

LXXIV DAY OF THE "HIDDEN DEBTS" SCANDAL TRIAL

# Guebuza again points out Filipe Nyusi, Mozambique Bar Association requests hearing of the Head of State, but the judge comes out in his defense: "I dismiss the application"

- At 10.25am, the second day of Armando Guebuza's hearing began, with the assistant in the case, the Mozambique Bar Association (OAM), asking the questions. The starting question was to know when and why the companies EMATUM and MAM were set up. "The only reason was to defend our territorial integrity and to appropriately respond to the challenges that arose at the time," was the declarant's reply.



Armando Guebuza again referred detailed explanations on the Integrated Monitoring and Protection System (SIMP) project of the Exclusive Economic Zone (EEZ) to the former Minister of National Defense, in his capacity as Chief of the Operational Command. "The President of the Republic and Commander-in-Chief of the Defence and Security Forces should not and cannot be dealing with all issues, that is why he has arms and support organs. And that is why I preferred to delegate."

Asked whether officials of the Presidency of the Republic were authorized to enter into partnerships with Privinvest to receive money, Guebuza reacted by saying that the way the question was put gives the false idea that there was a provision that officials could illicitly benefit from funds. "But that was not part of the conception of the Exclusive Economic Zone and neither was it part of the reasons that led to its conception."

Represented by lawyer Flavio Menete, OAM questioned under what circumstances people who were not part of the Presidency of the Republic and the Defence and Security Forces were copied on emails about SIMP matters and integrated work missions related to the project, to which the declarant responded by stating that the work had been delegated to the Operational Command. "It is not my responsibility to go into the detail or decide on the specificity of the actions that this committee (command) has decided to follow."

Confronted with the statements of his former Minister of the Interior, Alberto Mondlane, according to which some issues linked to the SIMP project and the creation and financing of ProIndicus, EMATUM and MAM were discussed and made possible in closed forums where only the SISE management and the President of the Republic participated, given their sensitivity, Guebuza reacted in the following terms: "You are assuming that the impressions of former Minister Mondlane are facts. I do not agree with Minister Mondlane. That did not happen".

The declarant again maintained that at the time of contracting the financing for the three (3) companies, at no time was he informed that the Government had already exceeded the limits established in the Budget Law for the issuance of State guarantees. To the question about the role of the former Minister of National Defense in the conception of the project and the contracting of the financing of the three companies, Guebuza said that Filipe Nyusi was Head of the Operational Command and the person who should clarify all issues.



## Guebuza admits mistakes in SIMP, but says that history also learns from what is wrong

In one of his speeches, the former President of the Republic regretted the fact that the SIMP project had not gone ahead, a situation which led OAM to question the reasons: "The implementation of the project did not happen because I was no longer in the Presidency of the Republic. Who should explain the reasons is the current President of the Republic," said the declarant, referring again explanations to Filipe Nyusi.

Guebuza even claimed that the project was simply abandoned. "In this transition period, without analysis or questioning of us others, they began to say that everything was wrong. That may be correct. But the problem is that if there was a project and it was concluded that it was wrong, one should not throw away the water that washed the child with the child itself. But that's what happened. The meaning of history was lost. History is also learnt from what is wrong.

In a long speech, the former President of the Republic said, ironically, that he heard the SIMP project created the biggest problems for Mozambique because the International Monetary Fund (IMF), the World Bank and the Western countries stopped funding the

State Budget. "But was it the first time that this happened in our short history of being abandoned by these countries? No".

And he gave an example of the economic consequences Mozambique suffered for applying the United Nations sanctions imposed on Yam Smith's Rhodesia. "All the Western nations turned against us. We lost credibility and the country continued to suffer. Mozambique had very little time as an independent country, but it kept working, even with suffering. It did not fold its arms. So these sanctions are not the first.

Guebuza criticized the current Government, saying that it remained inactive in the face of the suspension of direct support to the State Budget. "The boats continued here without sailing. Until today, the countries that applied sanctions have not made any effort to understand what happened. And unfortunately we others who were working on this process have not been asked anything, neither by the Western countries nor by our Government. Only now, seven (7) years later, are we asked in Court why we didn't think of better solutions. Today the ink is already dry.

Questioned why his Government did not go

to Parliament to request an authorization for the issue of State guarantees to finance the companies ProIndicus, EMATUM and MAM, the declarant began by reiterating that he had delegated all the work to the Operational Command. Further on, Guebuza repeated his statements made to the press in 2016 when he was heard by the Parliamentary Commission of Inquiry set up to investigate the “hidden debts” scandal.

“It is true that there was a debt, but that debt was to acquire equipment to fight those who at that time were attacking Mozambique at various points. It turns out that some people who were being fought, that is, Renamo, had deputies in Parliament. How can such an issue be taken to Parliament when Renamo was there? That would jeopardise the execution of the plan. It is as if the terrorists were

in Parliament today and we were going to ask the terrorists if we could buy weapons. It would be irresponsible.

Even so, the former President of the Republic denied that his Government had acted knowing that it was violating the Constitution of the Republic by not having gone to Parliament to ask for authorization to issue State guarantees.

About the USD 500 million recorded in the State General Account as having been used to purchase defense material, the assistant in the case asked the declarant if he was aware of the matter, taking into account that the former Ministers of National Defense and Interior stated that they never received military equipment purchased under the SIMP project. In response, Guebuza said the following: “Fortunately, the Head of the Operational

Command was Minister of National Defense and was later elected President of the Republic. Therefore, he continues in the same space with access to information and the capacity to make decisions.

