

Enhancing the Role of Informal Maize Imports in Malawi Food Security

Annex 4

A Case Study Of Informal Cross Border Maize Trade

MOZAMBIQUE SUB-COMPONENT

A report for DFID-Malawi

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Abbreviations

ADIPISA	Apoio ao Desenvolvimento de Iniciativas Privadas no Sector Agricola
AMODER	Organisation providing credit and support to traders
APLA	Associacao do Planalto de Angonia (larger farmer/trader organisation)
DDADR	District Agricuotural Office
GAPI	Business credit provider
ICM	ex Cereal Marketing Board, now operating privately
MADR	Ministry of Agriculture and Rural Development
MLT	Mozambique Leaf Tobacco
MK	Malawi Kwacha
MT	Metric Tonne
Mt	Mozambican Metical
TIA	Mozambican agricultural census

1. Introduction

The cross-border trade between Malawi and Mozambique has been covered in two earlier reports¹ and therefore this sub-component report is an update – in the current study less resources were spent on this sub-component than on either Tanzania or Zambia, which were not covered in the earlier studies. The focus of fieldwork was in Tete Province which had received less attention in the two earlier studies.

In Tete Province the Districts of Angonia and Macanga were visited. This involved discussions with District staff of Agriculture and Industry and Commerce; interviews with traders; interviews with farmers; interviews with the concession company – Mozambique Leaf Tobacco; and direct observation. In Tete City there were interviews with Industry and Commerce, trader credit organisations, ADIPISA and traders.

Information was collected in Zambezia Province from a questionnaire administered by staff of World Vision. Information was collected in Niassa Province by a local consultant, Armindo dos Santos Almeida (Manel), who administered questionnaires and interviewed key informants.

Further information was collected in Nampula and at a national level with interviews with the larger traders.

2. Attitudes to maize as a cash crop

There is a difference between how farmers view maize and the attitudes of local Government officials in Northern Mozambique.

- **Mozambican farmers** – in many areas maize is a cash crop **and** a food crop (in some areas where cassava is important, maize is primarily a cash crop, in some areas with alternative cash crops then maize is predominantly a food crop). This means that in many areas, including most border areas, maize is a main source of cash and the existence of a stable and profitable market for maize is essential for livelihood.
- **Government officials** – maize is classified as a food crop, and any surplus tends to be considered for other food deficit parts of Mozambique (the border was often described as ‘vulnerable’ to maize exports – which tend to be seen as a threat rather than an opportunity). When farmers have a surplus that cannot be moved to other parts of Mozambique, then barriers to selling to Malawi are removed. The development of a consistent and profitable maize trade with Malawi is not seen as an opportunity for farmers that needs strategic support.

3. Probable Impact of Mozambique Leaf Tobacco (MLT) concession in Tete Province

A recent development in the maize producing area alongside the Malawi border in Tete, is the considerable investment and rapid development of the MLT concession. Farmer interest is growing rapidly with outgrowers likely to reach 40,000 in 2003. Tobacco is likely to take over from maize as the key cash crop for most farmers (Irish potatoes are also important in certain areas).

The impact of tobacco growing on maize is probably complex:

¹ Whiteside M. 1998 *op. cit.* and Whiteside 2002 *op. cit.*

- MLT are importing considerable quantities of fertiliser, although this is primarily for use on tobacco, they also sell it for use on maize and there is also likely to be a residual effect from using fertiliser on tobacco.
- MLT have also been selling improved maize seed and encouraging maize as part of the rotation with tobacco.
- There is a considerable influx of Malawian farm labour to grow the tobacco, the Mozambican farmers grow maize to feed and partly pay this farm labour².
- There is considerable clearing of new fields – therefore the area under cultivation is probably increasing³ - and the area under maize may not reduce.
- Profits from tobacco may enable some farmers and traders to develop maize storage and trading activities.
- MLT are encouraging maize production as food security for tobacco growers, however they are not promoting it as a cash crop and may consider cross-border maize trade as a potential competitor with tobacco.

