

**S African President on economic relations with Mozambique** Referring to reports about a possible meeting between himself and Mozambican President Chissano, President Botha said in the House of Delegates on 2nd May that he was "looking forward" to using the facilities created by the Nkomati non-aggression pact of 1984, the South African agency reported. Commenting that refugees from Mozambique were exacerbating South Africa's unemployment problem, Botha spoke in favour of South Africa's private sector investing in Mozambique; this however would not happen until the private sector was guaranteed physical and economic security there. Botha also said he had "spoken cordially" with Mozambican envoy Gen Jacinto Veloso the previous week. ME / WOODS, A, 10-5-88

The governor of the Bank of Mozambique has said that the South African Reserve Bank will reschedule a Mozambican debt of 26m rand, Maputo radio reported on 2nd May; this includes credits granted since Mozambique sought rescheduling of its debts in February 1984.