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SECURITY COUNCIL
Thirty-second year

Assistance to Mozambique

Note by the Secretary-General

1. In compliance with paragraph 13 of Security Council resolution 411 (1977) of 30 June 1977, the Secretary-General appointed a mission to visit Mozambique to obtain an assessment, in consultation with the Government, of the assistance required in order to help him organize an effective programme of international assistance to Mozambique.
2. In paragraph 6 of its resolution 2094 (LXIII) of 29 July 1977, the Economic and Social Council requested the Secretary-General to submit to the General Assembly at its thirty-second session the report of the mission. In paragraph 11 (c), the Council requested the Secretary-General to arrange for a review of the economic situation of Mozambique in time for the matter to be considered by the Assembly at its thirty-second session.
3. The report of the mission, which describes the effects on the economy of Mozambique of the systematic acts of aggression against it by the illegal régime in Southern Rhodesia and reviews the assistance required by Mozambique in the situation which it now faces, is transmitted herewith to the members of the General Assembly and of the Security Council.

REPORT OF THE MISSION TO MOZAMBIQUE
(15-27 July 1977)

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I. INTRODUCTION

A. Complaint by Mozambique 1/

1. On 22 June 1977, the Permanent Representative of Mozambique to the United Nations addressed a letter to the President of the Security Council transmitting a copy of a telegram dated 18 June 1977 from His Excellency Mr. Samora Moises Machel, President of Mozambique, to the Secretary-General of the United Nations (S/12350 and Add.1). The telegram referred to a systematic series of "violations, provocations and armed aggressions against those front-line States having common borders with Rhodesia". The telegram continued that as a result of this aggression against Mozambique, Zambia and Botswana, southern Africa had become a zone in which world peace and security were in jeopardy and which therefore constituted a permanent focus of tension. In the circumstances, President Samora Machel requested the Secretary-General to convene a Security Council session to study the situation.

2. The Permanent Representative of Mozambique enclosed with his letter of 22 June 1977 a copy of a statement made by President Samora Machel on 18 June 1977 in Maputo (S/12350, annex II). The statement referred to the decision of the Government of Mozambique on 3 March 1976 to comply fully with Security Council resolution 253 (1968) of 29 May 1968 to apply sanctions against the illegal régime of Southern Rhodesia. It said that Mozambique's decision to apply sanctions had been followed by continuing and increased acts of aggression against its territory and people. Those acts had caused heavy losses of life and injury to the civilian population of the country and the destruction of a number of settlements. In the circumstances, the Mozambican people required urgent material assistance from the international community. President Machel's statement reiterated his country's determination to intensify its efforts in support of the national struggle for freedom in Zimbabwe.

B. Action by the Security Council

3. In response to the request received from the Government of Mozambique, the Security Council met on 28, 29 and 30 June 1977 and, at its 2019th meeting on 30 June, unanimously adopted resolution 411 (1977). Paragraphs 10, 11 and 13 of the resolution read as follows:

"The Security Council,

...

"10. Requests all States, regional organizations and other appropriate

1/ For an account of the preceding consideration by the United Nations of the situation in Mozambique and the action taken, see annex II.

intergovernmental organizations to provide financial, technical and material assistance to Mozambique in order to enable it to overcome the severe economic loss and destruction of property brought about by the acts of aggression committed by the illegal régime and to reinforce Mozambique's capacity to implement United Nations decisions in support of measures against the illegal régime in Southern Rhodesia;

"11. Requests the United Nations and its organizations and programmes concerned, including the Economic and Social Council, the Food and Agriculture Organization of the United Nations, the World Food Programme, the United Nations Children's Fund, the International Fund for Agricultural Development, the United Nations High Commissioner for Refugees, the United Nations Educational, Scientific and Cultural Organization, the United Nations Conference on Trade and Development, the United Nations Development Programme and the World Health Organization to provide assistance to Mozambique on a priority basis in implementation of the request contained in operative paragraph 10 above;

...

"13. Requests the Secretary-General to co-ordinate the efforts of the United Nations system and to organize immediately an effective programme of international assistance to Mozambique in accordance with the provisions of operative paragraphs 10 and 11 above."

C. Appointment of the mission and the terms of reference

4. Following the adoption of the resolution and in consultation with the Government, the Secretary-General appointed a mission to visit Mozambique with the following terms of reference:

(a) To consult with the Government on the extent of economic loss and destruction of property brought about in Mozambique by the acts of aggression committed by the illegal régime in Southern Rhodesia;

(b) To obtain an estimate of the financial, technical and material assistance required for Mozambique to overcome the loss and destruction referred to in subparagraph (a) and to reinforce Mozambique's capacity to implement United Nations decisions in support of measures against the illegal régime in Southern Rhodesia.

5. The mission was composed of the following members:

Mr. Abdulrahim Abby Farah (Head of Mission)
Assistant Secretary-General for Special Political Questions

Mr. Rajnikant C. Desai
Interregional Adviser (economic planning), Department of Economic and Social Affairs

/...

Mr. Robert Harris
Senior Economic Affairs Officer (transport), Department of Economic and
Social Affairs

Mr. Guy Lemarchands
Special Technical Adviser (housing), Department of Economic and Social
Affairs

Mr. Grigori Lazarev
Agricultural Economist of the Food and Agriculture Organization of the
United Nations

Mr. John Shannon
Project Officer of the International Telecommunication Union

Miss Suzan Collopy of the Office of the Assistant Secretary-General for Special
Political Questions served as secretary of the mission.

D. Programme of the mission

6. The mission arrived in Mozambique on 15 July 1977 and spent 13 days in that
country.

7. The Government of Mozambique appointed a delegation, led by the Minister for
Finance, to work with the mission. Throughout its stay the mission held regular
meetings with the government delegation. The Head of the Mission also had
discussions with the Minister for Development and Economic Planning, the Minister
for Foreign Affairs, and the Minister for Transport and Communications.

8. Meetings were also held between the mission and the representatives of the
United Nations Development Programme (UNDP), the United Nations Children's Fund
(UNICEF), the World Health Organization (WHO), the Food and Agriculture
Organization of the United Nations (FAO), and the Office of the United Nations
High Commissioner for Refugees (UNHCR).

9. In the course of its stay, the mission visited Mapai, one of the principal
areas affected by the acts of aggression. Visits were also made to integrated
village communities (aldeias comunais) in the Limpopo Valley in Xai-Xai Province,
and discussions were held with the provincial officials and community leaders there.

10. The estimates of the requirements to enable Mozambique to overcome the damage
and loss it has suffered as a result of attacks against its territory are based
mainly on information provided by the Government. These estimates have been
carefully studied by the mission.

E. Acknowledgements

11. The mission wishes to place on record its deep appreciation of the
co-operation it received from the Government of Mozambique throughout its stay in
Mozambique. In particular, it wishes to express its gratitude for the courtesy
and assistance extended by His Excellency Mr. Salomão Munguambe, Minister for
Finance, and other members of the government delegation. The mission also wishes
to record its appreciation of the assistance provided by the representatives of the
United Nations system in Mozambique.

II. THE ECONOMY OF MOZAMBIQUE

A. Principal features

12. Mozambique has a population of approximately 10 million persons. It has a large traditional subsistence and small-farm sector and a smaller modern sector. In agriculture, prior to independence, the modern sector consisted of large production units, owned by settlers, which grew cash crops such as sugar and cotton for export to Portugal and rice for internal consumption. The transport system - ports, roads and railways - was developed to meet the needs of the interior of Africa rather than to serve the domestic needs of Mozambique. It was primarily developed to serve the transit traffic to and from Malawi, South Africa, Southern Rhodesia, Zaire and Zambia. There was a serious lack of local employment opportunities for the indigenous population, and some 250,000 people worked in neighbouring countries, most of them on a migrant labour basis. Their remittances constituted a major source of foreign exchange for Mozambique. In addition to the dependence of the country's economy on foreign transit trade and on migrant workers' remittances from abroad, the modern sector was dominated by expatriates. The departure of the expatriates with the attainment of independence has resulted in serious shortages of skilled and semi-skilled manpower in large-scale agriculture, commerce and industry, as well as in transport and the public services.

B. Effect of sanctions against Southern Rhodesia

13. The application of sanctions and the closing of the borders with Southern Rhodesia on 3 March 1976 has resulted in the loss of (a) all Southern Rhodesia traffic; (b) traffic from Zaire, Zambia and Botswana which formerly entered via Southern Rhodesia with the exception of a small volume arriving by other routes; (c) traffic which moved by rail between Malawi and Southern Rhodesia and South Africa; (d) traffic which moved by rail from northern Mozambique to southern Mozambique and South Africa; (e) traffic which moved by rail from southern Mozambique to northern Mozambique and Malawi; (f) service earnings from the transit trade; (g) air traffic between Southern Rhodesia and Mozambique; (h) tourists from Southern Rhodesia; (i) remittances from Southern Rhodesia by migrant workers from Mozambique; and (j) some export and import trade with South Africa. In addition to these losses of revenue, considerable costs have been incurred by Mozambique to provide substitute facilities - new transport links between northern and southern Mozambique, telecommunications facilities, and reception centres for Mozambicans previously employed in Southern Rhodesia. It has also become necessary to maintain larger inventories of food, medicines and items of machinery and spare parts previously obtained from Southern Rhodesia. Other burdens have been the cost of providing employment for more than 10,000 workers made surplus by the sharp reduction in transit and foreign trade and the severe strain placed on the economy and the administration in coping with this situation.

