



AGRA
Sustainably Growing
Africa's Food Systems



Advancing functional input and output markets and trade to drive productivity and improve farmer resilience



Mozambique Strategic Plan:
2023 – 2027

Country context and priorities

Mozambique is identified as a high potential agricultural country, especially given the large amounts of arable land and the low productivity of the sector. The country is also endowed with ample water, energy, as well as mineral resources and newly discovered natural gas offshore; three, deep seaports; and a relatively large, potential pool of labor. Mozambique is categorized broadly into three Agro-ecological zones: arid and semi-arid in the south and south-west; sub-humid mostly in the center and north; and humid highlands mostly in the central provinces. Most agricultural production takes place in the central highlands and north, which is the most fertile region. Prior to the adoption of the Food Systems Approach, the Mozambique government committed to and adopted a Green Revolution approach to agricultural transformation and development. This, in turn, was expected to catalyze the contribution of the sector to the wider economic development agenda for the country.

Mozambique's economy is still largely agriculture-based despite the endowment in mineral resources and gas. The role of agriculture in stimulating overall economic growth and poverty reduction remains critical as 66.8% of the country's population of 32.2 million dependent largely on agriculture for employment and livelihoods. The poverty headcount remains high at 63.7% in the country at large.

Despite Mozambique's agriculture sector importance (contributing about 25% to GDP and employing over 70% of the population, 14% of which aged 15-35 years), it continues facing key constraints that curtail its competitiveness and effective contribution toward economic growth.

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of the country's population of 32.2M dependent largely on agriculture for employment and livelihoods.



Agriculture sector contributing 25% to GDP

employing

70%+ of the population

The country priorities for the agriculture sector are stated in the Government of Mozambique's recently launched Strategic Plan for Agricultural Sector Development 2030 (PEDSA II) and its National Investment Plan 2022 – 2027 (PNISA II) through which all development partners guide strategic interventions and investments in the agriculture sector.

The two documents prioritize 4 main pillars of:



Productivity & agricultural competitiveness



Sustainable management of natural resources



Agribusiness environment



Institutional strengthening & development

Mozambique possesses vast potential to eventually become a major food producer and exporter in Southern Africa. A land abundant country in the African East Coast cultivates only 16% of farming suitable land (USAID, 2021). Despite such abundance, soils are diverse with diverse nutrients deficit requiring different interventions to improving its health to increase smallholder farmers productivity in a context of combined negative impacts from recurring lack of rainfall, extreme rains, cyclones, and floods. In smallholder farming systems the soil fertility tends to deplete, thus lowering crop yields if appropriate management measures are not adopted.

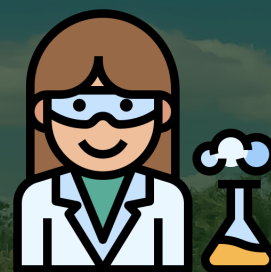
AGRA believes that addressing key challenges of smallholder farmers in Mozambique will best be achieved by promoting market-led interventions focused on achieving farmer-level tipping points in increased productivity, resilience, and household income through the development of input and output markets at the systems level and overall transformation of the agricultural sector and food systems in the country.

AGRA 1.0 (2006 – 2016) invested about US\$25 million in training 60 scientists, 10% of which at the PhD level in crop and soil health, and the remaining at the MSc level. AGRA 2.0 invested in Mozambique to build on its first strategy (AGRA 1.0) that created the foundational capacities in Seed Systems, Soil Health, Policy and State Capability, Market Access, and Inclusive Finance. Through these investments, AGRA made progress to catalyzing and sustaining an inclusive agriculture transformation in Mozambique to improve the smallholder households' food security and increase their incomes. In this regard, in the last 5 years,

AGRA has focused on:

- (1) Support to Government to strengthen the sector's delivery efficiency through improving intra and inter-ministerial coordination, as well as putting in place conducive policies for increased production and private sector investments;
- (2) Scale up strategic catalytic downstream interventions that sought to:
 - (i) Strengthen structured market access in Nacala Corridor,
 - (ii) Increase input availability and distribution in Zambezi Valley through strengthening Agro-dealer networks,
 - (iii) Develop an agricultural market platform to improve delivery coordination in the Beira Corridor, and
- (3) Partnerships to facilitate alignment between government and private sector, improving integration and coordination for investments in Agriculture.

