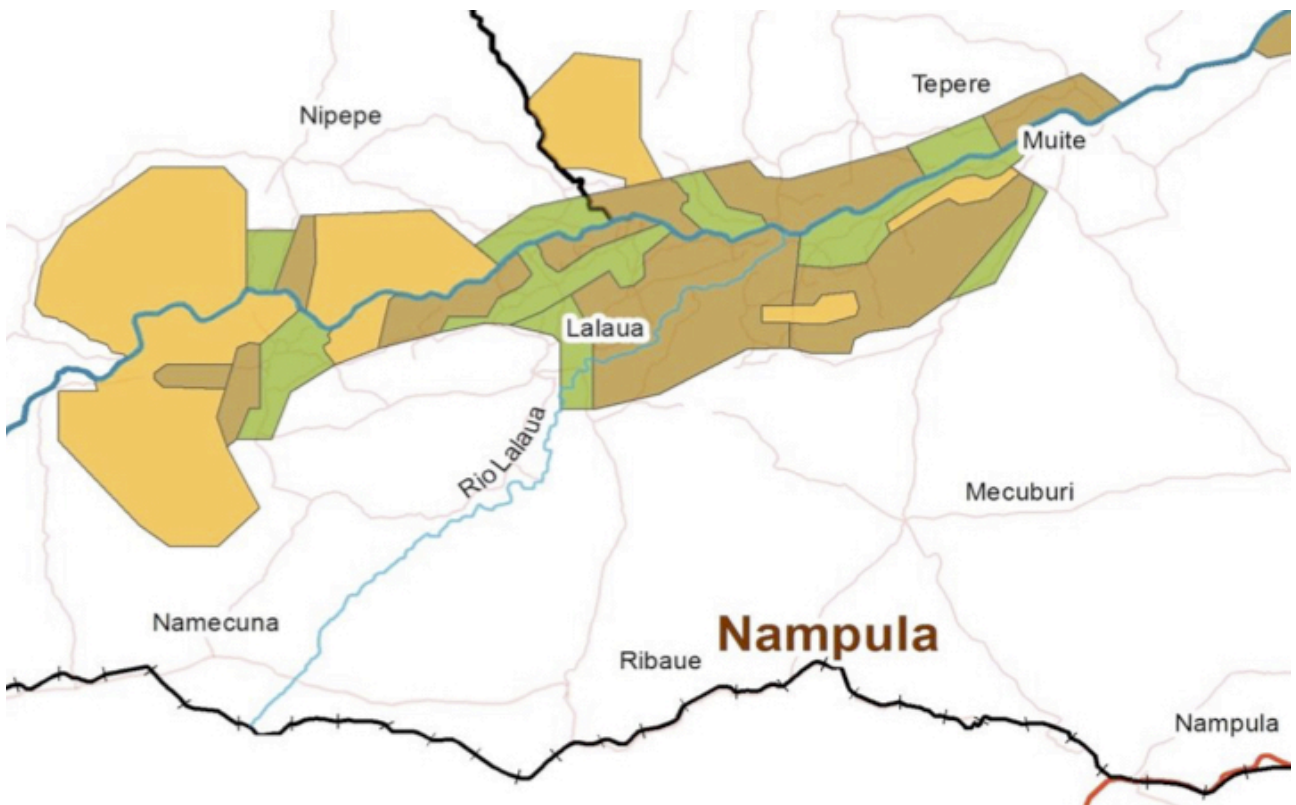
<https://dc.sourceafrica.net/documents/25602-Lurio-2014.html> An estimated 500,000 people live on these lands. A detailed map from the presentation is on the next page.

Panama papers documents released recently suggest the project is linked to three companies, Turconsult, Arcem and Agricane. Turconsult is headed by Rui Monteiro, said to be an Frelimo-linked businessman who serves as a fixer for foreign investors. Money is expected to come from Abu Dhabi and through various investment trusts in tax havens.

