

LXVIII DAY OF THE “HIDDEN DEBTS” SCANDAL TRIAL

“We could have done differently and better. I was a member of the Government and I cannot run away from the responsibility”, Victor Borges

- Asked whether he was in a position to say that the State and the Mozambican people were harmed by the EMATUM deal, the former Fisheries Minister replied in the following terms: “It is a difficult question to answer because I don’t have all the elements. But the Court and society will decide. In the face of insistence, Victor Borges assumed that “we could have done it differently and better. I was a member of the Government and I can’t run away from the responsibility”.



Victor Borges was Minister of Fisheries between 2010 and 2015. It was in this capacity that he went to Court yesterday to make a statement about the creation, financing and operation of EMATUM, one of the three companies linked to the State Intelligence and Security Service (SISE) that were involved in the “hidden debts”.

In fact, the declarant stated that he was informed by SISE that there was an initiative to create a private company for tuna fishing. “SISE said that it had a partner with whom it intended to invest in tuna fishing. But it did not say the name of the company.” Asked who the proponents of the SISE initiative were, the declarant replied that the person who met with the Ministry of Fisheries officials to gather information about tuna fishing was the defendant António Carlos do Rosário.

The declarant said that he had no prior knowledge of the project to create EMATUM, nor does he know in which forum its the creation was decided. “I was only contacted by Dr. António Carlos do Rosário, at the request of Dr. Gregório Leão, to suggest a superior official from the Ministry of Fisheries to be appointed to the board of directors of EMATUM. I suggested Dr. Ivone Lichucha. Dr. António Carlos do Rosário asked me to advise Dr. Ivone Lichucha that she should participate on the same day in the signing of the public deed for the creation of EMATUM and to advise a member of staff from EMOPESCA to be present.

Later, Victor Borges was contacted by EMATUM with an express request to appoint Silvestre Soluda as EMATUM’s Operations Director. The first time he heard about EMATUM was through the press, when the first news about the purchase of boats for tuna fishing through a funding of 850 million dollars circulated.

Later on, the Government was summoned to Parliament to explain the details of the creation of the company and the issuance of the State Guarantee in the amount of 850 million dollars. At this session, Victor Borges spoke on behalf of the Executive, and gave explanations about the financing of the company and the national tuna fishing strategy.

When he went to the Assembly of the Republic, Victor Borges only knew that the EMATUM project was essentially commercial. But throughout the debate he realized that the project had a defense and security component. “I heard from an opposition deputy that of the total amount of the debt, USD 350 million was intended for defense and security purposes.” The declarant said that EMATUM ordered the construction of boats abroad (France) without first articulating with the authorities linked to fisheries.

When heard at the Attorney General’s Office (PGR), he stated that EMATUM’s procedure was not correct, since the fisheries legislation states that the acquisition of fishing vessels



“They said they had a partner who had a lot of money and could set up a fishing enforcement company. The payment could come from fishing licenses and fines for fishing violations. But we did not accept the proposal because we already had a fisheries enforcement system, including a surveillance and monitoring center on land and two boats, one operating on the coast and the other on the high seas.”

in the country or abroad requires authorization from the Minister of Fisheries. He also says that this authorization is independent from the application for the fishing license, which must be presented at the same time.

But yesterday, Victor Borges explained that his statement may have gone beyond the meaning of the law, since it is not clear whether the authorization was prior or could happen during the process of purchasing vessels. Already the new legislation approved in 2020 clearly states that “the entry into port or into the country of an imported fishing vessel requires prior authorization and approval of the fishing project by the Minister who superintends the area of fisheries.”

When questioned if the EMATUM vessels had the necessary valences to export the fish to Japan, the former Minister of Fisheries explained that the good practices of fish conservation consider that the freezing chambers should have negative temperatures between 35°C and -45°C. “The EMATUM vessels had storage chambers with negative temperatures of -40°C. It turns out that a standard of the Japanese market requires that the freezing at origin must be done with a temperature of -60°C”.

Victor Borges said that he knew at the time of the facts that the EMATUM vessels had the capacity to operate along the Exclusive Economic Zone, but that they needed many adaptations. About the financing of EMA-

TUM, the declarant said that the Ministry of Fisheries did not participate in the discussions and in the contracting of the USD850 million debt.

He explained that as Minister of Fisheries he attended a meeting at the Presidency of the Republic, led by the former President of the Republic Armando Guebuza, attended by members of the Defense and Security Forces and others of the Government. The objective of the meeting was to find the financing for the integrated system of monitoring and protection of the Exclusive Economic Zone, without reference to any company. "It was said that the needs to finance the project were USD350 million, the mobilization of which could be done through a foreign bank as a commercial credit."

