



REPUBLIC OF MOZAMBIQUE

**“SEMINAR ON THE NACALA SPECIAL ECONOMIC
AREA DEVELOPMENT”**

**ADDRESS BY HIS EXCELLENCY THE
MINISTER OF PLANNING AND DEVELOPMENT
*AIUBA CUERENEIA***

NACALA 30 SEPTEMBER 2010

HONOURABLE GOVERNOR OF NAMPULA PROVINCE,

REPRESENTATIVE OF THE MAYOR OF NACALA PORTO DISTRICT,

ADMINISTRATOR OF NACALA PORTO DISTRICT,

ADMINISTRATOR OF NACALA-A-VELHA DISTRICT,

ADMINISTRATORS OF THE DISTRICTS OF MEMBA, MOSSURIL, MONAPO, AND ILHA DE MOÇAMBIQUE,

QUEEN OF NACALA PORTO CITY,

RECTOR OF LÚRIO UNIVERSITY,

NATIONAL DIRECTORS,

PROVINCIAL DIRECTORS,

DISTINGUISHED GUESTS,

LADIES AND GENTLEMEN

Allow me, on behalf of the Mozambican Government and of myself, to greet all participants to the “**Seminar on the Development of Nacala Special Economic Area**” which is taking place under the lemma “**For the Development of Nacala Special Economic Area**”.

I would like to express my special gratitude to His Excellence the Governor of Nampula Province and all his task force who have been engaged in using the best of their knowledge and their personal efforts in establishing the Nacala Special Economic Area.

We are grateful to the Administrators of the Districts of Monapo, Iha de Moçambique, Memba and Mossuril, as well as the representatives of the Provincial Governments of Niassa and Cabo Delgado Provinces who have joined us in this Seminar.

Likewise, we are also very grateful to the people of Nacala and Nacala-a-Velha Districts for hosting, once again, a Seminar for the Development of the Nacala Special Economic Area.

LADIES AND GENTLEMEN

We have been engaged in the process of implementing the Nacala Special Economic Area for three years. This has been done in several phases but the most important one for the Ministry of Planning and Development was the issuing and delivering of first certificates for the Special Economic Areas Companies, in a ceremony held here in Nacala-Porto.

During such ceremony, which took place in September 2009, five certificates were given to five companies.

Hence, we would like to extend our gratitude to the businessman for having joined us, encouraging us and for turning the implementation of this new country development concept into reality and for ensuring that we undertake the necessary corrections on the inevitable deviations likely to occur in this kind of processes.

We believe that the experience we have gathered here will be useful in the development of other special economic areas in the country.

LADIES AND GENTLEMEN,

Figures from the **Inquiry on Household Income** have shown significant improvements in household well being in a number of indicators such as the following:

- **Education:** net primary school enrolment increase from 66.8% in 2003 to 76.5% in 2009.
- **Health:** the percentage of people with access to health facilities in a distance of less than 45 minutes walk has increased from 54.55% in 2003 to 65.2% in 2009.
- **Drinking water:** significant improvements have been reported in the access to drinking water. In urban areas, 57.6% of the population had access to drinking water and there was an increase to 64.9% in 2009. In the rural areas, there was an increase in the access to drinking water from 26.3% in 2003 to 30.5% in 2009.
- **Electricity:** There was an increase in the percentage of households with access to electricity from 7% in 2003 to 13% in 2009.
- **Durable Goods:** The ownership of bicycles within households has increased by 10 percentage points and it has increased

from 28% in 2003 to 38% in 2009. On the other hand, there was an increase in the percentage of households with a TV set from 6.3% in 2003 to 12.4% in 2009 and an increase in the percentage of households owning mobile phones from 4.3% in 2003 to 23.7% in 2009.

- **Food-Related Poverty:** Figures on food-related poverty indicate stagnation between 2003 and 2009, being around 54% (54.1% in 2002-03 and 54.7% in 2008-09).
- **Malnutrition:** There is a slight decrease in the malnutrition rate from 47.1% in 2003 to 46.4% in 2009.

Food-Related Poverty stagnation was due to the following factors:

- Floods that have affected the centre of Mozambique, namely Sofala and Zambézia provinces;
- The worldwide increase of grain and oil prices which impacted the domestic market;
- The ongoing poor productivity in the agriculture sector, mostly in the smallholder farmers agriculture;
- Food habits which revealed failure to mix food with necessary calories among households;

Despite the achievements, there is still a long way to go in order to fully satisfy our people's needs. It is within this scope that the Government Five-Year Program 2010-2014 still focus on the fight against poverty.

This macro-objective would only be achieved by promoting rapid, sustainable and comprehensive economic growth, focusing on actions in the agriculture sector, rural development, basic social services and infrastructures, creation of job opportunities as well as the establishment of an enabling environment for private sector investment and domestic businessman development.

