Mozambique

Post: Pretoria

Agricultural Economic Fact Sheet

Report Categories:
Agriculture in the Economy

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Report Highlights:
Mozambique’s agricultural sector is characterized mainly by subsistence farming, with commercial lands focusing mainly on sugar, tobacco, cotton and cashew nuts. Agricultural exports reached $700 million in 2014, while agricultural imports were around one billion dollar. Mozambique’s trade with the United States is relatively small with a total trade balance of about $40 million. Cashew nuts are the major product exported by Mozambique to the United States.
General

- Mozambique’s agricultural sector is characterized mainly by **subsistence farming**.
- Mozambique’s total land area covers **79 million hectares** (ha) [as big as Texas and Mississippi combined] with a potential agricultural area of 49 million ha or 62% of total land area.
- **Arable land area** covers currently only **5.8 million ha** or 7% of total land area.
- Over 80% of the total cultivated area is used for the production of **staple food crops for self-consumption**.
- Each household cultivates an **average of 1.2 ha with no formal land title deeds**. Farming involves the whole family but with **women as the head of agricultural production**.
- The use of tractors, ploughs, fertilizers and pesticides is limited. Hence, **productivity per ha is low**, but the **potential for agricultural growth is significant**.
- **Commercial production** includes sugar, tobacco, cotton, cashew nuts and sesame seed.
- **Agricultural output increased by 50% in the past 10 years** driven by private sector investment.

### Economic Facts

<table>
<thead>
<tr>
<th>Economic Facts</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>GDP at current prices (billions)</td>
<td>$15.0</td>
<td>$15.4</td>
<td>$16.9</td>
</tr>
<tr>
<td>GDP/capita</td>
<td>$595</td>
<td>$597</td>
<td>$638</td>
</tr>
<tr>
<td>GDP growth</td>
<td>7.1%</td>
<td>7.3%</td>
<td>7.4%</td>
</tr>
<tr>
<td>Population (millions)</td>
<td>25.2</td>
<td>25.8</td>
<td>26.5</td>
</tr>
<tr>
<td>Inflation</td>
<td>2.6%</td>
<td>4.3%</td>
<td>2.6%</td>
</tr>
<tr>
<td>Exchange Rate (MZM)</td>
<td>28/$1</td>
<td>30/$1</td>
<td>31/$1</td>
</tr>
</tbody>
</table>

### Agricultural Trade

<table>
<thead>
<tr>
<th>(US$ millions)</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total ag exports</td>
<td>$555</td>
<td>$709</td>
<td>$699</td>
</tr>
<tr>
<td>% of total Moz exports</td>
<td>16.0%</td>
<td>17.6%</td>
<td>14.8%</td>
</tr>
<tr>
<td>Total ag imports</td>
<td>$793</td>
<td>$990</td>
<td>$1,024</td>
</tr>
<tr>
<td>% of total Moz imports</td>
<td>12.8%</td>
<td>9.8%</td>
<td>11.7%</td>
</tr>
</tbody>
</table>
Major Agricultural Products Exported (value):

- Tobacco: 37%
- Sunflower seed: 4%
- Nuts: 5%
- Sesame seed: 6%
- Bananas: 6%
- Cotton: 7%
- Sugar: 12%

Major Agricultural Products Imported from the US:

- US – Mozambique Agricultural Trade
  (US$ millions)
<table>
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<tr>
<th>2012</th>
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<th>2014</th>
</tr>
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</table>
  Moz ag exports to US | $13  | $20  | $22  |
  % of total Moz exports to US | 21%  | 14%  | 40%  |
  Moz ag imports from US | $51  | $34  | $19  |
  % of total imports from the US | 20%  | 17%  | 12%  |
Categories of Ag Products Imported from the US:

- Intermediate products 76%
- Consumer oriented products 18%
- Bulk products 6%

Categories of Ag Products Exported to the US:

- Consumer oriented products 57%
- Bulk products 43%

Major Agricultural Products Exported to the US:

- Cashew nuts 57%
- Sugar 36%
- Other Tobacco 1%