




TRADE FORWARD
SOUTHERN AFRICA



TFSA Sector Work in Mozambique

The Trade Forward Southern Africa (TFSA) programme set out to enhance the participation of SMEs in regional and global value chains in high potential sectors. Working through implementing partners and business support organisations (BSOs) in Mozambique, TFSA has delivered sector specific interventions designed to address Non-Tariff Barriers (NTBs) and facilitate compliance with regulatory and standards requirements, as well as the less tangible barriers related to distance to market.



Mozambique Snapshot: March-November 2022

<h1 style="font-size: 2em; color: #2e8b57;">13</h1> <h2 style="color: #2e8b57;">SMEs</h2> <hr style="border: 1px solid #2e8b57;"/> <p style="color: #0070c0; font-size: 0.9em;">23 individuals (3 women) Trained in international standards and regulations</p>	<h1 style="font-size: 2em; color: #2e8b57;">5</h1> <h2 style="color: #2e8b57;">SMEs</h2> <hr style="border: 1px solid #2e8b57;"/> <p style="color: #0070c0; font-size: 0.9em;">9 individuals (9 women) Trained in four key preferential trade markets for Mozambican agricultural products</p>	<h1 style="font-size: 2em; color: #2e8b57;">1</h1> <h2 style="color: #2e8b57;">BSO</h2> <hr style="border: 1px solid #2e8b57;"/> <p style="font-size: 0.9em;">Supported through the development of national fruit and vegetable pest profile for Mozambique and development of export readiness profile measurement tool</p>	<h1 style="font-size: 2em; color: #2e8b57;">1</h1> <h2 style="color: #2e8b57;">BSO</h2> <hr style="border: 1px solid #2e8b57;"/> <p style="font-size: 0.9em;">Supported through the development of toolkits for the strengthening of the institutional capacity to support growth of a competitive sector</p>
---	--	--	---

Through this sector specific training and business and product development support, TFSA has helped empower BSOs and SMEs throughout Mozambique to improve business operations, and product output and quality to meet international standards and regulations. For many, this means having the increased ability to demand higher prices, and a business and products ready for international markets.

TFSA Priority Sectors in Mozambique



Aquaculture



Fruits, nuts and vegetables

With the right support to improve productivity and meet international market standards, both sectors have significant long-term potential for export-driven, inclusive growth.

TFSA Support to the Aquaculture Sector

The Mozambique aquaculture industry suffered a devastating blow in 2011 when white spot disease wiped out nearly all the country's prawn producers. This set-back, combined with a number of tax policy and logistical challenges, has left the industry hugely under-developed. In recent years, government and donors have increasingly recognised the potential of tilapia production as a source of high protein food and income generation for small and medium farmers and firms.

TFSA's work in the aquaculture sector in Mozambique had the overall aim of strengthening the capacity of AMAQUA, the country's main aquaculture association, which has been dormant since 2011. Restoring AMAQUA as an active industry partner will translate into strengthened support and services to aquaculture farmers and input providers up and down the value chain, which will be key in building up competitive businesses to international market standards.

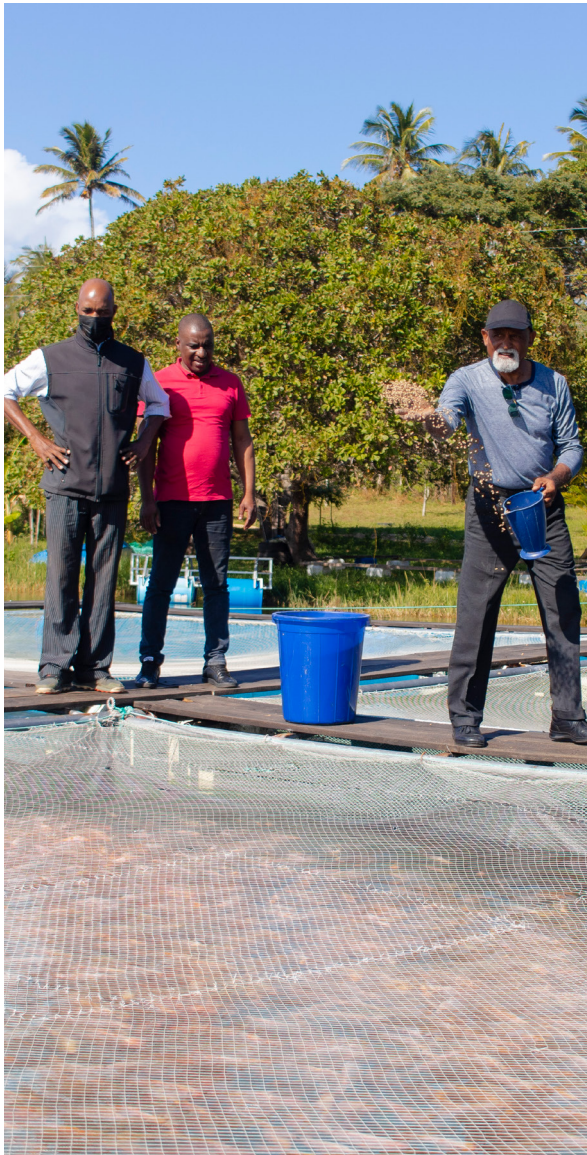
This involved development of a set of toolkits to positively impact on the effectiveness of AMAQUA's contribution to building a competitive sector. The toolkits were developed based on consultations with industry stakeholders (farmers, government representatives and donor partners) to identify the key issues to address that are affecting the competitiveness and export readiness of the sector.

