

# MOZAMBIQUE News reports & clippings

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## *Cabo Delgado*

### **Palma siege broken - by boat**

All roads to Palma remains closed but 110 tonnes of food arrived last week by boat, and more is expected to arrive this week. Two Pemba based companies sent their own boats to Palma.



Alpha Jimbo unloading on Palma beach in November 2020.

The Pemba based logistics company Alpha Choice (part of Kenyan based Alpha Group) sent 75 tonnes in two containers last week. The photo is of the same boat, Alpha Jimbo, making a similar delivery in Palma in November. With no useable jetty, containers must be unloaded on the boat and cargo must be carried across the beach by porters.

The Pemba office of the Cape Town based KEA sent its boat, the Amani, with 35 tonnes of food. UN World Food Programme is expected to send food this week by boat.

The Provincial Director of Industry and Trade, Nocif Magaia, told Mediafax today (1 Mar) that about 45,000 litres of fuel and 180 tonnes of food and other products will be shipped to Palma every week. He believed this would be sufficient to supply the basic needs of Palma district.

## But roads still closed

Since July, insurgents have controlled the only paved road, the N380 via Macomia and Mocimboa da Praia. Since then, supplies had been going north on a much longer dirt road, from Montepuez to Mueda to Nangade to Pundanhar to Palma. There were two military convoys of lorries from Nangade to Palma in January, but recent stepped up insurgent activity has made the Mueda-Nangade section unsafe even for the military and rain has turned the road to mud.

Insurgents appear to be trying to keep all road access to Palma cut, mainly by attacking near-by villages. Near the Mueda-Nangade-Palma road, seven people were killed (three beheaded) in an attack on Quirinde, Palma district, on 26 February; there was an attack on the border post of Namoto on 27 February; and there was an attack on Luneke, Nangade district, in which four people were killed. (*Carta de Moçambique* 1 Mar) There are continuing attacks near the N380 paved road to Mocimboa, in both Mocimboa da Praia and Muimbe districts.

## Indirect British military training for Cabo Delgado?

A private military contractor (PMC) with close British military links on 23 February announced "a multimillion dollar contract with an African government to provide a range of military training and advisory services". That government is highly likely to be Mozambique.

The contract involves two PMCs. The South African Paramount Group has already supplied armoured vehicles and aircraft, with linked training, and has trainers in Mozambique. The Dubai-based Burnham Global is run by former British soldiers, including Lieutenant General Sir Graeme Lamb, and is apparently already working in Mozambique with Paramount.

Burnham Global says on its website "We are working with the British Peace Support Team in Uganda to deliver training for staff officers in operationally focused military units and formations. This includes staff mentor and staff officer training, as well as a 'train the trainer' programme. The training combines classroom learning with practical guidance and advice so that the recipients are able to carry out their operational roles." British troops have been training their Ugandans to prepare for peacekeeping deployment in Somalia, where they will fight the Islamist militants, as part of the African Union Mission in Somalia. (ITV & PA, 5 Aug 2019,)

Burnham Global is owned by the London-based Risk Advisory. Paramount is said to be the largest private arms manufacturer in Africa. Paramount was founded by Ivor Ichikowitz and the *Financial Mail* (17 Sep 2020) says with end of apartheid, there was large quantities of surplus military stock that could be bought cheaply. Ichikowitz began by buying sought-after mine-resistant armoured vehicles, refurbishing them and on-selling to other countries. He has close links to former President Jacob Zuma. In January Paramount announced it had "taken a strategic ownership stake in Burnham Global".

In December Africa Intelligence wrote that President Filipe Nyusi and Defence Minister Jaime Neto personally negotiated the deal with Paramount director Eric Ichikowitz, the younger son of founder

Ivor Ichikowitz. Paramount training of Mozambicans is already being carried out with Burnham. (*Africa Intelligence* 10 Dec, 8 Jan).

On its website, Burnham Global stresses Preventing Violent Extremism (PVE), and notes "There needs to be a viable alternative to extremism on offer to people." And it warns against "a donor-funded training of a beneficiary military's internal counter-terrorism forces where the state's presence has been minimal and historically heavy-handed, allowing violent extremist groups to exploit community grievances."

