

Mozambique fraud

Mozambican Finance Minister Eneas Comiche has issued a warning that known instances of fraud by Mozambican companies cost the government 23.2bn meticaïs (\$4.6m) in lost sales tax in the first eight months of 1993 alone.

Speaking in November at the closing session of the annual Consultative Council of his Ministry, Comiche confirmed that fraud had been discovered in 268 companies which had failed to declare sales totalling MM232bn. Mozambique levies a 10% sales tax on almost all goods.

The Minister called for "more effective mechanisms of control" to clamp down on tax evasion, and he criticised the ineffective work of the Customs Directorate, noting that in 1993 it had imposed only 222 fines for infringement of customs regulations in the entire country. The Mozambique Information Agency (AIM) noted that the Minister "clearly believed that the level of smuggling is much higher than that".