C. Economic and social development goals and strategy

14. Mozambique's national economic and social goals were articulated by the Third Congress of Frente de Libertação de Moçambique (FRELIMO), which met in February 1977. These were:

- (a) To accelerate the creation and consolidation of light and heavy industry;
- (b) To promote the socialization of agriculture and its gradual industrialization;
- (c) To develop and consolidate the leading role of the State in the economy;
- (d) To orient the development process through global economic planning;
- (e) To develop scientific knowledge and technical skills among the population at large.

15. Immediate priority was to be given to:

- (a) An increase in production and productivity in all sectors of economic life, with first emphasis on agriculture;
- (b) Expansion of participation by the State in the economy;
- (c) Support to and development of communal villages as the essence of rural development.

16. Further detailed objectives were set down for agriculture, industry, foreign trade, transport and communications, energy, public works, finance, education and health. A National Planning Commission was established in July 1977 under the Minister for Development and Economic Planning.

17. The present level of gross domestic product of Mozambique has been estimated to be well under \$200 per capita. The major objectives of economic development in Mozambique by 1980 are to achieve the 1973 level of production in the major sectors, to balance the budget and to wipe out the deficit in the balance of payments. In agriculture, a major programme has been launched to rehabilitate the large farms abandoned by the expatriates, to rebuild the abandoned marketing channels for the products of the small cultivators and to strengthen national productive integration through the organization of communal villages (aldeias comunais). The other major priority is to restore and redesign the transportation network to handle agricultural production and also to connect and integrate the northern and southern parts of the country.

18. The planned programme of investment for 1976 and 1977 amounted to some \$260 million. Its sectoral breakdown and sources of financing are given in table 5 of the report of the second review mission contained in the report of the Secretary-General on assistance to Mozambique (A/32/96). The projects already

undertaken would require a further investment of \$95 million up to 1980. Of this amount, some \$35 million was covered by foreign assistance and the balance of \$60 million remained to be met. The investment plans were being revised upwards at the time of the mission's visit to Maputo. The figures above exclude the substantial investment being planned for rehabilitating the abandoned farms. More investment would be undertaken if financing became available.

D. Public finance

19. At the end of 1975 there was an accumulated budget deficit of some \$22 million. The budget deficit in 1976 was \$36.5 million. The Government projects a much bigger deficit of \$120 million in 1977. Thereafter, with the help of additional taxation and economic recovery, the budget is expected to be balanced by 1980. The budget deficits are financed by borrowing from the banking system.

Table 1

Mozambique: government budget
 (In millions of United States dollars)

	Actual, 1976	Estimated, 1977	Projected		
			1978	1979	1980
Direct taxes	53.1	46.8	104.3	114.7	120.0
Indirect taxes . . .	117.4	127.1	177.5	221.6	240.0
Other taxes	28.3	29.1	26.3	26.0	26.0
Total revenue . . .	198.8	203.0	308.1	362.3	386.0
Total expenditure .	235.3	323.0	353.8	376.9	386.0
Budget deficit . . .	-36.5	-120.0	-45.7	-14.6	-

20. In addition to the government budget deficits, account must be taken of the deficits of public sector organizations such as the Departments of Railways, Ports and Telecommunications. Following the imposition of sanctions, the railways are losing some \$35 million a year. The continued operation of the railway system is, however, essential for internal traffic and for the limited traffic to Malawi and Zambia.

E. Balance of payments

21. The information provided to the mission indicates that a serious balance of payments deficit is likely to exist for some time. The major factors contributing to this situation are: (a) low exports of agricultural products, most of them previously grown or handled by expatriates, notably sugar, cashew nuts, cotton, copra, sisal, tea and timber; (b) high imports of food and of raw materials and spare parts necessary to revive the major industries; (c) sharply reduced foreign exchange earnings from transit trade caused by the imposition of sanctions; and (d) increased capital outflows consequent upon the transfer facilities granted to expatriates leaving Mozambique. Table 2 shows the balance-of-payments position for the period 1973-1981. The figures for 1973-1976 were provided by the Bank of Mozambique and the projections for 1977, 1978 and 1981 were produced for the mission by the Government.

Table 2

Mozambique: balance of payments
 (In millions of United States dollars)

	<u>Estimates</u>					<u>Projections</u>	
	1973	1974	1975	1976	a/ 1977	1978	1981
<u>Merchandise trade</u>							
Imports	261	323	295	396	489	479/506	615
Exports	<u>175</u>	<u>200</u>	<u>169</u>	<u>147</u>	<u>154</u>	<u>185.5</u>	<u>351/468</u>
<u>Balance</u>	-86	-123	-126	-249	-335	-293.5/-320.5	-264/-147
<u>Invisible items</u>							
Payments	71	80	92	96	87	80	69
Receipts	<u>163</u>	<u>200</u>	<u>255</u>	<u>243</u>	<u>193</u>	<u>200</u>	<u>246</u>
<u>Balance</u>	+92	+120	+163	+147	+106	+120	+177

Table 2 (continued)

Mozambique: balance of payments
(In millions of United States dollars)

	<u>Estimates</u>				<u>Projections</u>		
	1973	1974	1975	1976 <u>a/</u>	1977	1978	1981
<u>Capital transfers</u>							
Payments	43	68	65	52	55	40	31
Receipts	<u>31</u>	<u>49</u>	<u>3</u>	<u>-</u>	<u>5</u>	<u>55</u>	<u>22</u>
<u>Balance</u>	<u>-12</u>	<u>-19</u>	<u>-62</u>	<u>-52</u>	<u>-50</u>	<u>+15</u>	<u>-9</u>
<u>Balance of payments</u>							
Surplus (+) or deficit (-)	-6	-22	-25	-154	-279	-158.5/-185.5	-96/+21

a/ Provisional figures, subject to correction.

22. It should be noted that these balance-of-payments estimates, which were prepared by the Bank of Mozambique, are on a settlement basis rather than a transaction basis. The figures indicate a sharp increase in the deficit for 1976 (provisional estimate, \$154 million). For 1977, the projected deficit is \$279 million and, for 1978, between \$158.5 and \$185.5 million. If the country's production targets for 1977/78 2/ of the state-farm sector are met, a lower import bill and lower deficit can be expected. With the planned recovery of agricultural and industrial production, the resumption of agricultural exports and the development of coal production and exports (see paras. 59-63 below), the Government looks to an improved balance-of-payments position in 1981.

23. The above estimates do not include the proceeds from the sale of gold. Under the pre-independence arrangements, remittances in respect of miners working under contract in South Africa were paid in gold valued at the official price. The gold so obtained was sold on the open market, thereby bringing in substantial amounts of foreign exchange. There is no guarantee that this source of foreign exchange will continue from 1978 onwards. If it ceased, Mozambique would lose about \$110 million a year in foreign exchange earnings.

2/ See foot-note 5.

24. The balance-of-payments problem is compounded by the need to rehabilitate the economy, the continuing burdens arising from the imposition of sanctions, the effects of floods described in paragraphs 47 to 55 of the report of the second review mission contained in the Secretary-General's report (A/32/96), the loss of gold earnings from 1978 onwards and the problems created by attacks from Southern Rhodesia. The international assistance required by Mozambique over the next 18 months relates to this difficult combination of circumstances.

III. DAMAGE CAUSED BY ACTS OF AGGRESSION

A. Description of actions

25. The mission was informed that since the independence of Mozambique on 25 June 1975, its territorial sovereignty has been repeatedly violated by the forces of the illegal régime in Southern Rhodesia. The number and severity of these attacks increased markedly after 3 March 1976, when Mozambique applied sanctions against Southern Rhodesia. Between March 1976 and March 1977 a total of 143 such attacks were reported in the three western provinces: 54 in Gaza, 33 in Manica and 56 in Tete.

26. The mission was told that initially the attacks took the form of brief incursions involving no more than 50 men and directed against Zimbabwean refugees and others. Subsequently the attacks increased in scope and frequency. They became large-scale operations directed not only against the civilian population but also against vital economic and social facilities. The weaponry employed in the attacks became increasingly sophisticated. In addition to armoured vehicles, there was increasing use of aircraft, artillery and napalm bombs. Since May 1977, Mirage jets and 500-kilogram fragmentation bombs had been used.