- **Organisational capacity development** through four critical areas of institutional focus: Cooperating with legal and regulatory bodies responsible for licensing, inspections, certification etc.; develop local capacity for inspection and certification around biosecurity compliance; addressing the fiscal and non-fiscal barriers impacting operating costs; and staying informed on developments and trends in international markets and disseminate information to the industry.
- **Marketing capacity building** to guide AMAQUA increase domestic demand for farmed tilapia as a driver for increased competitiveness in the sector.
- **Organisational growth** by guiding AMAQUA to attract and recruit new members, making the association more representative and better placed to support the development of a competitive sector.



There is no one else here trying to develop the aquaculture value chain – not in the way TFSA is doing it. Developing the aquaculture sector makes so much sense if you look at all the benefits. We have a growing population and a lot of malnutrition, so we need a sustainable solution to feed everyone. Mozambique spends millions importing protein – we should be investing in our own systems instead. Growing the aquaculture sector would also reduce the pressure on marine fishing and the associated environmental costs, and it would be a huge boost in women's employment as they work in the sector in great numbers. Sustainable aquaculture is the answer to a lot of problems in Mozambique – it's no quick return, quick solution, but if it's done properly, it's a sustainable and climate resilient solution.

- Zerene Haddad, Chicoa Fish Farm



AMAQUA Today: Rebuilding to Support Development of a Competitive Mozambican Aquaculture Industry

One of the first steps outlined in the toolkits that AMAQUA took was appointing an Executive Secretary, who is already engaging key stakeholders. These include the government's industry regulatory bodies such as the National Institute for Fisheries and Aquaculture Development (IDEPA), the National Directorate of Fisheries Administration (ADNAP), and the National Institute for Fish Inspection (INIP).

Building on connections made during TFSA's research and consulting groundwork, AMAQUA is meeting with producers to identify priority areas, and agree and map a way forward to collectively lobby the government on pressing issues such as VAT refunds. Farmers waiting on VAT refunds poses serious cash flow challenges in an already poorly financed industry.

Work is also underway to engage existing smallholder producer groups as part of the recruitment effort to bolster AMAQUA's membership and representation. A non-member producer is volunteering to work with AMAQUA staff on sourcing funds – a testament to the growing willingness and appreciation among farmers of AMAQUA's potential for the industry. So far, after TFSA's direct support ended, AMAQUA has managed to secure funding to set up the association's office space, enable AMAQUA's participation at relevant events and conferences, and to engage a biosecurity consultant to help AMAQUA provide technical assistance directly to farmers.

To capitalise on the momentum being built, TFSA recorded a number of recommendations to sustain and scale the interventions.

Key Recommendations for Future Actions

1. **Additional funding may be required to ensure implementation of all recommended actions outlined in the toolkits. Continuous tracking of progress and measuring of impact will help ensure that actions remain on course, or are adapted to any external changes, to achieve the desired objective.**
2. **Fundraising to support the full implementation of steps outlined in the toolkits. This effort should particularly seek to capitalise on the renewed government and donor vested interest in the sector and the various funding mechanisms they have put in place.**

TFSA Support to the Fruits, Nuts and Vegetables Sector

The agriculture sector is key to the country's socio-economic development as it is dominated by small-scale subsistence producers from rural communities. Though the COVID-19 lockdown and closed borders forced a significant increase in domestic production, and more focus from the government on developing the sector, support is still not sufficient to improve productivity and increase access to markets.

TFSA has worked with business support partners, the Chamber of Commerce of Mozambique (CCM) and the Fruit Growers Association of Mozambique (FRUTISUL), to help farmers improve quality and output, meet international market standards and improve access to export markets.