The contract with Burnham and Paramount confirms the shift in control of the Cabo Delgado war to the military. Initially the war was largely being fought by the paramilitary riot police under the Interior Ministry, and the air support contract with Dyck Advisory Group (DAG) was specifically with the Interior Ministry. But the first Paramount contract was with the Defence Ministry. Defence and Interior were at loggerheads, and by the end of last year Nyusi had switched control of the war to Defence and accepted their plan build up to a larger and better trained and equipped military.

**200 South African Navy personnel are now patrolling the Mozambique Channel** as part of Operation Copper, according to a South African parliamentary statement. (DefenceWeb 19 Jan)

## **Create jobs and benefits, not just promises, says Energy Chamber head**

"To develop a long-lasting solution, we should think about the kinds of things that make an area ripe for insurrection. Desperation. Feelings of powerlessness. Of being unseen and unheeded. One factor contributing to those feelings in Cabo Delgado is a sense among the people there that gas projects like Mozambique LNG will turn into another instance of the resource curse, becoming enterprises that benefit a select few while bringing hardships down upon surrounding communities," said NJ Ayuk, Executive Chairman of the African Energy Chamber, which claims to represent over 70% of the oil and gas industry across the Africa. (DefenceWeb 14 Jan)

"The situation in... Cabo Delgado province is dire. ... What I'm calling for is the beginning of a dialogue. We recommend an investment ... in socio-economic projects that would empower youths in the region. We recommend replacing desperation with hope. We recommend replacing promises with tangible shows of support and respect for the community. That's how we can create stability and make Mozambique less vulnerable to violence and turmoil."

"Community members need to know they can count on tangible benefits; they don't want to be asked to trust in potentials or opportunities on the horizon. That's why we must create a framework that ensures community members reap concrete benefits from the LNG project sooner rather than later," Ayuk states. "Arriving at a solution will require an 'all hands on board' effort: Both the international community and oil and gas industry stakeholders have roles to play, ranging from financial support to contributions of expertise and resources."

<https://www.defenceweb.co.za/security/national-security/ending-violence-in-mozambique-will-require-united-effort-african-energy-chamber-says/>

## **Comment**

## **Why are we surprised about the Cabo Delgado civil war?**

The growing risk of violent conflict was highlighted by establishment groups exactly 12 years ago. Increasing poverty, the widening chasm between rich and poor and growing social and political exclusion are creating a "serious risk" of conflict warned the Mozambique's self-evaluation report to the African Union Peer Review (MARF) in February 2009. <http://bit.ly/Moz-MARF-2009> Similarly, Mozambique's Institute for the Promotion of Peace (ProPaz) - then an association of former

fighters from both sides in the 1981-92 war - remarked in March 2009 that growing economic disparities and socio-economic injustice were weakening the peaceful transition.

In 2010 I published an article in the academic journal *Conflict, Security & Development* entitled "Mozambique: 'the war ended 17 years ago, but we are still poor'." <http://bit.ly/Moz-CSD-2010> In that article I noted that half of Mozambique's population is too young to remember the previous wars. "Their experiences and expectations are very different from those of their parents. Increasingly people in their late teens and 20s have some primary education and speak the national language, Portuguese. They see themselves as better educated and more 'modern' than their parents, and have more contact with a wider world through mobile telephones, videos and more travel (even if only to the nearest market town, with electricity and discos). Many young people do not see themselves as hoe farmers like their parents.

...

Preventing violent conflict requires giving the young and poor a future and a stake in society - not a trickle down free market that might, some day, perhaps, solve their problems, but active intervention to tackle grievances and create jobs and agricultural markets. ... Preventing violent conflict requires Mozambique to become an activist, developmental state which intervenes in the economy, and gives all Mozambicans a stake in the future."

There was violence in Mocimboa da Praia in 2005 very similar to that which occurred 12 years later. <https://bit.ly/Mocimboa-2005> There were violence demonstrations in Maputo in 2008 and 2009.

