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Faculty of Agronomy & Forestry
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Liberalisation, Gender and Livelihoods: The Mozambique Cashew Nut Case

WORKSHOPS REPORT

Xai-Xai, Gaza Province, 10 May 2004

Nampula, Nampula Province, 14 May 2004

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1. Introduction

The Eduardo Mondlane University, in collaboration with the IIED (International Institute for Environment and Development) in London, completed a research project on gender in the cashew sector called “Liberalisation, Gender and Livelihoods: A study of the cashew sector in Mozambique”. The study was carried out between January 2002 and June 2004 in Nampula Province in the north (2002, see report on The North) and Gaza Province in the south (2003, see report on The South). This research forms part of an international programme implemented by the IIED involving studies of the cashew sectors of Mozambique and India. The research team comprised Dr Nazneen Kanji (IIED, London), Dr Carin Vijfhuizen (UEM/WUR, Holland), Luis Artur, (UEM, Mozambique) and Carla Braga (UEM, Mozambique)¹.

1.1. Workshop objectives

The final six months of the project (January-June 2004, see the Summary Report) were destined for disseminating the results of the study in the provinces where the research was done. The dissemination was done in part through workshops, which had the following objectives:

- To give feedback on the research results;
- To discuss the study’s recommendations and analyse their implications for the work of the organisations involved in the sector;
- To bring the institutions together to promote coordination between production, processing and marketing in the cashew sector.

1.2. Places and participants

The workshops were organised in Xai-Xai in the south (10 May 2004), with the help of ADRA, and in Nampula in the north (14 May 2004) with the help of SNV. Representatives of different actors linked to cashew production, processing and marketing took part. National and international NGOs, government bodies, academics, donors, producers, grassroots organisations and the private sector were all represented (see the list of participants in Annex B). In both Gaza and Nampula the workshops began at 9.00 and finished at 18.00. In Gaza the Provincial Director of

¹ Until she left for post-graduate studies in September 2003.

Agriculture and Rural Development, Eng Vala, presided at the opening ceremony, and in Nampula the provincial representative of INCAJU, Eng Filomena Maiopwe.

1.3. Report structure

Section 2 summarises the presentations, which covered the background to the research and the main findings and recommendations with regard to the areas of production, processing and marketing. It includes the main questions raised following the presentations. Section 3 presents the results of the group discussions on production, processing, marketing and coordination respectively. Finally, section 4 presents the workshops' main conclusions.

2. The presentations and participant feedback

The presentations were based on the Summary Report booklet, which was distributed to the participants so that they could follow. The first presentation, by Luis Artur, covered the production and processing sectors. He said that with regard to production the study's results show that women have considerable access to and control over the cashew trees; the gender division of labour is less rigid in the area of cashew; cashew is extremely important locally as a means of livelihood, due to its different uses; treating the small producers' cashew trees chemically contributed little to increasing production; the small producers have not bought the improved varieties of cashew tree on any scale; and women tend to be excluded from interventions in the sector. With regard to processing, he raised the following points: national processing capacity is low, and the factories face many financial and organisational problems; the former factory workers, and women in particular, had difficulty in finding other sources of income; the new factories pay low salaries and offer poor working conditions, and women work long hours and tend to earn less than the men; the trade unions are either non-existent or weak, and women are poorly represented in them; there are some new factories that are offering better working conditions; and in the south informal processing is growing.

Following Artur's presentation, Kanji covered the topic of marketing. She first spoke about the general context, saying that with the liberalisation of the sector marketing no longer had a fixed structure but became dependent on demand and supply at international and local levels. International demand is increasing, but supply has also increased since new countries such as Vietnam are entering the market. The world price is falling and the quality and capacity of supply are important features in the current context. Referring to the study, she said that the price paid to farmers for cashew is extremely variable, and is influenced by a number of factors including the time and place of the sale, the quality of the cashew, the number of intermediaries and the international price. Both production levels and quantities exported have been rising, but the returns for the national economy and the producers have not; men dominate the marketing activities that require larger initial capital and bring higher profits; in the south the local and regional markets are developing and women are active participants; the fully liberalised markets tend to benefit those who have more resources.

