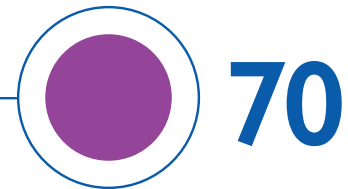


Mozambique



SUMMARY OF FINDINGS

1. Industry Participation in Policy Development

The tobacco industry (TI) plays a significant role in Mozambique's economic and policy landscape through its membership in the Confederation of Economic Associations (CTA), a strategic government partner in shaping economic policies and strategies. This position enables the TI to influence national policy development, especially as tobacco farming is considered a strategic export commodity by the government. Mozambique Leaf Tobacco (MLT), a subsidiary of Universal Corporation, plans to increase production in Manica province from 4,000 tons last season to 7,000 tons in the 2024 to 2025 agricultural season to meet growing demand. Tobacco remains the third-largest source of income for the country, after aluminum and cotton, underscoring the TI's deep entrenchment in Mozambique's political and economic priorities and its influence over agricultural policy development.

2. Industry CSR Activities

The TI has been conducting corporate social responsibility (CSR) activities related to education and health, including building schools, providing medical supplies, and supporting agricultural inputs and technical assistance to growers. However, these initiatives often serve as a strategy to gain favor with the government and civil society while misleading the public about the health risks of smoking. Its CSR efforts cannot obscure the harmful impact of its products on both public health and the economy.

3. Benefits to the Industry

The TI benefits from several government incentives, including a 5 percent corporate income tax credit, a 10 percent investment tax credit for projects in specific regions, and tax exemptions on tobacco exports. However, alongside these incentives, the government has also taken measures to reduce tobacco use and strengthen control over the industry, reflecting an attempt to balance economic interests with public health priorities.

4. Unnecessary Interaction

In August 2023, the Governor of Mozambique's Tete province visited Universal Corporation's tobacco processing plant to discuss contracts with growers, an interaction considered unnecessary given his position as a top-level provincial officer. During the visit, he urged the company to create incentives and maintain transparent, ongoing dialogue with producers to ensure they fully understand contract terms and avoid disputes. He also proposed the establishment of an Independent Tobacco Classifier to prevent conflicts of interest in product grading and ensure fair pricing based on quality, ultimately improving growers' livelihoods. Additionally, the Governor praised the company for investing in local labor, highlighting its role in job creation and income generation for the community.



5. Transparency

There have been few to no recorded instances of top-level decision makers, such as the President or the Prime Minister, engaging directly with TI executives. However, at the provincial level, governors have continued to interact with TI representatives.

6. Conflict of Interest

There is incoherence across sectoral mandates and differing perspectives on the TI's role in the country, particularly between WHO FCTC provisions and informant views that see tobacco production as a development strategy. While many stakeholders regard tobacco as an important economic commodity, there is also widespread dissatisfaction among farmers and some government officials. The findings indicate an openness to shifting toward policies that promote alternatives to tobacco growing and highlight opportunities for greater alignment between national tobacco policies and the provisions of the WHO FCTC.

7. Preventive Measures

Government preventive measures in tobacco control remain insufficient to effectively reduce tobacco use, particularly among youth, and to promote cessation among current users. Key interventions such as raising tobacco taxes, enforcing smoke-free policies, restricting tobacco advertising and promotion, requiring health warnings on packaging, and providing support for smoking cessation programs have not yet been fully implemented. Article 5.3 of the WHO FCTC has not been implemented.

RECOMMENDATIONS

1. Commit all stakeholders to fully implement Article 5.3 of the WHO FCTC in Mozambique.
2. Strengthen tobacco tax structures and increase tax rates to decrease the purchasing power of smokers and potential new smokers.
3. Develop a national, multisectoral tobacco control strategy and strengthen coordination for tobacco control with the participation of civil society in WHO FCTC implementation.
4. Ratify and fully implement the Protocol to Eliminate Illicit Trade in Tobacco Products.