Several witnesses heard by the Court stated that the EMATUM vessels presented some non-conformities, which is why some of them were subjected to adjustment works already on Mozambican territory. Since the President of the Republic visited the shipyards of the Prinvest group in France where the boats were being manufactured, OAM wanted to know if the declarant was aware of this information, to which Guebuza replied saying that he was never a specialist in the navy or fisheries, much less aircraft. “The people who presented boats to me were specialists and I agreed.

## “It is strange. That’s the most I can say. He was head of the Operational Command and he says he doesn’t know anything about what happened.”

Confronted with the statements made in 2018 by Filipe Nyusi in the preparatory instruction of the case now on trial according to which he did not know about the existence of EMATUM and MAM and only became aware of it when he was already President of the Republic, Guebuza tried a sarcastic smile and shot back: “I have no comment. It is strange. That is the most I can say. He was head of the Operational Command and he says that he knows nothing about what happened. It’s strange.”

Asked whether he takes responsibility for the failure of the project, the declarant reiterated his position of Thursday: “Firstly, the project was a necessary thing and I even think that it is still necessary today. Its execution and implementation is not my responsibility. The project was prepared until January 2015. Since then I don’t know what is happening and therefore it is not my responsibility. But the project is something that was necessary.”

Guebuza always maintained that he had full confidence in the people he worked with on the SIMP project. “I worked in the design area and approved the project through an instrument that would guarantee its realization, its implementation. I designed the instrument with people of my absolute trust. I will not judge today what happened six (6) years ago and which was known to me. Six years ago I had full confidence in the people I had appointed. For example, I had full confidence in the Operational Command”.

The three companies that benefited from



illegal loans totalling more than two billion dollars had António Carlos do Rosário, former Director of Economic Intelligence at SISE, as their CEO. Asked by OAM if it was not strange that António Carlos do Rosário was CEO of ProIndicus, EMATUM and MAM, taking into account the Law of Public Probity, Armando Guebuza said that in the initial phase the

companies needed a management that was clear about their mission. "I received the proposal from the SISE management for the appointment of Rosário and, based on the functions he performed in security, I agreed."

The declarant reiterated defendant António Carlos do Rosário's claims that MAM was sabotaged. "We created MAM to be a ship man-

ufacturing and repair company. We wanted to create a naval industry out of MAM, so the company faced a lot of resistance." When asked by OAM who sabotaged MAM and how this sabotage took place, Guebuza simply said: "When it comes to security in the practical sense, I am not the one who is going to add fuel to the fire."

## OAM again requested hearing of Nyusi and judge comes out in defense of the President of the Republic

After two days of hearing the former President of the Republic, it was expected that one of the procedural interveners would request the hearing of Filipe Nyusi, current President of the Republic. At the time of the facts and the trial, Nyusi was Minister of National Defense and, inherently, Head of the Operational Command, a body to whom Guebuza said he had delegated the mission to work on the SIMP project.

On several occasions, Armando Guebuza referred relevant explanations on the contracting of the financing and purchase of equipment for the three companies to the former Minister of National Defense. On Thursday, the first day of his hearing, Guebuza said in response to a question from the Public Prosecutor's Office that: "We functioned as structured bodies that presented proposals and were discussed and, when approved, could move forward. Normally in those cases the one who responds is the chief who is chairing the meeting. In this case, the Operational Command had its head, who was the Minister of National Defense".

Following this, OAM again requested the hearing, as declarant, of the former Minister of National Defense and Head of the Operational Command. The assistant in the case justified the request by stating that the allegations made by the former President of the Republic make it essential to hear Filipe Nyusi in order to produce the best evidence. And as expected, the judge dismissed the application arguing that this is a matter on which the Court had already ruled twice.

"The OAM knows that the judge has already exhausted his jurisdictional power as to the matter in question. Even if he wants to, the judge should not decide by calling into question the first decision he has made. "This matter has already been discussed here in Court twice, and the decision was placed in an order. And according to the law, the judge cannot back down." Judge Efigénio Baptista also said that even if he had deferred the application, Filipe Nyusi would not be heard in the B.O tent where the discussion and trial hearing sessions take place. "As President of the Republic,



he would be heard in his office by a judge."

In the preparatory instruction, Filipe Nyusi was heard in the Presidency of the Republic by Prosecutor Alberto Paulo, it was 2018. A year later, Nyusi promoted magistrate Alberto Paulo to the position of Deputy Prosecutor General of the Republic. When the Judicial Court of Maputo City opened the contradictory instruction, it notified the President of the Republic to make a statement, and he replied that he maintained his statement made during the preparatory instruction.

"The President of the Republic said that he stands by everything he said and his state-

ments are in the case file. The OAM knows that it cannot present this request, but it is doing so out of mere populism," the judge said. In reaction, the assistant said that there is no populism in their request, since there were new allegations that indicate that the former Minister of National Defense is the person who can best explain what actually happened. Moreover, Flávio Menete said that as part of the production of evidence, the judge should not assume that the President of the Republic will say that he stands by the statements made in the preparatory instruction.



**EDITORIAL INFORMATION**

**Property:** CDD – Centro para Democracia e Desenvolvimento  
**Director:** Prof. Adriano Nuvunga  
**Editor:** Emídio Beula  
**Author:** Emídio Beula  
**Team:** Emídio Beula, sDimas Sinoa, Américo Maluana  
**Layout:** CDD

**Address:**  
 Rua de Dar-Es-Salaam Nº 279, Bairro da Sommerschild, Cidade de Maputo.  
 Telefone: +258 21 085 797

CDD\_moz  
**E-mail:** info@cddmoz.org  
**Website:** http://www.cddmoz.org

**PROGRAMMATIC PARTNER**



**FINANCING PARTNERS**

