

# Cooperation Framework to Support the New Alliance for Food Security & Nutrition in Mozambique



**NEW ALLIANCE**  
for Food Security & Nutrition

## **G8 Cooperation Framework to Support the “New Alliance for Food Security and Nutrition” in Mozambique**

Three years after the G8 Summit at L’Aquila Italy, the international community recognizes the importance of food security to development, inclusive economic growth and the dignity of all women and men. In that spirit, we welcome the success of the Comprehensive Africa Agriculture Development Program (CAADP) in demonstrating African ownership and leadership, its call for expanded public and private investment in agriculture and desire to build on the progress that African governments have made in advancing a vision for agricultural development in Africa.

Mozambique has demonstrated a strong commitment to improved food security and nutrition by focusing on key agricultural growth corridors in the country which take advantage of existing key infrastructure and significant agricultural potential. Together, the Government of Mozambique and the G8 members commit to the “New Alliance for Food Security and Nutrition” and to working together to generate greater private investment in agricultural development, scale innovation, achieve sustainable food security outcomes, reduce poverty and end hunger. As partners, we commit ourselves to the following principles and actions:

### **Support of CAADP Country Compacts**

The G8 members, consistent with commitments made at L’Aquila, reaffirm their intention to align their agricultural financial and technical support with the priorities of the CAADP National Investment Plan for Agriculture and Food Security (referred to in Mozambique as the Plano Nacional de Investimento do Sector Agrário - PNISA) and the Strategic Plan for the Development of the Agricultural Sector (Plano Estratégico para o Desenvolvimento do Sector Agrário – PEDSA), in such a manner as to accelerate implementation of the PNISA and in conjunction with commitments made by the Government of Mozambique. Consistent with the foregoing, the G8 members recognize the value of predictability of donor activities including financial and technical support over a sustained period of time, as set out in Annex 2.

The G8 members intend to provide support within the agriculture sector to accelerate implementation of the PNISA, including through the Grow Africa platform, with the overall goal of facilitating increases in private investment and scaling innovation. The G8 members intend to engage the relevant agencies of their member governments and also to bring to bear appropriate enabling actions to accelerate progress in the areas of finance and markets, science and technology, and risk management. To address the underlying causes of food insecurity, the G8 members intend to focus key resources and other contributions on high priority, high-

impact investments within the PNISA and in particular on the development of the Government of Mozambique's priority areas of the Beira and Nacala Agricultural Growth Corridors and Zambezia Valley.

### **Key Policy Commitments**

The Government of Mozambique intends to pursue the policy goals set out below in order to build domestic and international private sector confidence to increase agricultural investment significantly, with the overall goal of reducing poverty and ending hunger.

The Government of Mozambique intends to focus its efforts, in particular, on increasing stability and transparency in trade policy; improving incentives for the private sector especially in developing and implementing domestic input and seed policies that encourage increased private sector involvement; developing and improving the transparency and efficiency of land policy and land administration; and developing innovative methods for increasing the availability and access to credit by smallholders (see Annex 1).

The Government of Mozambique reaffirms its intention to provide the human and financial resources and the mechanisms for dialogue with the private sector, farmers and other stakeholders, and across government ministries that are required for the achievement of tangible and sustainable outcomes, the acceleration of Mozambique's development, and the delivery of tangible benefits to smallholder farmers, including women and youth.

The Government of Mozambique reaffirms its commitment to mainstream nutrition in all food security and agriculture-related programs.

### **Private Sector Engagement**

Private sector representatives have communicated that they intend to invest in the agriculture sector in Mozambique in support of the CAADP/PEDSA National Investment Plan for Agriculture and Food Security (the PNISA), through Letters of Intent that they will prepare and execute, and intend to advise, shape, and participate in broad, inclusive and sustained private sector consultative mechanisms with the host government (see Annex 3).

