

WEEKLY MEDIA REVIEW: 03 OCTOBER TO 10 OCTOBER 2014

www.rhula.net



Elections to take place on 15 October 2014

Rhula Intelligent Solutions is a Private Risk Management Company providing risk management services to multinational companies, non-governmental organisations and private clients operating in Africa. For additional information or services please contact:

Joe van der Walt
Operations Director

Mobile (SA): +27 79 516 8710
Mobile (Moz): +258 826 780 038
Email: joe@focus-africa.co.za

John Lombard
Chief Operating Officer

Mobile (SA): +27 72 023 6895
Mobile (Moz): +258 847 068 153
Email: john@focus-africa.co.za

Disclaimer:

The information contained in this report is intended to provide general information on a particular subject or subjects. While all reasonable steps are taken to ensure the accuracy and the integrity of information and data transmitted electronically and to preserve the confidentiality thereof, no liability or responsibility whatsoever is accepted by us should information or data for whatever reason or cause be corrupted or fail to reach its intended destination. It is not an exhaustive document on such subject(s), nor does it create a business or professional services relationship. The information contained herein is not intended to constitute professional advice or services. The material discussed is meant to provide general information, and should not be acted on without obtaining professional advice appropriately tailored to your individual needs. Your use of this document and the information it contains is at your own risk

TABLE OF CONTENTS

MAPS AND GRAPHS OF INCIDENTS	13
MAP 1: PLOTTING OF REPORTED RENAMO RELATED INCIDENTS:	13
MAP 2: PLOTTING OF KNOWN KIDNAPPING INCIDENTS FROM SEPTEMBER 2013 TO OCTOBER 2014:	14
MAP 3: PLOTTING OF KNOWN KIDNAPPING INCIDENCES FOR THE PAST WEEK (03 OCTOBER TO 10 OCTOBER)	15
GRAPH 1: REPORTED KIDNAPPINGS IN MOZAMBIQUE PER YEAR:	16
GRAPH 2: REPORTED KIDNAPPINGS IN MOZAMBIQUE PER MONTH:	16
CRIME	17
Abducted Luso-Mozambican released after six weeks of captivity	17
Kidnapping: 06 October	17
PRM arrest two car thieves	17
Two youths arrested for raping an elderly woman in Maputo	18
Beira woman arrested for stealing human bones.....	18
Administrators suspected of embezzling 600 000 Meticaais from two sectors	18
Officials embezzle 7 million Meticaais from Health and Education last month	18
POLITICS	19
Renamo pushes for 'depoliticising' the State	19
Government threatens to take back unused land	20
ELECTIONS	21
26 boxes of ballot papers stolen	21
Ingraham chosen to lead election monitor group	22
Mozambique Bar Association to participate in election observation	22
Mozambique's civil society bodies warn against election violence	23
Despite some incidents the campaign remains calm and good-tempered.....	23
Candidate polling station staff want more money	24
Farmers accuse presidential candidates of supporting land-grabbing agribusiness...	25

Nyusi praises Homoine's "capacity to forgive"	25
Nyusi attacks 'demagogic' education claims	26
Nyusi pledges to fight against abuse of power.....	27
"Frelimo financing its campaign through timber smuggling" – CIP.....	28
Simango calls for a more independent Parliament	28
Simango promises to protect employees	29
MDM: The little opposition party that could – opinion piece.....	29
Tete government boycotts Dhlakama on day of peace.....	31
Dhlakama to end election campaign in Nampula.....	32
Dhlakama: Mozambique's comeback kid rides election wave – opinion piece	32
Mozambique Election Preview: end of the Guebuza era? – By Cate Reid	34
Posted on October 10, 2014 by African Arguments.....	34
ECONOMY	36
GRAPH 3: ANNUAL MOZAMBIQUE CURRENCY EVALUATION AGAINST THE USD AND EURO	37
Negative inflation for fifth consecutive month.....	37
Mozambique's budget deficit expected to increase to 9.2% of GDP in 2014.....	38
Mozambique's revised mining tax code set to increase State revenue	38
Governor of the Bank of Mozambique says national debt is under control.....	39
Mozambique receives 400- 500 million U.S. Dollars in 2015 State Budget aid	39
Portuguese-speaking African countries owe Portugal 3.508 billion U.S. Dollars	39
Rehabilitation of Chimoio's Bank of Mozambique to cost 14 million Euros.....	40
Mozambican government launches tender to grant new oil blocks.....	40
Mozambique LNG likely to gain interest from project finance banks	40
ENI review raises questions about 'age of gas'.....	42
Metals of Africa conducts aerial prospecting in Mozambique	43
ICVL wraps up Mozambique deal with Rio Tinto	43
Beacon enters agreement to sublease its rolling stock.....	44
Mozambique is Africa's third largest charcoal producer.....	44
Mozambique turns to coal exports despite competition	45

Zesa to shore up imports from Mozambique.....	46
Chinese-owned company plans to produce rice in Mozambique.....	47
President of Emirates Airlines confirms interest in Mozambique	47
Maputo Municipality planning to sue Britalar.....	48
WILDLIFE PRESERVATION	48
3 000 citizens march against poaching.....	48
PRM arrest suspected poachers.....	48
Interpol makes illegal ivory trafficking a priority.....	49
OTHER	50
IOM Mozambique concludes a two-week registration campaign for disaster response and recovery	50

SECURITY NOTE 2

Introduction

As the festive season is fast approaching bringing with it an inevitable rise in criminality it is important to reassess personal security measures.

This note is designed to provide general advice about measures to be adopted to reduce the risk to you and members of your family becoming victims of violent crime. Any security measures should reflect the prevailing threat and not be so intrusive that they restrict severely the routine of normal life. The threat can change and needs to be monitored and assessed continually. As the threat increases, security should be tightened, as it decreases, some security measures can be relaxed.

PERSONAL SECURITY MEASURES SHOULD REFLECT THE PREVAILING THREAT. THEY SHOULD NOT BE SO STRINGENT AS TO RESTRICT A NORMAL LIFESTYLE. IDENTIFYING A DEVELOPING SITUATION IN THE EARLY STAGES AND TAKING AVOIDING ACTION IS FAR SAFER THAN TRYING TO EXTRACT YOURSELF BY FORCE ONCE THE THREAT HAS DEVELOPED.

Residential Security

1. External Doors

- 1.1. External doors should be of solid construction, have mortice dead-locks and reinforced hinges and be fitted with a means of identifying a visitor without having to open the door. This could include a peephole, door chain or intercom linked to CCTV. An alarm system should be fitted.
- 1.2. External doors should be kept locked at all times.
- 1.3. There should not be a name plate or other form of identification on doors or gates that front on to public areas or in reception areas of apartment blocks

2. Keys

- 2.1. Keys to external doors should only be given to authorised personnel

- 2.2. The number of keys per lock should be kept to a minimum and each key accounted for.
- 2.3. If a key is lost, the lock should be changed.
- 2.4. Do not hide a key in the grounds of the residence for members of the family to use. Nor should keys be hung near a door where they can be reached through a letterbox as criminals are well practised at “fishing”. Personnel in possession of a key should either carry it on their person or place it in a secure container.
- 2.5. If a member of domestic staff has a key to an external door (e.g. the door from the kitchen to the grounds), the door between the kitchen and living area should be locked at night.

3. **Windows**

- 3.1. Fit window locks to all ground floor windows and on upper floors where entry can be obtained easily (across an adjacent flat roof or by scaling a tree or drainpipe) or that are hidden from view of passers by.
- 3.2. Curtains and blinds should be fitted to windows and kept drawn during the hours of darkness.
- 3.3. Windows should be connected to an intruder alarm.
- 3.4. If window grills are fitted, ensure that at least one on each floor can be opened to provide an escape route in the event of a fire.

4. **Lighting**

- 4.1. Security lights should be fitted to cover all approaches to the residence and especially external doors and the garage.

4.2. The security lights should be controlled from inside the house and be installed at a height that is out of the reach from the ground.

5. **Telephone**

5.1. Telephones are an insecure means of communication and care should be taken when speaking on them.

5.2. Personal telephone numbers should be treated with a high degree of confidentiality and not given to strangers indiscriminately nor listed in public telephone or club directories.

5.3. Avoid giving out information about travel plans over a telephone.

5.4. On answering an incoming call, do not state your name or telephone number. Positively identify the caller before giving any information.

5.5. When recording a message on your answering machine, do not state your name, telephone number or the fact that you are out. A message should be non-committal along the lines – *“We are not able to take your call at present, please leave a message, your name and telephone number and we will return your call as soon as possible.”*

5.6. All family members should be instructed not to provide information about the whereabouts or movements of other family members unless they can positively identify the caller.

5.7. If there is any doubt about the identity of the caller or the purpose of the call, ask for a number you can call back. This will provide time and a method to authenticate the caller.

- 5.8. On receipt of a suspicious call, report it immediately to the police or Telephone Company. Brief family members and domestic and secretarial staff on the procedures for handling any further calls.

6. **Emergency Equipment:** It is advisable to have the following in the residence:
 - 6.1. Torches and spare batteries.

 - 6.2. First aid pack

 - 6.3. Fire extinguishers.

 - 6.4. Panic buttons connected to an audible alarm.

 - 6.5. A list of emergency telephone numbers.

7. **Domestic Staff**
 - 7.1. Long serving, loyal staff who have been well treated will provide natural security for the family.

 - 7.2. On recruiting new members of staff, thoroughly check all references provided.

 - 7.3. Take care about the subject of conversations held in the hearing of staff members.

 - 7.4. Restrict access to external door keys and do not permit members of staff who live outside the residence grounds to take keys home as they may be taken from them under threat duress.

 - 7.5. Regularly brief domestic staff on the procedures for access control, telephone answering and reporting suspicious behaviour or approaches by strangers.

- 7.6. In the event of a member of the domestic staff being dismissed, change all external door locks.

8. **Children:** Children should be carefully briefed about:
 - 8.1. Not divulging information about themselves or the family when using the telephone or an Internet chat room.

 - 8.2. Reporting suspicious behaviour or approaches by strangers.

 - 8.3. How and when to call for assistance.

 - 8.4. Never to open the door to a stranger.

 - 8.5. Never to accept a lift from a stranger.

 - 8.6. When in public places, children should be supervised and watched over by a known, responsible adult.

9. **Visitors – Service and Maintenance Technicians and Tradesmen:** Regular briefings covering the procedures for checking the authenticity of visitors should be given to domestic staff and family members:
 - 9.1. All callers should have made an appointment

 - 9.2. Unexpected callers should not be allowed to enter the residence.

 - 9.3. Obtain the name, scheduled time of arrival, employer's company name and contact details in advance.

 - 9.4. When the person arrives, positively check identity against an identity card. If in doubt, do not allow the person into the residence until their identity has been checked with the employer.

- 9.5. Escort all visitors while they are on the premises.
- 9.6. Confirm the identity of delivery men before opening the door to accept a package.
- 9.7. All packages should be visually checked before being accepted. If in doubt, ask the delivery man to open the package.
- 9.8. If there is a change in personnel of regular tradesmen or delivery men, check with the employer that this is authentic.
10. **Answering the Door:** Procedures for answering the door to callers should include:
 - 10.1. Ensuring any visitor has an appointment and arrives at the agreed time.
 - 10.2. Positively identifying the visitor through a peephole, intercom, adjacent window or using the door chain to partially open the door.
 - 10.3. Checking for any signs of nervousness.
 - 10.4. Checking the vicinity of the visitor to see if there is anyone loitering in the background.
 - 10.5. Never hold a conversation while standing in the doorway.
 - 10.6. At night, illuminating the visitor and the ground behind and switching off inside lights where practical.

11. **Strangers**

- 11.1. Be wary of strangers, especially after dark, if they are asking for assistance. Do not allow a stranger into the residence to use the telephone however serious their “emergency” may sound.
- 11.2. Do not open the door to anyone claiming to be a member of a law enforcement agency or other official body without checking their identity with their head office.
- 11.3. If you see any stranger loitering suspiciously around the area, inform the police or security company emergency response unit immediately.

12. **Grounds of the Residence**

- 12.1. Perimeter fences should be of solid construction, high enough to act as a barrier and regularly checked and maintained.
- 12.2. There should be clear ground between the perimeter fence and the residence. This area should be illuminated at night.
- 12.3. Shrubs and trees adjacent to the outside of the perimeter fence should be cleared to prevent providing assistance for an intruder to scale the fence.
- 12.4. Gravel drives and paths around the residence will provide an audible warning of someone approaching and act as a deterrent to an intruder.

13. **Dogs**

- 13.1. Dogs can be a strong deterrent to intruders.
- 13.2. Dogs should be in the residence and free to move around. Any dogs roaming freely in the grounds can be neutralised by a tranquiliser or poison.

14. **Security Personnel:**

- 14.1. It is important that detailed checks about the quality and training of security personnel are carried out before employing a company or individuals.
- 14.2. Any onsite security guards should be backed up by a quick reaction team that can be summoned in an emergency.
- 14.3. Security guards should not be replaced unless there are exceptional circumstances.

