MOZAMBIQUE News reports & clippings

526 25 February 2021 Editor: Joseph Hanlon (j.hanlon@open.ac.uk)

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Beira mayor Daviz Simango dies of Covid-19

Daviz Simango, mayor of Beira and head of the second opposition party MDM died Monday 22 February. He had Covid-19 with diabetes as an underlying condition. He will receive a state funeral.

Daviz had been mayor of Beira from 2003. He was first elected for Renamo and won high praise for a clean and well run city. He won again in 2008 as an independent when Afonso Dhlakama would not let him stand again. He went on to form the MDM (Mozambique Democratic Movement, Movimento Democrático de Moçambique) and was still head of the party at his death. He stood for President in 2009, 2014 and 2019, winning 300,000 votes each time. MDM initially gained support from younger voters and reached its peak in 2014 with 17 seats in parliament, but since then seemed to be running out of steam.

Daviz was the son of Uria Simango, first vice president of Frelimo, was jailed from Independence and executed in secret, probably in 1981 or 1982.

José Domingos, secretary-general of the MDM, will temporarily lead the party until a new president is elected at the party congress.

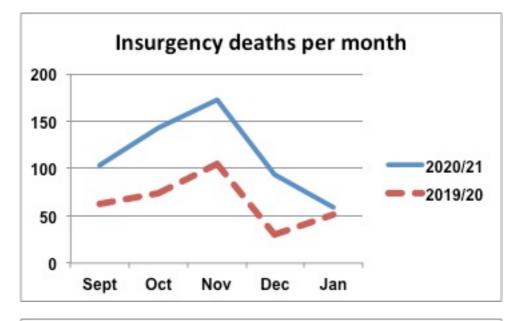
Cabo Delgado

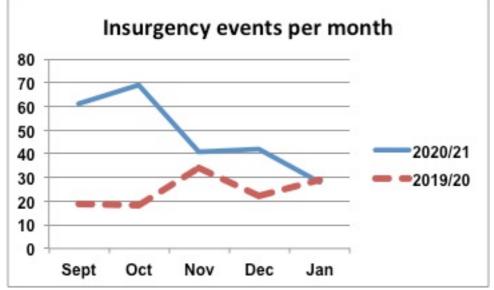
Rainy season deaths and events same as last year

There is much debate as to whether the sharp fall in civil war deaths and events is simply due to the rainy season, which started in December, or is a sign of insurgent food shortages and being over stretched. The most accurate and complete record is kept by Acled (Armed Conflict Location & Event Data Project <u>https://acleddata.com/</u>), which shows a major increase in deaths in 2020

(1728 deaths in 2020 out of 2598 since the war started in 2017) and events (551 in 2020 out of 877 total).

The graphs below (of Acled data) show that in both years deaths peaked in November and fell to almost the same level in January (59 this year, compared to 52 last year). The number of events was much higher in 2020 than the previous year, but then dropped and was very similar for November, December and January for both years.





55 people fleeing the insurgency have died of cholera, UNICEF spokesman Daniel Timme told AFP (24 Feb). Last week saw the highest jump of more than new 400 cases, he said. Nearly 5,000 cases of cholera have been reported, among those living with host families and those in makeshift accommodation camps for internally displaced people.

Discouraging humanitarian NGOs. Special humanitarian visas were announced on 1 December for Cabo Delgado, but they have never been issued. And agencies complain that government makes it difficult for them to import medicines and other relief items. The new visa was reluctantly announced under heavy pressure from the EU, which said Mozambique was trying to keep humanitarian NGOs out of Cabo Delgado. *Comment:* There are two reasons why government would not want to encourage foreign NGOs. First some NGO staff have talked to local insurgent leaders to negotiate access for health and other aid workers. This contradicts

government claims that they cannot find anyone in the insurgency to talk with. Second, NGOs demand to control aid distribution to ensure equity, whereas government wants Frelimo in control. *jh*

Two thirds of displaced outside war zone, according to data presented by MSF at an IESE webinar 25 Feb. There are 415,000 displaced people in 8 Cabo Delgado districts not directly affected by the war, with 258,000 in Pemba and Metuge, 56,000 in Ancuabe, and 54,000 in Montepuz. There are 190,000 displaced still in 9 war affected districts, including 66,000 in Mueda (many around Mueda town having fled Muidumbe) and 30,000 in Ibo (mainly on Ibo island).