Despite claims that the government signed a preliminary agreement four years ago for the largest farm project in Mozambican history, nothing is known about it and no one in government would comment. But it seems highly unlikely that this sort of funding could be raised. The investigation was done by Khadija Sharife, Luis Nhachote, @Verdade and the African Network of Centres for Investigative Reporting. The English version is on:

<https://panamapapers.investigativecenters.org/mozambique/> The Portuguese version was published in @Verdade (25 July) on <http://www.verdade.co.mz/tema-de-fundo/35-themadefundo/58789-panama-papers-vendendo-machambas-mocambicanas-a-empresas-offshore>

Localização



Three arrested for murder of prosecutor

Three people have been arrested for the 11 April murder of Public Prosecutor Marcelino Vilanculo, the attorney general's office said in a statement 1 August. Two of them are also charged with money laundering. More people are involved and are being pursued, the statement said.

Vilanculo was gunned down with an AK-47 assault rifle as he returned to his home in Matola. He was looking into the March 2015 assassination of the prominent Franco-Mozambican constitutional lawyer, Gilles Cistac, and also investigating the wave of kidnappings of businessmen (mostly of Asian origin) which has hit Mozambican cities since 2011. In particular he was investigating Danish Satar, suspected of being one of the masterminds behind the kidnappings. Danish Satar fled Mozambique in 2012, but Interpol arrested him in Italy and in December 2015 he was deported back to Mozambique. Danish is the nephew of Momade Assife Abdul Satar ("Nini"), one of the men convicted in 2003 of ordering the assassination of the country's top investigative journalist, Carlos Cardoso. Nini Satar was released on parole in 2014, after serving only half of his sentence of 24 years and six months for the Cardoso murder; Nini is believed to be living in the UK.

School pupils still sitting on the ground

Nearly all Mozambican children now go to school, but many still sit on the ground or the floor - and it remains newsworthy when schools receive desks. In Nampula province there are currently 110,444 school desks (a mix of double and single) but the shortfall is still 89,000 meaning that nearly half of pupils still sit on the floor. Nampula distributed 7,600 desks so far this year. Inhambane hopes to distribute 7,000 desks this year and end pupils sitting on the ground in two years. (AIM Pt 20 July, 12 June) Most schools run two or three shifts, so a double desk can serve six pupils.

But donations of small numbers of school desks, often through corporate social responsibility, remains newsworthy, and the presentations are often made by the minister or even the President: recently 200 and 300 presented by Education Minister Jorge Ferrão, 200 from first lady Isaura Nyusi, 1000 from Petroquimca Sasol, 10,000 from Vale, and 150 from timber companies in Nampula. (AIM Pt 10, 12, 23 June, 12 May, 17 April, 22 March)

Nor is it just a problems of desks. Nampula province currently has 12,118 classrooms, but of those only 4,730 are of permanent construction - the rest are temporary or of various local materials, according to the provincial director of education, Júlio Mendes.

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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/MozElecData>

Chickens and beer: A recipe for agricultural growth in Mozambique

by Teresa Smart and Joseph Hanlon

E-book for Kindle and iPad, for \$9.32 from US Amazon -

<http://www.amazon.com/dp/B00NRZXXKE> - £5.14 from UK Amazon.

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

Galinhas e cerveja: uma receita para o crescimento

by Teresa Smart & Joseph Hanlon. Copies are in Maputo bookshops or from
KAPICUA, Rua Fernão Veloso 12, Maputo; Tel.: +258 21 413 201 or +258 21 415 451
Telm.: +258 823 219 950 E-mail: kapicudir@tdm.co.mz / kapicuacom@tdm.co.mz

Outside Mozambique, we have a few copies we can send from London.
Please email 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 now available in **paperback**, for £17.99 (+ p&p)
from the publisher <http://www.boydellandbrewer.com/store/viewItem.asp?idProduct=13503>

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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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:

Noticias: www.jornalnoticias.co.mz

O Pais: www.opais.co.mz

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

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

Carlos Serra Diario de um sociologo: <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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