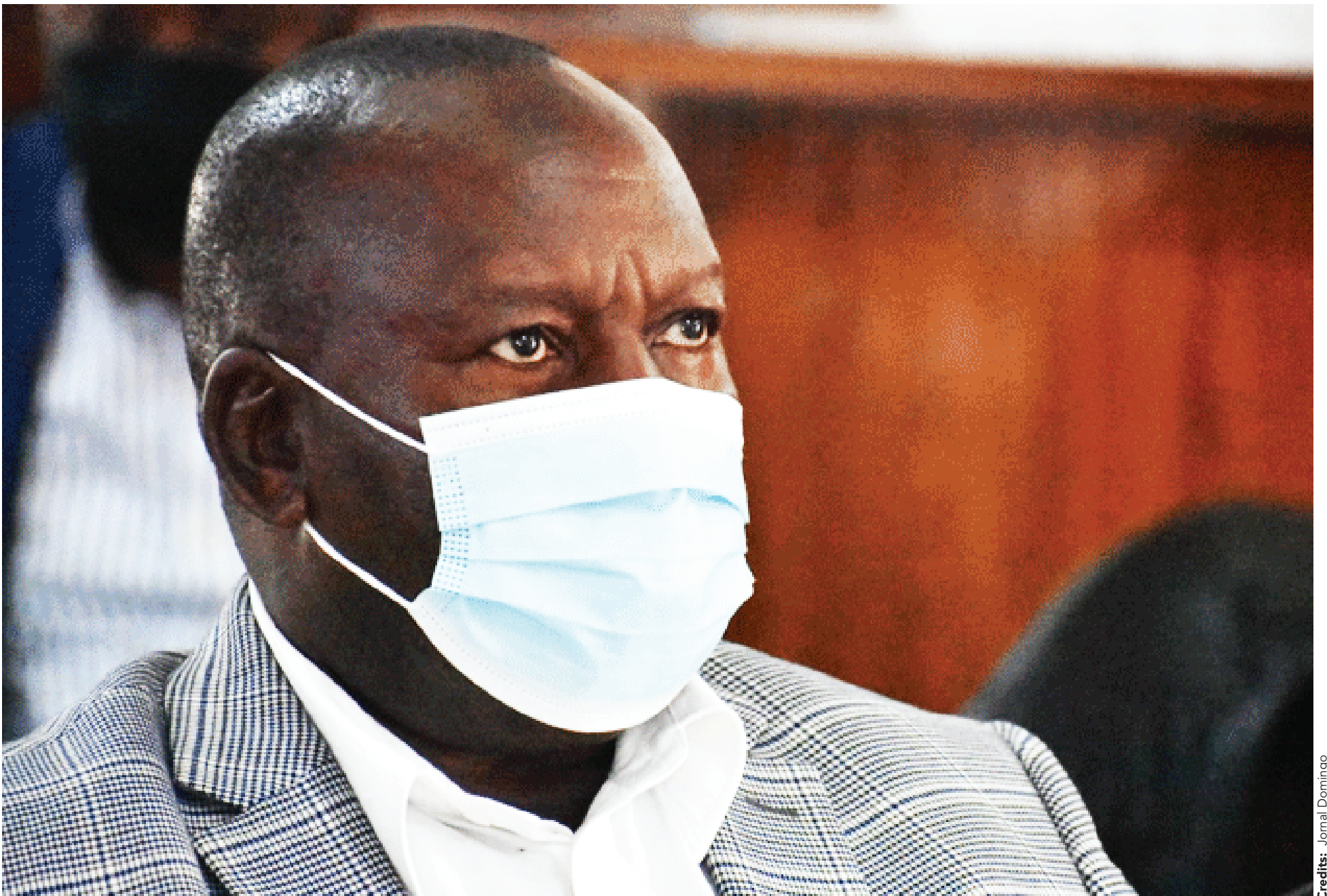


DAY XLII OF THE "HIDDEN DEBTS" SCANDAL TRIAL

## Arlindo Ngale says he criticised ProIndicus' replacement of boats and aircraft, but his recommendations were ignored

- The only declarant to be heard by the court on the 42nd day of the trial, Arlindo João Ngale is a civil servant of the Mozambique Armed Defence Forces (FADM), with the rank of captain (Navy), assigned to the Mozambican Navy branch. He trained as a shipbuilder and repairer in the former Soviet Union. He left the Navy in 2009 to work for the Monte Binga Company as manager of an industrial tuna-fishing project, in partnership with a Chinese firm.