Secret Debt

New WTO head was too smart to be suckered into \$2 bn secret debt

Ngozi Okonjo-Iweala, who was elected director-general of the World Trade Organisation on 15 February, was the Finance Minister who stopped Nigeria from being caught by the same \$2 bn Privinvest scam as Mozambique.

The Nigerian navy had signed a memorandum of understanding with Privinvest in 2014 (just after the very similar Mozambique deal) when finance minister Okonjo-Iweala joined the discussion. She asked for a business plan, and was told there was none. She found that the plan to set up a modern shipbuilding and repair facility required a government guaranteed loan of \$2 bn. In Nigeria, a government guarantee of a loan requires approval of parliament.

In her book Fighting Corruption is Dangerous, Okonjo-Iweala points out the similarities to the Mozambique \$2 bn secret debt, and says by refusing the deal, "we saved the country from what could easily have become an embarrassing and burdensome fiscal situation."

Websites with secret debt court details: Spotlight on Corruption has created an excellent new website with an overview of all the UK litigation related to the secret debt scandal, with relevant court documents. <u>https://www.spotlightcorruption.org/mozambique-and-the-tuna-bond-scandal/</u>

Mozambique's Public Integrity Centre (CIP) also has a page with the London documents and other notes <u>https://cipmoz.org/2021/02/04/documentos-do-processo-das-dividas-ocultas-em-londres-cl-2019-000127/</u> as well as a page with transcripts from the New York trial and related documents <u>https://cipmoz.org/documentos/</u>

<u>Key numbers</u>

Several reports have just been published which are highly informative and, unusually for Mozambique, give numbers.

580,000 displaced in one year, cholera outbreak, 242,000 acutely

malnourished children: The OCHA Humanitarian snapshot of Cabo Delgado, Nampula & Niassa published 23 February gives an excellent picture, with a detailed district map. OCHA (UN Office for the Coordination of Humanitarian Affairs) says that "due to the armed conflict in Cabo Delgado, nearly 670,000 people were internally displaced in Cabo Delgado, Niassa and Nampula by the end of 2020, including almost 580,000 people uprooted from their homes in 2020 alone. ... More than 90 per cent of people who fled the conflict are staying with family and friends in host communities." An estimated 1.3 million people are in urgent need of humanitarian assistance in the three provinces due to the war, with 950,000 "facing severe hunger". There are 242,000 children with acute malnutrition.

"Cholera cases are increasing, especially amongst displaced people, and more than 4,916 cases and 55 deaths reported by 14 February 2021, with the highest number of cases recorded in Metuge District. ... Insecurity has damaged or destroyed 36 per cent of health facilities across Cabo Delgado Province and there are no functional clinics in Mocimboa da Praia, Macomia, Muidumbe and Quissanga." <u>https://reliefweb.int/report/mozambique/mozambique-cabo-delgadonampula-niassa-humanitarian-snapshot-february-2021</u>

Aid was only 59% of expected in 2020; GDP fell by 1.28% in 2020, less than

the -5.5% for SADC, with the biggest falls in the extractive industry (-17%, notably big drops in coal, graphite and rubies) and tourism, hotels and restaurants (-23%), mainly due to Covid-19, according to the Balance of the Execution of the Economic and Social Plan for 2020, published 19 February by the Ministry of Economy and Finances (MEF).

