



VI LOCAL ELECTIONS SCHEDULED FOR OCTOBER 11, 2023

## **Worrying De-centralization Process Setback in Mozambique**

- In recent decades, Mozambique has been confronted with worsening poverty, a sense of socio-political and economic exclusion, the monopolization and centralization of power, and growing regional asymmetries. This scenario proves that the results of the first phase of the state reforms initiated in the early 1990s were not satisfactory for part of the Mozambican population, and are at the root of the political-military instability that the country has seen at different moments in its history.



Therefore, a second phase of state reforms, with a greater focus on de-centralization, took place in 2018 and 2019, with the aim of responding to a political-military crisis that ravaged the country in 2013, where the government and Renamo were the main digladiators. Despite various interpretations presented by politicians and academics to justify the purposes of the reforms, the Center for Democracy and Development (CDD) understands that at different moments of the political and historical process, the reforms of the Mozambican state aim, on the one hand, to strengthen the role and capacity of institutions for the provision of public goods and services, and on the other, to improve the participation and representation of the different socio-political and economic segments in economic and political processes, and to ensure a fair distribution of national income, eliminating conflict hotspots, consolidating the underpinnings of peace and political stability.

After more than three decades of state reforms with a focus on de-centralization, CDD questions to what extent the Government of the day maintains the commitment and the intended purposes of its decentralization reforms? This institutional

questioning arises from our in-depth analysis of the proposed Basic Law for the Creation, Organization and Functioning of Local Authorities, submitted to Parliament by the Council of Ministers in July 2021. The proposal, whose debate is scheduled for the present session of the Assembly of the Republic, aims to amend the Law No. 6/2018, of August 3, which, in the context of the punctual revision of the Constitution of 2018, and the Maputo Final Peace Agreements of 2019, was consensually modified and approved with more than two-thirds of parliamentary support, and later republished by Law No. 13/2018, of December 17. The draft law currently under debate is underpinned by the need to harmonize the de-centralization legislative package with other approved specific legislation, guiding the Municipal Assembly, the Municipal Council and the President of the Municipal Council.

For the CDD, there are three important aspects worthy of attention to be discussed and deepened before the approval of that legislative proposal. First, the draft law that was presented by the Council of Ministers to Parliament in 2021 covertly strengthens the monopolistic control of central political power over local authorities. Secondly, that pro-



posal weakens the legal assumptions of financial, administrative and patrimonial autonomy, agreed upon in the light of article 9 of the law 6/2018, of August 3. CDD understands that this contradictory trend to the political and administrative autonomy and patrimonial autonomy of local authorities is recurrent in the Mozambican political context. Illustrative of this are the failed proposals to remove the Munhava neighborhood from the municipal administration of Beira and the Lumbo region from Mozambique Island. These initiatives were always orchestrated without ever considering the possibility of separating the Inhaca Island from the Maputo City Municipality. Third, the CDD believes that this draft law undermines the national interests reached by consensus between the government and Renamo in the context of the 2018 Point-by-Point Revision of the Constitution and the de-centralization reforms approved in the following years.

On the first point, our analysis arises from the tendency to institutionalize the extinction of local autarquias based on their performance. **For CDD, the Mozambican state, by itself, is not financially sustainable and increasingly depends on**

**internal or external debt financing. Under these circumstances, some studies show that the 53 municipal economies generate more than 50% of the country production and GDP. Therefore, one should not kill the one chicken that still lays some eggs.** We build this parabola on the basis of paragraph b) of point 2 of article 4 of the draft law submitted by the Council of Ministers to Parliament, which induces that, in cases of poor economic performance, the central government may determine the extinction of local authorities.

However, this article ignores that among the determining criteria for the performance of local authorities are the transfers of resources from the central to the local level: the Municipal Compensation Fund, the Local Initiatives Investment Fund, the Road Fund, and others. CDD believes that intergovernmental transfers have been made in close violation of the law. For example, in 2022 the Government increased intergovernmental transfers to municipalities by 0.5% from 1.5% to 2%. While this increase will strengthen the ability of municipalities to provide more public goods and services, there is no legal basis to support this increase, and



it may even reduce in the coming years.

Another issue is that, on the one hand, municipalities whose management is under the responsibility of the ruling party, such as those in the opposition, complain that their tax base is narrow or limited, hindering their ability to raise revenue to carry out public spending, which affects their performance. On the other hand, municipalities won and run by opposition parties complain about the non-transfer of operating and capital revenues by the Ministry of Economy and Finance. In cases where revenues are transferred, this occurs in the last quarter of the year, compromising their execution. Given these structuring elements of Mozambican de-centralization and municipalization, it is important to question the criteria proposed by the Government for the evaluation of the municipalities' wicker economic performance, foreseen in article 4.2.b of the draft Base Law for Local Authorities, currently being debated in Parliament.