- **Building capacity for women-owned firms** broadly operating in the agricultural sector with the ability to leverage existing preferential trade agreements that favour Mozambican products, namely the SADC Protocol for Trade, the UK-SACUM EPA, the EU-SADC EPA and the US-African Growth and Opportunity Act (AGOA). Training was followed by developing [export guides](#) for each of the four markets, designed to assist the businesses develop and implement their export strategies through easy-to-follow directions on the requirements. An overall agricultural export guide was developed, focusing on Mozambican regulatory procedures and requirements that exporters need to meet for the commodities to cross the border.
- **Training on key requirements for export of fruits**, including Global Good Agricultural Practices (GGAP) standards and sanitary and phytosanitary (SPS) regulations. Training built on and aligned with the Local GAP standard and, combining theoretical training with practical learning through farm site visits, equipped the farmers with the necessary knowledge on principles and implementation requirements to achieve certification of compliance. The SPS training covered guidelines and measures established by the World Trade Organisation (WTO) SPS Agreement, and how to practically implement these through the value chains.
- **Facilitate access to export markets** through the creation of the National Pest Profile guide and an Industry Export Readiness Profile document. The pest profile tool is designed to manage the risk of invasive pests through agricultural trade, which is essential for meeting the phytosanitary requirements of the SPS measures to access international fruit markets. The profile can be used to increase the capacity of producers and National Plant Protection Organisation (NPPO) officers on pest risks, required quarantine measures and available solutions for pest control. The Export Readiness Profile is an industry reference document for potential, and existing, exporters, containing key information on requirements to improve producers' understanding of the procedures needed for export.



QR bar code developed for CCM's agricultural export guide



Banana Processing at Citrum Farm, Mozambique

This training was the best because it dealt with a subject that was already a concern for us who are in the export industry and for small farmers as well. In this training we acquired new tools such as understanding what are the mechanisms to be followed in the process of exporting products, and taking into consideration the quality, terms of the phytosanitary area and which entities are involved.

- Alindo Mendoca, Director of CITRUM

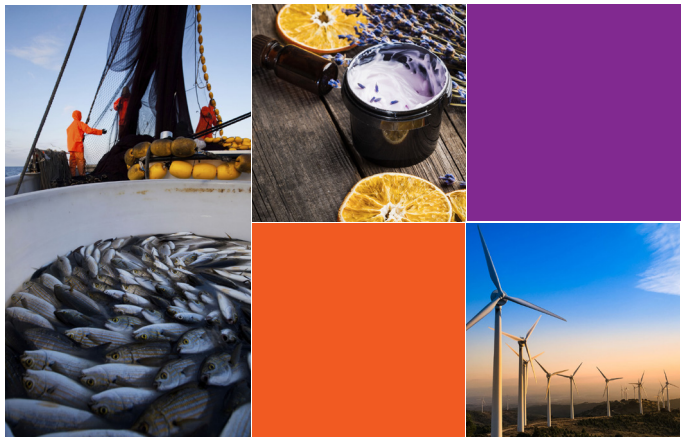
Ongoing support and initiatives will help further the inclusion of SMEs in global value chains. Under the scope of work delivered by TFSA and partners, a number of recommendations were identified.

Key Recommendations for Future Actions

1. Roll-out the various training interventions, export guides and profile documents to more farmers and firms to ensure a wider impact on the industry. Conduct a campaign to raise awareness across the whole industry on the export guides developed.
2. Provide additional and practical assistance to the trained firms to ensure that they use the knowledge gained and the tools developed to prepare and access the preferential markets.
3. Develop capacity of FRUTISUL as a GGAP certification centre to scale up GGAP training and certification programme. This would directly contribute to the number of export ready producers and boost overall export of fruits, nuts and vegetables.

About TFSA

Trade Forward Southern Africa is a UK Government funded initiative that supports the SACU+M business community to grow regional and international export trade through a diverse range of free exporter focused tools, training and resources designed to provide a broad overview of important trade and customs related subjects. Learn more on the [Trade and Information Hub](#), and follow us on [LinkedIn](#), [Twitter](#) and [Facebook](#) for ongoing updates.



TFSA Business Support Partners in Mozambique

The Aquaculture Association of Mozambique (AMAQUA) seeks to represent the interests of semi commercial and commercial aquaculture producers in private public dialogue before government and partners as well as build the capacity of local producers to best respond to the local demand competitively.



[Chamber of Commerce of Mozambique \(CCM\)](#) is an organisation of local and international companies operating in all the economic sectors in Mozambique. The Chamber, among other services, provides support for companies to capitalise on existing resources to effectively access export markets.



[The Fruit Growers Association of Mozambique \(FRUTISUL\)](#) represents fruit growers and agro processors in the fruit value chains in Mozambique, and facilitates access to technical and financial resources for its members with the aim of growing a commercially sustainable fruit sector.



TRADE FORWARD
SOUTHERN AFRICA

© 2023 Please note, the contents of this booklet is for viewing purpose only. None of the content in the booklet may be used or reproduced in any form or by any electronic or mechanical means, without written permission from Trade Forward Southern Africa.