Prof Lourenço do Rosário and his peer review team, ProPaz and myself were not especially prescient. Even then it was apparent that inequality and social and political exclusion would eventually lead to violence. But the Mozambican elite and the international community buried its head in the sand, and looked to the gas to resolve poverty at the same time as bringing wealth to the elite. And in October 2017 when the war started and local people joined the insurgents, everyone expressed surprise. And they insisted it must be outside forces such as Islamic state.

Local militants and young people read the signs and were recruiting for a revolution. But the Maputo elite could not see over the horizon, and did not see it coming. Those who do not look will always be surprised. *jh*

## Other news

### **US pushing land privatisation - again**

For decades the US and Mozambique have been very publicly clashing over the land law, in a confrontation between deeply held fundamental beliefs. So far the US has failed, but each new generation of US embassy and aid staff tries again, and the next round started on 16 February with USAID pushing to bend the law and constitution.

Mozambique's constitution (art 109) says "Land may not be sold or otherwise disposed of, nor may it be mortgaged or subject to attachment." Much debated inside Mozambique and Frelimo since before independence, this commitment has never been changed - despite all the other huge changes in Mozambique. For Mozambique, still largely a rural country, the fundamental human right is not to be pushed off your land. For the US, the ability to buy and sell land and have mortgages is basic to capitalism and is a fundamental human right.

Advocates of a land market claim that, across the world, that the only way farmers can borrow money to increase production is by mortgaging their land. One of the greatest advocates of land mortgaging in developing countries was Hernando de Soto who in his 2000 book "The Mystery of Capital" says that land mortgages stimulated US and European development. What makes land an asset that can be mortgaged is "the possibility of forfeiture", that the borrower loses that land if they do not pay and the lender can sell the land to someone else, de Soto explains.



Frelimo leaders note that exactly this happened in other countries, notably Brazil, where two bad seasons was enough for huge numbers of farmers to lose their land because they could not repay their loan. For Mozambicans, land is not simply an "asset" to be valued in money, but also a home and part of family and a community. As the recent battles over resettlement show, Mozambicans retain a very strong attachment to their land and community.

Thus the basic beliefs collide. For the US, the ability to risk and lose your land is a fundamental human right. For Mozambique, the guarantee that all Mozambicans have a right to land and you can keep your land is the fundamental human right.

Most donor agencies would shy away from that confrontation. But the US sees a responsibility to push Mozambique to accept its view of extreme free market rights.

USAID is using its Speed+ programme, and its implementing agency DAI is clear that its programme is to "build awareness and public support for policy reforms ... and stimulate an increase in land-based investment." <https://www.dai.com/our-work/projects/mozambique-support-program-economic-and-enterprise-development-speed>

Faced with such resistance to changing the constitution and land law, the 16 February USAID presentation took a new tack: bend and bypass the constitution and law. People have an automatic right to the land they occupy without any formal requirements, but to confirm their rights to occupy and avoid land conflicts, government issues a document known as a DUAT (Direito do Uso e Aproveitamento da Terra, the right to use and develop land). So USAID now proposes that it should be possible to mortgage DUATs - the ownership of the land does not change, but a farmer who cannot pay the mortgage is still thrown off the land because they lose the right to use it. The ppt presentation is on <http://bit.ly/Moz-USAID-1> and the full report on <http://bit.ly/Moz-USAID-2>.

A US embassy spokesperson said on 27 February "USAID does not intend to promote any particular policy direction with respect to land reform, and certainly does not perceive its engagement in this area to be partisan or politically interested. ... Like many donors interested in improving transparency and accountability, USAID regularly supports initiatives to promote public dialogue around important policy issues. We do not see engagement in the promotion of such dialogue as impermissibly partisan or political. ... While USAID is interested in supporting efforts toward transparency with respect to land reform, USAID does not intend to support or advocate for any particular policy direction in this sector."