B. Direct losses

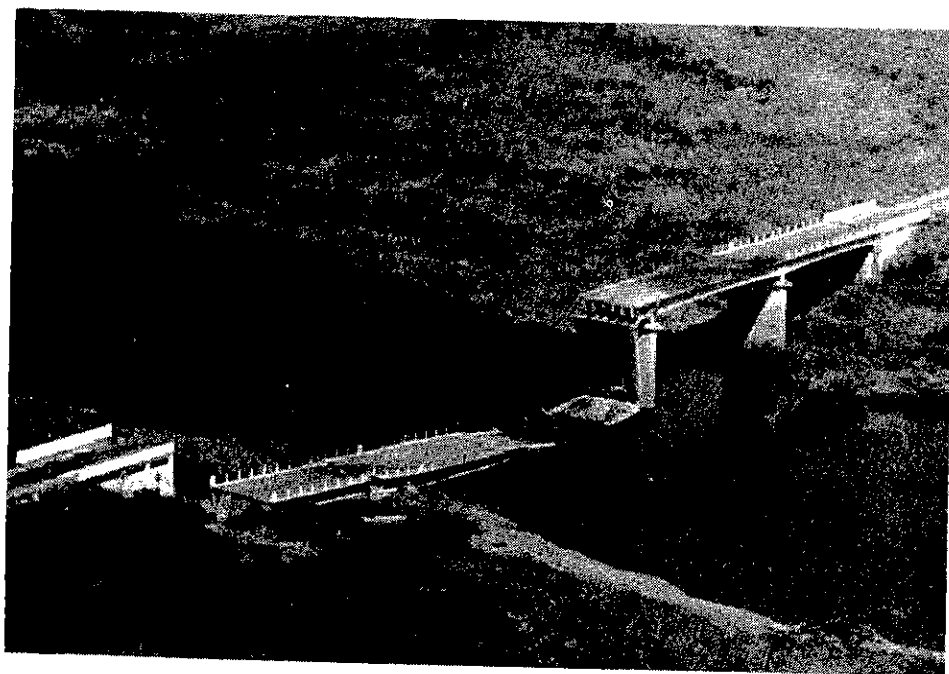
27. The most brutal of these attacks, it was reported, occurred on 9 August 1976 when a large armoured force penetrated Mozambican territory to Nyazonia in the Manica province and killed 875 people. More than 500 civilian Zimbabwean refugees were wounded, most of them children, women and elderly persons. Many of the wounded died later in hospital. In addition to the loss of life and destruction of homes, livestock and crops, the attacks followed a systematic pattern of destruction of the transport and communications systems. The targets were railways, roads, bridges, telecommunications, airstrips and transport vehicles such as buses, trucks, locomotives and waggons.

28. The total of casualties and destruction as reported to the mission has been very serious. About 1,500 persons had been killed by the end of June 1977, two thirds of these being Zimbabwean refugees. The towns of Mapai, Chioco, Massangena and Mavonde were levelled, leaving some areas without hospitals, schools, generating plants and other public facilities. Homes and factories were destroyed and many cattle were killed. Important transport and communications facilities were attacked: the tropospheric communications station at Chicualacuala was put out of action; several airstrips were made unusable and two strategic bridges - the Pungué Bridge and the Messurize Bridge - were severely damaged and made impassable; the railway to Chicualacuala was cut in several places; transport equipment destroyed included 3 locomotives, 38 waggons, 8 barges, 21 trucks and 35 buses, jeeps, tractors and heavy machines.

29. The Government of Mozambique reported to the Security Council that the direct damage to property amounted to over \$13 million. To this sum must be added the destruction in the Espungabera region in June 1977, estimated by the Government at \$515,000.



Destruction of Mapai: a general view



Damage to Pungué Bridge

C. Damage to the Mozambican economy

30. Besides the tragic loss of life and the serious destruction of property, the Government is also confronted with the economic and social dislocation of the lives of the population living in the affected border areas. The Government estimates that 50,000 people have been directly affected. Of this total, 15,000 are in Gaza Province, 10,000 in Manica and 25,000 in Tete.

31. Because of the dangerous security situation in the region at the time, the mission was only able to visit one of the towns that were hit worst, Mapai. The visit, by helicopter, was on 20 July 1977. Mapai, with a population of about 2,000 persons, had been a centre for administration, trade and communications for the province. It was attacked six times between March 1976 and March 1977. It suffered a major attack between 29 May and 2 June 1977, but fortunately the loss of lives was not large as most of the people had already fled. The mission observed that all modern buildings and numerous traditional dwellings had been totally demolished. Small arms, mortar, cannon and explosives had evidently been used, judging from the large quantity of spent ammunition and explosive cases scattered throughout the township. The list of items destroyed included: the town's water, telephone and electricity distribution systems; vehicles belonging to the Ngala Transport Company which serviced the Mapai area; a road construction and maintenance plant; a warehouse; a general store; a hospital and first-aid station; a primary school; two administrative buildings; a service station; a passenger and goods transport depot; a flour mill and warehouse; approximately 25 modern dwellings; a large residential compound; a water storage tank. At the time of the attack Mapai as a road transport centre had assumed added importance for the people of the Gaza Province, because the railway serving the province had already been breached at several points. The destruction of road vehicles then left the whole area without any form of surface transport (road or rail). Two airstrips serving Mapai and one other at Chicualacuala were also made inoperative.

32. The destroyed town of Massangena was another important transit point for trade with the central interior zones of the country. The destruction of this town and the damage to the access roads leading to it have isolated the area from the rest of the country. Cattle raising, one of the major activities of the region, has been seriously affected.

33. Again, Mavonde, an important centre in Manica Province with a population of 10,000 persons, lost its electricity generating complex, hospital, school, water tank, administrative buildings, warehouses and residential houses. Mavonde is located in a rich agricultural zone producing large amounts of corn, rice and cattle, and was the distributing centre for agricultural products for the rest of the province. It was also the base for the area's mineral exploration, particularly the iron deposits in Honde.

34. The mission was informed that the destruction in Chioco (population 7,800 persons) in Tete Province had created hardship for the whole area. The destruction extended to electric generators, stores, the hospital, the school, warehouses, mills and residential and administrative buildings. Standing crops

were destroyed. Roads had been extensively mined, hampering the carriage of supplies even by people or animals. The normally easy access to the capital of the province from this densely populated and agriculturally rich area, which produces maize and sorghum, has been made both dangerous and difficult.

35. The Government said that this widespread destruction of transport facilities had paralysed economic activity in the affected areas adjacent to the Southern Rhodesia border. The flow of trade between the north-western part of Gaza Province and the remainder of the country had been halted; all traffic movement had stopped to and from the area south of Espungabera and, more significantly, road traffic to and from Tete Province, including heavy traffic destined for the Cabora Bassa Dam, had been halted. Destruction of vessels on Cabora Bassa Lake had deprived Tete Province of its principal means of east/west transport and had brought marketing of agricultural products to a standstill. Following the damage to Chicualacuala, the telecommunications link between the northern and southern parts of the country had been cut.

36. The mission was informed that, besides the physical destruction of transport equipment, Mozambique had suffered the loss of 17 civil aircraft. These were the property of Government agencies and, after independence, had been stolen and flown out of the country into Southern Rhodesia and elsewhere. The aircraft lost were 15 light fixed-wing aeroplanes (capacity up to 12 passengers) and two light helicopters (capacity five passengers). Their loss had further aggravated the country's transport problems. The Government estimated the value of the equipment lost at \$1.23 million.

37. While the Government has attempted to estimate direct material losses, it had not at the time of the mission's visit estimated the loss to the Mozambican economy caused by the economic and social disruption. Nor was there any estimate of the resources that had been diverted from development to the provision of increased security along the border areas. If all these elements and their cost implications were taken into account, the damage caused to the economy of the country would greatly exceed the estimated cost of direct physical losses.

IV. REQUIREMENTS ARISING FROM LOSSES
RESULTING FROM AGGRESSION

38. The Government stated that its requirements in relation to Security Council resolution 411 (1977) (see annex I) were additional to those it had already indicated in response to Security Council resolution 386 (1976) (see annex III). Mozambique's closure of its borders with Southern Rhodesia and its continued imposition of sanctions imposed a heavy burden on the economy of the country. In addition, it urgently needed general development assistance from other countries and from international organizations so that it could realize development goals for 1980-1981, balance its budget and reduce or eliminate the deficit in its balance of payments.

39. In relation to the damage done by recent acts of aggression, the Government has defined its most urgent requirements as being the resettlement of population, the reconstruction of demolished towns and the restoration of destroyed and damaged transportation systems and telecommunications facilities. These requirements are reviewed in the following pages of this report.

A. Resettlement of displaced population

1. Immediate relief of distress

40. The immediate need over the next six months is for relief supplies to satisfy the basic requirements of the displaced population, estimated at about 50,000 persons, or 10,000 families. Food and clothing are required for all of them and temporary shelter for some 3,000 homeless families (others having found shelter with friends or relatives in the countryside). On the basis of (a) estimates of food requirements provided by the Government, (b) clothing and blanket requirements estimated by the mission on the basis of \$20 per head, and (c) temporary shelter estimated by the mission to cost \$150 per family, relief requirements over the next six months are as in table 3 (project MOZ/H.01/77). 3/

41. The six-month period of relief supplies will also provide an opportunity to take first steps towards resettlement of the population and reconstruction of physical assets. The Government of Mozambique is determined to proceed without delay on this task despite the continuing acts of aggression. It is the Government's policy to resettle and reconstruct the affected communities in their original localities.