Aid was well below expectations - government planned on \$557 mn of aid but received only \$330 mn. It planned on foreign loans of \$730 mn but obtained only \$515 mn. Part of the shortfall was made up with government revenue 110% of the plan (\$315 mn above plan) and domestic borrowing of \$770 mn which was double the level of 2019. But it was not enough to cover the foreign gap, and spending was only 90% of plan, with the investment budget cut by 27%.

Inflation was 3.14% with significant increases in food prices, although domestic food production rose 12%. Commercial fishing fell by 60% compared to 2019. Reserves of \$4 billion would cover six months of imports.

The exchange rate has been steady in 2019 but value of the Metical fell by 18.3% from \$1 = MT 63 in December 2019 to \$1 = MT 74.5 in December 2020. In the 3rd quarter, the biggest exports were aluminium (\$661 mn), coal (\$490 mn), and electricity (\$348); the biggest agricultural export was tobacco (\$91 mn).

The Balance of the Execution of the Economic and Social Plan for 2020 also contains details of education and health and is on <u>https://www.mef.gov.mz/index.php/documentos/instrumentos-de-gestao/plano-economico-social-pes/pes-2020/-42/1204--272/file (194 pages)</u>

Even more detailed is the Relatório da Execução do Orçamento do Estado (REOE) published 18 February on <u>https://www.mef.gov.mz/index.php/documentos/instrumentos-de-gestao/-21/reo-</u> 2019/791-reo-janeiro-a-dezembro-de-2019 (761 pages)

The 2021 Economic and Social Plan for 2021 (presented to parliament 23 December 2020) is on https://www.mef.gov.mz/index.php/documentos/instrumentos-de-gestao/plano-economico-socialpes/pes-2021-1/1181--255/file (143 pages)

Donors and lenders promised \$700 mn for Covid-19, of which only \$111

mn is for health, according to the 5th report on donations for Covid-19, published by MEF on 20 January. \$700 mn has been pledged, of which \$662 mn has been delivered and \$450 mn transferred to sectors by the end of December (with the remaining \$211 mn in a special Bank of Mozambique account).

The control of health by a range of vertical programmes and special funds is clear. Health will receive \$111 mn, but of that \$40 mn is medicines and goods supplied by donors, \$43 mn will be spent directly by partners, and only \$29 mn goes to the Ministry of Health.

The biggest amount is \$300 mn from the IMF, of which \$245 has been allocated - \$183 mn for direct budget support, \$47 mn for school infrastructure and \$15 mn for small investment projects. The World Bank has lent \$101 mn, but little has been allocated. The African Development Bank has lent \$400 mn, of which \$29 mn has gone to energy, agriculture and water. The EU is providing \$60 mn, of which \$17 mn has gone to health and education.

Relatório no5, Ponto de Situação dos Compromissos com os parceiros no âmbito da Covid-19: Posição de Dezembro is posted on <u>https://www.mef.gov.mz/index.php/covid-19/1202--271</u>

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Important external links

Covid-19 daily updated data <u>https://www.facebook.com/miguel.de.brito1</u> and https://covid19.ins.gov.mz/documentos-em-pdf/boletins-diarios/

Daily flood reports - http://bit.ly/Moz-flood21

Cyclone trackers, https://www.cyclocane.com/ and https://www.metoc.navy.mil/jtwc/jtwc.html Cabo Ligado weekly report on civil war http://bit.ly/CaboLigado Previous editions of this newsletter: http://bit.ly/MozNews2021 and bit.ly/MozNews2020 Downloadable books: http://bit.ly/Hanlon-books Election data: http://bit.ly/MozElData

My Mozambique archive: http://bit.ly/Mozamb

Cabo Delgado

Archive with reports, detailed maps, and census data https://bit.ly/Moz-CDg

Special reports on the war

Evolution of the war: global vs local. 27 Feb 2020 <u>http://bit.ly/CDelgadoOrigins</u> Religion is shaping Cabo Delgado civil war. 30 April 2020 <u>https://bit.ly/CDelgadoReligion</u> Intensifying argument over roots of war. 28 June 2020 <u>https://bit.ly/Moz-492</u> Are the drums of war silencing any hope of peace? 26 July 2020 <u>http://bit.ly/Moz-496</u> A history of violence presages the insurgency. 13 August 2020 <u>http://bit.ly/Moz-498</u> Military & economic intervention. 3 Sept 2020 <u>https://bit.ly/CDelgadoIntervene</u>

