

Mozambique

Mozambique is a southern African nation whose long Indian Ocean coastline is dotted with popular beaches like Tofo, as well as offshore marine parks. In the Quirimbas Archipelago, a 250km stretch of coral islands, mangrove-covered Ibo Island has colonial-era ruins surviving from a period of Portuguese rule. The Bazaruto Archipelago farther south has reefs which protect rare marine life including dugongs.

Official Name	Republic of Mozambique
ISO Country Code	Mz
Time	UTC +2h
Country Calling Code	258
Area	812,379 sq km (313,661 sq miles)
Population	24.5 million
Official languages	Portuguese (official), several indigenous languages, including Makhuwa
Capital City	Maputo
Other Cities	Beira, Matola, Nampula, Quelimane, Tete, Nacala.
Climate	Varies from sub-tropical to tropical (south to north).
Natural resources	Coal, titanium, natural gas, hydropower, tantalum, graphite.
Agriculture products	Cotton, cashew nuts, sugarcane, tea, cassava (tapioca), corn, coconuts, sisal, citrus and tropical fruits, potatoes, sunflowers; beef, poultry.
Currency	New Metical (MZN)

Major cashew Growing regions

The important provinces where in the cashew is being grown are

- Nampula 48%
- Gaza 7%
- Inhambane 10%
- Namige
- Geba
- Cabo Delgado 9%
- Manica 7%
- Sofala 6%
- Zambezia 13%

Harvesting Season

Cashew is mainly harvested mainly from October-Feb. months of the year. In this period the nuts fall off to the ground by themselves.

The workers have to just go around the orchard and collect the fallen nuts and let it for further processing



Major ports in Mozambique

- Beira
- Chinde
- Maputo
- Mozambique
- Nacala
- Ibo
- Inhambane
- Pemba
- Pebane
- Belo

History of Cashews

Cashew production is the main source of income for close to 1.4 million rural producers in Mozambique. In the world of cashew, Mozambique has an experience of about 100 years. It's RCN production had once in the 70's made the country, the world's largest producer. At that time, the production was over

200 thousand metric tons and the processing sector had an installed capacity of 150,000 MT, employing more than 15,000 people.

After the proclamation of national independence in 1975, adverse factors have affected negatively the production and marketing of cashew nuts in the post-independence period. These factors are the war and displacement of population, unfavourable policies; low farm gate prices, weak marketing system and limited access to production inputs; shortage of consumer goods and food, severe droughts, ageing of trees (60-70% with more than 25 years), diseases such as powdery mildew, anthracnose, insects like helopeltis and mealybug, as well as uncontrollable forest burning. These are the main causes of death of the cashew trees. This led to the ban on export of raw nuts to India in 1975.

A later study done by a consultant for the World Bank came to suggest that mechanical systems used by the RCN processing industry were not competitive, so the country would make more foreign currency by exporting the raw nut. Later, another study suggested the adoption of semi-mechanical systems for being less costly and provides a higher percentage of whole kernels when compared with mechanical systems. The recommendations of this study have been incorporated by INCAJU Cashew Masters Plan I and II. As a result we created more units of cashew nut processing. In April 2001, the Government lifted the ban on the export of raw nuts to India.

Cashew Processing

With regard to processing, Mozambique's capacity is largely concentrated in the north with 4 operating industrial processors, divided by 7 sites and accounting for around 32,000 tons of processed RCN, a number that is set to grow around 4,000 tons as a new factory is expected to come into production.

All processing factories in Mozambique employ either manual or semi-mechanized processing models. In semi-mechanized factories, processing is supported by the use of calibration, cutting, and peeling machines, but manual labor is still required for scooping, grading, and machine operation. While the quality and efficiency of machines have improved greatly in recent years, there is still a lower breakage rate with manual processing, and many facilities choose to process the largest, most valuable nuts by hand as to ensure maximum profit.

Cashew Factories

- Condorcaju
- Condor Nuts
- Indo Africa
- Koroxo Lda

- MAP -Muloque agro-pro.
- Mozacaju
- Olam
- < 1000 MT capacity
- MCM Ida
- Invapecaju Ida
- IPCCM
- Cabo Caju
- Maziotela Industrial Lda
- ADPP Namige procesors
- Moma Caju (Jatin-Caju)
- Socaju Ida
- Anacardia Lda
- EDCIL Ida
- Mulopia Caju
- Madecaju Ida
- Madercil Ida
- Zambezia Caju

Shipping Companies

- Debala Shipping Lda
- Mediterranean Shipping Company Moçambique Lda
- Bolloré Africa Logistics
- PERMAR - Peritagens e Conferências Marítimas Lda
- Gulf Badr Group Mozambique Lda
- Maersk Mozambique Lda
- Manica Freight Services Moçambique SARL
- Naval Serviços à Navegação Lda
- Navemar Lda - Agência de Representação Marítimas
- Yamaha Marine Services Lda

Freight, Shipping and Logistics organizations in Mozambique

- Allex Logístics
- AMI
- Anchor Logistics Ltd
- Association of Road Freight Transport Companies of Maputo (ASTROCAMA)
- Beira Cargo Handling Ltd
- Bobby Transportes
- Correios de Mozambique EP
- Danmo
- Debala Shipping Ltd
- F&M Transport Co.
- FH Bertling Logistics Ltd
- Freight Services Moç Ltd

- Gac Mozambique Maritime Services Ltd
- HCL Transportes
- Ideal Transport Ltd
- Institute for the Promotion of Export
- JJ Transportes
- King & Sons Ltd
- Kuehne & Nagel Mozambique Ltd
- Limperse Ltd
- Machava Transport Mozambique Beira
- Manica Freight Services Mozambique
- Mediterranean Shipping Co.
- Ministry of Transport & Communications
- Moz Star Ltd
- Mozambique Transport Brokers
- Naval Services to Shipping Ltd
- ndico Logistics
- Nuro Momedede Transport Co.
- SDV
- Sharaf Shipping Agency Ltd
- Sotrigo Ltd
- Specialised Transport Ltd
- Sturrock Shipping Ltd
- Tricamo Land Transport
- TTI Tait Transport Iberian Ltd
- VIC Transportes

Infrastructure and regulations

Investment incentives

Investment legislation offers customs and fiscal benefits to eligible projects according to the value, geographical area and sector of activity, including:

Exemptions on Import Duties on equipment of class “K” of the Customs Tariff Schedule (the exemption is extensive to Value Added Tax).