3/ Project reference numbers relate to the listings in annex I. In "MOZ/H" the root letter H is for human needs and settlement. In the other categories of project, T indicates transport; TC, telecommunications; A, agriculture; MP, manpower training; and R, refugees.

Table 3
Relief requirements (for six months)
 (Project MOZ/H.01/77)

Food	Annual individual average requirements (kg)	Total needs for six months (metric tons) <u>a/</u>	Value (thousands of United States dollars)
Maize	91.6	2 291	394
Wheat	54.6	1 635	249
Rice	36.9	922.5	377
Beans	36.9	922.5	783
Sugar	18.25	456.5	117
Salt	3.7	91.5	8
Milk	219 litres	5 475	1 493
Oil	3.6	91	141
Tea	3.7	91.5	35
Subtotal			3 597
Clothing (for 50 000 persons) .			1 000
Temporary shelter (for 3 000 families)			450
TOTAL			5 047

a/ One metric ton = 1 000 kg or 2 204.6 lb.

2. Resettlement of the affected communities

42. The resettlement strategy is to regroup the now scattered population within communal villages so as to facilitate the efficient provision of education, health and other social services, and of economic and technical supporting services. The 10,000 displaced families will be regrouped in 40 basic community units - 12 in Gaza, 8 in Manica and 20 in Tete. Each will consist of about 250 families, with basic communal facilities and equipment. Groups of four basic units (that is, about 1,000 families) will have a central core with further equipment for their collective use.

43. The Government intends to give first priority to the provision of simple infrastructure for the settlements. The provision of housing will be tackled in stages. To begin with, there will be temporary shelters. This will be followed by progressive upgrading achieved through self-help schemes and small loans in the form of building materials. For this purpose the Government intends to establish a housing revolving fund financed by domestic bank credit. In the initial six-month period, however, the Government will require assistance to carry out a preliminary physical study, under the United Nations technical co-operation programme. The study should examine the specific location of new villages in the vicinity of their present cultivated lands. It should identify such major elements as future agricultural potential and water resources, together with the sociological aspects of the transfer of populations.

44. Table 4 indicates the magnitudes of the proposed project (MOZ/H.02/77) for this resettlement.

Table 4

Human settlement, 10,000 families
(Project MOZ/H.02/77)

	Thousands of United States dollars
<u>1. Community facilities</u>	
<u>At the Unit level:</u>	
Primary school, dispensary, co-operative enterprise, community centre, child nursery and welfare centre (40 units each of 250 families)	3,785
<u>At the 4-Unit Group level:</u>	
Administrative centre, workshop, market, collective centre, airstrip (10 Groups each of four units, that is, 1,000 families per Group)	780
<u>Subtotal</u>	4,565

Table 4 (continued)

	Thousands of United States dollars
2. <u>Infrastructure</u>	
<u>At the 4-Unit Group level:</u>	
Road drainage, water supply, electricity (10 Groups of 1,000 families per Group) . . .	2,875
3. <u>Contribution towards equipment to strengthen the housing departments at three levels:</u>	
National housing department, 3 provincial housing departments and 10 local housing departments	1,000
4. <u>Revolving fund for housing loans (local financing)</u>	(4,000)
TOTAL (excluding item 4)	8,440

3. Agricultural development to support resettlement

45. The people need not only resettlement but the prospect of an adequate livelihood. For this purpose, agricultural development to support the resettlement should include two types of activities: first, the provision of materials and tools necessary for subsistence production; second, the initiation in the new villages of semi-mechanized collective cultivation of communal areas so as to ensure increased production. The requirements for these purposes are shown in table 5 (project MOZ/H.03/77).

Table 5
Agricultural development to support resettlement
 (Project MOZ/H.03/77)

	Thousands of United States dollars
(a) Materials and tools for subsistence cultivation	173
(b) Semi-mechanized collective cultivation schemes	4,200
TOTAL	4,373

4. Reconstruction of destroyed or damaged towns and villages

46. As part of the resettlement project, the Government of Mozambique has decided to rebuild Mapai, Mavonde and Chioco. These towns are essential as centres of agricultural trade in the border areas and in neighbouring regions. Mavonde is also important to mining development in Manica Province. Table 6 shows the Government's estimates of the reconstruction costs for these towns and for other places destroyed or damaged (project MOZ/H.04/77).

Table 6

Reconstruction of Mapai, Mavonde and Chioco and of other places
 (Project MOZ/H.04/77)

Area	Millions of United States dollars
<u>Gaza Province</u>	
Mapai	1.3
Massangena	0.65
M'puzi, Combomune, Chigamane and Machaila	0.6
	<u>2.55</u>
<u>Manica Province</u>	
Mavonde	0.75
Serra Choa	0.1
	<u>0.85</u>
<u>Tete Province</u>	
Chioco	1.5
Chincombidze, Nura, Daqui, Magoé and Cochamane	0.4
	<u>1.9</u>
TOTAL	<u>5.3</u>

B. Transport and telecommunications

1. Reconstruction, repair, or replacement of transport installations, utilities and plant

47. Physical destruction in the transport sector is estimated by the Government at \$7.3 million. Besides the repair, reconstruction or replacement of what has been damaged, it is necessary to develop an all-weather road via Dombe to Espungabera as a replacement for the former route to Espungabera which passed through Southern Rhodesia. The total cost of restoration of the transport system is shown in table 7.

Table 7

Restoration of the transport system

<u>Project</u>	<u>Millions of United States dollars</u>
MOZ/T.01/77 Reconstruction of destroyed bridge at Pungué	0.83
MOZ/T.02/77 Replacement of damaged engines and waggons, Southern Railway	1.94
MOZ/T.03/77 Reconstruction and repair of damaged installations and equipment, Mabalane- Chicualacuala section, Southern Railway . .	1.17
MOZ/T.04/77 Reconstruction of bombed airstrips at Mapai and Espungabera	0.02
MOZ/T.05/77 Construction of Dombe-Espungabera road to all-weather standards	3.87
MOZ/T.06/77 Replacement of destroyed civilian transport vehicles and road maintenance plant	2.12
MOZ/T.07/77 Replacement of destroyed inland waterway vessels	0.13
MOZ/T.08/77 Reconstruction of destroyed Messurize Bridge	0.21
TOTAL	10.29

2. Restoration of telephone and telex link between Maputo and Beira

48. In paragraph 77 of the report of the Mission to Mozambique transmitted to the Economic and Social Council in a note by the Secretary-General (E/5812), attention was drawn to the vulnerability of the tropospheric station at Chicualacuala, the main link of the telecommunications system in Mozambique, connecting Maputo to Beira. The station, put out of action by an attack on 2 December 1976, is located on the border and the Mozambican authorities have been unable to obtain access to it. The Government has therefore decided to re-establish this link by a more secure route. Should it prove technically impracticable to establish a tropospheric scatter station elsewhere, other methods would have to be adopted such as the installation of a line-of-sight radio relay system. The over-all cost of a replacement system (project MOZ/TC.01/77), including training and technical co-operation, is estimated at \$2 million (see annex I, A).

V. URGENT DEVELOPMENT PROJECTS NECESSITATED
 BY THE PRESENT SITUATION

A. Transport system

49. The emergency situation in Mozambique has given rise to exceptional requirements in the transport sector, over and above those required for continuing normal development, and for the replacement of damaged installations and equipment.

50. Principal requirements reflect the need to create new patterns of trade and production in order to replace incomes and employment lost as a result of sanctions against Southern Rhodesia. Two items belong to this category. First, there is the construction of a 100-kilometre section of the Centre-North-east highway for access to rich agricultural areas in the Provinces of Zambezia, Nampula, Cabo Delgado and Niassa. Secondly, there is the provision of road construction and maintenance equipment for the Provinces of Gaza, Manica and Tete; this will facilitate improvement of local road networks and so promote resumption of agriculture and rural trade besides providing access to the proposed settlements.

51. Other requirements reflect the need to develop stand-by facilities for emergency purposes. A reserve of Bailey bridge components is needed in the event of either further acts of aggression or natural disasters such as floods. Also important is the reactivation of Chingdozi airport near Tete as an alternative for Beira airport; Salisbury was formerly used for this purpose.

52. Requirements for the transport system are listed in table 8.

Table 8

Urgent transport development projects

Project	Millions of United States dollars
MOZ/T.09/77 Centre-North-east highway; construction of Alto Molocué-Alto Ligonha section (100 km) . . .	10.0
MOZ/T.10/77 Road construction and maintenance equipment for Gaza, Manica and Tete Provinces	7.0
MOZ/T.11/77 Reserves of Bailey bridge components at Chimoio and at Tete, for emergency use	0.58
MOZ/T.12/77 Reactivation of Chingdozi airport	<u>0.13</u>
TOTAL	17.71

B. Telecommunications

1. Public telecommunications

53. For strategic and economic reasons, the Government attaches high priority to two projects for international telecommunications links between Mozambique and neighbouring African countries. The projects would also link Mozambique with the Pan African Telecommunications Network (PANAFTEL). These projects are indicated in table 9.