It seems likely that the tobacco concession may have a neutral or positive impact on maize production. However it is likely to have a significant negative impact on the cross-border maize trade – with many farmers no-longer growing maize as their principal cash crop, and therefore only selling occasional surpluses. It is difficult to define how the maize eaten and sent home by the Malawian *ganyu* workers growing the tobacco, and spending more than half the year in Mozambique (and probably sending maize back to family members remaining in Malawi) should be categorised – is it trade? In many ways this maize is likely to have a similar impact on the Malawi market as if it had been traded informally with Malawi.

The maize trade and the MLT monopoly

Concessions like that given to MLT are controversial because of the monopoly position it gives the company in a particular zone. The companies however argue that such a monopoly is required to prevent side selling and enable them to recoup the considerable input credit and other support services provided.

The monopoly position of the company can be diluted without the risk of side-selling etc. if there are other cash crops in the area that are in competition with tobacco. This would mean that farmers do not get entirely dependant on tobacco, and that the company has to provide prices and services over time that are as profitable as competing crops. A competitor crop therefore can act as balance to the monopoly and keep the concession holder on their toes.

Despite some promotion of paprika and the importance of Irish potatoes in some areas, cross-border traded maize is probably the only significant current competitor to tobacco. Therefore it is particularly important to ensure that this trade is able to continue, and to be wary of any lobbying by MLT to restrict the trade.

² In some cases it seems a Malawian family will come for the season to work on a Mozambican farmer's land – the Malawian family with expertise in tobacco will concentrate on tobacco while the Mozambican will concentrate on the food crops.

³ The sustainability of the whole farming system is a concern. Although MLT are supplying fertilisers to replace nutrients and encouraging rotations, it is unclear whether there are sufficient incentives, in the face of abundant virgin land and low maize prices, for farmers to invest in developing sustainable approaches. This should be monitored.

4. Production consumption and trade estimates

The annual area cultivated and production data produced by the Ministry of Agriculture need to be treated with some caution. However there can be some triangulation with other data to try and make some rough calculations about the amount available for trade in the previous years and thus project what may be available in future.

Table 4a – Estimate of tradable surplus maize in Tete Districts bordering Malawi using Government of Mozambique figures

District	Population ⁴	Production necessary for Consumption ⁵	Production MT			Surplus		
			00/01	01/02	02/0	00/01	01/02	02/0
Macanga	59,000	3,600	18,000	21,000	24,000	14,000	17,000	20,000
Moatize	120,000	7,400	10,000	8,000	6,000	3,000	1,000	(1,000)
Mutarara	139,000	8,600	2,000	3,000	3,000	(7,000)	(6,000)	(6,000)
Chiuta	62,000	3,800	5,000	7,000	9,000	1,000	3,000	5,000
Tsangano	124,000	7,700	27,000	41,000	38,000	19,000	33,000	30,000
Angonia	284,000	17,500	42,000	59,000	61,000	24,000	41,000	43,000
Total 6 Districts	788,000	48,700	104,000	139,000	141,000	55,000	90,000	102,000

An important point to note here is that three of the Districts in Tete which are along the border with Malawi – Macanga, Tsangano, and Angonia - are responsible for 60% of the total recorded maize production in the province. It is likely that in many years, when there is demand in Malawi, the vast majority of the surplus goes informally across the border to the Southern Malawi market. How much might this informal trade be?

Table 4b - Different estimates of informal cross-border maize sales from Angonia, Tsangana and Macanga in year with average production and price demand in Malawi.

Source/calculation	Quantity MT
¼ - ½ production – mean 100,000 MT 98/99 to 02/03	25,000-50,000
½ of surplus in border Districts	27,000-50,000
Trader A estimate of Angonia surplus of 23-25,000 MT increased to reflect three Districts	25,000-50,000
Trader B estimate of informal trade	7,000-10,000
92,000 families selling 2-6 sacks @ 70 kg	13,000-39,000
Combined estimate	35,000