### **Shared Responsibilities**

The G8 members, the Government of Mozambique and the private sector, confirm their intention to take account of the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security ("the Voluntary Guidelines") adopted by the Committee on World Food Security in May 2012, as well as the Principles of Responsible Agricultural Investment (PRAI) produced by several international

organizations and endorsed by among others, the G8 and G20, which are undergoing a consultative process through the Committee on World Food Security on PRAI. In addition, they intend to work together specifically to develop pilot implementation programs for the Voluntary Guidelines and the PRAI in Mozambique.

### **Coordination and Collaboration**

Recognizing existing arrangements for division of labor between the Government of Mozambique and the development partners, G8 members intend to coordinate their efforts with the aim of attaining greater effectiveness. The lead interlocutors with the host country for this process will be Japan and the United States, working with the agriculture sector development partner working group (Agriculture and Rural Economic Development - AgRED), the private sector, and other stakeholders on behalf of the G8, working through existing in-country consultation groups and structures without setting up parallel or duplicative structures. The G8 and Government of Mozambique welcome the participation of other countries and partners.

### **Results**

Consistent with the New Alliance goal of improving food security and nutritional status by helping 50 million people in sub-Saharan Africa emerge from poverty by 2022, the participants intend their combined actions in Mozambique to help 3.1 Million people emerge from poverty and hunger.

### **Mutual Accountability**

The G8 members, the Government of Mozambique, and the private sector intend to review their performance under this document through an annual review process to be conducted within the existing broader CAADP/PEDSA-donor Joint Sector Review of the PNISA implementation. These participants intend, in particular, to review progress toward jointly determined objectives on the basis of jointly determined benchmarks in contributing to fulfillment of Mozambique's CAADP/PEDSA investment plan: (1) progress towards achieving the poverty reduction target; (2) G8 member commitments to align their agricultural investments to the Government of Mozambique's PNISA; (3) Government of Mozambique progress in implementing its policy commitments and consulting with private-sector investors; and (4) the investment commitments of private-sector investors. The review will also take account of the shared responsibilities related to the Voluntary Guidelines and the PRAI.

**Annex 1: Government of Mozambique Key Policy Commitments**

Objective	Framework Policy Actions	Timeframe
<b>I. Establish policies and regulations that promote competitive, private-sector agricultural input markets, especially for smallholder farmers.</b>	1. Revise and Implement National Seed Policy, including: a) Systematically cease distribution of free and unimproved seeds except for pre-identified staple crops in emergency situations. b) Allow for private sector accreditation for inspection.	1. Nov. 2012
	2. Implement approved regulations governing seed proprietary laws which promote private sector investment in seed production (basic and certified seed).	2. June 2013
	3. Revise and approve legislation regulating the production, trade, quality control and seed certification compliant with the Southern African Development Community (SADC) seed protocol requirements.	3. Nov. 2013
	4. Develop and implement a national fertilizer regulatory and enforcement framework.	4. Mar. 2013
	5. Assess and validate the National Fertilizer Strategy.	5. Dec. 2013
<b>II. Reform land use rights (DUAT) system and accelerate issuance of DUATs to allow smallholders (women and men) to secure tenure and to promote agribusiness investment.</b>	6. Adopt procedures for obtaining rural land use rights (DUATs) that decrease processing time and cost.  7. Develop and approve regulations and procedures that authorize communities to engage in partnerships through leases or sub-leases ( <i>cessao de exploração</i> ).	6. Mar. 2013  7. June 2013

