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JKRAOJ

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10 DOWNING STREET

From the Private Secretary

29 November 1984

MOZAMBIQUE

Thank you for your letter of 28 November dealing with points raised with the Prime Minister by President Machel on 3 November.

The Prime Minister is content for HM Ambassador in Maputo to speak on the lines proposed in the last paragraph of your letter.

(C.D. POWELL)

Len Appleyard, Esq.,
Foreign and Commonwealth Office.

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Foreign and Commonwealth Office

London SW1A 2AH

28 November, 1984

Prime Minister

These are the points
which President Machel
raised with you in Delhi.

Agreed that our Ambassador
should reply in your name
on the lines suggested?
Yes no

Dear Charles,

MozambiqueCOP
20/11

Thank you for your letter of 5 November about the Prime Minister's meeting with President Machel in New Delhi on 3 November. We have consulted the other Departments concerned about the points raised.

Action has been taken in response to President Machel's request for help in deterring Portuguese citizens from giving assistance to Renamo. The Prime Minister, as you know, raised the question in general terms with Dr Soares on 21 November and the Foreign Secretary did so with Foreign Minister Gama on 8 November. The issue has also been discussed at official level with the Political Director of the Portuguese MFA. The Portuguese reaction has been largely negative, although they are considering some helpful steps. Not surprisingly, the Portuguese have pointed out that their Government cannot act against Portuguese Renamo leaders unless they have broken Portuguese law, and that in any case Renamo sympathisers, including those of Portuguese nationality, operate mainly from South Africa. Less convincingly, the Portuguese insist that the Renamo problem must be resolved by Mozambique, South Africa and Renamo. Despite this negative response, the Portuguese Government are considering whether there are grounds for prosecuting any of the Portuguese Renamo leaders: we must hope that this threat may induce Renamo to moderate their activities in Portugal.

We are well aware of the difficulties being experienced by Malawi as a result of dislocation of its traditional routes through Mozambique. This is due to a combination of mismanagement and Renamo activities within Mozambique. We have agreed to a Mozambican request for a management study of the Nacala railway line. We are also financing at a cost of some £0.9m the upgrading of the alternative road link from Malawi through Tanzania. This is probably the most we can do at present. Our main effort as regards Mozambique's transit routes is aimed at links with Zimbabwe (the Limpopo railway and Maputo port), and we do not have the resources for a major project for the links with Malawi. Rehabilitation of the Nacala link is in any



case already partly covered by a number of other Western countries. Incidentally, President Machel's reference to banditry and corruption in Malawi is difficult to understand. The banditry exists within Mozambique rather than Malawi, and corruption does not seem to play a large part in either country.

President Machel also asked the Prime Minister to encourage British firms to participate in the restoration of the Beira/Zimbabwe railway. This project is at a very early stage of planning and the Mozambicans would like us to find a preparatory study. It is very unlikely that we should be able to take on the whole restoration project: as stated above, our limited resources are already pledged for other aspects of Zimbabwe's transit links. Probably the most promising source of funds for the Beira/Zimbabwe railway would be a multilateral agency, and we propose to tell the Mozambicans that we would be ready to support any approach by them to an agency to which we contribute. We would of course encourage British firms to put in tenders for any contracts which might result. In addition we shall keep under review the possibility of making a limited contribution from our aid programme, though we shall have to weigh this against other claims on our limited resources.

If you agree, we shall ask our Ambassador in Maputo to inform President Machel of the action taken with the Portuguese authorities on the question of Renamo, and comment as suitable on aid for Malawi's transit routes and our attitude towards the Beira/Zimbabwe railway.

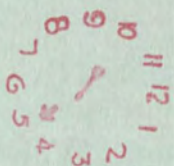
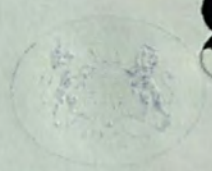
Gave we,

Lu Appleyard

(L V Appleyard)
Private Secretary

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Mozambique : Relativis : Aug 79



28 NOV 1984

For Attention
John no.