Table 4c - Data from different sources on production, marketing and prices

Data source	00/01	01/02	02/03
Angonia producers	3,500-7,500 Mt/kg	3,500-5,000 Mt/kg	2,500 - ? Mt/kg
Angonia DDADR - Sede prices (farmgate prices approx 2/3 of this)	3-6,000 Mt/kg	3,500-6,000 Mt/kg	2,250 Mt/kg
APLA sales	1,200 MT	680 MT	450 MT
Mozambique trading Co.		500 MT (to V & M)	
Large trader – estimate of Angonia surplus			23-25,000 Mt
Domue, Angonia – market			Buying 140 MK/kg

⁴ 2000

⁵ Ministerio da Industria, Comercio e Turismo 1998 – Reflections on the National Food Balance. This gives annual gross production necessary for consumption of maize in Central Mozambique as 61.76 kg/year and in Northern Mozambique 14.98 kg/yr

Data source	00/01	01/02	02/03
prices			Selling 160 MK/kg
Farmer and Trader, Macanga	Bought 5,500 Mt/kg, sold (Malawi) 10,000 Mt/kg	Bought interior 2,000 or sede 2,800 and sold Tete 4,400 mt/kg	Buying 1,700 Mt/kg
Formal commercialisation from Tete province (all destinations)	16,580 MT	28,352 MT	
Area of maize cultivated in Province TIA 99/00	203,000 Ha		
General production and market conditions	Lots of demand	Good production. Lots of demand. Selling in 'no-man's land'	Very little demand
ICM	1,900 to WFP	Sold 5,000 MT to ADMARC	
Trader estimate – border Districts	7-9,000 MT informal	More than 10,000 MT informal	Angonia has 3-4,000 MT to market
Angonia DDADR	Good harvest, very high demand, 50% of maize crop sold.	Poor harvest, very high demand. 60% of maize crop sold.	Good harvest, very low demand. So far 10% of maize crop sold.

5. Transaction costs of trade from Tete to Malawi

Information was collected on typical costs of formal and informal trade. It is clear that it is much cheaper for most border areas to market their crops directly across the border into Malawi than to take the formal route back to Tete city and then with the tarmac road through the Zobue-Mwanza border.

Box 5 – Transport Costs

Furancungo to inside Malawi with 4 Mt truck = MK 10,000 = MK 2.5/kg
 Furancungo to Tete city with 4MT truck = 3 million Mt = Mt 750/kg
 Circulation tax in Malawi (4MT \$20 per month)
 Taking Mozambican truck to Malawi – \$70-150 depending on size and distance (3 ½ - 10 MT)
 Road tax in Malawi - \$120 per trip for 8MT whatever distance. Insurance MK3,000/month
 Tete to Zobue – 8Mt truck – Mt 6,500,000 or 35,000 Mt/70kg sack = 500/kg.
 Unloading 8 MT truck at border 100-120,000 Mt.
 Tete to Blantyre in 30 MT lorry – 35-40 Mt/kg (25-30 if manage back-load)(ICM)
 From interior to Tete - 10-15 Mt/kg (ICM)
 Medium and small traders Zobue-Blantyre MK 100 per 50 kg bag – MK 2/kg
 Payment to enter 'no man's land' at Zobue-Mwanza border post – 250,000 Mt

Typical transaction costs (2002) are shown in Table 4.5

Table 5 – Summary of Transaction Costs

Step	Value change	Mt/kg	MK/kg	\$/kg
A. Border farmer to border area of Malawi Farmer exchanges directly with border market where is bought by consumer	Some labour involved in transport by producer or consumer but no cash costs. Profit margin at border or sede market around Mt250-500/kg or MK 1-2.	250-500	1-2	0.01-0.02
B. Interior farmer , informal across border to Blantyre	Transport to border		2.5	
	Change ownership + rebagging at border market		1-2	
	Transport to Blantyre		1-2	
	Wholesale-retail differential at Blantyre		1-2	
	Total		5.5-8.5	0.055-0.085
C. Interior farmer to Tete City, across Mwanza border to Blantyre	Transport to Tete City	750	3	
	Tete City market re-bagging and bulking	500	2	
	Transport to Zobue	500	2	
	'No man's land' ownership change, loading and unloading	250	1	
	Transport to Blantyre		1-2	
	Wholesale-retail differential at Blantyre		1-2	
	Total		10-12.5	0.1-0.125

These calculations indicate that for immediate border area trade very low differentials are needed for limited sales to take place. However for maize to flow from the interiors of the border districts to the wholesale and retail markets of Blantyre, wider differentials of MK 5-8 per kg are probably required between the farmgate prices paid to farmers and the retail price in Blantyre. Typical differentials⁶ in the 2001 and 2002 marketing seasons were \$/kg 0.05-0.1 and \$/kg 0.03-0.05 respectively.