**Annex 1 Continued:** Government of Mozambique Key Policy Commitments

<b>III. Promote the liberalization and facilitation of trade and marketing of agricultural products, especially for smallholder farmers.</b>	8. Eliminate permit ( <i>guia</i> ) requirements for inter-district trade in agricultural commodities.	8. June 2013
	9. Develop and approve invoices that can be issued by purchasing firms on behalf of suppliers (i.e. smallholder producers) that are not registered taxpayers; develop and approve respective monitoring and control procedures. Implement fiscal education program for small holders, including tax registration.	9. Mar. 2013
	10. Eliminate the Simplified VAT scheme and replace with the existing ISPC (Simplified Tax for Small Contributors).	10. Mar. 2013
<b>IV. Increase the availability and access to credit in the agricultural sector, especially for smallholder farmers.</b>	11. Approve a decree allowing the setup of private credit information bureaus.	11. Mar. 2013
	12. Enact mobile finance regulations that are risk-based and allow for experimentation and innovation.	12. Mar. 2013
<b>V. Support the implementation of the Multi-Sectoral Nutrition Action Plan for the Reduction of Chronic Undernutrition 2011-2015 (with PAMRDC as its Portuguese acronym) which is aligned with Scaling Up Nutrition (SUN) Movement.</b>	13. Enact approved Food Fortification regulations (including bio-fortification).	13. June 2013
	14. Determine optimal structure for institutional coherence within nutrition, as per SUN country-level strategic priorities.	14. June 2013
	15. Ensure that PAMRDC and CAADP/PEDSA implementation plans are aligned with one another.	15. Dec. 2012

## **Annex 2: G8 Members' and Others' Funding Intentions<sup>1</sup>**

G8 Members and others express their intentions in support of CAADP/PEDSA investment plans and the goals of the New Alliance for Food Security and Nutrition in a flexible manner.

### **UNITED STATES OF AMERICA (2012 G8 SUMMIT LEAD)**

Annual funding tranches in the sector of agriculture:

- 2011: \$43.4 million USD
- 2012: \$40.8 million USD

Subject to the availability of funds,

- 2013: \$23.1 million USD

### **GERMANY**

A new bilateral agreement is due for the end of 2012 and exact funding figures will be determined during these negotiations.

### **ITALY**

Total commitment in the sector of agriculture, rural development, private sector development, food security through a contribution for the Support to Rural Development - PSSR (2010-2015):

- 2013-2015: 10 million EUR (13.1 million USD)

### **JAPAN**

Expected disbursement for supporting agriculture and agriculture-related areas over the period of Japanese fiscal year:

- 2012-2015: 9.4 billion JPY (118 million USD)

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<sup>1</sup> Except where otherwise noted, funding intentions are calculated using average exchange rates for the first quarter of 2012 (source IMF): USD 1 = EUR 0.762453; USD 1 = JPY 79.39966; USD 1 = GBP 0.636299; USD 1 = CAD 1.001025.

## **UNITED KINGDOM**

Annual funding tranches in the sector of agriculture, food security and nutrition:

- 2012-13: 5.1 million GBP (8.0 million USD)
- 2013-14: 5.3 million GBP (8.4 million USD)
- 2014-15: 1.5 million GBP (2.4 million USD)

Total multi-year funding: 12 million GBP (18.8 million USD) over three years subject to funding availability and approval.

## **EUROPEAN UNION**

On-going programs:

- 6.5 million EUR (8.5 million USD)

Planned funding (through the end of 2013):

- 90.4 million EUR (118.6 million USD)

Total commitment through end 2013:

- 96.9 million EUR (126.6 million USD)



### **Annex 3: Private Sector Investment Intentions**

As of September 18, 2012, 19 companies have prepared and signed “Letters of Intent” that describe their investment intentions in Mozambique under the New Alliance for Food Security and Nutrition. The private sector investment plans will support the CAADP/PEDSA National Investment Plan for Agriculture and Food Security (PNISA). Other companies are welcome to prepare and sign Letters of Intent in the future on the same basis.

<b>Mozambican Registered Companies</b>	<b>International Companies</b>
<ul style="list-style-type: none"><li>• ENICA</li><li>• JFS Holding</li><li>• Khulima Púnguè Agricultura e Serviços</li><li>• Lozane Farms</li><li>• Rei do Agro</li><li>• Sunshine Nut Company</li></ul>	<ul style="list-style-type: none"><li>• African Cashew Initiative</li><li>• AGCO</li><li>• Cargill</li><li>• Competetive African Cotton Iniative</li><li>• Corvus Investment International</li><li>• Itochu</li><li>• Jain Irrigation</li><li>• Nippon Biodiesel Fuel co. ltd.</li><li>• SABMiller</li><li>• Sumitomo Corporation</li><li>• Toyo Engineering Corporation</li><li>• United Phosphorous Limited</li><li>• Vodafone</li></ul>

Summaries of private sector Letters of Intent to date:

#### **Mozambican Registered Companies**

**ENICA** is a new domestic business created by a group of Mozambicans with foreign investment and expertise to capitalize on the opportunity to supply bananas from northern Mozambique to the regional and international market.