Reduction of 50% on the real property transfer tax (SISA) on acquisition of capital goods for Industry, Agro-industry and Hotels, Provided that they are acquired within three years of the investment authorization date.

Tax system

Direct taxation of income in the Republic of Mozambique is achieved through the following:

- a. Corporate Income Tax (IRPC)
- b. Personal Income Tax (IRPS)

Applicable rate

- a. The general IRPC rate is 32%
- b. Agricultural, handcraft and cultural cooperatives are subject to general rate reduced by 50%
- c. Until 31 December 2015, agricultural and farming activities will benefit from a 10% reduction of the general rate

Investment Tax Credit (CFI)

Fiscal Credit per Investment (CFI) during 5 fiscal exercises:

Nampula, Manica, Maputo City and Maputo Province ----- 5%

Gaza, Sofala, Tete and Zambézia ----- 10%

Niassa, Cabo Delgado and Inhambane ----- 10%

Additionally, further specific benefits exist for sectors including Agriculture, Industrial Free Zones, Large Scale Projects and Rapid Development Zones.

Role of Government and NGOs in Cashew Sector

MozaCajú is a three-year, USDA-funded initiative that supports the Mozambican cashew industry by harnessing global market demand for premium cashew and addressing obstacles throughout the value chain, including in the areas of inputs, production, processing and marketing. With targeted technical assistance delivered by qualified project staff, MozaCajú helps an estimated 30,000 smallholder cashew farmers and nine processing facilities to sustainably increase their productivity and competitiveness.

TechnoServe

In 2000, TNS reviewed the “Cashew Processing Strategy” and started programs in assisting entrepreneurs in the processing area while giving institutional support to INCAJÚ (the government promotion agency). Efforts towards the creation of a “Working Capital Guarantee Fund” were also made.

Throughout the decade, TNS deepened its involvement in Cashew, reviewing major policies on the crop as well as those governing labor and the minimum wage for the sector. TNS also supported the creation of the “Agro Industrias Associadas” and the re-structuring of AICAJU, the association of Mozambican processors, in 2004 and 2005.

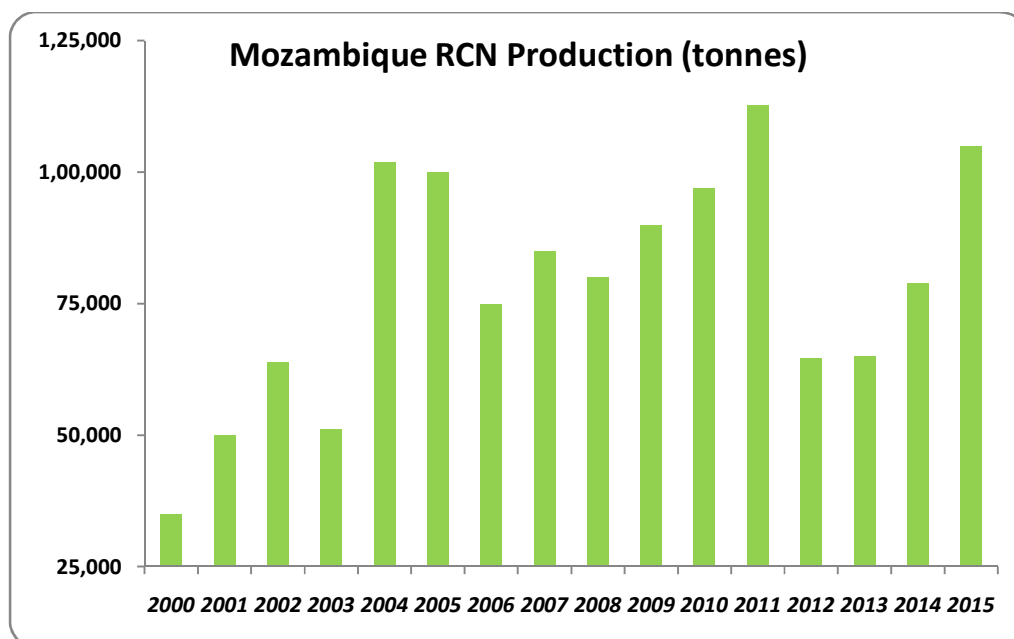
TNS now implements a large program called MozaCajú supporting the cashew sector. Funded by the United States Department of Agriculture (USDA), this short three-year program aims to increase the competitiveness of the Mozambican cashew industry by linking global market demand for quality kernel to Mozambican processors and working on breaking down obstacles throughout the value chain.

INCAJU

The Instituto de Fomento del Caju, shortly designated INCAJU, is an institution of public law, endowed with legal personality and administrative and financial autonomy, created by Decree 43/97 of 23 December of the Council of Ministers, published in the Boletim da República I Series No 52 of 30 December 1997. INCAJU is a national institution which is subordinated to the Ministry of Agriculture and Rural Development.

For more details please visit <http://incaju.co.mz>

Statistics at a Glance



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