15. **Police Liaison:**

- 15.1. An emergency telephone number and the name and contact details of the local senior police officer should be noted.
- 15.2. Periodic meetings with the senior local police officer can be mutually beneficial.

16. **Neighbours.** Establishing good relations with neighbours is essential for the exchange of information about any suspicious behaviour in the area and to keep a watch over your residence when you are away.

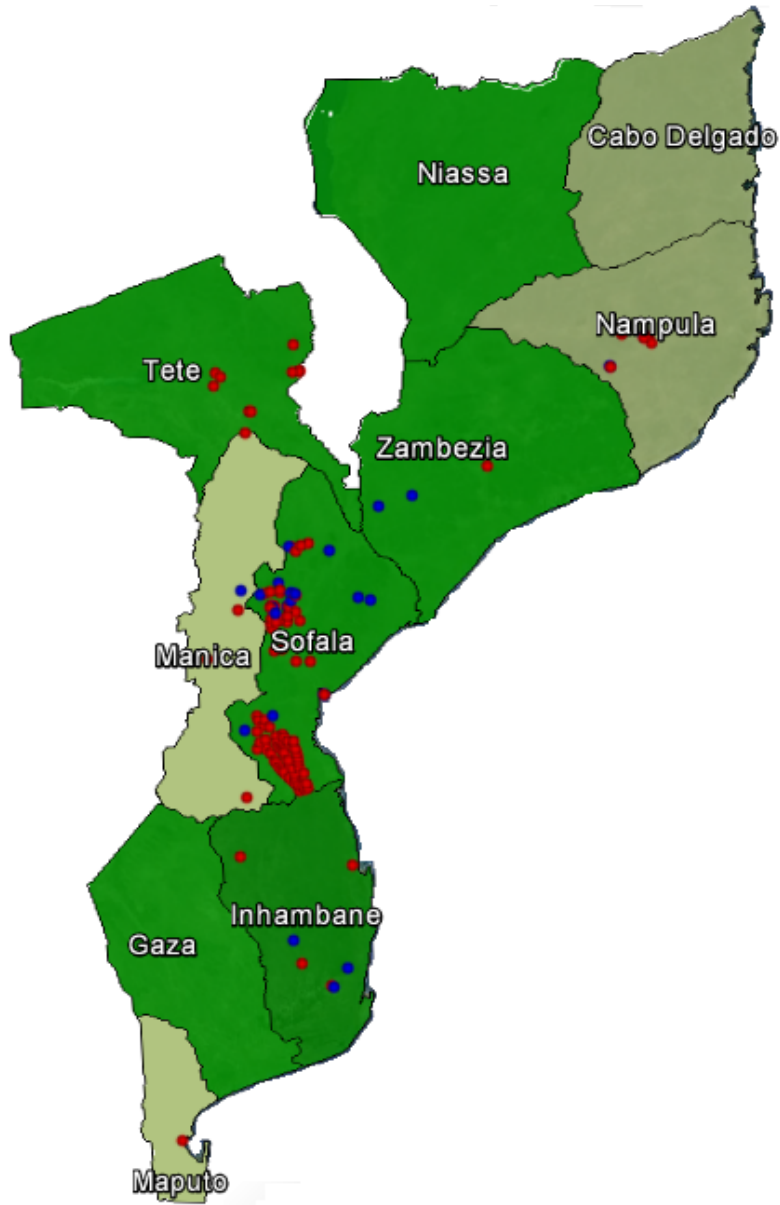
NOTICE

In order to support the campaign to save the Rhino please support the FOCUS-AFRICA Foundation by liking the FOCUS-AFRICA Foundation Facebook Page at : [Focus-Africa Foundation](#) as well the FOCUS-AFRICA Foundation Website at www.focus-africa.org

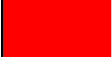

MAPS AND GRAPHS OF INCIDENTS

MAP 1: PLOTTING OF REPORTED RENAMO RELATED INCIDENTS:

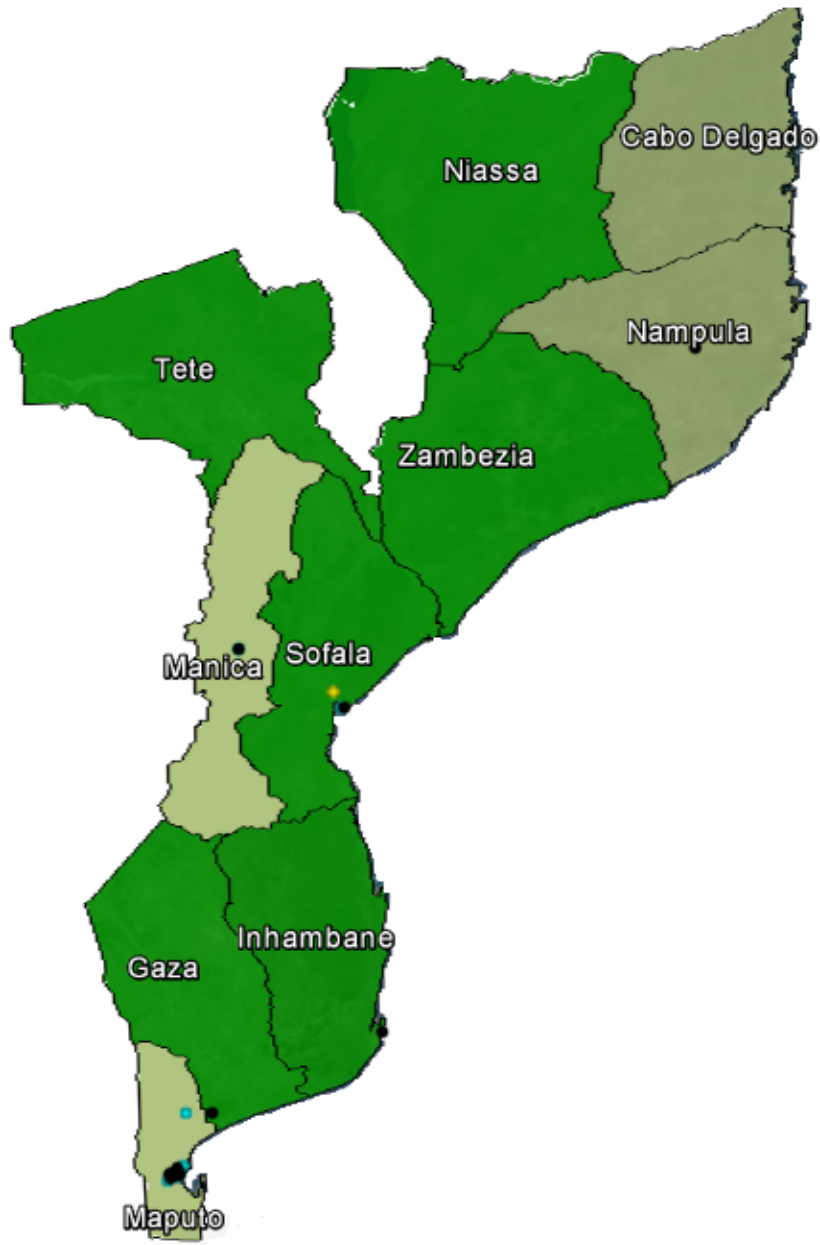
Updated map plotting known Renamo related incidents in Mozambique from the beginning of 2013 to the present.



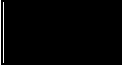


Key:

	Attacks carried out by Renamo
	Attacks carried out by FADM against Renamo

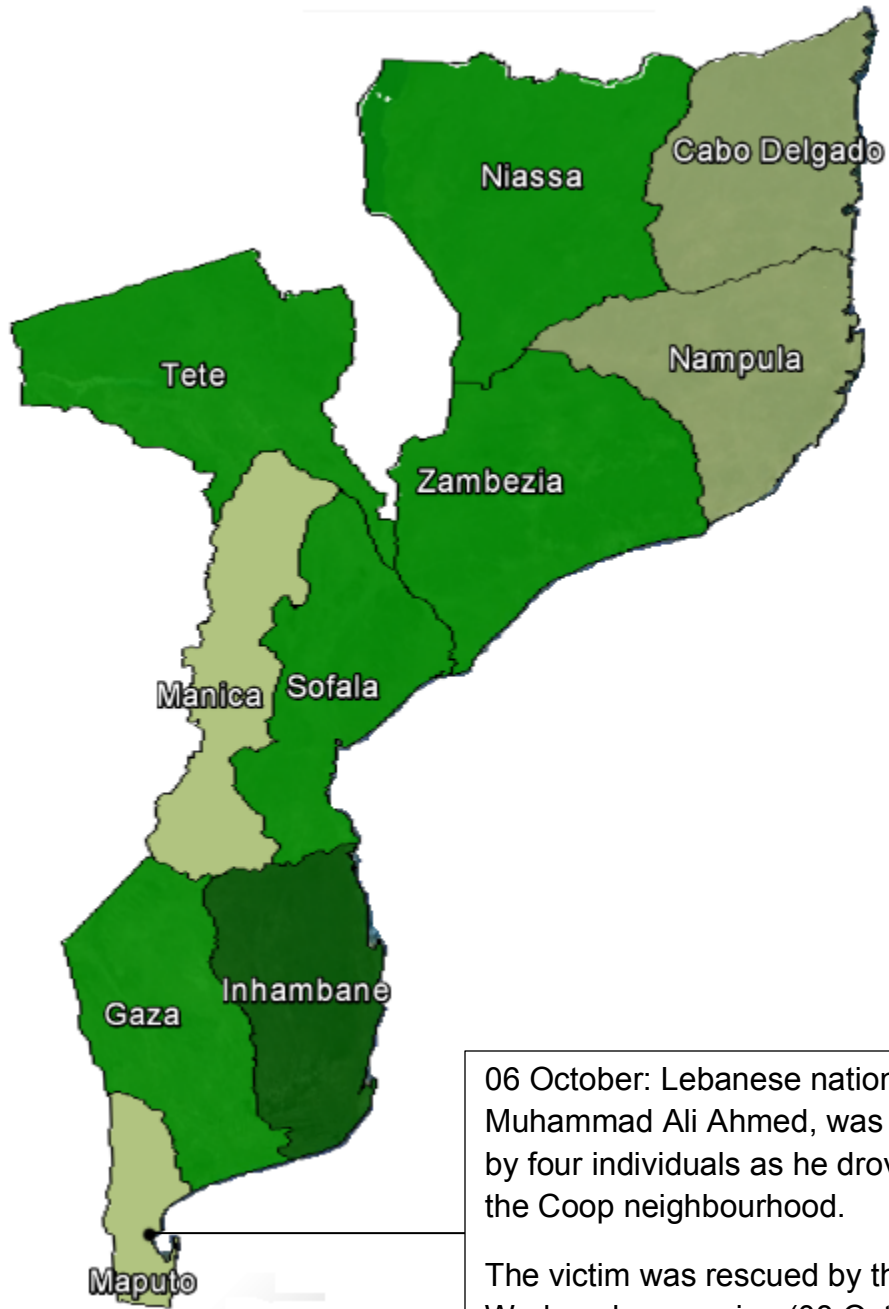
MAP 2: PLOTTING OF KNOWN KIDNAPPING INCIDENTS FROM SEPTEMBER 2013 TO OCTOBER 2014:



Key:

	Kidnapping
	Victim murdered
	Simulated/Failed attempts

**MAP 3: PLOTTING OF KNOWN KIDNAPPING INCIDENCES FOR THE PAST WEEK
(03 OCTOBER TO 10 OCTOBER)**

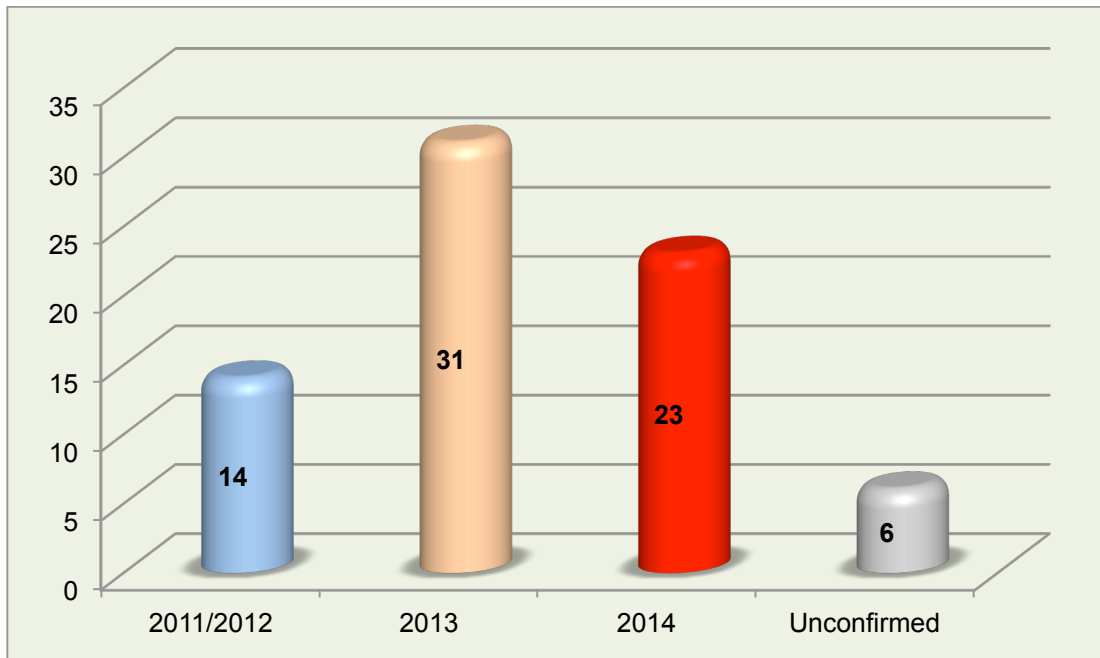


06 October: Lebanese national, Muhammad Ali Ahmed, was kidnapped by four individuals as he drove through the Coop neighbourhood.

