

DAY 3 OF "HIDDEN DEBT" TRIAL

Teófilo Nhangumele: the project “consultant” who was later removed on the orders of Filipe Nyusi



Credits: Jornal Domingo

Considered to be one of the key pieces in the clarification of the “hidden debts” financial scandal, Teófilo Nhangumele was the second defendant to be heard, after his friend Cipriano Mutota. After a long wait during the day, he entered the tent at around 5:00 p.m. and in more than two hours he unfolded his version, sometimes coinciding with the speech of his friend Mutota, and other ti-

mes not that much. In between the speech, he did not hide his anger with Mutota, the person who invited him to be part of the project and who later informed him that he would be removed from there because he was not a member of the Defense and Security Forces. He began the long speech by swearing to tell only the truth and ended with veiled threats to Marcelo Mosse, the first journalist who wrote about

his involvement in the “hidden debts” in 2019. And he gave lessons on how to become a millionaire: “The state employee who wants to be a millionaire should leave the state”

Nhangumele entered to the project through Mutota, the friend who invited him to the famous meeting at the Ministry of Science and Technology, where Jean Boustani made an exhibition of *Abu Dha-*

bi Mar services. On the same day, in the evening, he was invited again by Mutota for an informal meeting at the Polana Hotel with Boustani, where he talked again on the services of the company he represented and the projects implemented in some countries, such as Togo. "Boustani told him that the Ministry of Science and Technology technicians had not understood properly the concept of the *Abu Dhabi Mar project*."

Some months later the *Abu Dhabi Mar* representative, the South African Batsatsane Thlokoane, came to Maputo and met with Nhangumele and Mutota. "She wanted to know the up date after the presentation they made and we told her that we would share the project with interested entities. I had contacts of Boustani and Batsatsane and we talked all the time." Nhangumele, who acted as a consultant, began to contact many state entities to gather information for the project. "We contacted the maritime authorities and got good advice on the integration of the maritime surveillance system. We had information about the delimitation of the maritime boundaries, a critical issue in a context where the country was discovering gas reserves."

After internal information gathering and a trip to Durban to learn about the South African experience in maritime surveillance and protection, the two friends started to design the project. It was when the first meeting at the Presidency of the Republic happened. "on our arrival there were the ministers of National Defense, of the Interior, of the Transport and Communications, Fisheries, Finance, and the General Director of SISE. The President of the Republic started saying that: you called me, tell me what is the issue. The Minister of Defense (Filipe Nyusi) said: We have a project for the protection of the exclusive economic zone and we would like to present it to the President.

That's when Nhangumele and Mutota came into action: "we presented our concept, there were questions and contributions, and we were told to think about how to do that operation in a profitable and sustainable way. I informed Boustani that we were moving forward. The main concern for him was to know that the matter was being handled at the highest level. " The two friends met again with various entities interested in the project: maritime authorities, Ministry of Transport and Communications, National Petroleum Institute, Ministry of Fisheries. "We improved our work and I contacted Boustani again as I did not have in mind the cost of the means. We started to quantify the means needed for the integrated protection system, such as 11 satellites, three image capture aircrafts, 12 fast speedboats for



Credits: O País

intervention and three frigates. The cost of the Project was evaluated in 302 million dollars".

At the second meeting in the Presidency, Nhangumele noted the absence of two ministers who had been at the first meeting: the Minister of Fisheries and the Minister of Transport and Communications. After the presentation, Armando Guebuza made the following question: "how are we going to finance this project?". The question was also directed to the Minister of Finance, Manuel Chang, who answered with reservations due to budget limitations. "The following step, I was called to the Ministry of Finance and there was António Carlos Rosário. Chang informed that it would be difficult for the project to be financed and implemented through state funds, so it would be necessary to create an entity with the aim of contract the financing."

The two friends went to the Ministry of the Interior to probe the possibility of having a company that would be part of the maritime protection project. At the meeting, Basílio Monteiro, acting as the Ministry's representative, informed them that the Sector's company called DALO, still needed to be regularized. "We went to the Ministry of National Defense and the person who was in charge of the Monte Binga company was Victor Bernardo. Mutota presented to his superiors on the need to have a SISE company to integrate the integrated system of monitoring and protection of the exclusive economic zone. " Two companies from the Defense and Security sector had already been found to form a "vehicle" (ProIndicus), which would be responsible for that company.

In between there is a trip to Germany to

get a closer look at *Abu Dhabi Mar's* projects and services. "We were taken to the German embassy to deal with visas issues and I noticed Mutota's absence. I made a call to find out where he was and he said you go.