That does not quite square with DAI's view of the role of Speed+, to introduce land mortgages. And there is a history. The US Millennium Challenge Corporation (MCC) had a \$500 mn programme in Mozambique 2008-13, which was unexpectedly not renewed (and the MCC has only come back now, a decade later). The main reason for the non-renewal was that a condition of the MCC money was land privatisation - Mozambique took the money but refused to change the constitution.

## **Powerful Frelimo people sabotaging cashew**

The cashew crisis in Nampula is caused in part by powerful Frelimo people running a parallel illegal export system. The biggest processor, Olam has officially withdrawn from Nampula, and the second largest processor, Condor, is closed. The industry association predicts that industrial production will drop with only 49,000 tonnes of unshelled cashew sold to factories in December and January.

In part, the crisis is caused by a global, Covid-19-linked, fall in nut consumption, which caused India to raise the import duty on processed cashew. But Olam also cited "recurrent difficulties in obtaining sufficient good quality raw material" from peasants. Investigative journalist Argunaldo Nhampossa in *Savana* (12 Feb) explained why.

Networks of informal Bangladeshi buyers "linked to powerful individuals with party connections" in Nampula "dominate the buying and illegal export through Nacala port," not paying the export tax. "The scheme is similar to the system used to bypass quotas for feijão bóer (pigeon peas)" where people "with good party connections" gained export quotas. Nhampossa says the Bengalis do not use the banking system and "it is suspected that they are using drug money, which circulates widely in Nampula." (Note that it appears that what rural people call "Bengalis" really are from Bangladesh, and are present in large numbers and are important in rural trade in Zambézia and Nampula, at least.)

Agriculture Minister Celso Correia visited the "Condor Anacardium" cashew processing plant, in Macia, Gaza, on 17 February to launch a \$ 1.5 mn bank guarantee fund to help cashew companies seek bank finance at reasonable interest rates in order to finance their operations.

**Drugs go on foot:** Mozambique is an important centre of the transit trade in heroin and crystal meth from Afghanistan, partly controlled by senior Frelimo figures. Much is carried into South Africa hidden in vehicles, but with the border closure, it is being carried by people walking across the border. SA National Defence Force (SANDF) reports arrests near the border on 12 and 17 February of people carrying 15 kg of crystal meth and heroin. (DefenceWeb 22 Feb)

## Biggest companies foreign, state & Guebuza

The dominance of the foreign and para-statal companies, plus a couple of key Frelimo oligarchs, is shown in KPMG's 1000 biggest companies in Mozambique 2020, issued on 23 February.

Only two companies in the top 20 have major Mozambique shareholding - Intelec Holdings (ranking 9) and controlled by former President Armando Guebuza, and Montepuez Ruby Mining (20), part owned by Raimundo Pachinuapa, a member of Frelimo's ruling Political Commission.

Mozambican parastatal companies are prominent in the top 10: EDM - Electricidade de Moçambique (3 - 3rd largest by 2019 turnover) Hidroelétrica de Cahora Bassa (4), Petromoc - Petróleos de Moçambique (5), and CFM - Portos e Caminhos de Ferro de Moçambique (8). The state also has significant holdings in the Mozambique operations of some of the foreign-owned companies.

Foreign mineral-energy companies dominate: Mozal (1 in the ranking - largest company by 2019 turnover), Vale (2), Sasol (6), Petrogal (15), Total (16), and Puma Energy (17).

Three foreign banks are key: BIM - Banco Internacional de Moçambique (7), BCI - Banco Comercial e de Investimentos (12), and Standard Bank (14).

Foreign food and construction companies complete the rest of the top 20: Cervejas de Moçambique (10), Mota - Engil Engenharia Construção África (11), Mozambique Leaf Tobacco (13), CMC Africa Austral (18), and Coca-Cola Sabco Moçambique (19).