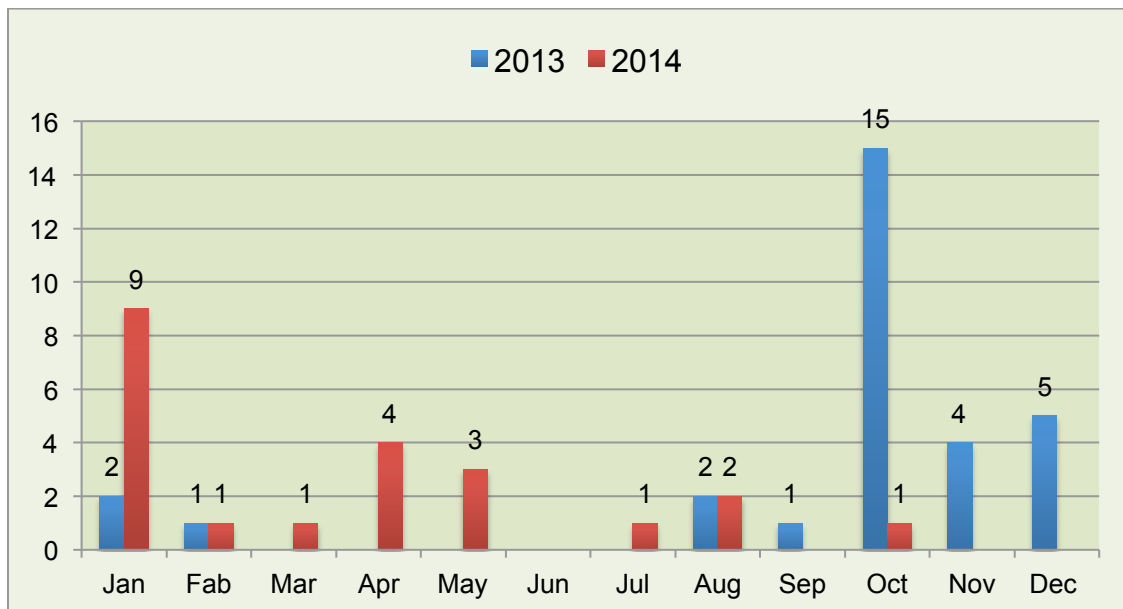
The victim was rescued by the PRM on Wednesday morning (08 October).

See article "Kidnapping: 06 October".

GRAPH 1: REPORTED KIDNAPPINGS IN MOZAMBIQUE PER YEAR:



GRAPH 2: REPORTED KIDNAPPINGS IN MOZAMBIQUE PER MONTH:



**Please note: the data present in the graphs and maps is not 100% accurate owing to the high number of unreported cases and irregularities in the documentation of these events by the relevant Mozambican parties, resulting in possible inconsistencies. This graph illustrates the successful kidnapping incidents ONLY and not attempted/aborted/intercepted kidnappings.*

CRIME

Abducted Luso-Mozambican released after six weeks of captivity

The 20-year-old man, of both Portuguese and Mozambican nationality, who was abducted six weeks ago (21 August) at a Matola shopping centre, was released on Friday (03 October).

The victim was held captive for six weeks, and thus marks one of the longest abductions that has affected the Portuguese community in Mozambique.

Kidnapping: 06 October

On Monday (06 October) the son of a prominent businessman was kidnapped at approximately 20h00 in the Plaza area of the WMO Square neighbourhood of Coop, Maputo.

The Lebanese victim (Muhammad Ali Ahmed) was travelling from his father's establishment in his luxury Mercedes Benz (registration number MLW-39-97) along Avenida Joaquim Chissano when he was intercepted by four armed individuals in a blue Nissan Hardbody (registration number MMS-14-95). The abductors, armed with AK-47s, forced the victim from his vehicle before firing live rounds into the air and speeding off in the direction of the Xiquelene market.

Security guards and police officers were reportedly in the area at the time of the incident, however, they were not adequately armed and thus unable to stop the armed abductors (which has since resulted in anger and frustration towards the police).

The victim is the son of Husein Ali, who is the owner of the Mica Group and Premier Shopping Centre (Avenida Lusaka Accord). Husein has links with Kudumba, a non-intrusive monitoring system in ports and airports.

According to the Police of the Republic of Mozambique (PRM), the kidnappers made contact with the victim's family on Tuesday (07 October), and on Wednesday (08 October) the police successfully rescued the victim following a shootout with the abductors.

According to reports, the victim was held captive in a house located in the Bunhissa neighbourhood, Matola. The house belongs to one of the suspected kidnappers, Alberto Chirindza, who was able to evade arrest.

Three men and one woman have been arrested in connection with the abduction and the PRM are currently searching for Chirindza and another male, who are both believed to be the ringleaders of the gang and are assumed to be highly dangerous.

The four detainees deny their involvement in the abduction, however, the PRM have stated that the group is wanted by the police in connection with various other crimes, such as assault.

The blue Nissan is believed to have been stolen for the purpose of committing the abduction.

PRM arrest two car thieves

The PRM recently arrested two suspected members of a gang of car thieves.

The men are suspected of being involved in the armed hijacking of three cars between 29 September and 05 October.

The commander of the Maputo PRM, Orlando Mudumane, stated that thus far one car has been recovered as well as two firearms.

Mudumane stated that the theft of vehicles and firearms has reached alarming proportions in the capital.

Two youths arrested for raping an elderly woman in Maputo

24-year-old António José and 29-year-old Américo Matavel were arrested for raping 73-year-old Maria Moses.

The incident took place on Sunday night (05 October) in her home in block 17 in Fisherman district, Maputo. The victim was sleeping when the two men broke in and raped the victim.

The neighbours reportedly heard the victim scream and detained the two perpetrators. Moses stated that she noticed that her attackers were drunk and on drugs during the attack.

Beira woman arrested for stealing human bones

On Tuesday (07 October) 50-year-old Alzira Morse was arrested at the Santa Isabel cemetery, Beira, in possession of a box of human bones.

The bones were exhumed on Monday (06 October) to make space for the remains of a relative, however, the security guards soon realised that some of the exhumed bones were missing during a funeral.

The security guards stated that they had seen Morse enter the cemetery earlier that morning, and when they witnessed her leaving with a box balanced on her head they intercepted her and began questioning her about the contents of the box. Eventually Morse opened the box to show the security guards the hidden bones.

Administrators suspected of embezzling 600 000 Meticaís from two sectors

Thirteen state officials in the Chiúta district, Tete, are being investigated for their suspected role in the disappearance of 600 000 Meticaís from the local health and education department.

Of the 600 000 Meticaís, 400 000 was taken from the health department, whilst 250 000 was taken from the district boards of education. The funds were originally allocated to pay for regular maintenance and salaries (over 150 teachers in the area have not received their wages for two months).

Officials embezzle 7 million Meticaís from Health and Education last month

In September approximately seven million Meticaís was diverted from Mozambique's health and education sectors in Manica and Sofala. Eight employees are being held for questioning, according to the GCCC (Central Office for Combating Corruption).

In Manica, three local Education officials stole 1.07 million Meticaís from public funds, while in Beira, Sofala, two

employees embezzled 830 000 Meticaís.

In both cases, the employees deposited salaries and subsidies into "ghost" accounts allegedly belonging to public officials.

Data from the GCCC also reveal that three Health officials are currently held

in Chimoio for illegally creating a company to provide "services" to the institution where they worked.

The sectors of Health and Education remain the most vulnerable to financial embezzlement in the country.

POLITICS

Renamo pushes for 'depoliticising' the State

On Monday (06 October) Agricultural Minister Jose Pacheco stated that the Mozambican government is open to reforms that will ensure that the government operates in a more professional manner.

He was speaking after the 80th round of the dialogue between the government and Renamo, which has now moved onto the question of the "depoliticisation" of the state apparatus - the separation between the public administration and political parties.

Pacheco told reporters that the government has no intention of abolishing the General Statute of State Functionaries and Agents, the main legal document on the rights and duties of state employees, "but there is room to revise it, and the government is open to any kind of proposal intended to improve our public administration".

The head of the Renamo delegation, parliamentarian Saimone Macuiana, submitted a document outlining what Renamo means by "depoliticisation".

Renamo has always been concerned with the existence of branches of the ruling Frelimo Party inside the state, and thus the document demands the abolition of party branches inside state institutions, and a ban on party meetings inside state bodies.

Renamo wants to put this into specific laws, with penalties for any state employee who disobeys.

The Renamo document calls for a clear separation between state and party assets, and a definition of who works for the state and who works for a political party. Renamo argues that this will prevent the state from losing its staff to parties during election campaigns.

A further demand is that no state employees should have money deducted from their wages for political party purposes.

Renamo also wants the repeal of the decree of 2000 which establishes mechanisms of co-ordination between local state bodies and community authorities

Pacheco said that this decree could undergo alterations, but simply

eliminating it would “lead to a vacuum in the relationship between state and civil society”. Nonetheless, “there is room to reform the decree in order to enrich it”.

Macuiana accused the government of confusing “traditional authority” with “community leaders”. He defended a “fossilised version of tradition, in which supposedly ancient forms of succession - essentially hereditary - should be left untouched.”

The entities also discussed the first steps in deploying the international military observers who will monitor the cessation of hostilities between the government and Renamo. The observers from Botswana, South Africa, Zimbabwe, Cape Verde and Italy are now in the country, and the Kenyan observers are expected to arrive in the next few days. The teams from Portugal, Britain and the United States are yet to arrive.

The government and Renamo military experts reported that they have been drawing up the models to be used in integrating the Renamo gunmen (referred to as “residual forces”) into the armed forces (FADM), the police and civilian life.

One thing is certain - to date not a single Renamo gunman has been disarmed. The country is thus less than a week away from the general elections, and one of the contesting parties is still in control of its own private army.

Due to the elections, the next round of dialogue is scheduled to take place on 20 October.

Government threatens to take back unused land

The Mozambican government is threatening to take back land allocated to private individuals and companies which have not complied with the plans presented when they requested title to the land.

Citing the National Directorate of Land and Forests, in the Ministry of Agriculture, the report says that the proposal covers 63 plots of land, covering around 5 000 hectares. The right to use this land (DUAT) will be extinguished and the land will revert to the state.

In the first six months of the year the directorate inspected 634 plots, with a total area of 168 225 hectares. It found that only 49% of the plots are being fully used in accordance with the plans submitted when the title was requested. The rest are either in partial use, or are not being used at all.

Despite the huge level of failure to abide by the land use plans, the directorate is only proposing to seize 63 plots, and to adjust the size of a further 20. Those 20 cover 862 hectares.

The Directorate pointed out that any request for land is subject to inspection to check whether the land use plans are being implemented. The time limits for complying with the plans are five years for Mozambicans and two years for foreigners.

When the holders of land titles fail to use their land without justification, the title can be revoked and the land then returns to the state. Various government members have threatened to do

precisely that – however, they have never followed through on their threat to seize the unexploited land.

Inspections took place in the first half of the year, throughout all provinces except Sofala, where the heavy rains made access to some areas difficult.

ELECTIONS

26 boxes of ballot papers stolen

On Tuesday night (30 September) unknown thieves stole 26 boxes of ballot papers intended for use in the central Mozambican province of Zambezia in the provincial assembly elections scheduled for 15 October.

The spokesperson for the National Elections Commission (CNE), Paulo Cuinica, told reporters that the boxes were taken from a container on board a truck hired to take the ballot papers from Maputo to Zambezia.

The theft is believed to have occurred in Manica province, perhaps at the Inchope crossroads.

The driver of the truck and the two policemen accompanying the materials are currently under detention in the Manica provincial capital, Chimoio.

Cuinica said the matter is now under investigation by the police and the public prosecutor's office has been notified.