Only later I was told on the misfortune he had. "When we went to get visas, Antonio do Rosario was not there, but on the day of the trip I saw him at the airport in South Africa. We travelled to Hamburg and all of us stayed in the same hotel. From the hotel we could see shipyards on the other side and the next day we went to visit them, including the company that produces submarines. There were presentations, questions, answers, and we learned a lot.

The next day we were taken to an area that seemed to be a protected one. It was at 8 pm, the time when the satellite was passing over Mozambique. "We saw amazing things, like a huge ship washing tanks on our coast. We saw the license plate and its country of origin, we could see all the information about the ship. We saw two ships that were transshipping fish. We learned that every day more than 200 ships pass by the Mozambican coast. If we could see such images from this room, most of people would change their minds about the project. Then went to Abu Dhabi to see the facilities, offices, and meet the owner of the Prinvest group, Iskandar Safa, the simple and affable man, according to Nhangumele. On both visits, the South African Batsatsane Thlokoane was present.

After the visits, they went to their third meeting at the Presidency. "This time the Minister of Interior was not there. We made a rich presentation, we had the cost

of the project, the necessary means, and we had inputs to improve it. And the question was: where are we going to set up this equipment because the naval bases were all destroyed. Chang said we should include the infrastructure costs in the budget, amounting USD20 million, and the budget went up to USD322 million. The President suggested us to opt for Mozambican aircraft brands, to facilitate maintenance. It was a model that the CFM company used. The budget went up to about 360 million meticals.

The question that arose was one of financing. In the second meeting with Manuel Chang, he informed them that they could also contact foreign banks. Nhangumele asked Boustani to help him to identify banks that could finance the project. "He contacted three banks, including the Credit Suisse, which showed its interest on it. They had a representation in Tanzania." At the last presentation made to the Presidency, the two friends already had almost all the needed data, just as the feasibility study, revenue raising data and demonstration of results. The operating costs were high and only in the sixth year the company could start having profits and paying dividends to the shareholders. The President of the Republic asked, "what do we do?" The Minister of National Defense replied, "we are asking to go ahead with this project. At the meeting was Mutota, myself, Chang, the Minister of Interior and the General Director of SISE.

The following meeting took place at the Ministry of National Defense and was attended by participated Filipe Nyusi, the Minister of the Interior, the General Director of SISE, Officials from the Defense and Security Forces. The agenda of the meeting was to confirm the authorities' intentions in the project and the creation of the vehicle company. "I elaborated the memorandum and put the names of everyone

who attended that meeting, except mine. I handed the document to the Minister of National Defense and he noticed that one name was missing. And he said that I should include my name. We signed the document. Days later Mutota informed me that he heard that I would be removed from the project because I was not a member of the Defense and Security Forces. I became very angry with my friend Mutota, because I was the person who put the most time and work into the project."

Even though warned of the impending ouster, Nhangumele is given the assignment to produce a document for Privinvest confirming the government's interest in the project. "I went to deliver the document to the Minister of National Defense, after that He told me that I would be removed from the project because I was not a member of the Defense and Security Forces." At the same meeting, Nyusi directed Nhangumele to hand over the all the project tools to Henrique Mathaba of Monte Binga, the National Defense Ministry's company. Credit Suisse sent a form to Maputo to meet the client. We took the document to the Minister of Finance and He directed us to contact Isaltina Lucas, so that she would help us fill in it."

Nhangumele said that he made a letter informing that he was no longer working on the project. But he received a request from Boustani asking him to help the Credit Suisse delegation that was travelling to Maputo to meet with the Ministry of Finance. "I went there and were at least three representatives of Credit Suisse, Dra. Isaltina and a Dr. Siteo, from the Private Notary of the Ministry of Finance". After the meeting, I went out as I had already been removed by the Mozambican authorities at the end of 2012. At that time I wasn't speak with Mutota as I was angry with him, although I recognize that the fault was not his. I continued speaking with Boustani

because I had a consulting contract with the Privinvest."

Nhangumele is again contacted by Boustani to help the Privinvest delegation with the translations services at the last meeting he attended at the Ministry of Finance. At that moment I bump into Antonio Carlos do Rosário who was going to the same meeting at the Finance Ministry, and he asks me what I was doing there, since I had already been removed from the project. I told him that I was there on behalf of Boustani. Even so, Antonio Carlos do Rosário insisted that I should leave the place and as I was doing so I was stopped by an official from the Ministry of Finance, Dr. Piedade, who asked to help her with the translation services. That was the last time I attended a meeting on the matter."