Appears to be only available on

[https://issuu.com/kpmg\\_mz/docs/revista\\_100\\_maiores\\_empresas\\_de\\_moc\\_ambique\\_kpmg\\_d](https://issuu.com/kpmg_mz/docs/revista_100_maiores_empresas_de_moc_ambique_kpmg_d)

## Covid-19 falling slowly

Covid-19 new cases and deaths are falling, but remain high. New cases last week fell to 3804, down from the peak of 6407 in the first week of February, but still five times the mid-December level of 680 new cases per week. Deaths declined to 47 last week, from a peak of 82 in the second week of February, but are nearly ten times as high as the mid-December level of 5 deaths per week. <https://www.facebook.com/miguel.de.brito1>

## **Covid-19 is less lethal in Africa, even though fewer deaths are reported,**

according to a good summary of Covid-19 in Africa in the London *Observer* 28 Feb. Fragility of health services means there is under-reporting. A study of 364 bodies in the University hospital morgue in Lusaka showed one in five were infected by Covid-19 and most had died before reaching hospital, without being tested. But even accounting for under-reporting, the death rate is lower in Africa. <https://www.theguardian.com/world/2021/feb/28/what-can-we-learn-from-africa-experience-of-covid-death-toll-paradox>

**Government negligence is crippling the health service**, argues the Public Integrity Centre (CIP). In Maputo Central Hospital (HCM) alone, 375 cases of COVID-19 were reported of which 29% (110) occurred in the medical profession. That led to a 28% reduction in the emergency medical teams to attend to patients. CIP blames the government, for failing to provide adequate personal protection equipment (PPE), and in the economic crisis to save money by recruiting fewer health staff. <https://cipmoz.org/wp-content/uploads/2021/02/Negligência-do-Governo-1.pdf>

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## **Important external links**

**Covid-19** daily updated data <https://www.facebook.com/miguel.de.brito1> 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](http://bit.ly/MozNews2020)

**Downloadable books**: <http://bit.ly/Hanlon-books> Election data: <http://bit.ly/MozEIData>

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

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## **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 <http://bit.ly/CDelgadoOrigins>

Religion is shaping Cabo Delgado civil war. 30 April 2020 <https://bit.ly/CDelgadoReligion>

Intensifying argument over roots of war. 28 June 2020 <https://bit.ly/Moz-492>

Are the drums of war silencing any hope of peace? 26 July 2020 <http://bit.ly/Moz-496>

A history of violence presages the insurgency. 13 August 2020 <http://bit.ly/Moz-498>

Military & economic intervention. 3 Sept 2020 <https://bit.ly/CDelgadoIntervene>

### **Mozambique heroin transit trade**

English - LSE - 2018 - <http://bit.ly/Moz-heroin>

Portuguese - CIP- 2018 - <http://bit.ly/HeroinaPT>

2001 first article- *Metical* - English and Portuguese <https://bit.ly/MozHeroin2001>

### **Gas for development?**

Gas\_for\_development\_or\_just\_for\_money?\_2015 [bit.ly/MozGasEng](http://bit.ly/MozGasEng)

Gás\_para\_desenvolvimento\_ou\_apenas\_dinheiro?\_2015 [bit.ly/MozGasPt](http://bit.ly/MozGasPt)

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## **Background reading**

### **Special reports**

Social protection report - 2017 Mozambique - <http://bit.ly/MozSocPro>

Special report on four poverty surveys: [bit.ly/MozPoverty](http://bit.ly/MozPoverty)

Minimum wage and exchange rates 1996-2018 -- <http://bit.ly/MinWage18>

### **\$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 - <http://bit.ly/3WQ-hanlon>

**In Portuguese:**

Parliamentary Report on the Secret Debt (complete) [bit.ly/MozAR-debt](http://bit.ly/MozAR-debt)  
**2018 Constitution** - <http://bit.ly/2KF588T>

**Election study collaboration:** We have detailed election data from 1999 through 2014 and are inviting scholars to use this data collaboratively. <http://bit.ly/MozEIData>  
Election newsletters are on <http://bit.ly/2H066Kg>

**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 <https://bit.ly/Chickens-Beer>  
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 Benefício: 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)

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**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](http://www.jornalnoticias.co.mz)  
O País: [www.opais.co.mz](http://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://cddmoz.org/> (some CDD in English)  
Fórum de Monitoria do Orçamento - FMO (the main group following the \$2 bn secret debt - now run by CDD) <http://www.fmo.org.mz>

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