2. Aeronautical telecommunications

54. Sanctions against Southern Rhodesia isolated the airport at Beira, the primary international airport of Mozambique, from its connexion with the Aeronautical Fixed Telecommunications Network (AFTN). The Government of Mozambique has therefore drawn up a project for a link with Dar es Salaam in order to re-establish connexions with AFTN (this replaces the proposed link to Nairobi mentioned as project 2.2.8 in the addendum to the report of the mission to Mozambique (E/5812/Add.1)). Furthermore, as part of the reactivation of Chingdozi airport, a telecommunications link from there to Beira will be needed. The cost of equipment for the two projects is indicated in table 9.

Table 9

Urgent telecommunications development projects

<u>Project</u>		Millions of United States dollars
MOZ/TC.02/77	Microwave link to the United Republic of Tanzania	3.0
MOZ/TC.03/77	Microwave link to Zambia	1.32
MOZ/TC.04/77	Beira-Dar es Salaam Aeronautical Communications	0.14
MOZ/TC.05/77	Beira-Chingdozi radio-teletype link	0.19
	TOTAL	<u>4.65</u>

VI. DEVELOPMENT PROJECTS OF PARTICULAR
IMPORTANCE TO MOZAMBIQUE

A. Agricultural development

1. Consolidation of the state-farm sector

55. The Government has assigned priority to the rehabilitation of the many large farms abandoned by the Portuguese and their reorganization as a state-farm sector. The objective, as defined by the Third Congress of FRELIMO, is to regain the 1973 level of production by 1980/81. This would involve the mechanized cultivation of about 180,000 hectares, the rehabilitation of citrus, tea and copra plantations, the regrouping of some 120,000 head of abandoned cattle into breeding and fattening units, and the reactivation of the existing dairy units. The Government has already allocated about \$25 million for imported equipment and for the other inputs required for the 1977/78 agricultural campaign, which aims to bring 77,000 hectares into production. This sum includes about \$10.5 million which the Nordic countries had previously committed to projects which are now part of the state-farm sector development programme. Some 14 additional projects within this programme have been identified by the Government. These projects are presently under assessment by the FAO Investment Centre preparatory to submission to potential donors.

2. Strengthening of agricultural marketing services

56. Before independence the urban centres, processing industries and export trade were partly supplied by the traditional small-farm sector. ^{4/} This supply was severely disrupted by the departure of the Portuguese middlemen (in particular the cantineiros) who had marketed this sector's production. Since there is no longer an assured market, and hence no incentive for producing a surplus, production in the traditional sector has dropped markedly. This has further worsened the situation caused by the decrease in production of the modern sector.

57. The Government intends to substitute a well-co-ordinated state and co-operative marketing system for the previous system based on the Portuguese middlemen. Such a marketing project will, it is hoped, have an immediate effect on the production of the small farmers by assuring them of a market and fixed minimum prices. This is expected to promote production both for urban food supplies and for export. The project (MOZ/A.01/77) would aim at strengthening the state organizations for marketing cereals, cashews, edible oils (ground-nuts, sunflower, copra, cotton seed) and cotton. It is estimated to cost \$2.5 million (see annex I, C). The first phase of the project would deal with one or two important commodities produced by the traditional sector (for instance ground-nuts in the Provinces of Inhambane, Gaza and Maputo, and maize in the Tete and Manica Provinces). This project would be related to a project assisted by the Nordic countries for financing some 300 stores in aldeias comunais.

^{4/} In particular, 80 per cent of the supply of raw material to the edible oil industries (mainly ground-nuts and cotton seed); 100 per cent of the cashew-nut exports; and maize, beans, cassava and fruits for the urban consumers.

3. Preparation of integrated river basin development projects

58. Longer-term agricultural development in Mozambique will be based primarily upon large-scale irrigation projects for the Zambezi Valley, the Limpopo Valley and the Incomati-Umbeluzi Valleys. A beginning has been made in utilizing these rivers: Massingir Dam in the Limpopo area (to be completed by 1978); commitments for construction (Pequenos Limbombos Dam on the Umbeluzi River); commitments for feasibility studies (Mapai Dam on the Limpopo River and Corumana Dam on the Incomati River). In the Zambezi Valley a number of feasibility studies were carried out before independence, but these have either been destroyed or have disappeared. In any case, systematic integrated development planning studies have not been undertaken in any of the three basins. The need for such studies has assumed greater urgency as individual projects must be planned in relation to over-all river basin development. The preparation of the Limpopo, Incomati and Zambezi integrated river basin development studies (project MOZ/A.02/77) is estimated to cost \$700,000 (see annex I, C). The urgency of systematic river basin development was highlighted by the disastrous floods of February 1977, when 300 people died and nearly 32,000 were rendered homeless.

B. Development of production and export of coal

59. Mozambique's coal reserves are viewed by the Government as a major potential source of export income. The development of these reserves is considered to be a matter of high priority.

60. Principal known resources are in four areas of Tete Province. The Moatize-Minzova area is the most important. It currently produces some 600,000 tons of coal (50 per cent cokable) by underground mining and it is estimated that its production can be rapidly increased to 2.5 to 3 million tons by open-cast mining. Estimated investments in this connexion would include \$25 million for mine development, \$25 million for plant and construction, and \$25 million for items such as on-site transport facilities, water supply, housing and other incidentals.

61. Several plans have been studied for the transport of coal to a port. One plan is based on export via Beira. It would require investments of \$100 million for improvement of the existing Central Railway and for acquisition of rolling stock, and an additional \$30 million for dredging at Beira to accommodate 50,000-ton ships. A second plan would be based on export via Nacala. This port is considered to be potentially far superior to Beira. Investments for the Nacala plan would include \$300 million for development and improvement of the rail connexion and \$80 million for the port facilities. A third plan would involve combined inland waterway and ocean-going barges travelling between Cabora Bassa and Nacala.

62. Several studies on the development of the coal reserves have been completed, covering both mining and transport. Two further studies are expected to be completed later in 1977 (see annex IV).

63. The Government anticipates that, with the completion of these preparatory studies, there will shortly be sufficient information available to warrant definitive planning and implementation. Assistance from the international community will then be sought in this connexion.

C. Transport system

64. The Government of Mozambique has singled out four projects as being of particular importance for the development of the country. These are:

<u>Project</u>	<u>Millions of United States dollars</u>
MOZ/T.13/77 Highway No. 1; repair of flood damage	1.7
MOZ/T.14/77 Angonia region; road construction and surfacing	12.8
MOZ/T.15/77 Training of operating personnel for ports and railways	0.5
MOZ/T.16/77 Road construction and maintenance equipment	3.0

Repairs to Highway No. 1 involve reconstruction and improvement of stream crossings and drainage structures which proved to be insufficient during the floods of the Limpopo River in February 1977. Construction of the Angonia region road is viewed as a further means of creating new patterns of trade and production by opening up areas of high potential for agricultural development. The port and railway training programme is aimed at enhancing the skills of operating personnel who received some training immediately after independence, but whose proficiency requires improvement. Road construction and maintenance equipment is needed for strengthening the facilities of the Public Works Department in all provinces.

D. Telecommunications

65. In order to develop its infrastructure in the light of changed relationships with its neighbours, and to integrate the different parts of the country, the Government of Mozambique wishes to accelerate the development of its aeronautical telecommunications facilities. This project (MOZ/TC.06/77) consists of the following subprojects:

	<u>Thousands of United States dollars</u>
(a) The renovation of Beira-Maputo radio-teletype link	278
(b) Ground-to-air communication equipment at Beira airport	203
(c) Additional navigation aids	<u>500</u>
TOTAL	<u>981</u>

E. Manpower training

66. In paragraphs 40 to 45 of the report of the second review mission contained in the Secretary-General's report (A/32/96), attention was drawn to the seriousness of the manpower situation in Mozambique resulting from the large-scale return of expatriates to Portugal. This situation is expected to improve by the early part of 1978 because of the ratification in June 1977 of a technical co-operation agreement with Portugal. This agreement opens up new possibilities for technical co-operation between the two countries and is expected to result in a flow of qualified technical personnel to Mozambique.

67. To meet the serious shortages at intermediate levels of skill, the Government has organized extensive programmes of in-service training in most of its ministries and agencies, as was described in paragraphs 40 to 45 of the second review mission's report (A/32/96). The Government has indicated that it intends to restructure the Department of Professional Training and Placement in the Ministry of Labour in order to reinforce these training programmes. It will also develop a plan for medium-term training, so as to raise the technical and professional levels of the workers in productive enterprises. For these programmes the following assistance is required for project MOZ/MP.01/77:

	<u>Thousands of United States dollars</u>
(a) Adaptation of buildings	529
(b) Equipment	<u>1,246</u>
TOTAL	<u>1,775</u>

VII. FOOD NEEDS

A. Factors affecting the supply of food

68. Before independence, Mozambique's principal food-stuff imports were wheat, ground-nuts, wine and olive oil together with some dairy produce and some maize. Local production and processing industries were normally sufficient to supply most of or all of the requirements for the staples, maize and rice, and also the potatoes, edible oils, sugar, meat, milk, poultry and vegetables.

