

It is my pleasure today to welcome to South Africa Dr Jaime Gama the Foreign Minister of the Republic of Portugal and his delegation, and Mr Mario Machungo, Minister of Planning of the People's Republic of Mozambique and his delegation.

We have just signed a new Agreement relating to the Cahora Bassa Project. The original project was erected and financed by Portugal in terms of an Agreement entered into between South Africa and Portugal in 1969.

As a result, however, of changing times and circumstances and more especially the attainment of independence by the People's Republic of Mozambique it became necessary to conclude a *new* Agreement in which all three countries — South Africa, Mozambique and Portugal — would participate on a basis of sovereign equality.

That Agreement has now been signed and with it the way has been paved for a new era of closer economic co-operation and development.

The new Agreement is one which is undoubtedly of benefit to all three of our countries and which, as it states in its Preamble, can significantly contribute to the peace and prosperity of the southern Africa region as a whole as well as to the economic development and welfare of our respective peoples.

This Agreement follows in the wake of, and indeed was made possible by the Accord of Nkomati<sup>1</sup> signed by the Prime Minister of South Africa and the President of the People's Republic of Mozambique on 16 March — just over six weeks ago. As you may see we have lost no time in taking a step further the promise of future co-operation foreshadowed in that Accord.

There can, I believe, be few projects as important for the development of a nation as the generation and supply of electricity. It is a vital component for the industrial development of any country as well as for the material welfare of its people.

South Africa therefore deplores those recent acts of terrorism in Mozambique designed to sabotage the transmission lines of the Cahora Bassa Project. They serve only to deprive the people of Mozambique of the benefits that they are entitled to expect from the project — it is they who suffer most from these acts of violence.

South Africa unreservedly condemns terrorism and support for terrorism wherever it may occur and in whatever form it may occur. We believe that Mozambique and Portugal join us in our condemnation.

In conclusion may I express the hope that it will not be long before Cahora Bassa operates at maximum capacity and that the power from it will strengthen the bonds between our respective countries and light the way for further co-operation on the sub-continent of Africa.