- The farm will be located in Cabo Delgado Province and will begin with the planting of 300 hectares in 2013, followed by intended growth to 1,000 hectares.
- The company plans by 2015 to produce 12 MM metric tonnes per year and have achieved a strong production model that can be used as an anchor for the larger area, including off-take agreements of up to 13.5 MM metric tonnes.
- ENICA plans to impact its local community by hiring 400 workers annually, extending its business linkages and partnerships with up to 15 local company partners, and impacting local smallholder farmers through improved agricultural techniques and new crops.

**JFS Holding** is the oldest group in Mozambique, with 115 years of continued existence in the country, with a strong presence in agriculture, agro-industry, the metallurgic and automotive industries, real estate, and other areas.

- JFS Holding is investing in expanded cotton production (to 22,000 MT by end of 2012) as well as increased ginning capacity (to 30,000 MT per year by end of 2012).
- The company is also evaluating with the desire to invest in oil crushing and refining capacity within Mozambique.
- As part of these actions, JFS plans to become a part of the Better Cotton Initiative (BCI) and bring this initiative to all of its smallholder farmers by 2015.

**Khulima Púnguè Agricultura e Serviços (KPAS)** is a new, domestic company focused on agricultural production in the Beira corridor.

- The company will be focused on the production stage in the value chains of soya, maize, potatoes, and fruits – a balance of crops with short versus longer term returns.
- KPAS will start with 100 hectares of production (10 maize, 10 soya, 10 potatoes, 30 litchi, 20 avocado, 20 mangoes), while also working with smallholders in an out grower scheme.
- It is interested in partnering with other companies further up the value chain to create a more integrated offering.

**Lozane Farms** is a domestic producer of seeds as well as a vegetable farmer with 500 hectares under production.

- The Mozambican company, based in Zambezia and Maputo Provinces, is focused on the development of seeds for soy, maize (hybrid), orange fleshed sweet potato, sorghum, and chick peas. It engages in crop promotion schemes for these crops with small holder farmers, including activities such as seed credit and some machinery assistance.
- Lozane Farms will invest in a seed processing plant in Alto Molocue in Zambezia Province, while planning to negotiate off-take agreements of orange fleshed sweet potatoes to countries in the region and outside Africa to ensure a market for small holder crops.
- In addition to expanding existing operations, the company is interested in partnering with other investors (domestic or international) to integrate further up the value chain, including agro-processing.

**Rei do Agro** is a commercial agricultural grain production company situated in the Gurue district, Zambezia Province. It cultivates soybeans and other grains through its own farm concession, as well as through its extension farmer program based in the same area.

- The company is currently planning to increase production / procurement / off-take agreements in soybeans to 2,000 metric tons, maize to 700 metric tons, and sun flower to 400 metric tons by May 2013.
- For the 2012/ 2013 season, the company will increase its extension farmer program from the current 30 farmers with a total of 250 hectares, to approximately 50 farmers with a total of 500 hectares.
- In the next 12 months, Rei do Agro plans to extend its business linkages and partnerships with local companies to ten partners, directly impacting the lives of 50 smallholder farmers through its soybean extension program.

**Sunshine Nut Company** is a new domestic company to be shortly operational in Mozambique, focused on developing cashews in a sustainable manner that focuses on quadruple bottom line results (financial, environmental, social, and transformational).