The strengthening of the monopoly is also seen in the way it is trying to reverse the de-centralization consensus reached in the Maputo Final Peace Agreement. Between 2013 and 2019, the government and Renamo conducted more than 200 rou-

nds of negotiations. The negotiation process, which had setbacks and advances, aimed, above all, at the consensual construction of a national project that would guarantee the sustainability and durability of peace and political and military stability. It was a consensual project of the three political parties represented in Parliament, namely Frelimo, Renamo, and MDM, with national and international technical assistance, which led to the approval of Law 6/2018, of August 3, the legal basis for the implementation of Local Authorities. At the time, the parties involved in the conflict, the Government and Renamo, understood that peace and stability depended on a broad process of inclusion and representation of all socio-political and economic segments in the sphere of the State. Therefore, the laws governing de-centralization were approved after a broad consultation and extensive negotiation process that produced consensus.

However, the new draft of the Basic Law of Local Authorities discards the consultative basis, the sense of participation, and the spirit of consensus achieved in 2018. This draft was discussed at the level of the National Directorates of the Ministry of State Administration and Civil Service. It was later extended to the National Association of Municipa-

lities and the Municipal Council of Maputo City and in some urban centers. This consultation process did not involve the citizens, the different segments of Mozambican society, academia, the private and business sectors, which are the basis for the provision of goods and services at the de-centralized levels, civil society organizations, and other living forces in society that ensure the representation of citizens in State institutions. In CDD's analysis, we are facing a political strategy that aims to gradually discard the consensuses and understandings reached in 2018 and 2019 when Mozambicans negotiated and reached an understanding on the Point Revision of the Constitution and the de-centralization reforms that allowed the signing of the Maputo Final Peace Agreement. CDD understands this to be a modus operandum that the government has followed in its relationship with a less attentive Renamo, where Frelimo is fighting, at all costs, to covertly strengthen its monopolistic control of political power.

While recognizing that the de-centralization pro-

cess deserves improvements at different levels, CDD expresses concern regarding the attempt to harden the centralization of the state and setback the achieved progress on de-centralization and democratization reforms in Mozambique. As for setbacks, CDD warns of the dangers of a premature abandonment of the principles of consensus and inclusiveness agreed upon among Mozambicans in 2018 and 2019 under the Final Peace Agreement.

The following table shows this trend of hardening centralization of the state at the expense of de-centralization. For this, it is sufficient to verify that the technical team of the Ministry of State Administration and Civil Service in charge of drafting the decentralization law proposals was constituted based on a strongly centralizing logic, in which actors from the subnational levels, provincial, district, municipal, as well as priority public sectors at the de-centralized levels such as Education, Health, Public Works, and Housing, including Water and Sanitation, are excluded from the process.

Sequence	Name	Sector	Level
01	Augusto Mangove	General Inspector of Public Administration	Central
05	Bisa Novela	Planning and Cooperation Directorate	Central
06	Fidel Muiambo	Technician at the Ministry of State Administration and Civil Service	Central
03	Inocência Mpissa	Current Deputy Minister of State Administration and Civil Service	Central
07	Joaquim Chire	National Directorate of Public Administration Development	Central
09	José Guambe	Former Permanent Secretary of the former Ministry for Coordination of Environmental Action	Central
08	Lourenço Chipenembe	Former Permanent Secretary of the Ministry of State Administration and Civil Service. Advisor to the Minister of State Administration and Civil Service	Central
12	Luisa Cunhete	Deputy National Director for Municipal Development	Central
04	Mário Omia	National Directorate for Strategic Management of State Human Resources	Central
02	Plácido Neirinho	National Director of Municipal Development	Central
10	Rui Nanlipa	Director of the Office of the Secretary of State in Maputo Province	Central
11	Tuarique Abdala	Ministry of Justice	Central

For this reason, the CDD calls attention to the need for the composition of a multi-sectoral and interdisciplinary team where actors located at different levels of state administration - central, provincial, district, municipal and others - can be directly involved in the process of debate and improvement of the legal framework for de-centralization. The CDD also recommends the Government and Parliament to define a methodical and structuring approach to improve the new paradigm of it. For this, it is necessary that the revision of the Constitution and the Laws be done in a collective, participative and inclusive manner. This exercise will contri-

bute to the elimination of the unconstitutionality that the de-centralization laws and decrees carry. The emergence, consolidation and sustainability of a new paradigm of de-centralization requires the removal of the duplication and overlapping of competencies between it and the Governance bodies in the Province and the State Representative bodies in the Province, which are generating ambiguities, normative nonconformity, institutional conflicts, and disputes over the sharing of material, patrimonial, human and financial resources, worsened by the weak administrative and financial autonomy of the de-centralized bodies.



### EDITORIAL INFORMATION

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

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

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

#### PROGRAMMATIC PARTNER



#### FINANCING PARTNERS