25 of the stolen boxes were carrying ballot papers to Pebane district, and one contained material intended for Namacurra.

Felisberto Naife, director of the Electoral Administration Technical Secretariat (STAE), the CNE's executive body, told reporters that STAE has ordered

replacement ballot papers. The papers are printed in South Africa, but there is still plenty of time for them to arrive in Zambezia before polling day.

Naife was confident that the stolen ballot papers cannot be used on 15 October. This is because the serial numbers on the ballot papers act as a security check. Any ballot papers with the wrong serial numbers will be rejected during the count at the polling stations.

The CNE has thus decided to destroy all the ballot papers for the election of the Zambezia Provincial Assembly.

At a Maputo press conference on Monday (06 October), Carimo stated that the new ballot papers will be printed in a different colour and with different specifications to the existing ones.

The replacement ballot papers are expected to reach Maputo “within three days”, said Carimo, and would immediately be taken to Zambezia, with several days to spare before the Election Day.

“We have no reports of anything similar happening anywhere else”, said Carimo. “All the other trucks arrived sealed in all the provinces”.

He appealed to anyone with information about the theft to come forward and inform either the police or the electoral

bodies. “We want those who committed this crime to receive exemplary punishment”, he declared.

Ingraham chosen to lead election monitor group

Former Prime Minister of the Bahamas, Hubert Ingraham, has been selected to lead a Commonwealth Observer Group that will monitor the national and provincial elections in Mozambique later this month.

Additionally former Gleaner Editor-in-Chief Wyvolyn Gager-Patterson has been named as a member of a Commonwealth Observer Group.

This comes after an invitation from the National Electoral Commission of Mozambique.

Commonwealth Secretary-General Kamallesh Sharma made the announcement on Monday (06 October).

“These elections are being held at an important juncture in the history of Mozambique, particularly following the signing of a peace agreement one month ago,” Sharma said in a statement.

“Conducting credible elections is a collective strength of Commonwealth member states, and our charter recognises ‘the inalienable right of individuals to participate in democratic processes, in particular through free and fair elections in shaping the society in which they live’. It is our hope that these elections will consolidate the democratic process in Mozambique. The Commonwealth will be present to witness and observe them, and to work

in partnership with Mozambique towards strengthening and embedding good practice.”

Sharma added that “The responsibility for conducting elections with integrity falls on all concerned - from the election management body, to political parties and their leaders, to civil society, security agencies, the media and the voters themselves. Each and every one has a rightful role to ensure a credible process and outcome.”

The observer group will consider the pre-electoral environment and election preparations. On Election Day, it will observe the voting process, vote-counting procedures and the announcement of results, in the light of international standards for democratic elections, to which the country has committed.

The Commonwealth Observer Group will submit its report to the Commonwealth secretary-general, who will in turn send it to the government of Mozambique, the National Electoral Commission, Mozambique’s political parties and eventually to all Commonwealth governments.

The 15 member Commonwealth Observer Group will be in Mozambique from 09 to 21 October. A six-member Commonwealth Secretariat team will support the Group, led by Martin Kasirye, adviser and head of electoral support.

Mozambique Bar Association to participate in election observation

On Thursday (09 October) the Bar Association of Mozambique announced that it will participate in the observation

of the Mozambican elections in partnership with the Lawyers Association of Community Development in Southern Africa.

The mission will be co-ordinated by the retired Judge of the Supreme Court of Mozambique, João Carlos Trindade.

Mozambique's civil society bodies warn against election violence

Several Mozambican civil society organisations have warned of the possibility of more violence once results of the 15 October general elections are announced.

The Youth Parliament, Human Rights League (LDH), Centre for Public Integrity (CIP) and the Forum of Community Radios (FORCOM) called for zero tolerance against electoral violence at a joint press conference held in Maputo recently.

The organisations urged political parties to respect the law and refrain from actions violating the constitution and electoral legislation.

"The police and courts should act with impartiality and objectivity and ensure that those responsible for acts of violence are prosecuted," they said.

In September, clashes occurred in southern province of Gaza after supporters of the ruling Frelimo Party attacked the motorcade of Daviz Simango, leader and presidential candidate of opposition Mozambique Democratic Movement (MDM).

The MDM retaliated by bringing a mock coffin decorated with images of Frelimo presidential candidate, Filipe Nyusi, to

the Heroes' Square in the northern city of Nampula on 25 September.

Police used tear gas to disperse the MDM demonstrators.

LDH chairperson Alice Mabota warned that more serious incidents could take place after the release of election results if contending parties refused to acknowledge the outcome.

The civil society bodies accused the police of being biased against opposition parties and turning a blind eye to violent acts provoked by Frelimo.

They said that since election campaign began on 31 August, police had detained many supporters of MDM and former rebel movement Renamo.

"We call for a radical change in the behaviour of the political parties, the electoral bodies and the police to avoid further spread of violence," they said.

Despite some incidents the campaign remains calm and good-tempered

Although violence in Gaza and Nampula has made the headlines, journalists across the country report that in most places the campaign has been calm and without confrontations.

Interventions by CNE president Abdul Carimo, i.e. meeting with all three presidential candidates, is said to have stopped any escalation of violence after the incidents in Gaza and Nampula. MDM saw the demonstration in Nampula with the mock coffin of Nyusi as a response to violence by Frelimo in Gaza.

Frelimo was determined to respond, but Carimo flew to Beira to talk to Frelimo presidential candidate Filipe Nyusi and convinced him that further violence would make Frelimo look bad. Since then, the only report of violence is one incident in Nampula.

As well as the widespread drop in incidents, journalists report very little use of state cars - in sharp contrast to previous elections. This appears to reflect the extensive reporting of the use of state cars; additionally, Frelimo has hired and purchased many cars this year.

Complaints continue of a strategy by Frelimo militants to disrupt MDM caravans and rallies. However, outside Gaza this has not led to serious confrontations.

Interestingly, the majority of reports suggest that Frelimo does not seem to be disrupting Renamo campaigns.

Complaints have continued regarding police bias, and that only opposition supporters, and never Frelimo supporters, are arrested. Police have complained that the opposition parties do not inform them in advance of their campaign activities, which is partly confirmed by said parties who in turn say that when they do tell the police, Frelimo is informed and arrives to cause disruption.

Candidate polling station staff want more money

On Tuesday (07 October) dozens of candidates applying for work as polling station staff for the general elections in the northern Mozambican city of

Nampula demonstrated outside the local STAE offices, demanding higher pay.

Some of the would-be staff members told reporters they had heard that in Nampula polling stations staff are being paid much less than in other provinces. They claimed that in Maputo the staff are being paid up to 5 000 Meticaís. The Nampula demonstrators wanted the wages revised upwards before they would sign any contracts.

However, the wage scale for election staff is uniform across the country, according to Lucas Jose, head of the STAE press office. He told reporters that the payment for a polling station chairperson is 2 200 Meticaís, for a deputy chairperson 1 950 Meticaís, and for a secretary 1 700 Meticaís. Every polling station also has four tellers, who are each paid 1 500 Meticaís.

This is for one day's work - although, since the polling station count continues late into the night, it could be considered two days.

Jose said that, in addition, each candidate is paid 200 Meticaís for food on each day of the ten day training period. That comes to a total of between 3 500 and 4 200 Meticaís for 12 days.

Jose added that some of the demonstrators said they had been led to believe they would receive the public service minimum wage, but STAE had never made any such promise.

In any case, when you calculate the earnings, polling station staff earns more than the minimum wage. The current minimum wage for the public administration is 2 699 Meticaís for a complete month's work. The polling

station staff will receive at least 3 500 Meticaís for only 12 days.

The training period ends on Thursday (09 October), only then will STAE make a definitive selection from the candidates.

Farmers accuse presidential candidates of supporting land-grabbing agribusiness

On Thursday (09 October) more than 250 farmers accused the three leading presidential candidates of "ignoring and marginalising" small-scale agriculture in their electoral promises in favour of agribusiness, whose owners "grab land, increasing the incidence of poverty in the communities."

In a statement released after the third International Peasant Conference on Land, the group of farmers addressed presidential candidates Filipe Nyusi, Afonso Dhlakama and Daviz Simango, saying that "the mechanisation of agribusiness does not create jobs".

"The large-scale agriculture harms farmers," said the vice-president of the Peasants Union of the Province of Maputo, Rabeca Mabui.

Nyusi praises Homoine's "capacity to forgive"

On Friday (03 October) Filipe Nyusi, the presidential candidate of Mozambique's ruling Frelimo Party, praised the capacity of the people of the town of Homoine, in the southern province of Inhambane, to forgive and to reconcile even with those who had done them great harm.

Speaking at an election rally in the town, Nyusi said the people of Homoine had set an example of forgiveness that all other Mozambicans should follow in order to achieve harmony in the country.

He was referring to the bloodiest incident in the war of destabilisation when, on 18 July 1987, a unit of the apartheid-backed Renamo rebels stormed into Homoine, killing everyone they could find. The final death toll stood at 424.

He said that the people of Homoine "never moved away from Frelimo, because you hold in your minds tragic memories of what happened to you here".

In Homoine, the residents were strongly opposed to any resumption of the war, he added, and when anyone appeared trying to rekindle the flames of war, the answer was a strong "no". Here Nyusi was referring to the failed attempt by Renamo gunmen in January of this year to spread their renewed insurgency from the central province of Sofala into Inhambane - and particularly into rural Homoine.

Nyusi said that this spirit of opting for peace, pardon and reconciliation should be replicated across the rest of the country, so that Mozambicans can indeed be at peace and develop as Homoine is currently developing.

Homoine's growth made it look like a municipality, although it has not yet achieved this status. "When I arrived here, I told my companions 'this municipality is growing, but then I corrected myself remembering that Homoine is not yet a municipality'", he told the crowd.

“But I think it should be one, and at the pace it is developing it will not be long before municipal status is proclaimed”.

Nyusi added that he had not come to Homoine to ask its electorate to vote for him and for Frelimo, since that was already a foregone conclusion. He was certain Homoine would vote en masse for Frelimo because of the evil that “the others” had inflicted on it.

“I came here just to thank you for the trust you maintain with Frelimo and to guarantee that, if you elect me, I will do everything to ensure that you have more schools, more roads, more hospitals, a better water system, and more electricity, not just here in the centre of the town, but also in the outlying and distant neighbourhoods”, he said.

Nyusi promised to persuade more banks to open branches in Homoine (currently there is only one), but “above all, there will be a university here”.

Nyusi attacks ‘demagogic’ education claims

On Saturday (04 October) Filipe Nyusi struck back at the opposition figures who attacked Frelimo's record on education on the grounds that there are still schools built of flimsy material, and still children who have no desks and sit on the floor.

Speaking at an election rally in Guija, in the southern province of Gaza, Nyusi said that those who make such accusations are ignorant of Mozambique's recent history, or are simply opting for demagoguery and hypocrisy to obtain political dividends.

“I do not forget the past”, he stressed, pointing out that at independence in 1975, there were very few schools for black Mozambicans. The schools the Portuguese colonial regime built were mostly for the children of the settlers.

After independence, the Frelimo government embarked on expanding the school network - but many of the rural schools were then burnt down by the apartheid backed Renamo rebels during the war of destabilisation.

Over the 39 years of independence successive Frelimo governments had built thousands of primary, secondary and technical schools, and had trained the teachers to work in them - Nyusi recalled that at independence there were very few Mozambican teachers, particularly for secondary and higher education.

That shortage meant that the government of Mozambique's first president, Samora Machel, was obliged to order students at one level of education to give classes to those in lower levels. Nyusi recalled that, when he was a secondary student in Beira in the early 1980s, he had to teach lower grades.

Those who had eighth grade would teach pupils in sixth or seventh grade, he said, to make up for the fact that “we didn't have enough teachers”.

Nyusi admitted that this was one of the reasons for the poor quality of Mozambican education, but argued that, at the time, there had been no alternative.

As for the claims regarding the shortages of desks, Nyusi accused

opposition politicians of trying to persuade parents to remove their children from schools until there were sufficient desks and conventional classrooms.

Parents should not follow such advice, he warned, since it remained possible to learn even in precarious buildings and while sitting on the floor. Furthermore, such poor conditions would pass into history, he insisted, since the government was continuing to build schools and equip them with furniture.

A country can only be built gradually, said Nyusi, using the few resources available to cover a multitude of needs.

“That’s why we have been doing a little of everything at the same time”, he said. “We can’t say ‘Now we’re just going to build schools and desks, and all the other areas can wait, because there’s not enough money to do everything at once’. That’s not how you govern a country. Anyone who talks like that has never governed anything in his life”.

“We can’t force our children to wait until there are enough conventional schools and enough desks”, Nyusi stressed. “My project is that, yes, schools must continue to be built, but that does not mean ceasing to teach under the real conditions in this phase of the country’s development”.

Nyusi pledges to fight against abuse of power

On Monday (06 October) Filipe Nyusi declared that, if elected, he will combat the abuse of power by those who “trample on their subordinates and use state property for personal purposes.”