- The company will begin Phase 1 operations in September 2012 in a retrofitted office building, with a goal of reaching \$20 million in sales, with 50 roasting employees in the factory and 1,000 more in the shelling facilities in the North, and buying from roughly 50,000 farmers at fair market prices by 2014.
- Phase 2 operations, planned for 2014, would include a larger factory that would quadruple sales and reaching through the number of shelling and farmers impacted.
- The company will focus on a low cost and environmentally conscious operating model (eliminating middlemen; reducing transport, packing, and energy usage; and partnering with environmentally aware raw material suppliers).
- A key component of the company will be enhancing the external community, with 1/3 of net distributions going to the farming communities in “hands up” assistance, 1/3 to care for orphans and vulnerable children (OVC), and 1/3 to helping create new food processing companies of a similar model.

### **International Companies**

The corporate partners of the **African Cashew Initiative (ACi) — Intersnack Group GmbH & Co. KG, Kraft Foods Inc., Olam International, SAP AG, and Trade and Development Group** — plan to invest in Ghana, Burkina Faso, Côte d’Ivoire, Mozambique and Benin.

- ACi aims to increase the competitiveness of African cashew production and processing and achieve sustainable poverty reduction by launching Phase 2 of their investment proposal from 2013 to 2015 by investing US\$21 million from corporate partners.

- ACi plans to focus on linking the processing industry to farmer groups so that processors can buy up to 60% of their raw cashew nut (RCN) stock directly from farmers or their organizations.
- ACi will also utilize a matching grant fund to assist the private sector in undertaking specific projects to enhance farmer productivity (e.g., farmer training, traceability improvements, quality monitoring systems, and development/dissemination of improved planting material).

**AGCO** is a US-based global leader for farm equipment with plans to invest in Burkina Faso, Cote d'Ivoire, Ethiopia, Ghana, Kenya, Mozambique, Tanzania and other countries in Africa.

- With over 50 years of experience in Africa (through the Massey Ferguson tractor brand and through network of distributors), AGCO intends to cultivate long-term partnerships and invest US\$100 million over the next three years to impact at least 25,000 smallholder farmers by providing a complete set of regionally specified agricultural solutions combined with technology transfer and capacity building.
- AGCO's sustainable investment plans take a modularized approach and include a) Future Farms & Training Centers to enhance productivity through technology, mechanization and farming know-how; b) an equipment financing solution for smallholder farmers with little-to-no working capital; and c) infrastructure, technical and consultative support with mechanization and replacement services as well as silo systems and storage solutions for smallholders and commercial farmers to examine local assembly or manufacturing opportunities.
- In the next 12 months, activities include partnering with host country governments and transformation organizations to determine locations for farms/training centers, select focus value chains, and to develop feasibility studies.

**Cargill** is an international producer and marketer of food, agricultural, financial and industrial products and services with plans to support the following projects:

- Cargill intends to invest in a 5-10 year public-private partnership to support smallholder farmers and their families and improve domestic grain production in Mozambique. The partnership aims to combine risk management tools, investments in agricultural infrastructure, and farmer training programs to increase yields and farm incomes for approximately 16,000 smallholder farmers and their families. Cargill has also committed \$1.35 million to improve vocational agricultural education opportunities in Northern Mozambique farming communities.

- Participating, along with other industry partners, in the Competitive African Cotton Initiative (COMPACI), a three-year program to improve the livelihoods of 450,000 smallholder cotton farmers in Benin, Burkina Faso, Cote d'Ivoire, Malawi, Mozambique and Zambia.

The corporate partners of the **Competitive African Cotton Initiative (COMPACI)** — **Cargill, Dunavant, Industrial Promotion Services West-Africa, and Plexus Ltd.** — plan to invest in Burkina Faso, Cote d'Ivoire, Mozambique, Benin, Malawi and Zambia.

- COMPACI intends to implement a program between 2013 and 2015 to improve the livelihoods of smallholder cotton farmers and provide increased cotton supply for its corporate partners. This program aims to affect 450,000 smallholder cotton farmers and their 2.7 million family members in focus countries.
- COMPACI aspires to accomplish these goals by investing \$27 million in the cotton value chain between 2013 and 2015 by a) training farmers on soil and water conservation techniques, balanced crop rotation schemes, and business principles, and b) expanding demand for cotton from these countries by promoting the “Cotton made in Africa” (CmiA) brand with a goal of increasing CmiA lint cotton sourcing from 8,000 tons to 30,000 tons in 2015.
- The initiative also intends to increase linkages between smallholders, COMPACI’s corporate partners, and demand markets by partnering with the “Better Cotton Initiative” (BCI) with a goal of supplying 30,000 additional tons of lint cotton into the BCI system.