And how do you get the money? When the project was approved, we went to Abu Dhabi to open the accounts, but there was a need to have an employment contract. That's the only way we could open the accounts at the bank, and we went to the social security office. After that we came back. Bruno was the one who informed me that the money was already available on our accounts in Abu Dhabi. I celebrated, but had no way to confirm this. I tried to call Boustani, but he didn't answer. Bruno travelled to Abu Dhabi and when he came back he confirmed that the money was already in our accounts. I travelled to Abu Dhabi and confirmed it. I spoke to with my wife and told her that I wanted to give money to Mutota, I wanted to offer him an amount to get his bearings, but my wife said I should avoid that. But, after so long without talking to Mutota he called me asking for a meeting at his house. And I went: "Teofilo, I'm hearing around that you have gained money," he said, and I confirmed. He asked about his share and I said that he didn't have a contract.

Defense lawyers tries to stop live broadcasts of trial sessions

On the third day of the trial, preliminary questions again marked the beginning of the session, delaying the resumption of the hearing of Cipriano Mutota, the first defendant questioned by the court. The defense protested against the publicity of the trial sessions, specifically the live broadcast on radio and television. Rodrigo Rocha, Cipriano Mutota's lawyer, believes that the live broadcasts of the sessions on radio and television put the state security at stake, since some defendants are secret service officers and the case in-

volves sensitive state matters. The issue of the defendants' good name, dignity and the principle of presumption of innocence were also raised to protest the publicity of the hearing and trial sessions.

"The trial is public, that's not what this is about. We are questioning the live broadcast. The images capture could be restricted for the defendants' sake," added Salvador Nkamati, lawyer of Renato Matusse (the former political advisor of Armando Guebuza). But the judge of the case, Efigénio Baptista, made it clear that he would

not change his decision in the order that set up the date for the trial. "I pondered a lot about it. This is a matter that has harmed millions of Mozambicans. The hearings remain public, I will not change my decision. The publicity of the trial presupposes that the people should supervise the activities of the courts as organs of the justice administration," said the judge.

In fact, Article 65(2) of the Constitution of the Republic states that "trial hearings in criminal proceedings shall be public, except when the safeguarding of private,

family, social or moral intimacy, or weighty reasons of security of the hearing or public order advise the exclusion or restriction of publicity. Article 88.1 of the Code of Criminal Case clearly states that “the media are allowed, within the limits of the law, to report in detail on the contents of procedural acts that are not covered by judicial confidentiality or where the general public is allowed to attend.

At the defense questions, Cipriano Mutota said that, besides his professional relationship, he had no other kind of relationship with the General Director of SISE, Gregório Leão. But on the first day of the hearing, Mutota assumed that he was Gregório Leão’s partner in the company MULEPE. In fact, MULEPE reflects the initials of the names of the company’s partners, namely MU for Mutota, LE for Leão, and PE for Pene (Leonardo Pene, Mozambique’s current ambassador to Vietnam). About Bruno Langa, Mutota only said that they had a coffee meeting, and regarding Armando Ndambi Guebuza, he explained that he knew him as a person who deserved protection as the son of the Commander-in-Chief of the Defense and Security Forces.

The officer and director of the Studies and Projects Office of SISE at the time of the facts was questioned about an agreement signed in September 2011 between the companies MULEPE and *Abu Dhabi Mar* (a company of the Privinvest group). When asked if he knew who signed the agreement on behalf of MULEPE, Mutota said he did not. But when confronted with his signature, he confirmed and said that there had been confusion: “MULEPE was not involved in the project. There had been an attempt to involve a private company in



Efigénio Baptista, judge of the case

the relationship with *Abu Dhabi Mar*, but the intention did not proceed. There was a confusion in that agreement. I received the document from Nhangumele but I don’t know who brought it to Mozambique. MULEPE holds a mining license in Gilé, Zambézia province, but it has never made mining exploration. “One of the activities that MULEPE has already developed was the cleaning of the fuel tanks of the PETROMOC company. To do this work we had to partner with a specialized company.”

Mutota says that the project designed by himself and Nhangumele has not been implemented. “It hasn’t walked. The only expectation I had was to see the project implemented. The implemented project was presented by António Carlos do Rosário in a SISE coordinating council. There was

plagiarism. They have copied some information from our work. His project did not expect tuna fishing, as the former Minister of Fisheries had already warned about the risks of creating a state company for fisheries. “When we went to ask for information about state companies linked to fishing, the Minister Victor Borges said: “Don’t tell me that you want to create state companies for fishing. If that’s what it is, I wouldn’t advise you. Nevertheless, EMATUM was created. “As a person who worked on the project, I am disgusted. When asked on his insistency that his part of the money should be paid in Mozambique, Mutota replied, “I don’t have accounts abroad, I like to receive money in my country, I’m a patriot, that’s why I insisted to be paid here.”



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