Speaking at an election rally in Chokwe, in the southern province of Gaza, Nyusi said that he intended to follow a style of governance in which the fight against abuse of power is not just a slogan.

He recognised that there is nothing new about such promises - earlier Frelimo leaders have said much the same thing. But Nyusi insisted that he would keep this promise by adopting a style that ensured follow-up and compliance with norms and decision.

“This philosophy is not new”, he admitted, but dates from the time of the country’s first president, Samora Machel.

To dissipate any scepticism among his audience, he said that he would implement this philosophy of governance rigorously. “In the government that I lead, I will fight strongly against the abuse of power”, Nyusi pledged. “You cannot tread on somebody else just because you’re a chief. You cannot use public assets for personal purposes just because you’re a chief. If somebody has a state car, he will not use it for personal ends”.

“I will adopt the principles of transparency and accountability”, he continued. “Lack of transparency leads to decline in the development of our country. Accountability will ensure that we know what happens to the money in the budget approved by parliament. If there is any diversion, or attempt to divert funds, I shall take measures”.

People in leading positions “cannot keep all the opportunities for themselves”, Nyusi warned. “They cannot keep all the land. They cannot keep all the money”.

Samora Machel and his successors, Joaquim Chissano and Armando Guebuza, had all said this before him - "but what I shall do is apply this with more rigour", he promised. "What will make a difference is that I shall not be limited to talking, but shall take action to ensure compliance".

At a rally in the Gaza resort of Bilene, Nyusi said he would appeal to the conscience of employers to treat their employees - particularly domestic workers and guards - "with love and humanism, instead of contempt and disdain".

He said it is not normal that employers should treat their domestic workers, who cook and clean for them, and look after their children, with contempt.

"I want to pay a lot of attention to domestic servants", he said. "We have to be a society which lives in collective solidarity. Only thus can we continue to be fraternal".

Nyusi also pledged to help the country's informal traders consolidate and formalise their businesses.

"I shall pay a lot of attention to those who are selling tomatoes in the streets", he said. "We shall give a lot of support to them, including financial assistance to develop their businesses so that they can become normal traders".

"Frelimo financing its campaign through timber smuggling" – CIP

The ruling party Frelimo has been accused of financing its electoral campaign with money from smuggled timber, according to a report from the

Centre for Public Integrity (CIP) released on Thursday (09 October).

"An investigation conducted by the Centre for Public Integrity found, with substantial evidence, that the Frelimo party has received 10 million Meticais (approximately 333 000 U.S. Dollars) since June this year to finance its campaign," reads the report.

"The money is coming from timber smuggling in Zambezia province, which is deliberately allowed by the Provincial Department of Agriculture." The report continues. "This was designed and implemented by the Directorate of Zambezia Provincial Agriculture (DPA) after he received orders from Frelimo to contribute 10 million MT for the campaign."

Simango calls for a more independent Parliament

Daviz Simango, the leader and presidential candidate of the MDM, has called for a parliament that is more independent of the government.

Speaking on Friday (03 October), in Pemba, capital of the northern province of Cabo Delgado, he said that the Mozambican parliament, the Assembly of the Republic, should not "be towed along behind the executive".

According to reports, Simango also said that, if elected, he would slim down the size of the government. He said that currently there are too many ministries, which is "just a drain on the budget" - although he did not suggest which ministries should be abolished.

Simango also demanded an end to "political interference" in the mass

media, which he regarded as damaging to Mozambican society.

Cabo Delgado is traditionally a stronghold of the ruling Frelimo Party, but in striking contrast to the events in September in another such stronghold, the southern province of Gaza, there was no attempt by Frelimo to prevent Simango from campaigning, and he was able to address the voters freely.

Simango even visited the Mueda plateau, often regarded as the birthplace of Frelimo's armed struggle for Mozambican independence, and held a well-attended meeting in Mueda town. The PRM were present and ensured that groups of Frelimo campaigners were kept a good distance from the MDM meeting.

Meanwhile, during the same time period, the leader of Renamo Afonso Dhlakama, campaigned in Angonia district, in the western province of Tete, where he promised that, if elected, he would mechanise agriculture in this fertile part of the country.

He forgot to mention that Angonia did once contain a heavily mechanised state farm, the Angona Agro-Industrial Complex (CAIA), which was destroyed during Renamo's war of destabilisation in the 1980s.

In one of his Tete rallies, Dhlakama also promised that, if he were to form a government, it would include ministers who are members of Frelimo.

Simango promises to protect employees

On Thursday (09 October) Daviz Simango assured Quelimane voters that

if he wins the upcoming elections he will not discount the wages of public employees to fund the activities of his party.

Simango promised that he and his party will “restore the dignity of civil servants, who live enslaved by the system in power”.

Simango told supporters at the Thursday rally that civil servants (particularly teachers, police officers and nurses), receive minimal wages in addition to having money taken off their pay role without their permission to fund the Frelimo party.

Simango argued that every year Frelimo announced the minimum wage for all sectors, yet the wages of Frelimo leaders are never revealed.

MDM: The little opposition party that could – opinion piece

Mozambique's political duopoly is being shattered by the upstarts of the MDM, who reckon they could cause an upset – if not in these presidential elections, then in the next.

The national headquarters of one of Mozambique's two main opposition parties – soon to be the main opposition party if everything goes its way – is in a scruffy, unprepossessing office block in the middle of Maputo's government district.

Oddly, there is nothing on street level to indicate that the MDM might be found here, not even a plaque, and inside their third floor office the mystery deepens. It is stark and functional – more doctor's waiting room than campaign nerve centre – with little other than a desultory

light blue table cloth thrown over the meeting room table to indicate party affiliation, or the fact that there is a presidential election in a week's time.

The MDM presidential candidate, Beira mayor Daviz Simango, won't win. The dominance of the ruling party Frelimo is such that nothing short of a miracle will prevent their candidate, Filipe Nyusi, from claiming his first term. Unlike the MDM, Frelimo doesn't shy away from branding. Nyusi's face is festooned on bright red billboards and t-shirts the length and breadth of this country.

The MDM aren't expecting a miracle. Not this time, anyway. But they do want to cause a stir, and early signs indicate they might do just that.

Founded in 2009, the MDM has already upset the fragile duopoly of Mozambican politics, in which Frelimo comfortably occupies the Presidency while long-term opposition and civil war foes Renamo snipe on the side-lines (both figuratively and, at times, literally). Simango himself has roots in both movements: his parents were Frelimo stalwarts during the fight for independence from Portugal, before being executed in secret by another faction in the party; while he first won the Beira mayoralty under the Renamo banner in 2003.

Left off the Renamo ticket next time round, however, Simango decided to go it alone – and won. Since then, his new party's popularity in Beira and other urban areas has soared. They now run three of Mozambique's four largest cities, and gave the ruling party a major scare in Maputo during the last local elections in 2013. The 41% won by the MDM in the capital is more than Renamo has ever managed here.

This statistic is important. It is easy to dismiss MDM as just a Renamo faction gone rogue, but this would be a mistake. It has cultivated its own powerful constituency among the country's urban youth, many of whom are disaffected with the lack of opportunities afforded them by the status quo.

"We have a new generation who have never seen war," said Luis Job Mutembene, the MDM's head of organisation and communications, in an interview. His implication is clear: this generation is not bound by the sentiment and tradition, by the old ties of comradeship. "They want to prosper, to have a family and a life. But they don't have the opportunities to build a career or a home."

It is a large constituency, and in the long term the electoral mathematics could work in the MDM's favour. While Renamo is struggling to replace its ageing war veterans (despite the party's best efforts to stoke the conflict fires earlier this year), the fountain of disaffected youth is inexhaustible. Mutembene claims there are 100 000 new voters this year in Maputo alone, and that 90% of them will vote MDM (a figure to be treated with caution given its source).

Mutembene bristles, however, at the suggestion that his party needs a rural base if it is ever going to seriously challenge for power. He insists that the party's one million members are evenly distributed across Mozambique, and that its structures are more widespread and efficient than Renamo's.

He also doesn't want to talk just about Renamo. MDM's ultimate goal is not just to succeed Renamo as the official

opposition, but to replace a ruling party that it thinks has lost its way. “We live like we don’t have a government,” he said. “Frelimo the liberation movement was a good idea. But after independence we have seen a new Frelimo that consolidates all opportunities for themselves as businessmen. People who have a different mind are excluded. They work like they are the private sector.”

It’s fighting talk, and Frelimo would do well to take note. The Mozambican economy may be one of the fastest-growing of Africa, but little of that is trickling down. As urbanisation increases and poverty remains endemic, so will the calls for change.

Tete government boycotts Dhlakama on day of peace

On Saturday (04 October) Afonso Dhlakama, the leader and presidential candidate of Renamo, accused the government of the western province of Tete of ensuring that he could not participate in the solemn ceremony in Tete city, commemorating the anniversary of the 1992 peace agreement.

The agreement that put an end to the war of destabilisation was signed between Dhlakama and the then President, Joaquim Chissano, in Rome on 04 October 1992. The date is now a public holiday, commemorated as the day of peace and reconciliation.

Ever since it became a public holiday, Dhlakama had boycotted the official celebrations. But this year, he announced that he would attend the ceremony - and, since he is campaigning in Tete province for the

forthcoming general elections, he would logically attend the ceremonies in Independence Square in Tete city.

To Dhlakama's surprise, he found that, by the time he arrived in the Square, the ceremony had already taken place. Normally such ceremonies are held at 09h00 - which was the time that President Armando Dhlakama arrived at the ceremony in Maputo. But in Tete, the provincial government brought the ceremony forward an hour to 08h00 - a move that seemed designed to ensure that the provincial government and Dhlakama would not appear on the same platform.

Renamo vehicles and motorbikes, announcing the arrival of Dhlakama, appeared in the square shortly after 09h00, when members of the Tete government were already leaving. Dhlakama thus deposited his wreath at the square alone.

Dhlakama told reporters “I came to participate in the official ceremony. We gave this information in advance in Maputo and here. I was to arrive in the square at 08h30, but the protocol officers phoned and advised me to wait for 20 minutes. I arrived here in plenty of time, and I was waiting outside, but they ran away. They don’t want to see Dhlakama”.

“If I were in Maputo, I would be with President Guebuza there. That’s the result of the agreement of 05 September”, Dhlakama added. (He was referring to the declaration on a cessation of hostilities that he and Guebuza signed on that date).

But in Tete “they ran away because they couldn't stand it”, said Dhlakama. “I'm not going to criticize them”.

He said he had not taken part previously in national ceremonies “because things weren't clear. Now we are building a true republic.

There used to be discrimination between heroes”.

“The undertaking we signed in Maputo puts an end to choices on a political party basis”, Dhlakama added. “We are going to depoliticise the state apparatus. We are going to create a new republic which respects human rights. Those who govern and those who are governed are worth the same in democracy, with the small distinction that those who govern are accountable to those who are governed”.

Dhlakama to end election campaign in Nampula

Afonso Dhlakama, is expected to arrive in the city of Nampula on Saturday (11 October) in preparation for an election rally on Sunday (12 October), which will mark the closing of Renamo's election campaign ahead of the elections next week.

On Thursday (09 October) Dhlakama held a rally in the municipal town of Vilanculos, Inhambane, where he promised to ensure increased job opportunities, job creation and business opportunities for the youth, if he wins the elections.

Dhlakama: Mozambique's comeback kid rides election wave – opinion piece

Afonso Dhlakama is pulling huge crowds on his presidential election campaign, to the surprise of observers who wrote him off after his long exile in the bush.

Dhlakama emerged just a month ago from the remote Gorongosa mountains in central Mozambique to sign a peace pact with the government.

That deal ended an insurgency lasting nearly two years and allowed him to join the race for presidential elections on 15 October.

That vote will decide who runs a country still emerging from a brutal civil war that killed an estimated one million people, but which is now rapidly growing thanks to vast coal and gas deposits.

Despite hitting the campaign trail later than his opponents, Dhlakama's rallies have drawn massive crowds.

Thousands packed the airport of the second largest city of Beira on Sunday (05 October), broke through security cordons and streamed onto the tarmac when his plane landed.

In similar scenes last week (26 September to 03 October), crowds massed on the landing strip in the remote north-western Angonia region, near the Malawi border, initially preventing his plane from landing.

Footage broadcast on national television showed capacity crowds in the coal-rich Tete province where people crowded onto rooftops to see Dhlakama.

"I have never seen this before," Dhlakama said in Tete.

In Sofala province, where civilians bore the brunt of the recent unrest, largely blamed on Renamo, the turnout at Dhlakama's rallies was just as overwhelming.

"There were more people than you ever saw," said Muxungue resident Obete Samuel. "They welcomed him as the messiah."

Dhlakama saw his electoral support wane from 47% in 1999 to 16% a decade later, leaving political analysts with no choice but to write him off as a "has-been".