AGRA 3.0 strategic framework for Mozambique focuses on achieving farmer-level tipping points by enhancing market development at the systems level, increasing crop productivity, resilience, and household income and overall transformation of the agricultural sector and food systems in the country.



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The main strategic objectives are:

- Increase smallholder farmers (SHF) access to input and output markets through strengthening of SMEs capacity for better services delivery and creation of work opportunities for women and youth.
- Increase SHF's crop productivity and resilience through increased access to private led extension services for expanded women and youth work opportunities
- Strengthen government capacity to coordinate, strategize, implement, deliver, monitor, and evaluate complying with Food Systems approach to enhance women and youth work opportunities.

Pemba-Lichinga corridor

Business lines: Inclusive Markets and Trade, Sustainable Farming, Policy and State Capability and Seed Systems

Farmers: 150,000

Crops: Maize, Soybean and Vegetables

Justification

- Adequate Agro-ecological conditions
- Newly developed road infrastructure but weak market structures
- Malnutrition

Nacala corridor

Business lines: Inclusive Markets and Trade, Sustainable Farming, Seed Systems and PSC

Farmers: 700,000 (450,000+250,000 cassava)

Crops: Maize, Cassava, Rice, Soybeans, and Vegetables

Justification: Adequate Agro-ecological conditions

Remaining gaps:

- Need to enhance policies implementation
- Develop and strengthen market platforms
- High Malnutrition rates (Nampula and Zambezia high density areas)
- High risk for climate shocks (Coastal areas)

Beira corridor

Business lines: Inclusive markets and trade, Sustainable Farming, Seed systems, Policy and State Capability

Farmers: 450,000

Crops: Maize, Soybeans, Rice and Vegetables ZIMBABWE

Justification

- Adequate Agro-ecological conditions
- Need to enhance policies implementation at provincial level

Remaining Gaps:

- Strengthen market platforms
- High Malnutrition rates
- High risk for climate shocks (Sofala and Manica)

Zambezi valley

Business lines: Inclusive Markets and Trade, Sustainable Farming, Seed Systems, and PSC

Farmers: 550,000

Crops: Maize, Rice, and Soybeans, and Vegetables

Justification

- Adequate Agro-ecological conditions

Remaining gaps:

- Need to enhance policies implementation
- Develop and strengthen market platforms
- High Malnutrition rates (Nampula and Zambezia high density areas)
- High risk for climate shocks (Coastal areas)

Limpopo corridor

Business lines: Sustainable Farming, Inclusive Markets and Trade, Resilience, CCM and Nutrition and Policy and State Capability

Farmers: 250,000

Crops: Cassava, Cowpea and Groundnut

Justification

- Opportunity for Climate smart crops
- Nutritional crops
- Cash crops
- Adequate Agro-ecological conditions

AGRA's approach in Mozambique:

AGRA's Mozambique's 2023-2027 Strategy in the next 5 years is well aligned to the government of Mozambique's National Development Strategy (ENDE) 2015-2035. It will be delivered through four main business lines:

a) Inclusive markets and trade

AGRA's investments under this objective is well aligned to the government's PEDSA priority Pillar III. AGRA's approach will focus on the following components:

- Supporting increased farmers participation in markets to increase the use of improved high quality agricultural inputs,
- Strengthening and facilitating access of agricultural value chains to the domestic, regional, and international output markets through Agri-SMEs in an inclusive and competitive manner, maximizing the involvement of the private sector,
- Facilitating reduction in post-harvest losses using mechanization and guaranteed markets,
- Facilitating access to finance through de-risking mechanisms and development of appropriate financial products, and
- Supporting development of Market-oriented policies.

b) Seed systems

Under this business line, our investments will be achieved through:

- Leveraging on the PPP to better link seed production, and market. Investments will focus on continued capacity building of public and private seed actors to increase availability of seed of high yielding varieties,
- Engaging further women and youth in multiplying climate smart crop varieties as well as crop varieties bearing nutritional traits to address climate change and nutritional challenges,
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- Engaging further women and youth in multiplying climate smart crop varieties as well as crop varieties bearing nutritional traits to address climate change and nutritional challenges.

c) Sustainable Farming

AGRA's approach will focus on the following components:

- Support private led extension service delivery for youth, especially women participation to promote yields with use of quality inputs,
- Scale inclusive VBA model to deliver extension services and training to smallholder farmers,
- Enhance smallholder farmers' linkages to market actors and other resource partners including government to increase access to irrigation and mechanization equipment to enhance productivity. Investments in seed value chain will contribute immensely to achieving the inclusive agricultural transformation (IAT) within Mozambique which aligns to and complement government efforts,
- Enhance production and delivery of high yielding, climate smart, and biofortified EGS and certified seed varieties,
- Build resilient, sustainable, and profitable smallholder agriculture systems to improve productivity, income, and nutrition through better access to inputs, incentives, and delivery systems,
- Support soil fertility and health restoration initiative to promote, disseminate and adoption and use of site- and crop-specific blended fertilizers for sustainable farming and increased smallholder productivity, and
- Support consortia work and other approaches in selected country priority value chains to expand the delivery of extension services, including use of digital platforms, through VBAs (including women and youth) and linkages to existing public extension network to assist 1.3 M SHF increasing overall productivity and nutrition.

d) Policy and State Capability

AGRA investments into the 2023-2027 Strategy under the Policy and State Capability Business Line will seek to:

- Strengthening the voice of private sector and farmer organizations (national, provincial and district unions) to advocate for more and speedy policy reforms approval and operationalization of the agriculture laws and other legal instruments,
- Strengthening inter-sectorial coordination, and managerial capacity both at Central and Provincial levels (Farmer's forums and Provincial Farmer Unions (UPC)) in AGRA supported regions,
- Developing a tracking tool for private sector investments made in the agriculture sector, as well as a tool for monitoring progress on policy implementation, impact, and growth in the sector,
- Support evidence-based approaches to guide investment prioritization in the context of food systems approach to streamlining PEDSA and PNISA, and
- Strengthening government' program / service delivery capability and setting of a robust sector monitoring and evaluation system.

e) Inclusion

AGRA will continue to roll out the Value4Her programme intended to mentor women into entrepreneurship who will harness opportunities available in agri-value chains.

The youth shall also be targeted to expose them to the economic and business opportunities available in agricultural value chains.

AGRA will continue to work with partners to ensure that friendly credit and finance is accessible to the agri-value chain actors right from production all through processing and distribution to retail.

AGRA will also promote:

- Inclusivity to enable women and youth to contribute to agriculture for their economic empowerment.
- Climate change adaptation by equipping farmers and strengthening food systems to absorb and recover from shocks.
- Nutrition by improving nutrition outcomes by diversifying crops and ensuring food availability.

Delivery Models

We believe that our strategic vision can only be achieved through strong partnerships with other players. We will leverage the expertise and influence of partners to deliver lasting benefits to smallholder farmers. Our ecosystem of partners includes the Government, Private sector actors, Development partners, academia and Youths, Women and farmer organizations.

Our delivery vehicles will include a combination of investments, externally sourced technical expertise, AGRA technical and institutional expertise, AGRA's convening capacity and network to provide leadership in systems building and support to the government and private sector investment choices.

AGRA always supports national priorities and works under the leadership of each country's leadership. As an African institution, we stress the need to work together to find and use African solutions for African challenges. Supported by our development partners, we provide a range of tools to support our partners in Mozambique.

These include grants, technical assistance, partnerships and convenings, tailored to the specific needs of the country, our partners and on-the ground support required. Our delivery models will be customized based on the areas of investment and strengths and capabilities of our partners.

About AGRA

Headquartered in Nairobi, Kenya, AGRA is an African institution supporting inclusive agricultural transformation and sustainable food systems. AGRA empowers smallholder farmers in Africa by convening and catalyzing the building of functional and inclusive agricultural food systems. By doing so, AGRA transforms the livelihoods of farmers from a struggle to survive to profitable business, thereby increasing incomes and improving nutrition and food security.

By rigorously testing and validating scalable models, we tailor our approaches to meet the specific needs and goals of each country and ensure that our approach is fully aligned with the national development priorities of our focus countries.

Furthermore, AGRA fosters partnerships, and networks essential for driving inclusive agricultural transformation. With an extensive network of over 5,000 partners spanning across our presence countries, we cultivate an inclusive environment that promotes local and global innovations. These strategic partnerships and networks enable us to leverage the expertise and resources of a diverse range of stakeholders, facilitating a more effective response to the challenges faced by smallholder farmers and propelling sustainable agricultural transformation across Africa.