Arlindo Ngale, Captain of sea and war

In April 2013, he moved to work for ProIndicus, after being contacted by the company's then Chairman of the Board of Directors, Eugenio Zitha Matlaba, in late March. "He informed me that there was a project for monitoring and protection of the Exclusive Economic Zone. In addition, following that, he was inviting me to be part of the project and help in the implementation of the project. I asked some questions about the project, especially what would be required for its implementation. He explained to me that it would be necessary to set up radars, a command and control centre, and there would be patrol vessels and aircraft".

Arlindo Ngale accepted to be part of the project and was submitted to a validation interview conducted by the members of the ProIndicus Board of Directors. He was appointed Technical and Logistical Director of ProIndicus and his role was to create facilities and support the Director of the Privinvest Group in its task of implementing the project.

He tells that on 25 April 2013 he attended a meeting where members of the Board of Directors of ProIndicus and a team from Privinvest, led by Jean Boustani, were present. At that meeting the amendment of the equipment supply contract was discussed, specifically the replacement of two 400 CL52 surveillance vessels with three other smaller HSI-32 vessels; replacement of two larger twin-engine aircraft with six smaller single-engine aircraft, inclusion of 36 DV-15 vessels and three WP-18 vessels.

The declarant said that he asked for the floor to disagree with some changes in the means, because in his view the 400 CL52 surveillance vessels were larger and appropriate for the challenges that were proposed in the project, as they corresponded to the specificities of the Indian Ocean, whose waves are of larger size. In addition, the vessels that were being introduced, the HSI-32s, were smaller and not capable of staying at sea for long periods for deterrence purposes. The new HSI-32 vessels introduced had to make constant trips from base to sea, adding costs and making the project less sustainable.

His view is that a maritime patrol aircraft has to have an acceptable weight because the maritime environment has strong winds; the patrol aircraft should have two engines to enable it whenever it has problems with one of the engines to return to base safely. However, his recommendations were not accepted by the supplier, represented at the meeting by Jean Boustani. "They said they were exchanging means allegedly because ProIndicus had no experience of operating large equipment. They also said that we would now have many vessels and because they were small they were faster".



Arlindo Ngale

Overall, the declarant believes that the ProIndicus project met the basic security needs of the Mozambican coast, but the supply contract needed to be improved. "I believe that there may have been Privinvest's intervention in the preparation of the project." Arlindo Ngale said there was no sabotage of the project by the Government, a statement that contradicts the statements of António Carlos do Rosário who indicted Filipe Nyusi's Executive of having sabotaged the three companies (ProIndicus, EMATUM and MAM).

On 29 April, he said he was copied on an email whose attachment was the minutes of a meeting between José Manuel Gopo, of the Privinvest group, and Peter Kun, representative of Privinvest. The meeting took place on 26 April at a hotel and changes to the supply contract were approved, ignoring all recommendations Arlindo Ngale had given at the previous day's meeting at Monte Binga's headquarters. "I neither attended nor learn of that meeting of the 26.

Also in 2013, Arlindo Ngale was part of a delegation which included Eugénio Matlaba (Chairman of the Board of Directors of ProIndicus) and António Carlos do Rosário (Director of ProIndicus), who travelled to France, England and Abu Dhabi to check on the vessels that were being manufactured for ProIndicus. At Maputo International Airport, the declarant relates that he had a brief conversation with António Carlos do Rosário. "He invited me for a coffee and told me that the project was his, in the sense that he was the one who had control over it. At the time I didn't understand why he was saying that".

In France, the delegation reviewed the HSI-32 interception vessel project and the

declarant said that he took the opportunity to make an analysis between that vessel and the patrol vessel 400 CL52. The HSI-32 vessel is 32 metres in length, fuel tanks with a capacity of 20 tonnes, capacity to provide two tonnes of water, and one tonne of food; while the vigilante 400 CL52 is 54 metres in length, capacity of 45 tonnes of fuel, capacity to provide 10 tonnes of water, and two tonnes of food. In terms of range, the HSI-32 ship has 800 nautical miles, a speed of 45 knots, and three engines; while the vigilante 400 CL52 has three thousand nautical miles, a speed of 22 knots, and two engines.

To the court's question whether the Privinvest group had supplied all the equipment, the declarant replied in the affirmative. "Everything that was prescribed in the supply contract between ProIndicus and the Privinvest group seems to have arrived in Mozambique. However, the ships had lethal valences, that is, they did not carry weapons. The intelligence centre, the training and education centre, the maritime operations centre and the command and control centre are there at ProIndicus. The six single-engine aircraft have also arrived. We have also received 45 vessels".