"I personally thought he was marginalised," said Antonio Francisco, a researcher at Mozambique's Institute for Social and Economic Studies.

But "he has resuscitated himself politically" and his campaign is like an "emotional tsunami", said Francisco.

According to Francisco, not since Mozambique's iconic first president and Frelimo leader, Samora Machel, has anyone managed to mobilise such crowds.

"Many young people see him expressing an attitude they are scared [to express]," he said.

"He has no t-shirts [to hand out] no music, he has nothing, but still manages to attract crowds ... This is very interesting."

Dhlakama is presenting himself less as a naysayer than in his previous campaigns, appearing relaxed and

exuding a conciliatory tone towards his political foes.

He has even promised that, if elected he would offer Frelimo some cabinet posts.

Among his campaign pledges, Dhlakama is telling residents of coal-rich areas he will ensure they benefit from resources being extracted under their feet.

"It is a concrete, relevant, positive message," said political analyst Joseph Hanlon. That is "an attitudinal change that will make him more attractive to voters."

Whether the mass numbers at rallies will translate into votes is far from certain.

Most observers say there is a strong element of "curiosity" driving attendance.

Many are desperate to see Dhlakama in the flesh after long months during which he was rumoured to be dead.

While Dhlakama might be riding high at the moment, his campaign machinery remains weak compared to that of Frelimo.

"It is a one-man show. That is his problem," said Hanlon.

One concern is that the mass turnouts could build expectations of a win among Renamo's supporters that could prove dangerous if the party loses.

Mozambique Election Preview: end of the Guebuza era? – By Cate Reid
Posted on October 10, 2014 by African Arguments

As Mozambique prepares to go to the polls on Wednesday 15 October, there are signs that the country could be at a political turning point. Few doubt that ruling Frente de Libertação de Moçambique (Frelimo) will win, particularly with the opposition vote split between two parties (Renamo and MDM). But together they may take away Frelimo's majority in parliament, curbing the control that the ruling party has exerted over the state since the country's liberation in 1975. There are also hopes that the expected election of former Defence Minister Filipe Nyusi as President will mark a generational shift in government. This could, alongside greater balance in parliament, usher in a style of governance driven by laws and institutions rather than the whims of the elite.

It's been a difficult year for Frelimo. Renewed conflict with main opposition party Renamo (Resistência Nacional Moçambicana) has taken its political toll, with Frelimo taking a share of blame for the violence dragging on (particularly since last April.) While Frelimo held Renamo responsible for the deaths of military and civilians, it also found itself accused by some of putting politics before the lives of the people. Guebuza's policy of limiting Renamo's participation in the economy and politics is seen as having aggravated tensions that had declined somewhat under his predecessor, President Joaquim Chissano, and added to his general unpopularity.

The idea that Guebuza may have deliberately delayed the peace process (whether or not it is actually true) has ultimately damaged Frelimo, probably more so than the months of disarray and violence have done to Renamo or its leader Afonso Dhlakama.

On the contrary, Dhlakama has won admiration by apparently forcing Frelimo to make political concessions it has been resisting for decades. He even seems to be enjoying – perhaps unjustly – much of the credit for the peace that has come just in time for the election. Emerging from hiding only after the peace agreement was signed was a clever move that brought his supporters out in droves to welcome him as a hero. Though this is unlikely to last in the long-term, Renamo supporters may well feel a renewed motivation to vote in this election – buoyed by predictions that it will not be a Frelimo landslide and their vote will count.

Frelimo, on the other hand, has done little to win back lost support. A surge in kidnappings just before last November's local elections suggested a rapidly worsening security situation in the country. The electorate placed the blame squarely with Frelimo and its failure to get a grip on rising organized crime and corruption in state institutions, such as the police. Whilst it is unclear whether either of the opposition parties would be able to govern any better than Frelimo, the local elections in November indicated that voters are willing to give them a chance simply for not being Frelimo.

It was a shock for Frelimo when the Movimento Democrático de Moçambique (MDM) captured a

significant proportion of the votes – especially in urban areas and amongst younger voters. MDM also picked up votes from some supporters of Renamo, after the party went ahead with an election boycott but did not cause the Election Day disruption they had threatened.

A party that was formed in 2009 by disaffected Renamo members, MDM made little impact in the general election that year. But it is increasingly popular and, as a party at least, it played no part in the civil war waged between Renamo and Frelimo. This is attractive to voters keen to move on from civil war politics and MDM's regional victories in major cities are likely to be replicated in this national election.

This is a worry for Frelimo, which would prefer to keep Renamo as their main opposition. Whereas MDM's popularity seems to be rising, Renamo is unlikely to beat Frelimo in the foreseeable future. It has not made an effective transition from a guerrilla group to a political party and few people believe Dhlakama has the right skills to be a competent president. There are reports of Frelimo apparently obstructing MDM's campaign and academic Joe Hanlon reports that Frelimo may collude with Renamo and commit electoral fraud to ensure MDM does not overtake Renamo. There are also fears of violence in the more hotly contested areas.

MDM is however, still to present a comprehensive set of policies, and its key weakness is its lack of experience. But the absence of a track record also means that neither does it leave a trail of broken promises and scandal – which

has led to the rising discontent with Frelimo. While Mozambique's economy is growing, propelled by a natural resource boom, poverty levels have not changed in ten years and ordinary citizens are fed up with inadequate infrastructure and basic services like health and education. They notice when promised roads never appear, when growing cities like Pemba suffer incessant power cuts, and when they must walk for miles to fetch water.

Business, including international investors, is also exasperated with the way infrastructure has lagged far behind the growth in industry. Poor railways were one factor in the recent decision of Australian mining giant Rio Tinto to cut its losses and sell its Mozambican coal assets for billions of dollars less than they paid.

These problems are not helped by rampant corruption and abuse of public office for personal gain. Frelimo's image has suffered as the public has watched their socialist war heroes become rich in the capitalist world of business, while ordinary citizens see little tangible benefit from the exploitation of their country's resources.

But Nyusi, the Frelimo Presidential candidate, is not seen as part of this and indeed comes across as a humble and honest. This gives him an advantage, alongside his innate likeability, talent for oratory and willingness to listen. Despite having a relatively low profile and little experience, he has gained support from across the Frelimo factions and increased his public popularity in a short time. He may even attract a higher percentage of votes than Frelimo, as some of the electorate are likely choose

MDM for government, but instead of voting for the rather less charismatic MDM leader Daviz Simango, cast their ballot in favour of Nyusi for president.

Nyusi however, became Frelimo candidate through a less than transparent internal process, which has only added to the perception that he is 'Guebuza's man' and will act as a puppet leader while the current president retains power in the background. Guebuza will remain head of Frelimo for the time being, giving him influence over government decisions through the strong role that the ruling party plays in the process. For this reason, most factions in the party want a re-election far earlier than the scheduled

date of 2017 so that Nyusi can replace him and consolidate his power.

It is difficult to predict whether Nyusi will be able to assert his independence from Frelimo power-brokers, but it is clear that the electorate and indeed Frelimo want to see an end to the Guebuza era. Greater balance in parliament could accelerate this, giving the party and therefore Guebuza less control. Ultimately, this is what both the party and the electorate want to see.

ECONOMY

Mozambique Exchange Rate: 08 October 2014

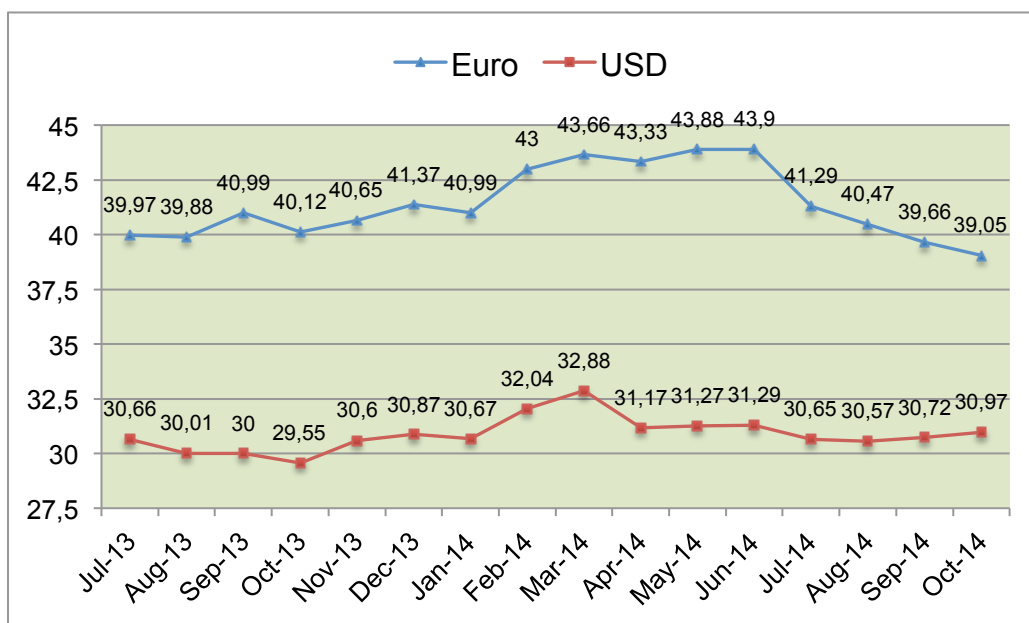
Currency	Buy	Sell
EURO	38,83	39,08
USD	30,78	30,98
ZAR	2,74	2,76

Fuel Prices

Petrol	Diesel
47,52MT per Litre*	36,81MT per Litre*

* Price only valid for Maputo, Beira and Nacale.

GRAPH 3: ANNUAL MOZAMBIQUE CURRENCY EVALUATION AGAINST THE USD AND EURO



Negative inflation for fifth consecutive month

On Tuesday (07 October) the National Statistics Institute (INE) announced that the rate of inflation in Mozambique in September, as measured by the consumer price indices for the three largest cities (Maputo, Nampula and Beira), was negative, at minus 0.17%.

September was the fifth consecutive month in which prices fell. Prices rose in the first four months of the year - by 0.98% in January, 0.39% in February, 0.91% in March and 0.12% in April. Then inflation turned into deflation and prices began to fall - by 0.38% in May, 0.52% in June, by 0.04% in July, by 0.55% in August, and now by 0.17%.

The result is that accumulated inflation over the year - from 01 January to 30 September - stands at 0.71%. Over the past 12 months (October 2013 to September 2014) inflation was 2.23%.

In September, the overall price of food and non-alcoholic drinks, the largest category in the basket of goods and services used to calculate the consumer price index, fell by 0.2%.

Within this category, the prices of tomatoes fell by 8.1%, of cassava flour by 6.8%, of onions by 4.9%, and of coconuts by 4.1%. The prices of fresh and dried fish rose by an average of 0.15%.

There were also slight increases in the price of clothing and footwear (0.03%) and of transport (0.02%). The price of

furniture and decoration fell by 0.02%. All other categories in the basket of goods and services (such as health, education, communications, alcoholic drinks and tobacco, restaurants and hotels, leisure and recreation) remained unchanged over the month.

Prices in the three cities did not behave in a uniform manner. Maputo experienced a price decrease in September of 0.49%, while in Beira and Nampula prices increase by 0.18% and 0.08% respectively.

Mozambique's budget deficit expected to increase to 9.2% of GDP in 2014

This year Mozambique's budget deficit is expected to increase to 9.2% of GDP, reflecting increases in capital expenditure and wages of civil servants, the International Monetary Fund (IMF) said on Wednesday (08 October) in Washington.

The Fiscal Monitor, released on Tuesday (07 October), showed that the budget deficit is expected to widen from 2.7% of GDP in 2013 to 9.2% this year, then improving to 7.4% in 2015 and 6.6% the following year, falling in the years thereafter to 5.1% by 2019.

The country's economic growth, however, will not be affected by the increased deficit, and is expected to grow 8.3% this year and 8.2% in 2015.

Mozambique's revised mining tax code set to increase State revenue

Mozambique is upbeat regarding the changes to the country's mining taxation code and hopes this will increase the country's revenue.

The projected increase will be in the region of 30 billion U.S. Dollars in the mining sector.

This increase will be the main result of the levying of tax on production, Finance Minister Manuel Chang has affirmed.

Figures for the increase in revenues from the state in the levying of the new Gas and Petroleum Tax have not yet been made available.

"The real focus of the new Resource Tax Law seems to increase the state's control and participation in the mining, oil and gas sector," said a statement from African Influence Exchange.

"While this shift was anticipated as it is reflective of Mozambique's current legislative trend and consistent with the draft laws made available by the Government, many of the requirements that are likely to be controversial for investors were introduced at the very late stages of development of the new legislative regime and against a backdrop of political transition in the country."

African Influence Exchange said that the impact of this increased control will become more apparent over the coming months.

Significant changes for the mining, gas and petroleum investors include Capital Gains Tax regime, significant changes in production taxes, production tax royalties, determining of valuation and pricing, increased corporation tax liabilities among others.

