

UK waives repayments

Under a new aid agreement — the UK/Mozambique Retrospective Terms Arrangement 1983 — Britain will waive repayments totalling £22.5m on existing loans to Mozambique. This was announced at the conclusion of President Samora Machel's official visit to the UK in October.

The agreement extends retrospective terms adjustment (RTA) to Mozambique in respect of four development loans made between 1976 and 1978. These have been used to finance two power stations, a roads construction project and spares for vehicles and equipment. RTA is granted to the poorest of the developing countries to remove the burden of past loans. With the addition of Mozambique, Britain now has RTA arrangements with 19 poorest developing countries.

Timothy Raison, Minister for Overseas Development, has also agreed further technical co-operation assistance for the training of Mozambican students in the UK at a cost of £350,000 over two years 1984-86.

To help combat the effects of severe drought in Mozambique, Britain will make available 11,500 tonnes of cereals. This would be additional to measures agreed earlier this year for 3,000 tonnes of maize and £100,000 transport costs. The Minister also agreed to provide assistance to the health sector in the form of EMO anaesthetic machines and expertise to

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train Mozambicans in their use.

As part of Britain's support for the Southern African Development Co-ordination Conference (SADCC) it is also intended to implement a £10.1m project to rehabilitate the Limpopo railway line from Maputo to Chicualacuala on the Zimbabwe border and to provide telecommunications equipment for the Beira railway line. Raison has also agreed to identify a project to improve operations at Maputo port by the provision of a management team for the container berth.