

MOZAMBIQUE News reports & clippings

395 13 December 2017 Editor: Joseph Hanlon (j.hanlon@open.ac.uk)

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Four ministers dismissed

Four ministers were dismissed late last night by President Filipe Nyusi. They are Foreign Minister Oldemiro Balói, Agriculture and Food Security Minister José Pacheco, Industry and Commerce Minister Ernesto Max Tonela, and Minerals and Energy Minister Letícia Klemens. No replacements have been named, and, as usual, no reasons given.

Pacheco was seen as close to former President Amando Guebuza. He had been agriculture minister since 2010, and previously served as interior minister 2005-09. Until the Frelimo Congress in September he had been on the Frelimo Political Commission and had been head of the Verification Commission, the Frelimo disciplinary body. In 2014 he was head of the government delegation in negotiations with Renamo. When Nyusi appointed his government in 2015, he kept Pacheco in post but moved rural development out of the agriculture ministry into a new ministry of development and environment under Celso Correia. Pacheco has been accused of being involved in the illegal timber trade, and last year Correia, clearly acting with agreement of Nyusi, launched a crackdown on the illegal timber trade, suggesting Pacheco's power was waning.

Minerals and Energy is a key post because gas and mining are the key economic areas, and businesswoman Klemens was only appointed a year ago, in October 2016, to replace Pedro Couto. Her appointment had been controversial because she had no prior government experience. *Africa Energy Intelligence* (18 Oct 2016) said Couto was "very cautious and reputedly incorruptible," but was sacked when the gas companies put pressure on the government because they felt Couto was pushing too hard in Mozambique's interests.

Recent reports

Special report on social protection <http://bit.ly/MozSocPro>

Secret debt documents and report:

Kroll full report (80 Mb!) <http://bit.ly/Kroll-Moz-full>

Kroll audit Executive Summary <http://bit.ly/Kroll-sum>

Parliamentary Report on the Secret Debt (complete, in Portuguese) bit.ly/MozAR-debt

Key points from the Parliamentary Report on the Secret Debt <http://bit.ly/MozAR-debt-En>

Mozambique should not pay the hidden debt <http://bit.ly/Moz-do-not-pay>

Following the donor-designed path to the \$2.2 billion secret debt <http://bit.ly/3WQ-hanlon>

Other books and reports:

Government's detailed flood reports: <http://bit.ly/flood-17>

Local media monitoring of Mozambique elections (background of election newsletters)

<http://bit.ly/LSE-newsletter>

Chickens and beer: A recipe for agricultural growth in Mozambique book by Teresa

Smart and Joseph Hanlon, **free** English download <http://bit.ly/chickens-beer>

Há mais bicicletas - mas há desenvolvimento? book by Joseph Hanlon and Teresa Smart,

free Portuguese download <http://bit.ly/Mais-bicicletas>

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

Minimum wages & exchange rates 1996-2017 <http://bit.ly/MinWage2017>

Previous newsletters and other Mozambique material are posted on bit.ly/mozamb

Balói had been foreign minister since 2008 (named by Armando Guebuza) and had held various ministerial posts in the 1990s under President Joaquim Chissano.

Tonela is an economist appointed as minister by Nyusi. Before that he was the Administrator of Hidroeléctrica de Cahora Bassa (HCB) and before that had been finance director of Electricidade de Moçambique (EdM) in an era when it was well run.

Comment: Fertilizer - a missed opportunity

An opportunity to create a domestic fertilizer industry to promote agriculture has been lost because Mozambique does not have a coordinated development strategy. Mozambique's agricultural production is so low because farmers use so little fertilizer because it is too expensive. Two of the three main ingredients of fertilizer exist in Mozambique, but there is no policy to put them together.

Fertilizer provides three main nutrients – nitrogen (N), phosphorus (P), and Potassium (K). Nitrogen increases yield and. P and K improve crop quality. Mozambique has phosphate rock which can be used to produce P and natural gas to produce N. Last week it was admitted that no company was willing to develop the phosphate rock in Monapo, Nampula. (*Noticias*, Zitamar 7 Dec). Earlier this year, Yara won the contract to produce nitrogen fertiliser from natural gas in Cabo Delgado, mostly for export. Even though it was discussed two years ago (<http://bit.ly/MozGasEn>), no one thought to put farmers, N and P together in one package.

Yara is one of the largest fertilizer companies in the world and said informally that, if asked, it would have been willing to create a domestic fertilizer production and distribution company. In its tender for domestic gas use, the government could - and should - have given priority to a fertilizer company that would use local phosphate and would distribute fertilizer at local level at a reduced price. Yara is not a charity, and would have demanded to pay a bit less for the gas - a small price to create a domestic fertilizer industry and promotion of Mozambican farmers.