"As Mozambique enters a period of Government transition coupled with the recently approved Mining Law and

Petroleum Law, Mozambique and its new government are preparing for the next phase of mining, gas and petroleum production in Mozambique,” said Nerina Van Wyk, director of African Influence Exchange.

Governor of the Bank of Mozambique says national debt is under control

On Monday (06 October) the Governor of the Bank of Mozambique, Ernesto Gove stated that Mozambique’s public debt is under control.

The governor also gave assurances that the government would not allow investments in infrastructure to ensure conditions for exploration of natural resources to cause public debt to slip.

Outside the 24th Lisbon meeting between the central banks of Portuguese-speaking countries, Gove said that “public investment to ensure construction of infrastructure is within limits that ensure debt sustainability, the values of which are agreed with the World Bank and the International Monetary Fund.”

Figures provided at the conference showed that total external public debt increased from 3.4 billion U.S. Dollars in 2007 to 4.8 billion U.S. Dollars in 2012 and nearly 5.8 billion U.S. Dollars last year, a figure that represents 36.9% of Gross Domestic Product.

Mozambique receives 400- 500 million U.S. Dollars in 2015 State Budget aid

On Monday (06 October) the countries and institutions that support the Mozambican state budget pledged to provide between 400 million and 500

million U.S. Dollars for 2015, the Mozambican Minister of Planning and Development said.

At the end of the planning meeting of the framework for evaluating performance in 2014 between the government and partners for programmatic support, Minister Aiuba Cuereneia said that the relationship with partners was “quite good” given that those countries and institutions contribute between 600 million and 700 million U.S. Dollars every year, “including direct support to the state budget, sector support and support for existing programmes in the country.”

“Even so, Mozambique has to try to increase its internal resources and this has been happening as we already finance about 76% of our budget,” he said.

During the meeting, the Minister noted that in the first quarter of the year the Mozambican economy had maintained its positive performance registering Gross Domestic Product growth in the order of 7.5% in line with projected growth of 8% by the end of the year.

Portuguese-speaking African countries owe Portugal 3.508 billion U.S. Dollars

The debt owed by Portuguese-speaking African countries (PALOP) to Portugal rose 3.5% in 2013 to 3.508 billion U.S. Dollars, according to figures issued by the Bank of Portugal in Lisbon.

“The official debt owed by PALOPs to Portugal at the end of 2013 amounted to 3.508 billion U.S. Dollars, continuing the upward trajectory apparent since 2005,”

said the report published by the central bank.

The document presented as part of the 24th Lisbon Meeting between the central banks of Portuguese-speaking countries, detailed that “the whole of the direct debt owed to the Portuguese State and guaranteed by it increased by 122 million U.S. Dollars in 2013 (+3.5%), despite slowing compared to the additional 808 million U.S. Dollars and 243 million U.S. Dollars seen in 2011 and 2012, respectively.”

Debt owed by Angola and Mozambique accounts for over 70% of total loans to Portuguese-speaking African countries, the Bank of Portugal said.

Rehabilitation of Chimoio’s Bank of Mozambique to cost 14 million Euros

Portuguese construction company Soares da Costa will rehabilitate and expand the Bank of Mozambique facilities in Chimoio, Manica province, the company announced on Tuesday (07 October).

Soares da Costa will add two new buildings to the existing facilities, according to the agreement signed on Friday (03 October) between the Portuguese company and the Bank of Mozambique.

The project, valued at approximately 14 million Euros, has an estimated time frame of 457 days and is planned for completion by 2016.

Mozambican government launches tender to grant new oil blocks

According to the National Petroleum Institute, during the course of October

the government of Mozambique plans to launch a tender to award 15 new blocks for oil exploration and production, covering an area of 76 800 square kilometres.

The tender, which is scheduled for 23 October in London, includes three offshore concessions off the coast of Cabo Delgado province, in the eastern area of the Rovuma sedimentary basin, where US company Anadarko Petroleum and Italy’s ENI discovered reserves of 200 trillion cubic feet of commercially viable natural gas, according to recent data from the Mozambican government.

Also in the north, off the coast of Nampula province, two concessions will be awarded in the area of Angoche, while in central Mozambique six blocks in the Zambezi sedimentary basin will be offered, along with three on the mainland, in the Mozambique basin flanking the areas of Pande and Temane, which are explored by South African company Sasol.

The tender, the results of which will be published on 20 January 2015, is the fifth launched by the Mozambican government and also includes a block located in Gaza province (south), known as Palmeira.

Mozambique LNG likely to gain interest from project finance banks

Project finance banks will be comfortable funding Anadarko’s Mozambique LNG project even if long-term offtake contracts are based on Henry Hub pricing rather than a traditional oil-linked basis, an executive at Standard Bank told reporters.

The most critical issue for those contracts is that they are designed so there is a floor price that allows that project to be sustainable, otherwise if the oil – or gas – price falls, the project will fail, Khwezi Tiya, an executive with Standard Bank’s oil & gas division, said on the side-lines of the recent Third Annual Oil & Gas Summit in Johannesburg, South Africa.

“[However,] there is also a socialisation issue, because if there’s a bank that has only been doing oil indexation and they are moving to hub indexation, they need their credit committees to be comfortable with that,” he said.

The media learned in February that Anadarko had offered Asian buyers long-term contracts with a 50-50 link to the prices of the Japan Crude Cocktail (JCC) and the Henry Hub pricing point in Louisiana as an incentive for signing up to the project. While the vast size of the finds in Mozambique has attracted high-calibre contractors and off takers, the country still faces stiff competition for the premium Asian markets from more politically stable markets of Australia and North America.

Despite Mozambique’s below-investment grade rating and the inexperience of Anadarko and the national oil company ENH in building LNG plants, Tiya anticipates there will be a strong appetite from the international banking market for the project, which will be looking to raise at least 13 billion U.S. Dollars in debt.

“From what we’re observing, there is likely to be a high level of financing potential for that project if two things happen; if the regulatory environment is acceptable, and the companies have the

right offtake contracts in the medium-to-long term,” he told delegates.

Anadarko is aiming for a FID on its 10 mtpa LNG project in the second or third quarter of 2015. However, it has not yet put an official price tag on the project, which is estimated to cost in the region of 20 to 25 billion U.S. Dollars. The final investment analysis of the project will hinge on the content of Mozambique’s decree law, which will manage the development of the huge infrastructure project in the Afunghi Peninsula area of Mozambique’s northern Cabo Delgado province.

The decree law, which is under negotiation in the country’s parliament, should be passed before the end of 2014. While the exact content of the law – which will govern how the project operates – is unknown, it will include provisions for how labour can be brought in, how work permits are issued, and how the special customs system will operate.

Anadarko is marketing Mozambique LNG to 10 different companies. The company has signed 14 commercial agreements so far, which represent 75% of the offtake for the first 10 mtpa phase of the project, Steve Hoyle, Anadarko’s vice president of LNG marketing and shipping, told delegates at the CWC Asia Pacific LNG Summit in September.

Thailand’s PTTEP, which holds a stake in the Area 1 licence, has signed a heads of agreement to offtake 2.6 mtpa of LNG from the plant and is in the process of converting the contract into a binding SPA.

Japan’s Mitsui and India’s Oil India, Oil and Natural Gas Corp. and Bharat

PetroResources all have upstream stakes in the project so are also likely to take cargoes. Other companies said to be negotiating for a contract include Indonesia's Pertamina.

While the focus at present is on reaching a FID on the first two-train phase of the project, there is enough gas within the Rovuma Basin to ultimately support a 10-train project.

Even if only two thirds of those trains were developed, it would have a major effect on Mozambique's economy. Without an LNG project, the country's economy would grow from 15 billion U.S. Dollars today to 54 billion U.S. Dollars by 2035, according to a Standard Bank analysis. However, if six LNG trains are developed, the economy would grow to an estimated 82 billion U.S. Dollars by 2035, and to 93 billion U.S. Dollars if the downstream developments derived from the domestic market gas obligation are included, the bank estimated.

While Anadarko is not under any legal obligation under its contract to supply gas produced from offshore Area 1 to the domestic market, it has included domestic gas sales within its development plan following Standard Bank's advice.

"The domestic gas [obligation] was not there, we introduced it. When we were advising, we said to them [Anadarko], 'you need to give the Mozambicans some skin in the game'," Tiya told reporters.

Under Mozambique's new petroleum legislation introduced in August, operators will need to allocate 25% of all gas produced to the local market.

However, it is unclear whether this quota includes ENH's carried interest in the licences and royalty payments.

ENI review raises questions about 'age of gas'

A review of the global oil and gas industry by Italian oil major ENI has raised a question mark over whether the world is about to enter a so-called "age of gas", with data showing that growth in oil consumption worldwide far outstripped growth in gas consumption last year.

The 13th edition of the company's World Oil and Gas Review, published on Monday (06 October), found that the world saw consumption of oil and gas both increase last year. But while oil consumption grew by 1.4%, gas only grew at only one percent compared to average consumption growth between 2000 and 2013 of 2.5%.

ENI highlighted the fact that, for the first time since the economic crisis began, OECD countries saw a positive trend for oil demand. Although the data represents only one year, it goes against the increasingly-popular view that the world is entering an "age of gas" in which gas will overtake oil as the world's primary source of energy. ENI's review also revealed that 2013 saw the world's oil and gas reserves increase by 0.4% and 1.7% respectively mainly thanks to new U.S. tight oil plays and gas discoveries in East Africa.

The firm said 2013's slight increase in oil reserves was driven by the contribution from non-OPEC countries, with the US (up 9.8%) leading the way followed by Norway (up 8.6%). OPEC countries'

reserves remain substantially stable, the firm added.

Metals of Africa conducts aerial prospecting in Mozambique

Australia's Metals of Africa has recently announced that it has extended the due diligence period of the Central Balama block, in the province of Cabo Delgado in Mozambique, for another six weeks to allow for aerial electromagnetic prospecting.

The block in question is adjacent to the one currently being explored by another Australian company, Syrah Resources, which contains the world's largest graphite deposits totalling 1.15 billion tons, and a graphite content of 10.2%.

After the extension of the due diligence period, Metals of Africa will complete the acquisition of Central Balama block, using a mixture of cash and shares and then immediately begin exploration activities.

In August Metals of Africa signed a purchase contract with Mozambique's Dombeya Mineração Lda (Dombeya) to buy the block's operating license, which was conditional on completion of the due diligence process.

Under the terms of the agreement, the Australian company paid 50 000 U.S. Dollars on the day the contract was signed – 21 August – and by 13 November it will hand over shares worth 200 000 U.S. Dollars. Once the license is officially transferred it will make a final cash payment of 200 000 U.S. Dollars.

The Central Balama block covers an area of 9 600 hectares and has yet to be the target of any active mining.

ICVL wraps up Mozambique deal with Rio Tinto

On Wednesday (08 October) the International Coal Ventures Pvt Ltd (ICVL) wrapped up a deal to acquire global mining giant Rio Tinto's coal assets in Mozambique for 50 million U.S. Dollars.

The Anglo-Australian miner told the Australian Stock Exchange that it has completed the sale of Rio Tinto Coal Mozambique to ICVL "following the fulfilment of all conditions precedent and receipt of the necessary regulatory approvals". The deal, announced on 30 July, involves the transfer of the Benga coalmine and two other coal deposits in the Tete province of the East African country.

CS Verma, Chairman of ICVL, told reporters that the acquisition would bring in long-term value and raw material security for Indian steel makers, particularly in coking coal.

Verma, who's also the Chairman and Managing Director of Steel Authority of India Ltd (SAIL), said ICVL was putting in place a holistic plan that would take care of economic metrics of the operating mine at Benga, the mine-to-port logistic issues as well as future development of two other deposits.

SAIL is the biggest stakeholder in ICVL. State-run entities Coal India, Rashtriya Ispat Nigam Ltd (RINL), NMDC and NTPC are the other stakeholders in the company.

P. Madhusudan, CMD of RINL, said the strategic acquisition was valuable for long-term interests of the Indian steel makers. Tata Steel has a 35% equity

stake in the Benga project as well as a 40% offtake agreement.

According to sources, Tata Steel's interests would remain protected after ICVL's acquisition.

In the meantime, a meeting between Rio Tinto and the Tax Authority, to discuss capital gains tax owed by Rio Tinto, has been postponed until November.

Beacon enters agreement to sublease its rolling stock

On Thursday (09 October) Mozambican coking coal miner Beacon Hill Resources announced that it had entered into a sublease of its rolling stock to an undisclosed party.

This sublease agreement would support the company's expansion strategy to advance its Minas Moatize coking coal project to Tier-1-cash-cost status, which Beacon explained would deliver an economically robust mining project even during periods of depressed coking coal prices.

The sub-lessee, which had agreed to a minimum lease term of 12 months with extension option, would use all Beacon Hill's five locomotives and 90 rail wagons on the Sena railway line, which runs from Moatize to the Port of Beira.

