



FANRPAN

Food, Agriculture & Natural Resources Policy Analysis Network



COUNTRY PROFILE MOZAMBIQUE



- Approximately 4,3 million farmers, of which 98,7% are smallholder farmers
- Only 16% of land suitable for farming is currently cultivated

INTRODUCTION

Agriculture continues to be the mainstay of Mozambique's economy, contributing more than a quarter of its GDP, and employing 80% of its labour force (African Development Bank, 2018).

Chronic food insecurity is exacerbated by climate change shocks and natural disasters such as floods, droughts and cyclones.

Only 16% of land suitable for farming is currently cultivated, and its geographic location, providing landlocked countries access to ocean ports, raises Mozambique's potential to play a major role in regional food security and access to international markets. Improving agricultural productivity and ensuring access to food are now top priorities for the country's leaders.



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Apart from climate change related shocks and erratic weather, the agricultural sector is vulnerable to shocks that include the emergence of pests and diseases, leading to reduced crop resilience. Limited access to credit and finance, low use of improved inputs, and the dominance of rain-fed agriculture are other constraints that affect this dominant sector.

The ongoing COVID-19 pandemic has further worsened smallholder farmers' access to markets, exposing gaps in market systems and value chains of key commodity products.

Most women and youth in rural Mozambique are smallholder farmers and play a crucial role in growing food crops and generating income for their families. Despite their contribution to food and nutrition security, Women Smallholder Farmers (WSHFs) derive very limited economic value from agriculture due to limited access to markets, among other challenges.

Eighty percent of WSHFs sell their products at the local market. It is widely acknowledged that access to bigger, reliable and consistent markets is key to promoting the economic growth of WSHFs.

Oxfam Southern Africa (Oxfam SAF) in partnership with the Food, Agriculture and Natural Resources Policy Analysis Network (FANRPAN) implemented a project that focused on how smallholder agricultural producers, especially women and youth, in the four Oxfam focus countries - Malawi, Mozambique, Zambia and Zimbabwe, were interacting with markets.



MARKET GAPS IN MOZAMBIQUE

The following were some of the market constraints deduced from the study.

1. COVID-19 Related restrictions

The ongoing pandemic has exposed critical gaps in market systems all over the world. With travel and movement restrictions, smallholder farmers have experienced challenges in accessing farm inputs that include seeds, fertilizer and extension services, further reducing their productivity and harvests. The functioning of their existing markets has been affected by the observance of social distancing measures, reducing the number of clients at the marketplace.

2. Access to ICT

ICT for Agriculture (ICT4A) provides a platform for youth and WSHFs to access knowledge and information about the market, for instance, the prices of commodities, the best farming practices, and weather predictions. However, smallholder farmers in Mozambique have limited access to mobile phones and internet use is relatively low, with mobile phone penetration and internet use being 30% and 10% respectively (IDRC, Research ICT Africa, 2019, The State of ICT In Mozambique 2018). The low adoption of ICT has been credited to the high cost of acquiring smartphones and internet connectivity, in addition to the low literacy levels. In Mozambique, around 45% of the adult population is illiterate. Illiteracy rates for women are even higher, at 58% (UNESCO 2018).

3. Access to credit and finance

Only 3% of WSHFs reported having accessed some form of credit and finance facilities between 2008 and 2015 (FAO, 2017. The future of food and agriculture – trends and challenges). The high risk and low returns associated with small scale farming disqualifies the majority of WSHFs, rendering them ineligible for funding to expand their production.

RECOMMENDATIONS



The following are some recommendations to promote access to reliable and valuable markets for WSHFs.

ICT4A opportunities

- The government of Mozambique should promote access to existing Information and Communication Technologies, especially mobile phones and community radio for smallholder farmers.
- There is a need for a centralised electronic database for easy management of agricultural production and commercialisation by farmers.
- The Mozambique Commodity Exchange should consider an e-platform to ease the participation of smallholder farmers in the market.

Infrastructure

- There is a need to promote the establishment of village-based agro-dealer networks to increase access and improve reliability of inputs like seeds and fertilizers.
- To reduce post-harvest losses and improve on commodity quality, it is necessary to expand storage capacity through the promotion of private ownership and operation of silos and cold storage.

Policy

- Promote the domestic production of fertilizer through the development and implementation of the fertilizer law and policy to encourage private sector investment.
- Enhance the effective and efficient implementation of agricultural policies through the establishment of a functional agricultural policy implementation and coordination mechanism to improve ownership and accountability.

Capacity strengthening

- The training of WSHFs is a prerequisite for their effective participation in agricultural value chains. Development programmes should be tailor-made for rural, illiterate WSHFs.
- WSHFs require empowerment to form organised farmer groups to advocate for improved access to credit and finance, and to equip them with better bargaining power in the market.

ACCESS TO MARKETS CAMPAIGN

FANRPAN in partnership with Oxfam SAF and the Southern Africa People's Solidarity Network (SAPSN) are implementing a Markets Campaign to increase the awareness of the market access constraints faced by smallholder farmers, especially women and youth, and provide evidence-based solutions to create an enabling and fair environment for farmers to access profitable markets. The focus is on collective action at regional and national levels, building on ongoing work (programmatic) and campaigns in Southern Africa. For more details and on how to participate in this campaign, please visit the FANRPAN website.

About FANRPAN

The Food, Agriculture and Natural Resources Policy Analysis Network (FANRPAN) is an autonomous regional stakeholder driven policy research, analysis and implementation network that was formally established by Ministers of Agriculture from Eastern and Southern Africa in 1997. FANRPAN was borne out of the need for comprehensive policies and strategies required to resuscitate agriculture. FANRPAN is mandated to work in all African countries and currently has activities in 17 countries namely Angola, Benin, Botswana, Democratic Republic of Congo, Kenya, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, South Africa, Swaziland, Tanzania, Uganda, Zambia and Zimbabwe.

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