**Corvus Investment International (CII)** is a South African based company that engages clients and partner companies in integrating export horticulture investments / projects in Mozambique as well as other East African countries from concept through to implementation.

- CII is currently engaging in the planning (as both an advisor and investor) of three projects within Mozambique with a collective investment scope of USD 140 million.
- The company is looking to further expand these operations as well as potentially partnering with others in rice, grains, tropical fruit, and vegetable production in the Beira, Nacala, and Maputo Corridors.
- Over the next several years, CII intends to significantly grow its agricultural investment portfolio in Mozambique.

**Itochu** is a leading Japanese *sogo shosha*, an international trading and investment company, dating back to 1858. With approximately 130 bases in 66 countries, Itochu engages in domestic trading, import/export, and overseas trading of various products such as textile, machinery, metals, minerals, energy, chemicals, food, information and communications technology, realty, general products, insurance, logistics services, construction, and finance, as well as business investment services.

- Itochu is heavily engaged in trading sesame from Mozambique, and seeks to expand into sesame, soy, and other commodity production, processing, and trading within the country in cooperation with JICA and GOM.
- In addition, Itochu is looking for the opportunities of investment into warehouse, silo and other commodity logistic operations. With expansion of crops largely produced by small scale farmers, Itochu looks forward to creating a sustainable relationship with farmers, GOM, donors and other private sector actors within Mozambique.

**Jain Irrigation Systems Ltd.** is an engineering, procurement, and construction company serving mainly the oil, natural gas, and petrochemical. Jain Irrigation Systems Ltd. commits to partnering and collaborating with GOM, donors, and other stakeholders in order to build sustainable businesses that have a positive impact on the environment and improve the quality of life of farmers, aiming to contribute to Mozambique's national targets of reducing malnutrition and poverty, in alignment with GOM's country investment plan.

- To realize this project, Jain Irrigation Systems Ltd. (JISL) will contribute its proprietary agricultural and irrigation technology and know-how, expertise in capacity building, market linkages, processing capabilities, and solar technology.
- Over the next twelve months, JISL seeks to develop in a public-private partnership an integrated sustainable agricultural cluster applying modern technologies. Over the next twelve months suitable areas will be identified in partnership with GOM, and a blue print for this integrated development project will be drafted, identifying appropriate technologies and crops.
- With ultimate goals to develop a replicable and scalable agricultural model for Mozambique, JISL seeks to leverage their knowledge, technology and investment to develop a sector built on: modern irrigation and infrastructure, renewable energy, capacity building, market linkages and supply chain logistics, processing, laboratory and seed improvement centers, credit support, research and development of local technologies and varieties, and ultimately replication and expansion of their model.

**Nippon Biodiesel Fuel co. Ltd. (NBF)** is a Japanese biofuels company investing in Mozambique producing biofuels and grains, and developing grain processing facilities powered by biofuels. Especially, NBF focuses attention on strengthening food and energy security in unelectrified villages. Currently, NBF has established several biofuel processing facilities, and maize and rice mills running from Jatropha based bio-fuels, established 100 farmer's clubs working with more than 10,000 members producing Jatropha oil. In the coming year, NBF plans to establish supply chains for production, processing, and distribution of rice in three additional districts. NBF also plans to expand biofuel production by providing 1,800,000 jatropha saplings to more than 6000 farmers.

**SABMiller** is one of the world's largest brewers, with a significant presence in developing markets. The company has been brewing in Africa for over a century, and research by Professor Ethan Kapstein estimates that its local sourcing programs support 89,000 farming jobs in Africa (excluding South Africa).