The declarant explained that in the supply contract there is a clause of acceptance of the equipment in the factory, that is, the owner must accept it still in the factory. However, he acknowledges that it has not been possible to comply with this clause. "There is one HSI-32 vessel that came defective from the factory, but we are already fixing that. There is a DV-15 that came in 2013 and the engine seized up. The supplier was still here, imported a new engine, but the vessel is not working."



## No radar is working and there is a lack of mooring space for ProIndicus boats



Credits: Jornal Domingo

The contract foresaw 16 radar stations to be set up from Ponta D'Ouro to the mouth of the Rovuma River (Cabo Delgado tip). The supplier delivered 18 radar containers (two more than expected), but only nine were set up. Of this number, the supplier delivered six stations. "Of the seven that remained to be set up, two were not completed due to the unwillingness of the supplier who did not deliver the configuration services. We are talking about the stations in Macomia and Mocimboa da Praia, in Cabo Delgado".

Arlindo Ngale explained that when the supplier left Mozambique no radar was working, supposedly due to camera problems. "And he said that the responsibility for the cameras was ProIndicus'. After he delivered the keys to six radar stations, he again requested the keys from ProIndicus claiming that they wanted to do work. At that time, they were buying the cameras, but we do not have the report of them being set up. They returned the keys. But we also have our responsibility, because we were not able to do the electrification of all the radar stations."

Asked if the ProIndicus system is working as designed, the declarant answered in the negative. "To work we had to have all the radar stations set up and working, have the satellite to do the signal integration between the patrol vessels and aircraft with the command and control center. When the supplier left Mozambique on June 3, 2016, we no longer had the satellite signal. The satellite signal contract was for about three years and it expired in 2016."

Arlindo Ngale said that there is vandalization of some radar stations implanted in re-

mote areas of the provinces of Inhambane (one), Quelimane (two), Nampula (one) and Cabo Delgado (one). Asked why no men of the Defense and Security Forces were implanted to ensure security in the radar stations, he said that the matter was discussed at the highest level.

Regarding the vessels, Arlindo Ngale said that the change in the supply contract, which involved going from 14 to 45 vessels, created berthing problems. "Because of this, we have vessels docked and others on land. The large vessels arrived in 2016 and since that time have stayed at sea due to the lack of berthing infrastructure.

The declarant noted that when traveling to check the means that were being manufactured in France, England and Abu Dhabi, the Mozambican delegation met with the supplier's team (Privinvest) to discuss project issues. "I raised the problem of mooring vessels, but I was questioned by the then Administrator of the Administration and Finance Portfolio, António Carlos do Rosário, not to present a complaint in that regard. He instructed me to write about this subject as soon as we returned to Mozambique".

Arlindo Ngale did not follow António Carlos do Rosário's recommendation and preferred to contact the then PCA of ProIndicus, Eugénio Matlaba, to expose the problem. "After insisting so much, he asked for a quotation for the acquisition of floating pontoons for the mooring of the boats. Nevertheless, I cannot say what happened after that. Some of ProIndicus' vessels are moored on MAM's floating pontoons in Pemba."

### After being at Maputo Shipyard, Arlindo Ngale returned to ProIndicus and is facilitating the liquidation of the company

Later, from November 28, 2016 to July 31, 2018, Arlindo Ngale worked as the General Director of Maputo Shipyard, a subsidiary of MAM, and in that capacity, he received a person by the name of Mahomed who was going to meet the shipyard. "Mr. Mahomed was coming from the part of CEO António Carlos do Rosário and it was said he was the person who would bring clients."

In August 2018, he ends his assignment at Maputo Shipyard and returns to ProIndicus, where he takes office as the company's General Director on March 20, 2020. "Two months later, the company was dissolved and entered the liquidation process. My job now is to create facilities for the liquidator to do its job smoothly."

As Technical and Logistics Director of ProIndicus, Arlindo Ngale received 182 thousand meticaís net. "But now I don't receive a salary from ProIndicus. Since I was appointed General Director of ProIndicus, I do not receive a salary. Now I am back in the Armed Forces and there where I get a salary." As General Director of Maputo Shipyard, the declarant received 235 thousand meticaís net. Asked if while he was receiving salaries at ProIndicus and later at Maputo Shipyard, did he also receive simultaneously as a state employee assigned to the Navy, he asked not to answer the question claiming that he did not feel comfortable.



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