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AIM, Rua da Radio Moçambique - Maputo www.aim.org.mz | **CTA**, Rua Fernando Ganhão, 120 - Maputo www.cta.org.mz

Emails: aim@aim.org.mz | ctanewsletter@cta.org.mz

ECONOMY

AGREEMENT SIGNED BETWEEN ENH AND SHELL

Mozambique's National Hydrocarbon Company (ENH) and Royal Dutch Shell signed in Maputo on 24 June a memorandum of understanding to carry out a study for a GTL (gas-to-liquid) project, and the development of hydrocarbon exploration activities in Mozambique.

The memorandum was signed by the Chairperson of the ENH Board of Directors, Nelson Ocuane, and by Edward Daniels, the Shell Executive Vice President for Downstream Technology.

The partnership will take off with the viability study to identify the potential for a GTL factory. This will form the basis for the development of other areas, including the supply of associated gas and infrastructures, as well as joint negotiations to acquire hydrocarbon exploration rights.

Speaking immediately after signing the memorandum, Ocuane said the agreement is part of ENH's efforts to become a prominent and integrated hydrocarbon company, operating in Mozambique and in other countries.

"Our mission is to add value to the country's natural resources, and a GTL project is an adequate response, since it allows the development of the gas chain in a cascade, with the production of diesel, synthetic fuels, and polyethylene, among other derivatives, in one and the same plant", he said. [Read more...](#)

BRIDGE RAISES OVER FOUR MILLION DOLLARS IN TOLLS

The bridge across the Zambezi river, linking the central Mozambican provinces of Sofala and Zambezia, and named after President Armando Guebuza, has raised about 132 million meticaís (around 4.3 million US dollars) in tolls since it was inaugurated in August 2009, according to a report in the 25 June issue of the Maputo daily *Noticias*.

During this period over 540,000 vehicles crossed the bridge, a figure that includes both domestic traffic and vehicles heading to or from landlocked countries such as Malawi and Zambia.

According to the Sofala delegate of the National Road Fund, Francisco Danca, an average of 300 vehicles a day use the bridge.

Revenue from the bridge tolls was around two million meticaís a month between 2009 and 2013, but last year there was a significant increase in traffic, particularly in holiday periods, leading the average monthly revenue to reach three million meticaís. [Read more...](#)

KENMARE BOARD REJECTS TAKEOVER BID

The Irish company Kenmare Resources, which is exploiting the titanium-bearing heavy mineral sands in Moma, on the coast of the northern Mozambican province of Nampula, has rejected a takeover bid from the Australian mining concern Iluka Resources.

A statement issued on 26 June by the Kenmare Board confirmed that it had been approached by Iluka “regarding a possible offer by it for the company’s entire issued and to be issued share capital”.

“The proposal received was based on a share for share exchange, with no cash component, with Kenmare shareholders receiving 0.036 new Iluka shares for each Kenmare share they own”, the statement added.

The Kenmare said it has rejected the Iluka proposal because it believed the proposal “does not recognise the value inherent in Moma as a long-life, low-cost asset”.

The Kenmare board adds that the approach from Iluka “was preliminary in nature and was subject to various pre-conditions, including due diligence, and there can be no certainty that an offer will ultimately be forthcoming or the terms on which any offer might be made”. [Read more...](#)

BUSINESS CALLS FOR REDUCTION IN SCANNER FEES

A new study on the use of scanners at Mozambican ports and airports has led to calls for major reductions in the scanner fees that companies must pay.

The scanners, often referred to as a “Non-Intrusive Inspection system”, were introduced in 2006, and constituted a new and unexpected cost for companies. The Confederation of Mozambican Business Associations (CTA) has always accepted that scanners are useful for inspecting potentially dangerous cargo, and in the fight against terrorism, since they can detect drugs or guns hidden in containers.

But the CTA protested at business having to pay the entire cost of the scanners and pointed out that this was not the case in several other countries that use this technology.

The new study, ordered by the CTA, was produced by the Mozambican law firm Caldeira Advogados e Consultoria, and compares the Mozambican procedures with what happens in three other members of SADC (Southern African Development Community) – South Africa, Tanzania and Mauritius.

In South Africa and Mauritius, scanning is free of charge, while in Tanzania importers only pay a fee of 0.6 per cent of the FOB (free on board) price of the goods, while most Tanzanian exports pay no fees.

Based on this study, the CTA is once again calling on the government to exempt all exports from scanning fees. As for goods in transit, the CTA wants only those goods which really are scanned to pay. [Read more...](#)

COOPERATION

AUSTRALIAN SUPPORT FOR EDUCATION AND TRAINING

Mozambique and Australia on 26 June signed an exchange of letters for the development of a training package for the mining and hydrocarbon sectors.

The agreement was signed in Maputo by Mozambique’s Deputy Education Minister, Arlindo Chilundo, and by the Australian High Commissioner to Mozambique, Graeme Wilson.

Speaking at the signing ceremony, the High Commissioner said “this work will help to maximize extractives-related training, education and employment opportunities for Mozambicans and build the capacity of local businesses to diversify their enterprises beyond the extractives sector and the local region”.

The training will be delivered through a partnership between SkillsDMC (Australia’s national skills council for the resources and infrastructure sectors) and its Mozambican counterpart in the Ministry of Education (SE-COREP).

The Australian Government says this is part of its focus on supporting economic growth to reduce poverty and lift living standards. [Read more...](#)

MOZAMBIQUE AND VIETNAM STRENGTHEN EDUCATION LINKS

Mozambique and Vietnam have signed a protocol on education to increase the exchange of students and teachers. According to the official Vietnamese news agency VNA, the protocol was signed in Hanoi on 23 June by Mozambican Education Minister Augusto Jone and his Vietnamese counterpart Pham Vu Luan.

Under the protocol, ten students from Vietnam and a similar number from Mozambique will receive scholarships to study in the other country.

In 2008 the two countries signed an agreement establishing an exchange programme. Currently, sixteen Mozambican students are studying in Vietnam, mostly in agriculture. Meanwhile, 25 Vietnamese students have been studying Portuguese in Mozambique. [Read more...](#)

SOCIAL

ASSEMBLY GRANTS UNION RIGHTS TO STATE EMPLOYEES

The Mozambican parliament, the Assembly of the Republic, on 26 June passed the second and final reading of a government bill on trade union rights in the public administration.

The bill passed by 157 votes to eight with five abstentions. The vote was along straight party political lines. All the deputies of the ruling Frelimo Party in the chamber voted in favour, all deputies of the former rebel movement Renamo voted against, while the abstentions all came from the Mozambique Democratic Movement (MDM).

The sole dispute was about the right to strike in the public administration. The bill postpones a decision on this matter, simply stating that “the right to strike by state functionaries and agents shall be regulated by a specific law”.

Both Renamo and the MDM saw no reason why the right to strike should not be covered in the same bill as the general provisions on trade union activities.

“It makes no sense to have trade union rights without the right to strike”, declared Renamo deputy Zacarias Jose.

The Assembly’s Constitutional and Legal Affairs Commission argued, when the bill was first presented in April, that the right to strike in the public sector should be included as amendments to the “General Statute of State Functionaries and Agents”, which is the document governing labour relations in the public administration.

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