69. The situation changed drastically after independence as a result of the sharp drop in food production and the cessation of commercial importing operations. The closing of the border with Southern Rhodesia further reduced supplies. The resultant food shortages mainly affected the urban population, which accounts for 20 to 25 per cent of the total population. Social measures taken by the Government to help the low-income groups through schools, hospitals and workers' canteens increased the demand for food-stuffs, as did the changed consumption habits of people who moved into the towns from the surrounding areas. This combination of circumstances compelled the Government to import large quantities of food.

70. The situation has been further aggravated by developments in the rural areas. Subsistence production has been severely affected by adverse climatic conditions; late rains in 1976 and the floods in February 1977 seriously affected production in the provinces of Maputo and Gaza. More recently, the displacement of about 50,000 people in the three provinces bordering Southern Rhodesia further reduced food production as most of the displaced farmers lost their 1976/77 crops. These adverse circumstances made it necessary for the Government to provide emergency supplies in 1976 and 1977, thus adding to the demand for food imports.

B. Food imports and future needs

71. In spite of these difficulties the food situation has been kept under control through careful management coupled with substantial assistance from friendly countries. Compared with conditions existing towards the end of 1976, food supplies have improved during the first half of 1977. Table 10 shows the second review mission's April 1977 estimates (see A/32/96, para. 62) of the food-import requirements for the balance of the year and the progress so far made with obtaining those requirements. It also shows the Government's estimates of food-import requirements for the period January-June 1978.

72. The Government hopes that from mid-1978 Mozambique's food-import needs will decrease as a result of the campaign to cultivate 75,000 hectares in the state-farm

sector. 5/ The mission considers that, despite this major effort in agricultural development, substantial if diminishing food aid will be needed for some time to come.

5/ Targets for the 1977/78 campaign for production on the state farms are:

1977/78 campaign
State sector production
 (Metric tons)

	Total
Rice	46,570
Sorghum	3,900
Corn	51,215
Wheat	2,106
Cotton	18,156
Sunflower seeds	3,722
Tobacco	612
Nhemba beans	810
Butter beans	2,157
Garden produce	55,880
Potatoes	49,200
Onions	12,945
Industrial tomatoes	46,000
Citrus fruits	24,400

Source: Noticias, 27 July 1977.

Table 10

Mozambique: food-import requirements, 1977/78
(Metric tons)

	<u>Food-import requirements for the balance of 1977</u>		<u>Food-import requirements for Jan.-June 1978 (government assessment in July 1977)</u>	Notes
	As at April (assessment of the second review mission <u>a/</u>)	As at July (government assessment)		
Wheat	10 000	Nil	63 000	15 000 (already in transit)
Maize	40 000	40 000	40 000	-
Ground-nuts	30 000	30 000	47 000	-
Rice	30 000	Nil	Nil	71 000 (import under way, sufficient to July 1978)
Potatoes	10 000	Nil	14 400	9 120 (import already received; balance for 1977, local production)
Onions	2 500	Nil	2 700	2 500 (import already received)
Meat and meat products	3 000	Nil	2 500	3 000 (import already received)
Milk powder	2 000	Nil	2 000	2 000 (import under way)
Fish	Not ascertained	5 000	10 000	-

a/ See A/32/96, para. 62.

VIII. REFUGEES

A. The current situation

73. No dramatic changes in the situation of Zimbabwean refugees in Mozambique have taken place since the visit of the second review mission in April 1977 (see A/32/96, paras. 65-84). However, the refugee influx has continued. At the end of April 1977, the total number of Zimbabwean refugees was about 32,000, of whom 28,000 were living in three organized settlements. By mid-July, the total figure stood at approximately 35,000. Of these, 16,000 were in Doroi (Manica Province), 12,000 in Tronga (Sofala Province), 4,000 in Mavudzi (Tete Province), and an estimated 3,000 were either scattered in the southern part of Tete Province or awaiting transportation to the settlements. According to Mozambican official sources, a total of 1,001 Zimbabwean refugees had been killed up to the end of June 1977 as a result of Southern Rhodesian attacks. Of these, 875 lost their lives during the Nyazonia massacre.

B. Assistance provided since April 1977

74. The living conditions of refugees in the three centres as described in the report of the second review mission (A/32/96) have improved following urgent action taken by the responsible United Nations agencies (UNHCR, UNICEF and the World Food Programme (WFP)). Better co-ordination between government ministries, donors and agencies has been achieved and a division of responsibilities has been established. Plans for the improvement of the welfare of the refugees and for the medium-term and longer-term development of the settlements have been formulated. They require substantial inputs by the international community.

75. On 14 June 1977, the United Nations High Commissioner for Refugees launched an appeal for assistance to refugees in southern Africa. The appeal included \$2 million for Zimbabwean refugees in Mozambique during 1977. Table 11 indicates the measures already taken, or being taken, to assist these refugees.

C. Refugee projects requiring international assistance

76. Despite the aid already provided for Zimbabwean refugees in Mozambique, substantial needs still remain. A number of essential schemes aimed at improving refugee settlements' facilities and developing productive activities were drawn up during the Mission's visit. It was considered prudent to formulate projects on the assumption that many of the Zimbabwean refugees were likely to remain in Mozambique until the end of 1979. Should a settlement of the Rhodesian problem take place by the end of 1978, a number of refugees may return home soon afterwards. However, experience in other areas has shown that a further 6 to 12 months may elapse before the majority are repatriated. After the return of the refugees, most of the facilities created (see table 12) could be of permanent value to the people of the area.

Table 11

Measures taken to assist Zimbabwean refugees in Mozambique

Item	Time	Assisting agency	Amount (thousands of United States dollars)
(a) Local procurement and services in terms of food, clothing, health, transportation, construction, agriculture and animal husbandry, part of Government's administrative expenditures	July 1977	UNHCR	350
(b) Airlifted supplies:			
(i) 125 tons of goods in five chartered cargo flights	June/July 1977	UNHCR/UNICEF/ Red Cross/OXFAM/ Caritas <u>a/</u>	590
(ii) Blankets and clothing by airlift	Expected end of July 1977	Lutheran World Federation	60
(c) Funds available for commitment	July-December 1977	UNHCR	300 <u>c/</u>
(d) Educational and child-care facilities: textbooks, vocational training kits and equipment	July-December 1977	UNICEF	53
(e) Food rations for eight months under "Quick-action procedure" project	Beginning autumn 1977	WFP	990
(f) Cash contribution towards locally procured food	1976-1977	SIDA <u>b/</u>	1 100
		TOTAL	3 443 <u>c/</u>

a/ Caritas Internationalis (International Confederation of Catholic Charities).

b/ Swedish International Development Authority.

c/ The amount of assistance could be increased by the end of 1977 if there is a favourable response to the appeal of the United Nations High Commissioner for Refugees.

Table 12

Refugees: summary of needs for the period
August 1977-December 1978
 (Project MOZ/R.01/77)

	Thousands of United States dollars
1. Food	2,000
2. Agriculture:	
(a) Land clearing:	
1977	375
1978	500
(b) Materials and equipment for production	320
3. Construction:	
(a) Communal facilities	312
(b) Dwellings	290
4. Health	235
5. Education	75
6. Transport equipment	235
7. Access roads	500
8. Miscellaneous and contingency	300
9. Administrative expenditures	100
TOTAL	5,242

77. In view of the magnitude of the problem and the need for effective co-ordination of efforts, the Government of Mozambique has established a National Directorate for Refugee Affairs. Nevertheless, responsibility for the personal and material needs of the refugees continues to rest primarily with the international community. An urgent response to the needs outlined above is therefore of critical importance.

IX. SUMMARY AND CONCLUSIONS

78. The armed attacks against Mozambique by the illegal régime in Southern Rhodesia have resulted in heavy loss of life and widespread destruction of public and private property in the border areas; 1,500 people have been killed; 50,000 have been directly affected in the three Provinces of Gaza, Manica and Tete. Important trade and service centres there have been destroyed. Transport and communications systems have been destroyed or damaged. Moreover, the direct losses from destruction of property are greatly exceeded by the losses from the economic and social disruption of the country's economy, particularly in the provinces affected, which are rich in food crops, cattle and minerals (see paras. 25-36 above).

79. These losses have been inflicted on a country which was already struggling to cope with many grave problems. In addition to the problems which Mozambique inherited on becoming independent, its economy has been seriously affected by its implementation of the Security Council resolution calling for sanctions against the illegal régime in Southern Rhodesia (see para. 13). Moreover, it has also suffered extensive losses from flooding (see paras. 58 and 70). Food production has dropped sharply both in the modern farm sector and in the traditional sector. This caused a deterioration in urban food supplies and a fall in agricultural exports (see paras. 21, 55, and 68-70). The drop in food production and an outflow of capital have put severe pressure on the balance of payments (see paras. 21-24). This pressure will be increased by a drop in gold earnings from the remittances of migrant labour after 1977 (see para. 23). There has also been a rapidly increasing deficit in the Government budget (see paras. 19 and 20).