- Following the successful implementation of cassava-based lager in Mozambique in 2011, SABMiller hopes to transfer and scale this commercially viable model, contributing to the development of a cassava value chain in other African countries, and expanding production in Mozambique to enhance smallholders' productivity and ensuring the provision of appropriate agricultural extension services.
- In Tanzania, SABMiller – through its subsidiary, Tanzania Breweries – aims to increase its locally-sourced barley each year and continues to invest in its farming programs, providing funding, seed and assisting with machinery such as power tillers. The long term objective is to malt 100% locally, including significant input from smallholder farmers.
- In Ghana, SABMiller's subsidiary Accra Brewery Ltd (ABL) seeks to bring cassava processing technology to the country. Partnering with the Dutch Agricultural Development and Trading Company, SABMiller aims to access the technology of the cassava processing units (AMPU) that travel to the cassava-growing regions.

**Sumitomo Corporation** is a leading Japanese *sogo shosha*, a worldwide investing and trading company investing more than US\$ 3 billion in different fields including agriculture, mining and distribution within Sub-Sahara Africa.

- Sumitomo Corporation seeks the possibility of its commercial activities in Mozambique in different fields including: 1) production materials (fertilizers, agro-chemicals (pesticides) and machineries) 2) distribution of products and; 3) trade of agricultural products.

To advance their intention, Sumitomo Corporation is in the process of the feasibility study for urea production from indigenous natural gas and is seeking a partnership with a Mozambican company for the commercialization of agro-chemicals products.

**Toyo Engineering Corporation (TOYO)** is an engineering, procurement, and construction company serving mainly the oil, natural gas, petrochemical and fertilizer sectors worldwide.

- Toyo is willing to participate in a fertilizer complex project in Beira, Mozambique using natural gas produced in the country, filling a much needed gap in a country with one of the lowest fertilizer application and availability rates in the world.
- In February 2012, Toyo completed a preliminary feasibility study for this Urea Fertilizer Complex Project based on the request letter from Ministry of Mineral Resources (MMR). To advance this commitment, over the next 12 months TOYO will perform further detail feasibility studies for the Urea Fertilizer Complex Project with the support of Japan International Cooperation Agency (JICA), MMR and Ministry of Agriculture (MOA).

**United Phosphorous Limited (UPL)** is an India-based seed and crop protection company with plans to invest in Ethiopia, Ghana, Tanzania, Burkina Faso and Mozambique.

- UPL is exploring investments of approximately US\$150 million in 18 sub-Saharan African countries over the course of 7-10 years with the aim of impacting 200,000 smallholder farmers in the near-term and up to 750,000 farmers in the long-term. Through these investments, farmer productivity could increase 59-85%, translating to US\$100 million in the project phase and around US\$500 million in the long term. Impact on farm incomes would be between 50-113%. UPL identifies Africa as a critical and important region for their growth.
- Investments would include setting up research infrastructure, production and processing facilities, warehouses, cold storage, quality control labs, and local capacity building, specifically, in: a) technology transfer to smallholder and marginal farmers; b) key input and knowledge transfer through partnering with large farms; c) interest crops – corn, sorghum, sunflower, canola, rice, forages, cotton, legumes and vegetables.
- Expected impacts include: a) generation of local employment; b) education and training to smallholder and marginal farmers on crop management; and c) access to high yielding quality seeds and associated agri-inputs along with the right package of practices suitable to the growing conditions.



**Vodafone** is an international mobile communications company with plans to invest in Tanzania and Mozambique.

- Vodafone intends to partner and collaborate with USAID and TechnoServe to establish the Connected Farmer Alliance in Tanzania, Mozambique and Kenya to increase the productivity, incomes and resilience of over 500,000 smallholder farmers.
- Through this partnership, Vodafone intends to optimize global supply chains by strengthening the linkages and feedback loops between smallholder farmers and large agribusinesses, thereby decreasing the cost of doing business with smallholder farmers and helping improve their productivity.
- Vodafone also plans to improve access to secure, timely payments and other financial services by building upon Vodafone's existing mobile money platform (M-Pesa).