After the presentations came the participants' feedback. All the speakers began by praising the research, considering that it was of high quality. They congratulated the organisers for organising the workshop to discuss the results, which is something that not many researchers do. They also commented that through the workshop a dialogue between the different actors from different institutions was beginning, and the workshop was reviving interest in the sector. The following questions were raised with regard to the presentations:

In the south

On production:

- The way finding 4 is phrased is really negative, because in general the production of those who applied chemical treatments to their trees increased;
- The cutting down of trees should not be mentioned, but rather reference should be made to the renewal of the cashew stock.

On processing:

- The advantages of small-scale industries compared with large factories in terms of labour should be explained better;
- Working conditions and wages should be analysed in the light of the labour law in force, funding policy for the sector and the integrity of the actors involved in processing.

On marketing:

- Doubts were raised as to whether women are really only involved in low-profit marketing, or whether they might be behind the men who have the big businesses;
- Both for processing and for marketing the state cannot encourage the informal actors, but could help them to operate in a more organised way.

In general it was said that both the study and the whole discussion around poverty should be linked to the question of gender, because poverty is primarily feminine. An explanation of the methodology used in the study was also requested, as it had not been covered in the presentations. This omission was rectified in the Nampula workshop.

In the north

On production:

The questions on production were more on government policies than on the report *per se*, and included:

- What measures are being adopted to prevent uncontrolled fires?
- How can the inheritors of cashew trees be encouraged to give more attention to their trees?
- What are the cheapest alternatives to the chemicals that are currently being used?

There were no contributions on processing and marketing worth recording.

3. Summary of the group discussions

Discussion groups were formed for the areas of production, processing, marketing and coordination, in order to permit a deeper analysis of the report's key action points/recommendations. The following questions were discussed in the groups:

1. *What is the relevance of each action point?*
2. *What is currently being done and what are the existing opportunities and constraints?*
3. *How can implementation/coordination of activities and between institutions be improved?*
4. *Further recommendations for each area.*

3.1. Area of production: South and North discussion groups

All the recommendations in the area of production were considered to be relevant. It was said that a lot is being done, including: introduction of cheaper generics; increased subsidy; and more intensive integrated cashew management. With regard to existing constraints, the following points were made:

South

- The government's technical inability to monitor the spraying programme;
- The high cost of the programme;
- The lack of a culture of producer co-participation in loans;
- Constant breakdowns of the spraying equipment;
- Lack of family labour;
- Poor knowledge of integrated cashew tree management;
- Lack of co-participation or subsidy for peasants to buy tree seedlings;
- Lack of clarity about the ownership of nurseries, shortage of transport and inadequate systems for monitoring what happens to the plants.

North

Constraints mentioned in the north include:

- Producers' lack of technical knowledge;
- New techniques not adopted, even when known;
- Apathy of the mobilisers;
- Low productive potential of a significant proportion of the existing cashew stock;
- Low market prices.

In this area the opportunities are the existence of diseased plants and trained suppliers, and the fact that the programmes are known about in the rural communities. The existence of producers needing seedlings and the existence of cashew trees that are in the bush for lack of care are also opportunities to be exploited. Ways of improving coordination between the institution and the production area include improving communication among the different actors, pre-defining strategies, improving the extension system within a gender perspective and doing targeted planting.

3.2. Area of Processing: South and North

The recommendations in this area were also considered relevant, with the exception of the one regarding final processing in Mozambique. Some initiatives are under way, for example facilitating access to bank credits. However, various constraints were also mentioned, in both South and North, including:

- High interest rates and short repayment periods;
- Unfair competition from cashew exporters;
- The seasonal nature of the activity;
- Low salaries;
- Hands are contaminated by CNSL;
- Low cashew production.

In terms of improvements, some people thought that INCAJU should finance the processors directly (and subsidise the factories), and should do marketing campaigns in favour of the factories. An association of small-scale factories should be formed, and attempts be made to take on board the processors' recommendations. Cashew exports should be discouraged, to enable the industry to buy the nuts directly from the producers. Agro-industrial legislation should be drawn up considering the sector itself and its experience. Productivity should be increased in the factories by introducing new technologies, especially in peeling, which will result in better salaries. The small domestic processors should be helped to achieve hygiene and quality standards, and there should be more research on the market for both raw cashew nuts and kernels and other by-products.