80. Resettlement and rehabilitation of the displaced population (50,000 persons, or 10,000 families) in the areas affected by the Southern Rhodesian attacks will require the following projects:

- (a) Immediate relief of distress in terms of food, clothing and temporary shelter over the next six months (see para. 40);
- (b) Resettlement of the 10,000 families in 40 communal units of 250 families each (see paras. 42-44);
- (c) Agricultural development to support the resettlement (see para. 45);
- (d) Reconstruction of destroyed or damaged towns and villages (see para. 46).

81. The requirements for reconstruction, repair, or replacement of transport facilities include restoration of the destroyed Pungué and Messurize Bridges (see para. 47). An alternative telecommunications link between Maputo and Beira is needed because of the loss of the tropospheric station at Chicualacuala (see para. 48).

82. Among the urgent development projects necessitated by the present situation are the construction of the remaining 100 kilometres of the Centre-North-east highway and the establishment of microwave links to the United Republic of Tanzania and Zambia and aeronautical communications linking Beira with Tete and Dar es Salaam (see paras. 49-54).

83. The Government has reviewed its projects for the general development of the country and has identified a number which it considers are now particularly urgent. In the agricultural sector it has launched a programme (a) to revitalize the large farm sector now being organized as state farms, (b) to develop marketing channels for traditional agriculture, and (c) to undertake preliminary planning of integrated river basin development for three river systems (Limpopo, Incomati-Umbeluzi and Zambezi) (see paras. 55-58). Proposals are being studied for expanding the mining and transport of coal (see paras. 59-63). An important road project in the Angonia region will serve an agriculturally rich area (see para. 64). Aeronautical telecommunications are also needed (see para. 65). The important intermediate-level manpower training programme will need buildings and equipment (see para. 67).

84. Besides the food aid required for the displaced persons and refugees, Mozambique will need 40,000 tons of wheat, 30,000 tons of ground-nuts and 5,000 tons of fish to carry it through to the end of 1977. Food imports for the first half of 1978 have been estimated on the basis of imports in 1977. Food aid is likely to be needed for some time to come, even with major efforts in agricultural development (see paras. 71 and 72).

85. The influx of refugees from Southern Rhodesia has continued. It imposes a heavy burden on Mozambique. Despite past contributions by the international community, much more assistance is required to cope with the situation. Estimates have been made of the assistance required for the period August 1977-December 1978 to sustain the refugees and to provide them with shelter, with social services and with materials and equipment for agricultural development (see paras. 73-76). To co-ordinate efforts in this field the Government has established a National Directorate for Refugee Affairs (see para. 77).

86. The external assistance requirements which have been described in this report are in response to Security Council resolution 411 (1977). The projects are listed in annex I. Some of the items listed are projects which were also identified by earlier missions sent to Mozambique in response to Security Council resolution 386 (1976) of 17 March 1976, but which have not yet received international assistance.

87. Action in connexion with resolution 386 (1976) is summarized in annex II. In annex III there is a list of the projects previously identified and now listed again because they still need assistance. There is also a list of other projects needing assistance and a list of projects which have received assistance since the second review mission visited Mozambique in April 1977.

ANNEX I

Recapitulation of Mozambique's requirements to overcome the effects of acts of aggression

A. Requirements arising from losses resulting from aggression

<u>Project</u>	<u>Item</u>	<u>Amount</u> (<u>millions of United States dollars</u>)
	<u>1. Resettlement of displaced population</u>	
MOZ/H.01/77	Relief requirements (for six months) (food, clothing and temporary shelter)	5.05
MOZ/H.02/77	Human settlement (10,000 families)	8.44
MOZ/H.03/77	Agricultural development to support resettlement	4.37
MOZ/H.04/77	Reconstruction of Mapai, Mavonde and Chioco and other places	5.30
	<u>Subtotal</u>	<u>23.16</u>
	<u>2. Restoration of the transport system</u>	
MOZ/T.01/77	Reconstruction of destroyed bridge at Pungué	0.83
MOZ/T.02/77	Replacement of damaged engines and waggons, Southern Railway	1.94
MOZ/T.03/77	Reconstruction and repair of damaged installations and equipment, Mabalane- Chicualacuala section, Southern Railway	1.17
MOZ/T.04/77	Reconstruction of bombed airstrips at Mapai and Espungabera	0.02
MOZ/T.05/77	Construction of Dombe-Espungabera road to all-weather standards	3.87
MOZ/T.06/77	Replacement of destroyed civilian transport vehicles and road maintenance plant	2.12
MOZ/T.07/77	Replacement of destroyed inland waterway vessels	0.13
MOZ/T.08/77	Reconstruction of destroyed Messurize Bridge	0.21
	<u>Subtotal</u>	<u>10.29</u>
	<u>3. Restoration of telecommunications system</u>	
MOZ/TC.01/77	Restoration of telephone and telex link between Maputo and Beira	2.00
	TOTAL, section A	<u>35.45</u>

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B. Urgent development projects necessitated
 by the present situation

<u>Project</u>	<u>Item</u>	<u>Amount</u> (<u>millions of United</u> <u>States dollars</u>)
<u>1. Transport system</u>		
MOZ/T.09/77	Centre-North-east highway; construction of Alto Molocué - Alto Lingonha section (100 km)	10.00
MOZ/T.10/77	Road construction and maintenance equipment for Gaza, Manica and Tete Provinces	7.00
MOZ/T.11/77	Reserves of Bailey bridge components at Chimoio and at Tete, for emergency use	0.58
MOZ/T.12/77	Reactivation of Chingdozi airport	0.13
	<u>Subtotal</u>	<u>17.71</u>
<u>2. Telecommunications</u>		
MOZ/TC.02/77	Microwave link to the United Republic of Tanzania	3.00
MOZ/TC.03/77	Microwave link to Zambia	1.32
MOZ/TC.04/77	Beira-Dar es Salaam aeronautical communications	0.14
MOZ/TC.05/77	Beira-Tete radio-teletype link	0.19
	<u>Subtotal</u>	<u>4.65</u>
	TOTAL, section B	<u><u>22.36</u></u>

C. Development projects of particular
 importance to Mozambique

<u>Project</u>	<u>Item</u>	<u>Amount</u> <u>(millions of United</u> <u>States dollars)</u>
<u>1. Agricultural development</u>		
MOZ/A.01/77	Strengthening of agricultural marketing services	2.50
MOZ/A.02/77	Preparation of integrated river basin development projects	0.70
	<u>Subtotal</u>	<u>3.20</u>
2.	<u>Development of production and export of coal</u> (under study)	<u>Pro memoria</u>
<u>3. Transport system</u>		
MOZ/T.13/77	Highway No. 1; repair of flood damage	1.70
MOZ/T.14/77	Angonia region; road construction and surfacing	12.80
MOZ/T.15/77	Training of operating personnel for ports and railways	0.50
MOZ/T.16/77	Road construction and maintenance equipment	3.00
	<u>Subtotal</u>	<u>18.00</u>
<u>4. Telecommunications</u>		
MOZ/TC.06/77	Development of aeronautical telecommunications facilities	0.98
<u>5. Manpower training</u>		
MOZ/MP.01/77	Buildings and equipment for training programmes	1.78
	TOTAL, section C	<u>23.96</u>

D. Food-import requirements (not already arranged)

	<u>For the balance of</u> <u>1977</u> (<u>metric tons</u>)	<u>For January-June</u> <u>1978</u> (<u>metric tons</u>)
Wheat	-	63 000
Maize	40 000	40 000
Ground-nuts	30 000	47 000
Potatoes	-	14 400
Onions	-	2 700
Meat and meat products	-	2 500
Milk powder	-	2 000
Fish	5 000	10 000

(No estimates of cost)

E. Refugees

<u>Project</u>	<u>Item</u>	<u>Amount</u> (<u>millions of United</u> <u>States dollars</u>)
MOZ/R.01/77	Refugees' needs for foods, services, equipment and materials, August 1977 - December 1978	<u>5.24</u>
	GRAND TOTAL (excluding D. Food-import requirements)	<u><u>87.01</u></u>

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ANNEX II

Preceding consideration by the United Nations of the situation
in Mozambique, and the action taken

A. The application of sanctions

1. The Government of Mozambique, on 3 March 1976, announced the imposition of comprehensive sanctions against Southern Rhodesia in accordance with the decisions of the United Nations. This action involved serious economic consequences for Mozambique.

B. Action by the Security Council

2. In response to the request received from the Government of Mozambique, the Security Council met on 16 and 17 March 1976 and adopted resolution 386 (1976) in which the Council, in paragraph 4, appealed to all States to provide immediate financial, technical and material assistance to Mozambique to enable it to carry out its economic development programme normally and enhance its capacity to implement fully the system of sanctions. In paragraph 5, the Council requested the United Nations, relevant United Nations organs and specialized agencies to render assistance to Mozambique and to consider periodically the question of economic assistance as envisaged in the resolution; and, in paragraph 6, the Council requested the Secretary-General, in collaboration with the appropriate organizations of the United Nations system, to organize financial, technical and material assistance to Mozambique.

