

Lisbon to Gdn sign pact ^{2/5/}1964

Johannesburg: The Portuguese Foreign Minister, Mr Jaime Gama, was due in South Africa yesterday for a visit during which he will sign an agreement on the use of power from the Cabora Bassa hydro-electric station in north western Mozambique.

Mozambique's Planning Minister, Mr Mario Machungo, and the South African Foreign Affairs Ministers, Mr R. F. "Pik" Botha will also sign the trilateral agreement, reached after talks in Maputo last month. Portugal still has a large financial stake in the dam.

It was announced after the talks that South Africa would contract to receive 1,450 megawatts annually from the scheme and in return would supply 90 megawatts to Mozambique this year. South Africa has agreed on a new tariff for power supplied from Cabora Bassa, but no details have been released.

The power station was built primarily to meet South African needs while Mozambique was still a Portuguese colony. Portugal ran up heavy debts building the dam and repayments were intended to be offset by the sale of power to South Africa. Frequent raids by anti-government guerrillas in Mozambique have cut supplies for lengthy periods, reducing income.

In March, Mozambique and South Africa signed a non-aggression pact designed to cut down on guerrilla activity in the two countries.