MOZAMBIQUE News reports & clippings

346 5 November 2016 Editor: Joseph Hanlon (j.hanlon@open.ac.uk)

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Mozambique material are posted on bit.ly/mozamb

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

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

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

Chickens and beer: A recipe for agricultural growth in Mozambique

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

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

Kroll named for audit

Kroll has been named to the do the audit of the three companies linked to the \$2 billion secret debt, the attorney general's office (Procuradoria-Geral da República, PRG) announced Friday 4 November. The selection has been agreed by the IMF and by Sweden, which is paying for the audit.

Kroll became famous in the 1990s for successfully chasing stolen money around the world. Less has been heard of it since 2004 when it was taken over by Marsh & McLennan and subsequently sold to Corporate Risk Holdings. Founder Jules Kroll retired in 2008.

The tender terms were very tight, requiring that the audit be done in 90 days, an unusually short time. The PRG also pointed to "the complexity of the process, especially by involving institutions based abroad, where the main contractual operations were performed." Five companies bid.

Details of the tender and contract have not been released, but the PRG said "the purpose of the audit is to provide the PRG with an analysis of the financing contracts and the funds obtained from them, of the acquisitions made, as well as the identification and analysis of possible irregularities in the management and use of those funds." The audit is of three companies: Proindicus, EMATUM-Empresa Moçambicana de Atum, and MAM-Mozambique Asset Management.

It is not clear if the audit will be only relating to those three companies, or if Kroll will be expected to follow through to identify the beneficiaries of misused funds.

Mediators' governors proposal also calls for truce

Principles for provincial governance, drafted by the mediators and agreed by Renamo and government, were published yesterday (4 Nov) by *Savana*. They are billed as "orientations for legislative action by parliament", and will be finally approved at the next negotiating session, expected 10 November. The mediators' proposal (in Portuguese) is on http://bit.ly/2fnnGxS

The paper assumes that the constitution must be revised, and says that "once the principles that will guide the revision of the Constitution are agreed and delivered to Parliament, a truce will be declared." This suggests, but does not say, that this is a separate document still to be written.

Truce, constitution, provisional governments

Although the word "truce" is in the title of the document, the final two paragraphs of the document contain three bombshells: truce, the need for a constitutional amendment, and Renamo provisional governments in the provinces. None are mentioned earlier in the document.

The final paragraph of the mediators' proposal says: "Once the principles that will guide the revision of the Constitution are agreed and delivered to Parliament, a truce will be declared to allow discussion in a more favourable environment to resolve the issue of the provisional Renamo governments in the provinces. After reaching an agreement on this matter, as well as the other points provided for in the dialogue agenda, the truce shall be final, with a view to the ceasefire and the expected meeting at the highest level."

Changing the constitution to elect governors probably requires a referendum, and there has never been a referendum in Mozambique. It had been widely assumed that a way would be found to get around the constitutional restriction, as was done with elections. The constitution says the President sets the election date, but the electoral law says parliament should choose two weeks in November and the President must pick a date within that period. There should be a similar solution for governors, for example that the provincial assembly picks a single candidate and asks the President to appoint that person. The mediators' document also appears to assume that the constitutional issue must be dealt with in a separate document.

Finally the phrase "the issue of the provisional Renamo governments" links to Renamo's demand to appoint governors in six provinces in the period before they are locally selected.

Governors and governance

The key point of the mediators' proposal is that the provincial governor is to "chosen locally" ("excolhido localmente") but the document does not say how this is to be done.

A second point of agreement is that district administrators would be chosen by the governor and approved by the provincial assembly, rather than being named by the national President.

The other main issue is how much power the province will have and how much power remains with the Mozambican President. At present the governor is named by the President and is subordinate to the President, but delegated powers are ill-defined and wide-ranging. Renamo wants the governor to retain these virtually dictatorial powers and be free to introduce alternative policies, while Frelimo will agree to a locally chosen governor only if powers are sharply restricted to be similar to those of elected municipal mayors. This mediators' document leaves this wide gap and ensures extensive negotiation to come.

The negotiation is around a set of words. Is Mozambique a "unitary" state like France, or a "federal" state like Germany? A distinction is also made between "decentralization", which involves some policy making power given to lower levels, and "deconcentration" which merely increases administrative autonomy at local level. The mediators touch all bases with this paragraph: "The Republic of Mozambique is a unitary state, which respects in its organization the principles of deconcentration of power, territorial decentralization of public administration and local government autonomy. The autonomy of provinces does not affect the unity of the State and shall be exercised within the framework of the Constitution and the law."

And it leaves the key decision for further negotiation: "It is for the law to define the relationship between the different levels of administration of the apparatus of the State. ... The competencies of the provincial government and assemblies, the competencies of central government, and shared issues must be clearly set out. ... It is up to Parliament to clearly establish the powers of elected bodies and representatives of the Central State Organs."

The document indirectly takes into account Frelimo's reluctance to decentralise power, even to

elected Frelimo mayors. Even though the mayor of Maputo is elected, the President appoints a governor of Maputo city, to keep a check on the mayor; in other cities there are both elected mayors and nominated district administrators for the same cities. This is raised in a paragraph which says "The central state organs are ensured their representation at the various territorial levels, but without interfering with the duties and powers of the elected bodies."

Provincial assemblies keep the present powers to approve and oversee the provincial plan and budget. But there are two new provisions: "Each provincial program shall include a project of reconciliation between peoples and political, economic and social entities, involving existing civil society institutions in the territory and at national level. Each provincial program must include measures for a credible fight against corruption."

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

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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Books by Joseph Hanlon

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 or from

KAPICUA, Rua Fernão Veloso 12, Maputo; Tel.: +258 21 413 201 or +258 21 415 451

Telm.: +258 823 219 950 E-mail: 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 https://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

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

by Joseph Hanlon, Armando Barrientos, and David Hulme

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

NOTE OF EXPLANATION:

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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

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/mozambigue-news

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