C. Action by the Secretary-General

3. The Secretary-General appointed a mission, headed by Mr. Abdulrahim Abby Farah, Assistant Secretary-General for Special Political Questions, which visited Mozambique from 7 to 22 April 1976. The report of the Mission to Mozambique, entitled "Assistance to Mozambique", was transmitted to the Economic and Social Council by a note by the Secretary-General (E/5812 and Corr.1 and Add.1).

4. On 3 May 1976 the Secretary-General issued an appeal to all Governments for assistance to Mozambique. This was followed by consultative meetings. Co-ordinating machinery was established at United Nations Headquarters and at Maputo and a special account was set up to facilitate the channelling of international assistance through the United Nations.

5. Responding to a proposal by the Government of Mozambique, the United Nations undertook discussions with members of the Development Assistance Committee of the Organisation for Economic Co-operation and Development (OECD). A joint Government of Mozambique/United Nations Mission was organized for consultations with Arab countries and Arab and African organizations.

6. The Secretary-General visited Mozambique on 1 July 1976 and reviewed with His Excellency Mr. Samora Machel, President of Mozambique, the response of the international community to the appeal for assistance to Mozambique.

D. Action by the Economic and Social Council

7. The report of the Mission to Mozambique (E/5812 and Corr.1 and Add.1) was considered by the Economic and Social Council from 7 to 11 May 1976. On 11 May the Council adopted resolution 1987 (LX) welcoming the arrangements made by the Secretary-General and requested a progress report for its sixty-first session. The progress report (E/5872/Rev.1), on the mobilization of financial, technical and material assistance to allow Mozambique to pursue its normal development and to overcome difficulties arising from the application of economic sanctions against Southern Rhodesia, was considered by the Council on 3 August 1976. On that date the Council adopted resolution 2020 (LXI) in which, in paragraph 9, the Council called for a second review of the situation in Mozambique in the light of the international response and developments since the application of sanctions.

E. Action by the General Assembly

8. The Joint Co-ordinator of the United Nations Programme of International Assistance to Mozambique visited the country between 4 and 25 August 1976 and the first review report was submitted to the General Assembly in a note by the Secretary-General (A/31/266) in October 1976. On 1 December 1976 the Assembly adopted resolution 31/43 in which, in paragraph 10, the Assembly requested the Secretary-General to arrange for a new assessment of the economic situation in the first quarter of 1977.

F. Second review mission

9. The second review mission was carried out from 18 to 24 April 1977 by the Co-ordinator and Joint Co-ordinator of the United Nations Programme of International Assistance to Mozambique, and their report, contained in the report of the Secretary-General entitled "Assistance to Mozambique" (A/32/96), was issued on 9 June 1977. The report reviewed the monetary and balance of payments situation of the country over the short-term period 1977-1978 and the international assistance in relation to the government investment programme. It also referred to the additional difficulties facing Mozambique, namely, devastating floods, shortage of food, refugees from Zimbabwe and attacks on its territory by the illegal régime in Southern Rhodesia. On 22 June 1977, Mozambique lodged a complaint (S/12350 and Add.1) regarding these attacks before the Security Council which adopted resolution 411 (1977) on 30 June 1977.

ANNEX III

Standing priorities

1. The requirements identified in annex I must be viewed as inclusive of and, in the case of new projects, additional to those which were identified earlier and which remain valid, notably as shown in reports E/5812/Add.1 and A/32/96. The Government of Mozambique wishes it to be generally appreciated that, while it requires supplemental aid to offset the effects of aggression on its territory, it continues to apply fully the sanctions against Southern Rhodesia in conformity with the decisions of the United Nations. The problems of this newly independent territory, suffering from a massive exodus of skilled and semi-skilled personnel, cut off by the sanctions from a large part of its foreign and transit trade earnings, and requiring territorial integration of its economy, have been compounded by a severe dislocation of its population and internal trade. It is experiencing budgetary and balance-of-payments deficits. The assistance it requires, has, therefore, to be viewed in this total context. Any assistance forthcoming in response to Security Council resolution 411 (1977) should be additional to that in response to Council resolution 386 (1976) and to the general development assistance from donor countries and organizations.

2. The following paragraphs bring up to date (as at the end of July 1977) section B of annex I of the Secretary-General's report (A/32/96), which provides a list of the projects the Government of Mozambique intends to carry out but for which assistance was not available at the time the second review mission visited Mozambique in April 1977.

3. Projects identified in the Secretary-General's report (A/32/96) which have been included in the present report are as follows:

<u>Item No. (A/32/96)</u>	<u>Title</u>	<u>Project No. (present report)</u>
2.2.1	Reactivation of Chingdozi airport in Tete Province	(MOZ/T.12/77)
2.2.3	Repairs on National Highway 1	(MOZ/T.13/77)
2.2.5	Construction of the Angonia region road	(MOZ/T.14/77)
2.2.6	Construction of the Espungabera- Dombe-Chimoio Road (part)	(MOZ/T.05/77)
2.2.7	Reconstruction of destroyed Pungué Bridge	(MOZ/T.01/77)
2.2.9	Microwave link with Zambia	(MOZ/TC.03/77)

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<u>Item No. (A/32/96)</u>	<u>Title</u>	<u>Project No. (present report)</u>
2.2.10	Telephone and telex link between Maputo and Beira	(MOZ/TC.01/77)
3.2.4	Preparation of a regional development plan for the Limpopo River basin	(MOZ/A.02/77)
3.2.13	Provision of tools and agricultural implements (part)	(MOZ/H.03/77)
3.2.30	Centre-North-east highway (100 km)	(MOZ/T.09/77)
4.1.2	Educational projects (part)	(MOZ/MP.01/77)

4. Other projects identified in the Secretary-General's report (A/32/96) for which assistance is not yet available, and of which the priorities remain unchanged, are as follows:

<u>Item No. (A/32/96)</u>	<u>Title</u>
2.2.1	Reactivation of Chingdozi airport in Tete Province (other than as covered under project MOZ/T.12/77)
2.2.4	Widening of the Incoloane-Macia sections of Highway No. 1
2.2.7	Strengthening of bridges over Mecumbuzi and Nyazonia Rivers (excluding work on Pungué Bridge, as covered under project MOZ/T.01/77)
2.2.12	Emergency power-generating units (part)
2.2.13	Construction of a substation at Manica
2.2.14	Emergency plan for water supply to the city of Manica
3.1.1	Improvements of the Moatize-Beira railway line
3.1.2	Increased traffic arising from the coal development in Moatize
3.1.3	Feasibility study of rail connexion to Zambia
3.1.6	Improvements on the Nacala railway line
3.1.10	Litunde-Marrupa-Balama-Montepuez Road
3.1.13	Angoche-Monapo Road (National Highway 236)

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5. Projects identified in the Secretary-General's report (A/32/96) for which foreign assistance has been made available to cover the whole or part of the cost, since the second review mission to Mozambique (April 1977) are as follows:

<u>Item No. (A/32/96)</u>	<u>Title</u>	<u>Source of assistance</u>
3.1.8	Pequenos Limbombos Dam	African Development Bank
3.1.14	Feeder-road programme	United Kingdom of Great Britain and Northern Ireland
3.1.16	Zambezi River Bridge	Organization of Petroleum Exporting Countries (OPEC)
3.2.4	Feasibility study of Mapai Dam on the Limpopo River (the preparation of Limpopo River basin development plan is included under project MOZ/A.02/77)	OAU/Arab funds
3.2.6	Eight earth dams of the Montepuez area	FAO/Investment Centre
3.2.7	Introduction of agricultural implements and draft animals	Nordic
3.2.8	Restoration of the banana plantation in Incomati Valley	FAO/Investment Centre
3.2.16	Storehouses for the <u>aldeias comunais</u>	Nordic
3.2.27	Reafforestation in Sofala Province (part)	UNDP
3.2.30	Centre-North-east highway (130 km)	African Development Bank

Item 3.1.7 (A/32/96), construction of a fishery port at Beira, has been undertaken by the Government of Mozambique with its own funds, while discussions with the African Development Bank are in progress.

ANNEX IV

Studies on coal development

A. Studies already completed

"Coal-handling terminal - Port of Beira, Mozambique"
(Soros Associates, December 1975)

"Study of coal shiploading through the Port of Beira"
(Leonard S. Barnish, July 1973)

"Proposal for the transport of coal from Moatize"

Volume 1, Moatize-Beira

Volume 2, Loading facilities of Moatize

Volume 3, Moatize-Nacala

(Transportation Systems and Market Research Limited, March 1976)

"Mine and coal preparation proposals of Companhia Carbonifera de
Mozambique for Caminhos de Ferro de Mozambique"

(Duffryn Technical Services Limited, January 1974)

B. Studies in progress

"Development of coal mine in Moatize"

To be completed in October 1977

"Alternative solutions for development of Beira port"

To be completed in December 1977

