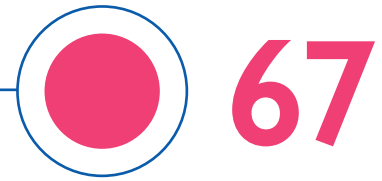


Mozambique



Summary of Findings

1. INDUSTRY PARTICIPATION IN POLICY DEVELOPMENT

The government does not allow or invite the tobacco industry (TI) to sit on any government's interagency or multisectoral committee or advisory group body that establishes public health policy. However, the government is open to receiving input from the TI. The TI indirectly participates in policymaking by being a member of the Confederation of Economic Associations of Mozambique, which is a strategic partner of the government in defining national economic policies and strategies.

2. INDUSTRY CSR ACTIVITIES

The TI has utilized CSR initiatives to demonstrate to policymakers that tobacco cultivation and processing contribute significantly to the country's economy. Mozambique is economically dependent on the tobacco sector, with other alternative cash crops evaluated only in the long term. As job possibilities are sparse, particularly for the youth, and foreign money is limited, the government is prone to accepting CSR charity from business, such as the construction of schools, roads, student training and scholarships, and tackling child labor.

Furthermore, as part of its CSR efforts, Mozambique Leaf Tobacco (MLT) will contribute to the development of the major roadway (High Way) that connects several tobacco-producing districts in the Administrative Post of Mualadzi, Chifunde, and Tete province. When a company wants to build such infrastructure, it should get permission from the government. In this situation, the government permitted the MLT to pay for the highway's construction.

MLT also developed a project called Projecto Kukula, which intended to prevent child labor, absenteeism, and failure in elementary schools by preparing and distributing free daily meals in schools.

3. BENEFITS TO THE INDUSTRY

The TI receives a 5% corporate income tax credit and 10% of total investment. Tobacco exports are not taxed. It is worth noting that the tobacco sector benefits from cheap tobacco leaf pricing. Tobacco industry pays Corporate Income Tax (IRPC), Specific Consumption Tax (ICE) and Value Added Tax (IVA).

International travelers can bring 400 cigarettes or 250 grams of tobacco into Mozambique duty-free.

4. UNNECESSARY INTERACTION

Recorded unnecessary interaction with the TI have been rare in recent years. There are also no instances of top government officials, such as the President or the Prime Minister, meeting with TI representatives. Provincial governors, on the other hand, deal with TI officials at the provincial level.

5. TRANSPARENCY

There is still no mechanism in place to guide public officials in case they have to meet with the TI. Mozambique's current situation does not allow the country to have proper legislative measures to regulate tobacco, resulting in the lack of transparency in the TI's economic operations. Mozambique does not have legal instruments or executive measures to oblige the TI to comply with its transparency requirements.



6. CONFLICT OF INTEREST

Mozambique does not have effective tobacco control legislation. The lack of transparency largely contributes to the conflict of interest which is equally high. There are no regulations requiring the disclosure or registration of TI entities, affiliated organizations, and individuals acting on their behalf, including lobbyists.

7. PREVENTIVE MEASURES

The government does not have a procedure for disclosing records of interaction with the TI and its representatives. The TI is also not required to submit data on production, manufacturing, market share, marketing expenditures, revenues or any other activities; including lobbying, charity, or political donations.

Recommendations

1. Implement preventive measures to avoid TI interference in public policymaking.
2. Use the media as a potent instrument to expose the tobacco business to policymakers, members of Parliament, and stakeholders to develop strong public support for legislation and enforcement, as well as to aid compliance and enforcement efforts.
3. Undertake and promote public education campaigns highlighting the benefits of tobacco control legislation that protect public health.
4. Encourage and promote alternative crops as means of livelihoods for tobacco farmers. The alternative crops should involve the production of cotton, sunflower, cassava, rice as well as horticulture, agroforestry, aquaculture and beekeeping.
5. Reject any and all CSR partnerships with the TI.