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ECONOMY

GUEBUZA INAUGURATES VEHICLE ASSEMBLY PLANT

Mozambican President Armando Guebuza on 2 October inaugurated the first vehicle assembly plant in the country, named “Matchedje Motors”.

The factory results from a partnership between the Mozambican state and the Chinese company China Tong Jian Investment. With a total investment of about 150 million US dollars, the factory was built on an area of 20,000 square metres in Machava, in the southern city of Matola.

In an initial phase, four to five vehicles will be assembled a day, from parts imported from China, but by the end of this year production is expected to reach 22 to 24 vehicles a day. In the next phase, in 2015-16, production will be ramped up to 100,000 vehicles a year.

The factory is producing a variety of vehicles, including electric scooters, buses and four wheel drive cars. 20 of the four wheel drive vehicles have already been reserve by Mozambican companies and individuals.

There are plans to open further plants, in the towns of Marracuene and Manhica in Maputo province, and to bring total production up to 500,000 vehicles a year in a third phase, running from 2017 to 2020. [Read more...](#)

BUS RAPID TRANSIT SCHEME MOVING AHEAD

Maputo Municipal Council announced on 2 October that it expects work on dedicated bus lanes in some of the city’s major thoroughfares to begin in August 2015, and the first buses in the new system to begin operating in January 2017.

This week engineers have been concluding geotechnical studies of the route, in order to ascertain the quality of the paving and top layers of the roads concerned.

Chaide Liace, an engineer of the Brazilian company Odebrecht, told reporters that samples were being taken from the asphalt paving of the roads and would be submitted to laboratory tests. Only when the current condition of the roads was known could a detailed engineering plan be drafted,

The Bus Rapid Transit (NRT) scheme involves two bus lanes (one in either direction) in the centre of the road.

The investment required is put at 225 million US dollars – 180 million dollars will come from Brazil, while the remaining 45 million will come from the coffers of Maputo Council.

The first bus line will run from the outer Maputo suburb of Magoanine to the central railway station in Praca dos Trabalhadores (Workers’ Square), a distance of about 17 kilometres.

According to Joao Matlombe, the city councillor for transport, 63 buses, each with a capacity to hold 140 passengers will operate on the line. He expected the journey time from Magoanine to Praca dos Trabalhadores to be cut from two hours to 30 minutes. [Read more...](#)

NEW EDM CHAIRPERSON TAKES OFFICE

Mozambican Prime Minister Alberto Vaquina on 1 October called for greater dynamism and commitment in the electrification of areas of major agro-industrial potential in order to accelerate the country's development.

Vaquina was speaking in Maputo immediately after swearing into office the new chairperson of the publicly owned electricity company, EDM, Gildo Sibumbe.

Sibumbe replaces Augusto de Sousa Fernando, who was relieved of his duties the previous day.

Fernando had only been at the helm of EDM for two and a half years.

Sibumbe was previously technical director of Hidroelectrica de Cahora Bassa (HCB), the company which operates the Cahora Bassa dam on the Zambezi river.

Vaquina said that, although the country is not yet exploiting its full energy potential, it should prioritise agro-industrial zones with the electricity that is already on stream.

Vaquina demanded firmness from EDM in complying with the projects to generate and transmit electricity, as well as in expanding the electricity grid and in improving the quality of services provided to the consumers.

For his part, Sibumbe pledged that he will continue implementing the EDM strategic plan, begun by his predecessors, expanding access to electricity among the Mozambican public. [Read more...](#)

POST OFFICE LAUNCHES BUS SERVICE

The Mozambican Post Office on 1 October launched an inter-provincial bus service. The new service will transport passengers and mail over eight routes.

The Chairperson of the Board of Directors, Jose Luis Rego, explained that the company is developing new lines of business to tackle the losses it has been making. He stated that the company's annual revenue of around a hundred million meticaïs (3.25 million US dollars, at current exchange rates) does not cover its costs.

The Post Office has invested in a fleet of seven new buses and hopes to receive an annual income of 50 million meticaïs. It expects the costs of the new service to run at about 30 million meticaïs per year.

The "Post Bus" service will run on the routes: Maputo-Beira; Beira-Chimoio-Tete; Beira-Quelimane; Quelimane-Nampula; Nampula-Pemba; Maputo-Xai Xai-Maxixe-Beira; Pemba-Nacala; and Maputo-Quelimane. [Read more...](#)

NYUSI PROMISES TO INDUSTRIALISE MANICA

Filipe Nyusi, the presidential candidate of the ruling Frelimo party for the Mozambican general elections of 15 October, has promised to promote the industrialization of the central province of Manica, if he is elected

Speaking on 28 September at an election rally in the Manica district of Macossa, Nyusi said that a dynamic industry could be created in the province, in order to manufacture goods out of raw materials that are currently exported from Manica unprocessed.

"Manica has riches. It has forests where the timber can be exploited", he said. "There is great potential for tourism in Manica. The highest point in Mozambique, Mount Binga, is in Manica and there are many people who want to see it".

"In Manica, large scale mechanized agriculture can be developed, and factories can be assembled to process agricultural produce", Nyusi continued. "What we must do is think together about what we can to install the industries, because here we have so much raw material". [Read more...](#)

COOPERATION

JBIC SIGNS MEMORANDUM ON MINERAL RESOURCES

The Japan Bank for International Cooperation (JBIC) has signed a memorandum of understanding with Mozambique's Ministry of Mineral Resources to expand the exchange of information on the exploitation of the country's resources. The ministry will provide JBIC with information on government policies while JBIC undertakes to support some Japanese projects.

Until now, Japanese assistance to Mozambique has focussed on the Programme of Triangular Cooperation for Developing Agriculture in the Tropical Savannahs of Mozambique (ProSavana). In particular, it has supported the development of the Nacala Corridor and the deep water port at Nacala. [Read more...](#)

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