Mozambique heroin transit trade

English - LSE - 2018 - <u>http://bit.ly/Moz-heroin</u> Portuguese - CIP- 2018 - <u>http://bit.ly/HeroinaPT</u> 2001 first article- *Metical* - English and Portuguese https://bit.ly/MozHeroin2001

Gas for development?

Gas_for_development_or just_for_money?_2015 <u>bit.ly/MozGasEng</u> Gás_para_desenvolvimento_ou_apenas_dinheiro?_2015 <u>bit.ly/MozGasPt</u>

Background reading

Special reports

Social protection report - 2017 Mozambique - <u>http://bit.ly/MozSocPro</u> Special report on four poverty surveys: <u>bit.ly/MozPoverty</u> Minimum wage and exchange rates 1996-2018 -- <u>http://bit.ly/MinWage18</u>

\$2bn secret debt - in English

Kroll - Full report on \$2bn debt - http://bit.ly/Kroll-Moz

Kroll report summary - http://bit.ly/Kroll-sum

Key points of Mozambique parliament report - Nov 2016 - http://bit.ly/MozAR-debt-En

Following the donor-designed path to Mozambique's \$2.2 bn debt - <u>http://bit.ly/3WQ-hanlon</u> In Portuguese:

Parliamentary Report on the Secret Debt (complete) <u>bit.ly/MozAR-debt</u> 2018 Constitution - <u>http://bit.ly/2KF588T</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/MozEIData</u> Election newsletters are on <u>http://bit.ly/2H066Kg</u>

Nine books by Joseph Hanlon can be downloaded, free: http://bit.ly/Hanlon-books

Bangladesh confronts climate change (2016) Chickens and beer: A recipe for agricultural growth in Mozambique (2014) is on <u>https://bit.ly/Chickens-Beer</u> Há Mais Bicicletas – mas há desenvolvimento? (2008) Moçambique e as grandes cheias de 2000 (2001) Mozambique and the Great Flood of 2000 (2001) Paz Sem Beneficio: Como o FMI Bloqueia a Reconstrução (1997) Peace Without Profit: How the IMF Blocks Rebuilding (1996) Mozambique: Who Calls the Shots (1991) Mozambique: The Revolution Under Fire (1984) Apartheid's 2nd Front (1986) <available shortly>

These are still available for sale:

Galinhas e cerveja: uma receita para o crescimento (2014) (free in English) Zimbabwe takes back its land (2013) Just Give Money to the Poor: The Development Revolution from the Global South (2010) Do bicycles equal development in Mozambique? (2008) (free in Portuguese) Beggar Your Neighbours: Apartheid Power in Southern Africa (1986)

Mozambique media websites, English:

Club of Mozambique (free): http://clubofmozambique.com/ Zitamar (paywall): http://zitamar.com/ **Mozambique media websites, Portuguese** (all with partial paywall): Notícias: www.jornalnoticias.co.mz O País: www.opais.co.mz @Verdade: http://www.verdade.co.mz Carta de Moçambique https://cartamz.com **Mozambique think tanks and pressure groups, Portuguese:** Centro de Integridade Pública: CIP https://cipmoz.org/ Observatório do Meio Rural: OMR https://omrmz.org/ Instituto de Estudos Sociais e Económicos: IESE https://www.iese.ac.mz/ Centro Para Democracia e Desenvolvimento CDD https://cdmoz.org/ (some CDD in English)

Fórum de Monitoria do Orçamento - FMO (the main group following the \$2 bn secret debt - now run by CDD) <u>http://www.fmo.org.mz</u>

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