

Work begins on Mozambique's forestry complex

Africa (119) July '81

MOZAMBIQUE has begun work on the first stage of a forestry industry complex in the central province of Manica. Work began after the Finance Ministry approved a contract with the Swedish Johnson Construction Company. The contract is worth \$20m and includes construction of a pressboard factory, a sawmill, a wood impregnation plant and the purchase and installation of machinery.

The Swedish Government has agreed to finance half of the \$40m cost of the first stage while the Arab Bank for Economic Development in Africa (BADEA) will loan Mozambique \$10m for the project. The remaining costs will be financed by the Mozambique Government. Work is expected to be completed by the end of next year and the complex will go into production in early 1983.

The pressboard will produce 20,000 cubic metres and the sawmill 39,000 cubic metres annually using timber from pine plantations at Messica in Manica. The output from the complex will supply the country's domestic needs, thus freeing more valuable hardwoods for export. The Manica complex already employs 2,300 workers and is expected to boost development in the area, industrially and agriculturally, as local farms will produce food for the workers. Plans are already underway for the next stages of the complex which will include a furniture factory, a pulp and

paper mill and a factory to make prefabricated houses.

Meanwhile, in the field of transport, the Portuguese Government has announced it will provide \$30m to rehabilitate the Nacala railway line which links Malawi to Mozambique's third largest port. The Portuguese contribution represents about 30 per cent of the needed financing for the project, which will involve replacing sections of the line with heavier rails, realigning stretches of the track to reduce curves and steep gradients and purchase new rolling stock. Improvement work has already begun on the port installation.

Hydro-electric

Nacala, in the country's northern Nampula Province, handles goods both for Mozambique and neighbouring Malawi. Mozambique presented the 650km Nacala line project for financing at the Southern African Development Coordination Conference in Maputo last November, when a total of 97 transport and communication projects were tabled.

Another major construction work also began in Mozambique last month following the signing of an agreement between Mozambique and Norway for a 450-kilowatt hydro-electric plant on the Lucheringo River in the Niassa Province. Under the terms of agreement, Norway will grant 12 million kroner (about \$2m) to finance consul-

tancy work, purchase of equipment and construction of the plant. Norway will also provide a management team for the construction phase.

Local costs amounting to 48m meticals (about \$1.5m will be met by the Mozambican Government. The plant, near the provincial capital of Lichinga, will supply the town and the surrounding area, bringing a huge savings of

diesel fuel currently used in the generating plant there. It is expected to be completed in 18 months.

This is the first of a series of small-scale hydro-electric schemes to be built in Mozambique with Norwegian assistance. The Norwegian aid agency said in a statement that the next plant is expected to be built at Cuamba in the same province. ■