Formal traders, able to use 30 ton lorries without breaking at the border, report much lower transport costs. However some of their other overheads are likely to be higher.

6. Tete Province Frontier Experiences

There was quite a diversity of views about the constraints experienced to trade.

- Small-scale transfer across the border by producer or consumer seems to be condoned and relatively hassle free.
- Despite some streamlining of the documentation required within Mozambique, most felt that getting official documentation in Mozambique to export was difficult for a small trader. An import-export license needs to be applied for at Province level with correct supporting documentation and approval in Maputo.
- The circulation of Mozambican vehicles inside Malawi is restricted unless Malawian road tax is paid, which is expensive. Similarly the circulation of Malawian vehicles in Mozambique is restricted. This necessitated the transfer of cargoes in the 'no-man's land' between the Zobue-Mwanza customs posts – which raises costs. However in practice both Malawian and Mozambican vehicles do cross at informal crossings, but do not tend to go very large distances inside.
- There are instances of Malawian's having their bicycles taken by Mozambican officials for not having a bicycle tax.
- When there is a surplus inside Mozambique that can't be formally marketed, the Mozambican authorities relax controls further. Similarly when there is a food shortage inside

⁶ These are local Mozambique retail to Malawi retail differentials – on top of this the trader would have a farmgate to retail differential.

Malawi, as in 2001 and 2002, the Malawian authorities seem to instruct border officials not to hinder the informal trade.

- Formal traders with correct documentation seem to face few problems. Malawian purchasers must however work with a Mozambican trader (i.e. they can't buy direct from farmers). In order to fill the correct documentation, Mozambican exporters need to identify the Malawian purchaser in advance, rather than taking produce to Malawi and selling to the highest bidder or at the market.
- Despite a number of organisations (GAPI, AMODER, Banks) providing credit to Malawian traders, many still complain about shortage of finance and the time taken to arrange finance.

7. Production and trade from Zambezia Province

The 2000/01 harvest was reported to be good, the 2001/02 very good and the 2002/03 good in the Districts where key informants were interviewed⁷ – the Ministry of Agriculture data gives a slightly different picture (Table 4.7a). It is interesting that in most years, households were reported to have some carry-over maize from the previous year, this was more pronounced in the interior District of Lugela, than in the Districts bordering Malawi. Lugela reported 'lots' of carryover in each of the three years, which suggests that production locally still exceeds demand and marketing is not sufficiently developed.

The demand for crops was very high in the 2001 marketing season, high in the 2002 season and low in the 2003 season. The proportion of the maize crop sold was 40-60% in 2001 marketing season, 60% in 2002 and only 20% in 2003. This is in line with demand and prices in Malawi. It is interesting that although demand is low in 2003/4 it has not collapsed completely (like across other borders into Malawi). This is compatible with other people's observation that maize was still moving through Muloza-Milange this season, albeit at a reduced rate. This probably reflects the lack of alternative markets – leading to low priced exports continuing despite low prices and surplus in Malawi.

The rise in price between farmgate and District *sede* (capital) is fairly consistent between Districts and between years – varying between 18 and 21%. As might be expected, price rises throughout the season are much more variable according to the particular season. In 2001 both farmgate and retail prices rose by more than 100% in the season, in 2002 the rise was around 50-100%, and prices actually started to fall in February 2003. Overall prices were highest in the 2001 season, slightly lower in 2002 and have fallen dramatically in 2003. In 2001 and 2002 maize sales were considered to have had a significant and positive impact on farmer livelihoods, however with a respondent in Milange noting in 2001 that farmers sold too much and went hungry. In contrast in 2003 the impact on livelihood was insignificant because sales have been too low.

