

## Mozambique will sell state farms

Mozambique's Prime Minister this week called for the sale of all state farms which are not of strategic interest to the government.

Addressing a round table discussion on how to reorganise the agricultural sector, Mario Machungo said there is no medium-term alternative for loss making, state-owned agricultural companies other than selling them off to private interests.

He stressed that the state can no longer support the debts of the state farms, nor was the state in any position "to continue granting subsidies at the rhythm of recent years".

Agricultural debt currently stands at about \$79 million.

Such a sector could not be defended merely because the state happened to own it, especially if the country was drawing no real benefits from it, said Machungo.

"We have no problems in selling them", said Machungo, adding that he was opposed to any "halfway solutions" that would delay a definitive resolution of the problem.

He argued that the state should not concern itself so much with problems of production.