A lack of joined up thinking means Mozambique lost a chance to create a domestic industry and support farmers. *jh*

Comment and correction: Electricity

The ownership of the Cahora Bassa dam company (Hidroelectrica de Cahora Bassa, HCB) was incorrectly given in the previous newsletter. HCB is owned 92.5% by the government of Mozambique, and not by the state electricity company Electricidade de Moçambique (EDM).

But this provides an opportunity to point to the way the government of President Filipe Nyusi has been trying to make electricity a well run state sector. There were two key changes a year ago. Pedro Couto was sacked as minerals minister and appointed chair of HCB in September 2016. He has a reputation for integrity and hard bargaining, and both changes were because of that. The gas companies demanded he go because of his staunch defence of Mozambican interests in the gas sector. But Mozambique had just paid off its debt on Cahora Bassa and the government was actually taking control - and Nyusi used his power to appoint a serious head and not a political hack.

Technical staff at HCB are now largely Mozambican. *Engineering News* (13 Nov) said Couto "has been mandated to strengthen HCB as a commercially viable power producer and to seek and participate in profitable energy projects." Such projects cannot be funded out of revenue, and HCB will have to look for commercial finance; HCB is looking to projects such as the Mpandha Nkuwa dam 60 km downstream from Cahora Bassa and the new power line to Maputo.

EDM is also being transformed, and in October 2016 it became the first state company to hire its

four top administrators through an international public competition. Now it is trying to catch up on maintenance and repairs which were not possible in the Guebuza era.

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This newsletter can be cited as "Mozambique News Reports & Clippings".

If you need to cite it for academic purposes, treat it as a blog. The normal citation format would be:

"Mozambique News Reports & Clippings, number XXX", DATE, bit.ly/mozamb, accessed XXX.

Previous newsletters and other Mozambique material are posted on bit.ly/mozamb

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Election study collaboration: We have detailed election data from 1999 through 2014 and are inviting scholars to use this data collaboratively. <http://bit.ly/MozElecData>

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Other books and reports by Joseph Hanlon

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

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

Oxfam blog on Bill Gates & chickens:

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

Bangladesh confronts climate change: Keeping our heads above water

by Manoj Roy, Joseph Hanlon and David Hulme Published by Anthem Press

<http://www.anthempress.com/bangladesh-confronts-climate-change-pb>

Chickens and beer: A recipe for agricultural growth in Mozambique by Teresa Smart and Joseph Hanlon

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

E-book for Kindle and iPad, <http://www.amazon.com/dp/B00NRZXXKE>

Galinhas e cerveja: uma receita para o crescimento

by Teresa Smart & Joseph Hanlon.

Copies are in Maputo bookshops (Karibu at airport, Livaria UEM, Bazar Pariso, Mivany) or from

KAPICUA, which recently moved to Av de Maguiguana (nr Lenine), Maputo; Tel: +258 21 413 201.

Telm.: +258 823 219 950 E-mail: kapicuadir@tdm.co.mz / kapicuacom@tdm.co.mz

Outside Mozambique, we have a few copies we can send from London. Please e-mail j.hanlon@open.ac.uk.

Zimbabwe takes back its land

by Joseph Hanlon, Jeanette Manjengwa & Teresa Smart is now available from the publishers

https://www.rienner.com/title/Zimbabwe_Takes_Back_Its_Land also as an e-book and

<http://www.jacana.co.za/book-categories/current-affairs-a-history/zimbabwe-takes-back-it-s-land-detail>

Do bicycles equal development in Mozambique? by Joseph Hanlon & Teresa Smart

is available from the publisher <http://www.boydellandbrewer.com/store/viewItem.asp?idProduct=13503>

Há mais bicicletas - mas há desenvolvimento? free download of Portuguese edition (5 Mb)

Just Give Money to the Poor: The Development Revolution from the Global South

by Joseph Hanlon, Armando Barrientos, and David Hulme

Most of this book can be **read on the web** tinyurl.com/justgivemoney

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NOTE OF EXPLANATION:

One mailing list is used to distribute two publications, both edited by Joseph Hanlon. This is my own sporadic "News reports & clippings", which is entirely my own responsibility. This list is also used to distribute the *Mozambique Political Process Bulletin*, published by CIP and AWEPA, but those organisations are not linked to "News reports & clippings" Joseph Hanlon

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Mozambique media websites, Portuguese:

Notícias: www.jornalnoticias.co.mz

O País: www.opais.co.mz

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

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

Carlos Serra Diário de um sociologo: <http://oficinadesociologia.blogspot.com>

Mozambique media websites, English:

Club of Mozambique: <http://clubofmozambique.com/>

Rhula weekly newsletter: <http://www.rhula.net/news-announcements.html>

Zitamar: <http://zitamar.com/>

Macauhub English: <http://www.macauhub.com.mo/en/>

AIM Reports: www.poptel.org.uk/mozambique-news

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