

Forged escudo notes

LISBON. — Mozambique's currency switch from the colonial escudo to the metical earlier this month was prompted by banknote forgeries and the smuggling of thousands of escudo notes into the country, the Mozambique news agency, AIM reported yesterday.

AIM said the Bank of Mozambique's vice-governor, Mr Prakash Ratilal, told a news conference that the three-day operation that began on June 16 to replace the currency, had led to several people being detected with large quantities of illegal escudos.

Mr Ratilal, who holds the

rank of vice-minister in the government, said thousands of banknotes were smuggled out of Mozambique when it became independent in 1975, and had subsequently been brought back illegally through South Africa and Portugal.

He said Mozambique had also suffered since independence from banknote forgeries on a large scale.

President Samora Machel said at the time of the currency operation that it had been timed to coincide with the 20th anniversary of what he called a massacre by Portuguese colonial authorities. — Sapa-Reuters.