The recommendation on final processing in Mozambique was not thought relevant because the processors think that the related costs and the market for the finished products would not be within the reach of Mozambicans. It is very complex.

3.3. Area of Marketing: South and North

The recommendations in the area of marketing were likewise considered to be relevant. Regarding credit for marketing, the participants in the south think that the NGOs should give credit, create associations, carry out training and monitor the activities. Fairs should be promoted for selling good quality cashew, and community leaders and/or traditional authorities should be included in the coordination of cashew marketing. Constraints mentioned in the south are related to interest rates, which are considered to be high, and dishonest competition from some wholesalers who offer prices that would mean no profit margins for people working on the basis of credits. It was said that there are guarantee funds for marketing, an initiative of INCAJU, and various organisations such as Novo Banco, GAPI, FFPI, AMODER have made finance available for marketing.

In the North it was further said that when there are credit initiatives they should publicise their forms of operation better; the funding should be provided in good time and special interest rates should be given. At the same time, marketing and export regulations should be publicised and simplified. In terms of improvements, dissemination of the legislation should be done through existing local structures (government, NGOs and community leaders), and fairs and associations should be created. It is likewise important to keep the peasants informed about market prices, to

benefit both the buyer and the seller. Negotiations are currently done between buyer and seller, and as an improvement the price should be established by the associations or traders and publicised by community leaders and extension workers.

On the role of women in the sector

There was agreement on the importance of highlighting this role, because in reality it is women who guarantee production. However, there are various constraints in both South and North, including the following:

- Men's assumption of leadership on all household matters (perhaps because of jealousy);
- Cultural habits;
- Most extension workers are men;
- Women's low level of education.

Existing opportunities are the high level of awareness about the role of women in this sector, and the existence of a cultural tendency for women to work together.

3.4. Coordination in South and North

The group on coordination discussed the following questions:

1. *What are the new ideas/policies and strategies for stimulating the sector?*
2. *How could coordination be improved?*
3. *What other recommendations are there for each action point?*
4. *How can good examples/good practices be disseminated/replicated?*

These questions brought the following responses:

Question 1:

- Chemical treatments;
- Manuals on integrated management;
- Incentives for establishing commercial cashew plantations;
- Free offer of seedlings (this year);
- Incentives for establishing small-scale processing units;
- Funding for purchasing raw materials;
- Training;
- Technical assistance;
- Publicising of reference prices, norms and regulations relating to cashew and procedures for marketing.

With regard to the other questions

Improvements in all areas require the definition of coordinated strategies. Good examples could be disseminated through exchanges between small groups of actors (producers and processors) and the distribution of manuals on best practices in processing and integrated cashew management. This could be done both through cashew committees/forums and through the media.

4. Summing up: workshop conclusions

The research was considered relevant and useful. Participation in the seminars was excellent, and the group discussions helped to analyse and improve the study's recommendations. It was possible to bring together actors with long experience in different areas of the cashew sector, and we hope that they will continue the dialogue through more active and expanded cashew committees.

We present below the main conclusions from the seminars, to enrich the summary report of the study.

1. The cashew sector is very dynamic, and there are many new activities, for example:
In the area of production, integrated management is already taking shape, there is the idea of commercial plantations (which must still be carefully analysed within a perspective of poverty reduction and incentives for traders);
In the area of processing, new small-scale factories and forms of work are emerging;
In the area of marketing, many people from the north go south and vice-versa.
2. Monitoring and dissemination must be improved – this could be coordinated by INCAJU and its partners.
3. The materials and guides that have already been developed must be disseminated – at national level INCAJU should intensify the production and distribution of material such as manuals and relevant documents.
4. In the liberalised environment people must be organised into associations of producers, processors, sellers, etc, in order to defend their interests. The processors should participate more actively in the cashew committees, and the women's associations should have a voice in the existing forums.
5. Women's associations are operating informally, but need to find ways of channelling their concerns to the policy-makers.
6. INCAJU could help to mobilise funds from donors and other funding agencies.
7. When domestic processing increases the processors could/should request an increase in the raw cashew export tax in order to protect the processing sector.