The destination of the maize crop is quite varied, even within one year, with consumption in Malawi, consumption in Mozambique and eaten by the producer household all being important. Also significant in Milange is maize being used to pay *ganyu* labour.

Within the informal trading system three important systems were recorded – being taken by the producer to sell in Malawi, being bought by a Malawian trader and being bought by a Mozambican trader. In the latter two cases the trader would arrange for the maize to cross the border informally. Within the formal system the most commonly reported was being bought by a Malawian trader followed by a Mozambican/Malawian trader or just a Mozambican trader.

⁷ Questionnaires were returned from Milange, Morrumbala and Lugela Districts.

What is interesting here is the prominence of the Malawian traders despite in the past some restrictions on their operations within Mozambique.

The reported attitude of the authorities towards Mozambican farmers selling their own maize to Malawi varied from district to district and year to year. In Milange the authorities tried to prevent it in the year of shortage in 2001, but were positive in the following two years. In Morrumbala and Lugela the authorities ignored it.

The reported attitude of the Mozambican authorities to Malawian traders buying direct from farmers was that they tried to prevent it in Milange, but that they were positive in Morrumbala and Lugela – probably reflecting the shortage of other marketing opportunities in the latter two Districts. The authorities were reported to be generally positive to Malawian traders buying from Mozambican traders.

There was the widest range of other food crops being sold to Malawi from Milange – beans, pigeon peas, sweet potato and cassava. In the other two Districts the other important export food was pigeon pea.

Table 7a – Estimate of tradable surplus maize in Zambezia using Government of Mozambique figures

Districts	Population 2003 ⁸	Consumption ⁹	Production MT			Balance MT		
			00/01	001/002	002/03	00/01	001/002	002/03
Sector Empresarial			2,872	2,930	3,107	2,872	2,930	3,107
Quelimane Cidade	179,239	11,070	34	89	95	-11,036	-10,981	-10,975
Alto Molocue	221,157	13,659	22,100	18,184	21,793	8,441	4,525	8,134
Chinde	154,163	2,309	779	2,135	2,529	-1,530	-174	219
Gile	151,624	9,364	12,325	16,650	17,006	2,961	7,286	7,642
Gurue	235,432	14,540	18,862	19,169	21,157	4,322	4,629	6,617
Ile	267,655	16,530	14,263	13,539	14,149	-2,267	-2,991	-2,381
Inhassunge	104,351	1,563	304	886	795	-1,259	-677	-768
Lugela	127,483	7,873	5,576	8,079	8,541	-2,297	206	668
Maganja da Costa	273,701	4,100	1,917	5,909	3,889	-2,183	1,809	-211
Milange	400,859	24,757	58,217	71,414	79,085	33,460	46,657	54,328
Mocuba	256,409	15,836	16,499	21,128	21,919	663	5,292	6,083
Mopeia	85,413	5,275	4,022	8,977	10,370	-1,253	3,702	5,095
Morrumbala	291,039	17,975	29,043	39,513	45,801	11,068	21,538	27,826
Namacurra	192,090	2,878	1,673	3,603	2,590	-1,205	725	-288
Namarroi	113,737	7,024	1,487	2,199	1,931	-5,537	-4,825	-5,093
Nicoadala	236,950	3,550	835	2,162	2,143	-2,715	-1,388	-1,407
Pebane	161,518	2,420	4,144	9,874	8,561	1,724	7,454	6,141
TOTAL	3,452,820	160,723	194,952	246,440	265,461	34,229	85,717	104,738

The border Districts of Milange and Morrumbala are the ones with the largest surplus. These are areas suitable for growing maize - but more importantly they indicate the stimulus the market has on maize production.

⁸ 1997 data increased by 3% per year to 2003

⁹ Using MIC foodbalance methodology, inland Districts using recommended central Mozambique figure of 61.76 kg/person/yr maize and coastal Districts recommended northern 14.98 kg/person/yr maize.