The declarant recalls that the former Minister of Finance, Manuel Chang, clarified that, according to the assessment of the cooperation partners, including the International Monetary Fund (IMF), Mozambique had gathered macroeconomic indicators that could allow the contracting of commercial debt, but subject to an agreed limit that, at that date, was already exhausted. In other words, there was no fiscal space to meet the needs of the integrated monitoring and protection system for the Exclusive Economic Zone pro-

ject."

Faced with this explanation from the former Minister of Finance, the President of the Republic directed those present that they should continue to deepen the issue of financing the project, highlighting the importance of the integrated system of monitoring and protection of the Exclusive Economic Zone. To a question from the assistant in the case, the Bar Association of Mozambique (OAM), if the former Minister of National Defense and current President of the Republic (Filipe Nyusi) was present at this meeting, the declarant said he did not remember seeing him.

Victor Borges confirmed having had a meeting with defendants Cipriano Mutota, Teófilo Nhangumele, plus a third person who appeared to him to be of foreign nationality. "They said they had a partner who had a lot of money and could set up a fishing enforcement company. The payment could come from fishing licenses and fines for fishing violations. But we did not accept the proposal because we already had a fisheries enforcement system, including a surveillance and monitoring center on land and two boats, one operating on the coast and the other on the high seas."

According to the declarant, Cipriano Mutota and Teófilo Nhangumele showed interest

in shrimp fishing, but at the time the authorization of new vessels was prohibited. Next, they showed interest in tuna fishing, but Victor Borges explained that this was a complex activity, because it was not enough to have money to buy boats. "It was necessary to have infrastructures on land for the reception, handling, processing, and conservation of the fish".

Asked if after everything he knows about EMATUM he could say that the State and the Mozambican people were harmed, Victor Borges was not direct in his answer. "It is a difficult question to answer because I don't have all the elements. But the Court and society will decide." In the face of insistence, the former Minister of Fisheries said that today he is in a position to affirm that the process of creation, contracting of financing and management of the companies could have been done in a better way.

"We could have done it differently and better, I was a member of the government and I can't run away from responsibility." Asked whether even with the declaration of the nullity of the State Guarantees by the Constitutional Council he understood that there was no damage to the State, the declarant responded by saying that the decisions of the courts are not open to debate.

Filipe Januário confirms trip to France for sanitary inspection of EMATUM vessels

Filipe Eugénio Silvestre Januário, Fish Inspector at the National Institute of Fish Inspection (INIP), was the first declarant to be heard yesterday by the Court trying the "hidden debts" financial scandal. The declarant came to the Court to explain the process of licensing fishing vessels.

Filipe Eugénio Silvestre Januário said that the legislation of the fishing sector does not foresee the pre-inspection of the hygiene and sanitary conditions of the vessels at the stage of their construction or before they leave the shipyard. In other words, the pre-inspection of hygienic and sanitary conditions is optional.

In 2014, the declarant received the mission to do the pre-inspection of EMATUM's vessels that were being manufactured in France. The trip took place between May 17 and 21, 2014. He clarified that there is a preparatory act of documentary study that precedes the pre-inspection of hygiene and sanitary conditions. Meanwhile, Filipe Januário said that he has not received the documents neither its plans regarding the construction of EMATUM's vessels.

Although he stated that the pre-inspection



of hygiene and sanitary conditions is optional, the fact is that it was INIP that notified EMATUM about the need to proceed with the pre-inspection of the vessels in France, as a condition for their entry into Mozambican wa-

ters. Subsequently, EMATUM requested INIP to appoint a technician to travel to France in order to perform the pre-survey of the vessels.

During the pre-inspection of five vessels, the declarant and his colleague found some

non-conformities in relation to the Mozambican legislation and left the appropriate recommendations in the report that they submitted to the management of INIP. In turn, INIP sent the pre-inspection report of the hygiene and sanitary conditions to the management of EMATUM.

The declarant recalls that on May 19, 2014, the date they went to do the pre-inspection of five (5) EMATUM vessels at the Norman-

die shipyard in France, a team of journalists from Televisão de Moçambique (TVM), the public television broadcaster, was on site filming for a report.

To a question from the representative of the Public Prosecutor's Office, the declarant replied that during the pre-inspection of the five vessels of EMATUM they did not find the existence of any equipment related to defense and security. Filipe Januário said that

two of the non-conformities found were not solved, namely the existence of badly maintained wood in the hold and the floor of the freezing tunnel with damages.


After returning to Maputo, the declarant said that he never worked again in the inspection of EMATUM's vessels, since this work was the competence of the provincial delegation of INIP. "I stopped working as a fish inspector at INIP in 2016".



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