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Financing Dynamics for Road Construction in the Municipalities of Pemba and Montepuez

• The Constitution of the Republic of 1990 formally inaugurated the opening for the participation of different actors in the political space in Mozambique. This was evidenced by the approval of several legislation with pluralist foundations, but above all by the general elections of 1994 and the first municipal elections of 1998.





Roads with potholes show the reality of Pemba

The 1998 elections allowed for the establishment of the first municipal-type municipalities in Mozambique, as provided for in Law 2/97 of February 18: (i) the approximation of the State and its bureaucratic machine to the citizens; (ii) the strengthening of the peace environment and social cohesion; (iii) the direct participation of citizens in the daily life of governance, in the decision-making process and accountability of the actions of local authorities.

It was at this time, for example, that the cities of Pemba and Montepuez were institutionalized as municipalities in the elections of June 30, 1998, where the Frelimo party and its candidates, namely Assubugy Meagy in Pemba and Alberto das Neves Paissene in Montepuez, won. This scenario, although it did not envision any change in terms of political alternation, gains contours liable to questioning from the fourth municipal elections in 2013.

The 2013 elections in the municipality of Pem-

ba allowed the reelection of Tagir Carimo as Mayor, who had first reached this Position through a mid-term election in December 2011, as a result of the resignation of the former Mayor Sadik Yacub.

Since then, the city of Pemba has experienced a remarkable growth in its real estate, industrial park and even in terms of construction or rehabilitation of the roads that connect the city, financed both by the funds of the Municipal Council, the Roads Fund and through financing via social responsibility of private companies linked to gas exploration in the Rovuma basin.

The municipality of Montepuez is governed by President Cecílio Anli Chabane, from Frelimo, and its economic dynamics is linked, since then, to the exploration of minerals, such as rubies, mainly by the multinational company Montepuez Ruby Minning.

The projects and the settlement of the multinational companies mobilized individuals from



Roads under rehabilitation/construction show the reality of Montepuez







different parts of the country and the world and created a different social dynamic, increasing the number of heavy and light cars that serve the logistics.

As a consequence, during this period, the city of Pemba received funding for the rehabilitation and expansion of the road from the Port of Pemba, in the Paquitequete neighborhood, following the Avenida Marginal, by the Italian multinational ENI, the rehabilitation of the downtown road, Jeronimo Romero Street, with a budget of over 55 million meticais, disbursed by the Road Fund, and the construction of the promenade with funds from the municipality, which obviously gave a different image in the aesthetics of the city.

All these dynamics were interrupted due to several factors:

- i. The 2018 municipal elections brought new actors to Pemba, in this case the election of the Mayor Florete Motarua, who is currently facing strong hostility within business elites and well-positioned militants within the Frelimo Party who accuse him of not going in time to fulfill the 2018 election manifesto;
- ii. Cabo Delgado province has been buffeted by natural disasters such as Cyclone Kenneth, which destroyed important infrastructure, including roads, added to the fact that the city of Pemba frequently suffers from the effects of climate change;
- iii. Since 2017, the province of Cabo Delgado has resented violent extremism that has displaced affected populations to Pemba, putting pressure on the city and increasing the need to redouble efforts to support displaced people who have doubled their number of residents, and also the creation of resettlements in Montepuez and other districts;
- iv. The economic crisis caused by the discovery of the "hidden debts" and the consequent cut in funding to the State Budget by the cooperation partners, which caused the central government to make budget cuts in support to the municipalities;
- v. COVID-19 which pressured the municipalities to redirect the few resources they manage to capture due to weak fiscal decen-

tralization to meet the demands imposed by the pandemic, such as the requalification of markets, reinforcement of water supply, and awareness campaigns for citizens to adhere to its prevention.

Although the interference of these factors in the dynamics of municipalities' funding in general and road construction in particular is clear, the truth is that the city of Montepuez had its biggest boom in terms of rehabilitation and construction from scratch of roads connecting neighborhoods. Contrary to public opinion regarding their financing, attributing everything to the municipal executive, the fact is that a significant part of these works are financed by the Road Fund, through the Ministry of Public Works, Housing and Water Resources. This situation contrasts with what can be observed in Pemba, where the municipality had a total disinvestment and was left to its fate by the central government. The abandonment resulted in the precariousness of the roads, which required the search for alternative solutions for the pursuit of this desideratum.

It was based on this reality that the municipality of Pemba signed a financing partnership for the construction of the ANE - Chuiba road, of about 4.5 kilometers, with the National Petroleum Institute (INP), which, although the first stone was laid, never got off the paper. Through the Municipal Construction Company, the intention was to build with municipal resources the Wimbe - Kauri road, with a reinforced concrete structure, a desire that never came true.

If it is true that with the institutionalization of a de-centralized and autonomous government, at least formally, the idea is built in the imagination of the population that the processing of the citizen's demands is done at the local level and the problems are solved with local resources, it is not less true that the capacity of the municipalities to absorb these demands with the few resources they have is scarce, which necessarily implies the need for support by the central government, since fiscal decentralization is still a mirage.

The weak fiscal decentralization and also the institutional weakness of the municipalities themselves in collecting revenues to finance their activities, including the construction, rehabilitation, and maintenance of access roads -

which is one of the functions attributed to them, does not contribute to raising the living standards of the citizens, and much less to the social and economic development of the province and of Mozambique in general.

What is clear is that there is a dynamic of funding at two levels: (i) in Montepuez there is openness on the part of traditional financiers to finance works in the municipal radius, which is revealed in the best engagement to boost road construction; (ii) the municipality of Pemba, on the other hand, lacks support and is unable to execute its projects, looking to non-traditional partners in the area of roads.



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