MOZAMBIQUE News reports & clippings

357 1 February 2017 Editor: Jos

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Following the donor-designed path to the \$2.2 billion secret debt <u>http://bit.ly/3WQ-hanlon</u> Special report on four poverty surveys: <u>bit.ly/MozPoverty</u> Comment: something will turn up: <u>http://bit.ly/28SN7QP</u> 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

book by Teresa Smart and Joseph Hanlon is on <u>http://bit.ly/chickens-beer</u> *Gas for development or just for money?* is on <u>http://bit.ly/MozGasEn</u>

<u>Comment</u> Nyusi takes control of SISE, which could mean changes on debt and peace talks

People named by former President Armando Guebuza have been ousted from two of his key power bases, the security services and the railways. President Filipe Nyusi has replaced them with retired people from the Chissano era who owe nothing to Guebuza - and who are old enough that they have no need to build independent power bases.

Thus it appears that President Filipe Nyusi has finally consolidated his power in government and in the party, ahead of the Frelimo party congress in September. The security service SISE (Serviço de Informações e Segurança do Estado) is at the centre of Mozambique's two current crises, the war with Renamo and the \$2 billion secret loans. Thus shifts in negotiations with Renamo and in dealing with the secret debt may be expected.

On Monday, retired general Lagos Lidimo was named director general of SISE, replacing Gregório Leão who was appointed by Guebuza in May 2005. Born in 1950 in Mueda, Cabo Delgado, Lidimo joined the liberation war when he was only 16 years old and became an important guerrilla commander. After independence Lidimo was head of military intelligence during the wars with the Ian Smith regime in then Rhodesia and then apartheid South African. After the 1992 peace accord, President Joaquim Chissano appointed Lidimo as Chief of Staff of the new joint army. He retired in 2008.

Nyusi also appointed a deputy general director for SISE. He is Sergio Nathu Caba, who was formerly an assistant lecturer at the history department in Maputo's Eduardo Mondlane University, and is the author of a book on "The War in Zambézia Province and the role of Malawi 1975-1988".

And last week Nyusi named Miguel Matabele to head the state railways CFM. He had worked at CFM for 40 years, and only retired last year. He was Director-General of CFM North when Nyusi returned from Czechoslovakia with his mechanical engineering degree and was sent to CFM North.

Transport and SISE are two of the bases on which Guebuza built his power. As transport minister 1987-94 he developed his core businesses in that sector, and then as president he consolidated SISE as his key military and security force. Lidimo, Nyusi, and Nyusi's chief backer, Alberto

Chipande (born 1939, liberation war veteran, and still active politically and in business) are all Makonde. Lidimo has business links to the northern business network which includes Chipande. Former President Chissano's wife, Marcelina, is also Makonde.

Guebuza retains power through people he put into parliament and into middle level positions in the Frelimo party. But the surprisingly critical parliamentary report on debt and these recent changes suggest his power is waning.

Thus, two years after taking office as President, it appears that Nyusi is finally consolidating power by stepping back a generation and looking to the north. It is a move which could gain some support with the Frelimo old guard who have been increasingly outspoken against Guebuza.

Until now, Frelimo has been sharply divided on the two key issues of the day - negotiations with Renamo and dealing with the secret debt - making it difficult to move forward on either. This power shift could bring more unity and a clearer position. As lead negotiator at the Rome peace talks, Guebuza developed a personal antagonism to Renamo head Afonso Dhlakama which has made negotiation very difficult, whereas Nyusi has no personal relationship with Dhlakama and is clearly more open to discussions. But liberation war veterans are now highly influential, and they are expected to push for military action, leading to a strategy of stepped up peace talks and increased military confrontation. Much will depend on Renamo maintaining its ceasefire.

On the secret debt front, the \$2 bn loans were to three SISE controlled-companies and SISE will have controlled the release of information to auditors Kroll. António Carlos do Rosário, the senior SISE official who is head of the three companies, told the parliamentary commission that the main purpose of the loans was military and security, and that he put pressure on then Finance Minister Manual Chang to agree secret and illegal loan guarantees. The new leadership will feel less need to protect Guebuza and his immediate circle. This could allow more support for the Kroll audit and a greater willingness to use the illegality of state guarantee and illegitimacy of the loan in negotiations with creditors. *jh*

First gas contracts awarded to Yara, Shell

The first three contracts have been awarded for the use of Mozambique's share of the natural gas production in Cabo Delgado. The two biggest are to large global companies and were expected. The brief announcement was made by the Ministry of Mineral Resources and Energy as an advertisement in *Noticias* Monday (30 Jan) and no further information has been released.

Shell, the largest company is Europe, will use 310-330 million cubic feet of gas a day (mcf/d) to produce 38,000 barrels a day of liquid fuels (diesel, naphta and kerosene), plus 50-80 megawatts (MW) of electricity.

The Norwegian company Yara International (formerly Norsk Hydro, and one of the largest fertilizer companies in the world) will use 80-90 mcf/d to produce between 1.2-1.3 million tonnes of fertilizer a year, plus 50-80 MW of electricity.

The London-registered GL Energy Africa will use 4 mcf/d to generate 250 MW of electricity.

The background and technical details are in my report *Gas for development or just for money?* on http://bit.ly/MozGasEn

TA audit published

The Tribunal Administrativo has this week posted its audit of the 2015 government accounts on its website: <u>http://www.ta.gov.mz/article.php3?id_article=457</u>

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

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

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, <u>http://www.amazon.com/dp/B00NRZXXKE</u>

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: <u>kapicuadir@tdm.co.mz</u> / <u>kapicuacom@tdm.co.mz</u>

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 <u>https://www.rienner.com/title/Zimbabwe_Takes_Back_Its_Land</u> also as an e-book and <u>http://www.jacana.co.za/book-categories/current-affairs-a-history/zimbabwe-takes-back-it-s-land-detail</u>

Do bicycles equal development in Mozambique? by Joseph Hanlon & Teresa Smart is available from the publisher http://www.boydellandbrewer.com/store/viewltem.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** <u>tinyurl.com/justgivemoney</u>

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

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

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

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

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