

Sappi set for Mozambique deal

MAPUTO — A study for a reforestation project in southern Maputo province involving Mozambican capital and Sappi is at an advanced stage, the Mozambican Agriculture Ministry said this week.

National forestry director Abdul Adamo said after the 1984 Nkomati Accord between Mozambique and SA the Agriculture Ministry carried out a study of the SA timber market.

Under Portuguese rule, Mozambican timber's main market was SA.

The study showed there was definitely a market for Mozambique's precious hardwoods. The quality of hardwood that SA was receiving (from Namibia, and Angola) proved inferior to Mozambican products, Adamo said.

But the study also showed that by the year 2000 SA would be running short of the more common types of wood for use in the pulp and paper industry and as structural support in the mines.

"We saw that we could take part of this market, and the Agriculture Ministry began negotiations with SA companies as from 1985," Adamo said.

"They were already thinking that southern Mozambique might be a region where forestry projects could be developed to supply the SA market".

The area being discussed with Sappi is 50 000ha in Matutuine district, adjoining Natal.

The plantation area covers 30 000ha while the remaining 20 000ha are for conservation and agricultural development.

The main aim of the project is to export timber not only to SA, but also to other markets as Mozambique does not wish to remain dependent on the prices offered by the SA market.

Local industries would also be developed to use this timber.

The calculations made so far indicate that income from the project would reach \$7m by the seventh year of

implementation, and \$27m in the 30th year.

Adamo did not believe that local people would be seriously prejudiced, since the area concerned "is largely marginal for agriculture".

But Adamo added that part of the project was to contribute to the agricultural development of peasants living in the zone.

As for the ownership of the enterprise, Adamo said it would be a mixed company, with Mozambique holding 60% of the capital, and Sappi 40%.

While the Matutuine project is the most advanced, there are several other forestry investments under consideration, involving other companies of the Anglo-American group.

These cover the northern part of Maputo province, and parts of the neighbouring province of Gaza. Adamo said these zones were again marginal for agriculture, but offered good prospects for reforestation. — ANO.