The company noted that final regulatory and Minister of Finance approval had been received and that this represented the completion of a key milestone towards the completion of the senior debt facility.

Beacon Hill CEO Rowan Karstel said that the company was "delighted to have secured a high calibre counterparty to

lease its rolling stock on the Sena line, further proving the viability of the logistics solution while Beacon Hill's Minas Moatize coking coal expansion project advanced.

"This transaction is a win-win for us and the sub-lessee while also increasing the use of the Sena line. Our two train sets are the newest class of rolling stock and are a big boost for the entire Mozambique coal supply chain. We have taken nine months to conclude this transaction and with considerable assistance from the government of Mozambique represented by the Ministry of Mines and Ministry of Finance."

During the first half of 2014, Beacon Hill announced the delivery of five new Grindrod locomotives and 90 Transnet Engineering rail wagons, worth 21 million U.S. Dollars, to Mozambique after 12 months of manufacture. The transaction was funded by Thelo Rolling Stock South Africa, with Beacon Hill's subsidiary BHR Investments Mauritius as lessee.

Pending the upgrade of the Minas Moatize coking coal mine to a Tier-1-cash-cost producer, Beacon Hill announced its intention to sublease the rolling stock until it restarted export operations through the Port of Beira. The rolling stock translates to 500 000 t/y of new rolling stock capacity to the Sena railway rolling stock fleet with expected availability rates of 94% associated with the new fleet.

Mozambique is Africa's third largest charcoal producer

Mozambique is the third largest producer of charcoal in Africa, and

consumes about 17 million cubic metres of wood per year to feed the industry, according to a study by the Mozambican Institute of Agricultural Research (AMI).

The study on the value chain of charcoal in southern Mozambique, authored by researcher Rosalina Chavana, said that only Nigeria and Ethiopia are ahead of Mozambique in terms of charcoal production.

The document, which also contains an analysis of the world's 10 largest producers of charcoal, seven of which are in Africa, said that in recent years there has been rapid growth in charcoal consumption, which is due to urban expansion and economic growth in those African countries.

The researcher who conducted the study in partnership with Michigan State University concluded that, "the production of charcoal in Mozambique is one of the main factors causing deforestation in the country," and the timber for its production has an annual value almost 700 million U.S. Dollars per year.

In addition, over 70% of Mozambicans rely on charcoal to meet their energy needs for cooking, according to government figures.

Mozambique turns to coal exports despite competition

Mozambique is still counting on raising coal exports to expand its infrastructure and drive economic growth, despite depressed global prices which might delay the timing of some railway and port projects, Transport Minister Gabriel Muthisse said.

He said the government was also keen to attract investors to help build the infrastructure needed to exploit offshore natural gas reserves in the north.

The World Bank has forecast that coal and gas may generate up to 9 billion U.S. Dollars in revenues by 2032 for the southern African state, which is still poor and recovering from the 1975-92 civil war.

Rio Tinto, Brazil's Vale and India's Jindal have invested heavily in developing Mozambique's coal deposits — the fourth-largest untapped recoverable coal reserves in the world.

But billions of Dollars of investment in rail and port expansions are still needed to carry the coal from the inland Tete mines to the seaborne market.

With global prices for coal in the doldrums because of oversupply and sluggish demand, experts and producers say Mozambican coal mining operations face an uphill battle to be competitive in the next few years, especially when so much infrastructure capacity still needs to be built.

In an interview Muthisse said that coal producers in Mozambique may face a "strategic wait" before their export operations become fully profitable, but the government remained committed to developing the coal industry as a growth driver.

"We're still counting on coal," the Minister said. "Our bet is that Mozambique continues to be one of those countries that keeps its coal industry open, and continues to be an important player at a world level."

Mozambique's coal export capacity stands at about six million to seven million tons a year, with the central Tete-to-Beira line its main export outlet.

Muthisse said that the country aimed to ramp this up to at least 80 million tons annually.

This required completing "crucial" additional railway-port projects such as Vale's Tete-Nacala project and the Moatize-Macuse project being developed by a Thai-Mozambican consortium.

"If the coal industry goes out of business, this will affect the logistics structure of the country."

He acknowledged that depressed market conditions might affect the pace of strategic infrastructure investment. "I'm seeing more the possibility of rethinking the timetables, rather than any possibility of cancelling the projects," Muthisse said.

Vale says it hopes to run its first full coal train on the Tete-Nacala line this year.

The consortium led by Bangkok-based contractor Italian-Thai Development that is handling the Moatize-Macuse railway-port development says depressed coal conditions make the 2018 commissioning target for the 4.5 billion U.S. Dollars project "tough".

Muthisse said that he believed coal prices would recover, predicting future demand would come from India and Japan, as well as Asian powerhouse China and even fast-growing Africa itself.

"The world will still continue to need coal," he said.

"Strategically, if I were an operator in coal, I wouldn't be exiting from here, but evidently if some do leave, the nation will be looking for partnerships elsewhere, both in actual extraction and in the logistics."

He said that Mozambican rail and port operators would work with the miners to reduce costs to keep the coal sector competitive.

In a May economic outlook report for Mozambique, the International Monetary Fund (IMF) saw the economy growing 8% annually in the medium term — one of the higher rates in Africa.

But it said Mozambique faced risks from climate disasters, commodity price shocks and variations in global demand for its coal and gas, as well as "financing risks for megaprojects".

In the north, where ENI and Anadarko are moving ahead with big liquefied natural gas (LNG) projects, the IMF saw "substantial revenues" coming from these by around 2022.

Zesa to shore up imports from Mozambique

Zesa Holdings is currently in discussions with Hydro Cahora Bassa of Mozambique to tie up a firm power purchase agreement for the supply of 100 megawatts (MW).

Mozambique currently exports 50 MW to Zimbabwe on a non-firm contract and Zesa is seeking to secure a 100 MW firm contract for next year. The deal is meant to minimise frequent load

shedding across the entire country due to limited generation capacity, which is being outstripped by demand.

Zimbabwe Electricity Transmission and Distribution Company managing director Julian Chinembiri said that they visited Mozambique last week to discuss the proposed power deal.

"We have an agreement for the supply of 50 MW non-firm and we are talking to them to increase to 100 MW on a firm contract basis," he said.

However, he said that a couple of loose ends have not yet been tied-up, but expressed confidence that the utility would come good on its efforts.

Chinembiri said that the firm agreement with Hydro Cahora Bassa would ensure continuous supply even when the station produces below normal.

Much of Cahora Bassa's power generating capacity of 2 075 megawatts is sold to South Africa.

The 60 million U.S. Dollar refurbishment of Cahora Bassa in 2008, and a new five-year agreement with South Africa raised exports by 250 MW, bringing the total amount to 1 500 MW.

This means that when Cahora Bassa's generation capacity is low, the company only gives priority to South Africa as the contract with Zimbabwe is loose. Hydro Cahora Bassa also exports to Zambia, Tanzania and Malawi.

Chinese-owned company plans to produce rice in Mozambique

A Chinese-owned company plans to develop a rice production project in an

estimated 100 hectare area in the district of Liupo in Nampula, said the head of the Quinga administrative post.

João Lino told reporters that the preliminary soil studies conducted by the company had found excellent conditions for rice production as well as vegetables to supply the local market and even for export.

The company will also assemble a fleet of machines for sowing and harvesting rice, which, according to Lino, will create more job opportunities for mechanics to carry out equipment maintenance.

Quinga is a secluded area of the Liupo district and, although it has excellent beaches for tourism projects, the lack of access roads prevents investment in this sector.

President of Emirates Airlines confirms interest in Mozambique

It has been ten months since the president of Emirates, Tim Clark, told reporters that "very soon" Emirates should start flights to Mozambique. That has not happened yet, but that doesn't mean plans have been abandoned, which the executive made clear at a forum in Dubai on investment in Africa.

"We are looking at Mozambique," said Clark, noting that wherever there is oil and gas "that will be of interest to people like us."

A statement issued by Emirates to the Global Africa Business Forum 2014 stresses the company is taking a "strategic approach" to Africa and planning to increase its capacity on the continent by 40% over the next decade.

Clark also said that currently the company's investment in Africa amounts to seven billion U.S. Dollars in fleet and two billion in operating costs.

"Africa is still a market with insufficient supply and Emirates will continue to channel traffic through the Dubai's hub, which is already a key access point to the African continent," says Clark.

The president of Emirates adds that Mozambique, Benin, Togo, Equatorial Guinea and Congo are all potential future targets for the company in Africa.

Maputo Municipality planning to sue Britalar

Portuguese construction company Britalar may be penalised for a breach of contract, after it did a poor job of

repairing Avenida Julius Nyerere from flood damage in Mozambique's capital.

According to Victor Fonseca, the Director of Infrastructure at the Maputo Municipal Council, the City Council is reviewing the contract to find areas where Britalar failed to meet agreements.

Britalar's works were questioned after cracks and potholes appeared in the pavement of the road.

WILDLIFE PRESERVATION

3 000 citizens march against poaching

On Saturday (04 October) approximately 3 000 Mozambicans in Maputo participated in the worldwide march against poaching. The march originated in Kenneth Kaunda Avenue, and ended two hours later in Avenida 10 Novembro.

The citizens sang songs and carried banners calling for the next government to take the fight against poaching more seriously by applying tough measures against poaching.

PRM arrest suspected poachers

On Sunday (05 October) the Maputo PRM arrested four Mozambicans and a South African in connection with the sale and slaughter of rhinos and elephants.

The detainees were found to be in possession of a rhino foot at the time of their arrest. Local healer Mulhui Matthew (35), Manuel Sambo (25), Manjate Francisco (24) and David Good (31) were arrested along with a South African buyer (Tommy Naude) in the neighbourhood Mawanja, Magude.

The rhino foot was reportedly kept in Sambo's freezer for a week whilst they awaited the arrival of Naude. The

circumstances surrounding the acquisition of the foot are currently unclear, however, the PRM believe that the rhino was killed in the Kruger National Park.

The detainees vehemently deny their charges stating that they were sent to deliver a box to Naude, yet they claim that they had no knowledge as to what was inside the box, whilst Naude stated that he was invited to Mozambique by the four locals under the pretence of a business venture. On seeing the rhino horn Naude reportedly told the men that he will not be involved in such acts. Despite these claims the PRM maintain that they have collected substantial evidence linking the men to other poaching cases.

The illicit wildlife products were found in a VW double cab, registration number CVB L 685, in which the men were driving.

Interpol makes illegal ivory trafficking a priority

On Tuesday (07 October) Interpol announced that it would establish a team to target environmental crime in Africa, specifically ivory trafficking.

The new team, based in Nairobi, will help further the organisation's Project Wisdom, which combats elephant and rhinoceros poaching and the illegal trade of ivory.

"The global fight against illegal trafficking has just been given a significant boost", said Australian High Commissioner Geoff Tooth as the initiative was unveiled at the Australian High Commission in Kenya.

David Higgins, head of Interpol's environmental security unit said that the team will help eastern African countries in their fight against "significant transnational animal trafficking cases."

According to the World Wildlife Fund, the African elephant population has dropped from 3 to 5 million to approximately 400 000 over the last century.

In Kenya, the elephant population dropped by 85% between 1973 and 1989.

Kenya is part of the "gang of 19" countries identified by CITES, the international regulatory body for trade in wildlife, as not doing enough to curb trafficking. Other countries include Tanzania, Uganda, the Democratic Republic of Congo, Mozambique, China, and Egypt.

On 04 October, hundreds of Kenyans marched to demand that the government take action against rhino and elephant poaching. Similar protests, dubbed the Global March for Elephants and Rhinos, took place all over the world.

OTHER

IOM Mozambique concludes a two-week registration campaign for disaster response and recovery

In response to the flooding of 2013, and the subsequently displaced population of over 150 000 people, the government of Mozambique established voluntary relocation sites for the most vulnerable districts in Gaza Province. These locations will offer refuge should the area be hit by another natural disaster.

With financial support from the People of Japan, IOM carried out an ambitious plot registration campaign that aims to provide families with the exact address of their new plot. The registration was done by teams of field monitors hired by IOM who registered over 5 000 family plots in seven resettlement communities in just over two weeks. The plots will serve as evacuation sites for many of the most at-risk families residing along the Limpopo River bed and a move in permanent residence for others.

IOM also created a database system for the government that will track basic demographic information on the registered families and plots in order to easily co-ordinate the distribution of non-occupied plots to interested families currently sitting on a waiting list. This process hopes to ensure that all at-risk families will have a designated safe area of their own greatly reducing the need for large-scale transit zones.

Further the introduction of the database will allow for the development of a comprehensive evacuation plan should damaging floods hit the area again in the future. The database will soon be passed along to district officials trained in its use and maintenance.

News sources utilised:

- *O Pais*
- *Jornal Noticias*
- *Club of Mozambique*
- *Canal Mozambique*
- *All Africa*
- *Gleaner*
- *Reuters*
- *AFP*
- *Interfax Global Energy*
- *News 24*

END