These figures show an overall surplus of maize that is lower than the estimated trade given from border and trader sources (see table 4.7b). There are a number of possible explanations for this:

- The difference is made up of production from Nampula and Southern Niassa exported through Zambezia (see table 4.7c);
- The Zambezia production estimates from the Ministry of Agriculture are too low;
- The central region maize consumption figure of 61.76 kg/person/yr is too high for Zambezia where cassava and rice are important staples;
- The estimates of cross-border trade with Malawi are too high.

It is quite likely that the discrepancy is due to a combination of these factors – however it is a useful warning to be cautious of all these figures until data collection is improved.

Table 7b– Zambezia-Malawi maize trade volumes¹⁰

Crop Year	Trade Year	Source of information	Formal Trade MT	Unrecorded Trade MT
2000/1	2001/2	Malawi traders estimate ¹¹		143,000
		Malawi Revenue Authority	53,600	
		From Zambezia – Mozambican key informants – 40% of production, mainly informal	30,000	90,000
		150% Zambezia surplus ¹² , 50% Nampula maize triangle surplus and 30% Niassa surplus		94,400
		Best estimate (includes some from Nampula & Niassa)	54,000	70,000
2001/2	2002/3	Malawi traders estimate		154,000
		Malawi Revenue Authority	12,600	
		From Zambezia - Mozambican key informants – 40% of production, mainly informal	15,000	115,000
		100% Zambezia, 40% Nampula maize triangle surplus and 20% Niassa surplus		118,000
		Best estimate (includes some from Nampula & Niassa)	13,000	130,000
2002/3	2003/4	Malawi traders estimate		31,000 ¹³
		Malawi Revenue Authority	2,300	
		From Zambezia - Mozambican key informants – 10% of production, mainly informal*		30,000
		30% surplus from near border Districts		32,000
		Mozambican trader estimate		20-30,000
		Best estimate (includes some from Nampula & Niassa)	2,000	30,000

Table 7c – Estimate of surplus maize in Nampula maize triangle using Government of Mozambique figures

Districts	Population 2003	Consumption	Production MT			Balance MT		
			00/01	001/002	002/03	00/01	001/002	002/03
Lalaua	66,600	998	3079	4329	4797	2081	3331	3799
Malema	153,000	2,292	14702	4004	4449	12410	1712	2157
Ribaue	153,000	2,292	18736	15416	17148	16444	13124	14856
Total	372,600	5,582	36,517	23,749	26,394	30,935	18,167	20,812

¹⁰ It seems likely that some of this maize actually comes from the Nampula Province maize triangle bordering Niassa and Zambezia.

¹¹ This was calculated by the traders recollection of the number of trucks leaving Mloza per day in different months.

¹² It is reported that people sold a large proportion of their production and went hungry or relied on other foods.

¹³ To Sept 2003

8. Southern Niassa-Malawi Border

Niassa has a 250 km border with Malawi, however some of it is blocked by the twin lakes of Chirwa and Chiuta, and the area in the north crosses into a narrow strip of land along Lake Malawi/Niassa and doesn't provide a good route for maize trade. The main crossing points are the combined rail and road crossing at Entre-lagos and the road crossing at Mandimba.. Neither road is particularly good for bulk transport. The railway line between Cuamba and the Malawi border is still being rehabilitated and through trains are not frequent. This is a major route with potential in the future, but it is not yet significant except for institutional imports.

At Entre-lagos there is a market where Malawians come and buy maize. Small quantities are then allowed to be taken across the border, although a joint Mozambican police/agricultural staff block on the road charges MK10 per sack (\$0.10)¹⁴. At Mandimba large scale exports (e.g. a lorryload) are subject to a 5,000 Metical per sack charge (\$0.25), which traders claimed was illegal, but it was not possible to confirm this.

According to key informants the 2000/1 season was variable, with some district reporting a very good harvest and some reporting a very poor one, a similar spread of experience was found in 2001/2 which again varied in different areas from very poor to very good. In the 2002/3 season most areas had a average or poor harvest.