Among the various objectives and priority actions in the Government Program, I would like to highlight two particularly important areas, **the reduction of urban poverty and the promotion of housing.**

Indeed, the Strategic Program for Urban Poverty Reduction and the Strategy and Policy for Housing have already been designed, with the main objective of improving the living conditions in urban areas.

Regarding promotion and investment raising, the Five-Year Government Program indicates, among others, the following strategic objectives:

- To provide the country with a network of infrastructures which will facilitate the establishment of new entrepreneurships as well as the recovery and the expansion of existing entrepreneurships, including the establishment of industrial parks in areas with potential for its rapid development.
- To promote and raise investments which will contribute for the increase of exportations of added value goods.
- To expand Specials Economic Areas and Industrial Parks in the country.

These objectives aim ultimately at promoting private and public investments, mostly for supporting development infrastructures, in order to reduce imbalance within districts, among districts and provinces, as well as in promoting a balanced, integrated and sound development in Mozambique.

The establishment of the Nacala Special Economic Area with the facilities and incentives provided for in the Law, is a Government response and commitment regarding development and economic growth.

This will allow the expansion of indispensable infrastructures to the country's development, stimulate innovation, and promote the increase of productivity and competitiveness of the domestic economy to increase the Gross Domestic Product, raise job opportunities and generate wealth.

By establishing this area, the Government intends to further pursue the initiatives for raising foreign and domestic direct investment, aiming at developing a strong, dynamic and competitive private sector, focusing particularly on the agriculture, industrial, mineral resources, tourism, construction, and transport and communication sectors.

This Special Economic Area, the first to be established in the country, has been designed not only to serve the territory of the two districts now concerned. It is intended that this also stimulates development in neighbouring districts, provinces and regions, particularly those countries which benefit from the Nacala Corridor, namely the

Republic of Malawi, the Republic of Zambia, the Republic of Zimbabwe, the United Republic of Tanzania and, perhaps, the Democratic Republic of Congo.

DISTINGUISHED GUESTS,

LADIES AND GENTLEMEN,

During this Seminar, relevant and actual topics for the country's development will be discussed, particularly those on the Nacala Special Economic Area.

It is a chance to discuss practical issues on the operationalisation of the Special Economic Area.

All areas of activity namely roads, energy, transport, water, environment, labour, migration, municipal management, just to mention a few, play a major role in allowing a sound and sustainable development of the Nacala Special Economic Area.

We need to accurately design the kind of needed infrastructures; the kind of essential roads; the needed quality of energy and water for the entrepreneurship initiatives to operate and flourish.

We add to these infrastructures the required basic services such as health, education, operation licensing, advisory on taxes to be paid, custom procedures, among others.

All these issues should be deeply and overtly discussed in this Seminar and GAZEDA should be allowed to fulfill its main task of coordinating investment processes, operating as a one stop shop.

We also look for joining to the discussions practical issues related to the main achievements of the population from both districts which will be the first and the main beneficiaries of this development.

It is a unique occasion to think about the rapid and effective development of the Nacala Special Economic Area, with the aim at facilitating the promotion and dynamisation of the process of undertaking domestic and international investments.

It is also a favourable environment that will allow us to find out the “**bottlenecks**”, evaluate the areas that need more attention, as well as to ensure a major integration and harmonisation of sector and territorial issues which allow an effective and efficient implementation

of the Government Five-Year Program objectives, aimed ultimately at fighting poverty and generating wealth.

In the past few days, we launched the **Nampula Province Strategic Plan**, of which we are also part, as we share the same objectives and principles, and the Special Economic Area is inspired on it as an integrated part of the province development process.

LADIES AND GENTLEMEN,

As we previously said, the role of coordinating these actions is assigned to GAZEDA which will closely work with all institutions here, ensuring sustainability of the plans and measures to be adopted for a balanced development of the Special Economic Area.

Therefore, it is incumbent to GAZEDA to promote and coordinate all activities related to the establishment, development and management of the Special Economic Areas, including the Free Industrial Areas.

These actions can only be carried out with a joint and coordinated work of all participants, where each one will act in its own field, according to the competences provided for in the Law for each institution.

LADIES AND GENTLEMEN,

Given these and other factors, we are invited to rapidly embark in a joint reflexion exercise which will define in short and medium terms the guidelines in order to face the abovementioned contextual challenges, overcome the current constraints and consolidate good practices.

We believe that progress has been achieved but we are still far from satisfaction. On the other hand, standardization of work methodologies is still a big challenge.

Therefore, taking into consideration the objectives above mentioned, we hope that this Seminar will be a favourable occasion for exchange of experience among the participants and that, within these two days, we can bring in ideas that will help to improve the promotion and raising of both public and private investments.

Hence, we would like to call for an active participation of all so that ideas and proposals can be shared during the discussions **“In Favour of the Nacala Special Economic Area Development”**.

Finally, I wish you good work and that the discussion in this Seminar be open and fruitful.

Hence, I hereby declare open the “**Seminar on the Nacala Special Economic Area Development**”.

THANK YOU SO MUCH FOR YOUR ATTENTION!