Demand was similar to other areas bordering Malawi, being very high in 2001, high or very high in 2002 and low or very low in 2003. Between 60-80% of the maize crop was sold in the 2001 marketing season, 40-80% in 2002 and an average of 20% in 2003.

Farmgate prices at the start of the season seem to show less variability from season to season in Niassa compared to Zambezia, perhaps indicating that traders don't pass on the price information from Malawi, however later in 2001/2 they did tend to rise faster in line with the very high prices developing in Malawi. Prices in 2003 also have not fallen as far, perhaps due to the locally poor harvest.

Maize sales were reported to have a beneficial impact on livelihoods in 2001 and 2002, although in 2001 there were comments that some households sold too much and went hungry. In 2003 sales are too low and livelihood is suffering. The overwhelming destination of sales is for consumption in Malawi, although the poor market in 2003 means that some are predicting that the rural population will end up eating the maize or it will rot.

In 2001 and 2002 there were a significant number of Malawians trading informally as well as Mozambicans. There were also some Mozambicans buying and trading formally. There was very little trade taking place in 2003 up to September. The attitude of the authorities to Mozambicans selling their own maize in Malawi was variable, but generally considered positive by respondents. The attitude towards Malawian traders buying directly from Mozambican farmers was also variable, with some reports of them being prevented and others that the authorities were positive.

In addition to maize the main food crops that are being exported to Malawi are reported to be cassava, beans and pigeon pea.

¹⁴ This may be a phyto-sanitary check but there does not seem to be much indication that any maize quality checks are being done.

Table 8 – Production of maize in Niassa Districts in last three years

Districts	Population 2003	Consumption	Production MT			Balance MT		
			00/01	001/002	002/03	00/01	001/002	002/03
Sector Empresarial			1,618	1,650	1,670	1,618	1,650	1,670
Lichinga Cidade	102,102	1,529	10,428	12,928	14,536	8,899	11,399	13,007
Cuamba	74,732	1,119	29,344	47,659	47,321	28,225	46,540	46,202
Lago	150,416	2,253	12,784	9,708	12,995	10,531	7,455	10,741
Lichinga	66,521	996	28,301	22,275	24,251	27,305	21,279	23,254
Majune	24,514	367	3,388	4,400	4,977	3,021	4,033	4,610
Mandimba	99,960	1,497	7,078	18,783	22,148	5,581	17,286	20,650
Marrupa	47,838	717	3,026	5,867	6,535	2,309	5,150	5,818
Maua	45,696	685	2,703	6,701	7,549	2,018	6,016	6,864
Mavago	14,756	221	2,110	2,159	2,304	1,889	1,938	2,083
Mecanhelas	90,797	1,360	11,683	15,186	17,193	10,323	13,826	15,832
Mecula	13,090	196	1,165	1,376	1,528	969	1,180	1,332
Metarica	24,276	364	1,925	3,026	3,742	1,561	2,662	3,378
Muembe	22,253	333	1,594	3,095	3,657	1,261	2,762	3,323
Ngauma	40,103	601	3,881	7,364	8,853	3,280	6,763	8,252
Nipepe	30,464	456	3,256	4,841	5,223	2,800	4,385	4,767
Sanga	52,598	788	10,043	11,615	15,076	9,255	10,827	14,288
TOTAL	900,116	13,484	134,327	178,633	199,556	120,843	165,149	186,072
TOTAL using high maize consumption estimate¹⁵	900,116	55,600	134,327	178,633	199,556	78,700	123,000	144,000

Source – MADR

The trends in production quoted in the official figures are at odds with the information given by key informants. This may be due to the key informants referring to production in their own farmers association, but it may also be due to over-optimistic reporting of production by local agricultural staff.

The figures show very high surpluses – this may be an overestimate due to the figure recommended for North Mozambique maize consumption, however even using the higher Central Mozambique figure, the surpluses are substantial.

9. Conclusion

It is difficult to be very confident in the statistics for tradable surpluses and cross-border food trade between Mozambique and Malawi. The recommended figure for calculating home maize consumption is very different between the centre (61.76 kg/person/yr) and north (14.98 kg/person/yr) of Mozambique – and yet we know consumption trends don't just follow a north south divide – but also a coast-upland divide, with pockets of diversity throughout. Using official figures Zambezia does not seem to have the surplus to meet the estimated cross-border trade through Mloza-Milange, but it is thought that some of the production also comes from southern Niassa and the Nampula maize triangle

It has been difficult to get border level or even country specific export data for Mozambique. However there are figures for the overall export of maize (to all countries), most of which is likely to be for Malawi.

¹⁵ In this case the Centre of Mozambique figure of 61.76 kg maize/person/year is used rather than the Northern figure of 14.98 kg/person/year

Table 9a – Mozambique maize export figures

Category	Exports MT					
	1997	1998	1999	2000	2001	2002*
Maize – formal and informal (estimate)	50,350	120,000	120,000	30,000	25,000	200,000
Maize formal	0	40,300	0	0	13,036	35,000

Source – Ministry of Commerce and Industry

*Preliminary estimate

The authors of the current report considers these estimates to be rather low, however it does indicate the lack of uncertainty around all the figures. Table 4.9b gives the authors best estimate of maize exports from Mozambique to Malawi in the last three years and predicted figures to work on in the future.

Table 9b – Estimate of Maize trade between Mozambique and Malawi

Crop Year	Trade Year	Source of information	Recorded Trade MT	Unrecorded Trade MT
2000/1	2001/2	Tete - Macanga-Angonia-Tsangano border	0	25,000
		Tete – Zobue-Mwanza border and environs	82,000 ¹⁶	22,000
		Zambezia (including maize from Nampula and Niassa)	54,000	70,000
		Niassa - Malawi	1,000	20,000
		Total Mozambique to Malawi	137,000	137,000
2001/2	2002/3	Tete - Macanga-Angonia-Tsangano border	0	35,000
		Tete – Zobue-Mwanza border and environs	280,000 ¹⁷	23,000
		Zambezia (including maize from Nampula and Niassa)	13,000	130,000
		Niassa - Malawi	12,000	35,000
		Total Mozambique to Malawi	305,000	223,000
2002/3	2003/4	Tete - Macanga-Angonia-Tsangano border	0	5,000
		Tete – Zobue-Mwanza border and environs	0	3,000
		Zambezia (including maize from Nampula and Niassa)	2	30,000
		Niassa - Malawi	0	10,000
		Total Mozambique to Malawi¹⁸	2	48,000
Future Prediction		Good Mozambique Production, High Malawi Demand	50-100,000¹⁹	200-250,000
Future Prediction		Poor Mozambican Production, High Mozambique Demand	0-50,000²⁰	50-150,000
Future Prediction		Low Mozambican Demand	0	50-100,000

¹⁶ Some of this came from outside of Mozambique but was imported through Tete Province

¹⁷ As above

¹⁸ To September 2003.

¹⁹ Only includes maize produced in Mozambique

²⁰ As above

ANNEX 4.1 - People Interviewed/submitted data

Snr Carlos Arthur – Tete Provincial Department of Agriculture

Snr Jaime Daniel Banda – Acting Angonia District Agricultural Officer

Snr Joao Betnel – Angonia Director of Commerce and Industry

Patricio Ferreira Bento – Associacao do Planalto de Angonia

Donald Charles – Mozambique Trading Company

Snr Samuel Francisco – Farmer and Trader, Macanga District

Antonio Gonsalves – AMODER, Tete

Rafik Gulamo - Grupo Gulamo

Lucas Francisco Kanama – Trader, Tete

Jake Jackson – Mozambique Leaf Tobacco

Fausto Maquina – World Vision, Zambezia

Alberta Julio Nhaca – ICM, Tete.

Leonardo Joao Simoes – Department Commerce & Industry, Tete

Rosa Lino - Department Commerce & Industry, Tete

Domingos Cussonza Muleque - Department Commerce & Industry, Tete

Neville Slade - Cheeta Mozambique

Frans Van de Ven – Ministry of Commerce and Industry/FAO

Andre Vonk – V and M Marketing

Paulo Mucoa - ADIPISA