Farm Input Subsidy and Civil Society's Position in Mozambique

Maputo, October 10th, 2017

Since gaining independence, the development of the agricultural sector has been a priority for Mozambique. In 2007, in response to problems created by the global instability of oil prices and economic crisis, which were undermining efforts to reduce hunger in Mozambique, the Ministerial Council approved the Green Revolution. Through programmes such as the Comprehensive Africa Agricultural Development Programme (CAADP), the Abuja and Maputo declarations (2001 and 2003, respectively), and the Strategic Plan for Agricultural Development (PEDSA 2010–2019), the Mozambique government aimed to transform Mozambique's subsistence agriculture into commercial agriculture. Green Revolution technologies and policies brought with them increased imperatives for certified seeds, synthetic fertilisers, irrigation, credit and concessions of private title-deeds for land use.

The Green Revolution, based on an ideological approach that supports the increase of food production to end world hunger, is a model of development that was introduced in 1950 in the United States and quickly expanded worldwide. The Rockefeller group grew its consumer market and strengthened the corporation by selling packages of farm inputs to developing countries, such as India, Brazil and Mexico, and by financing projects in certain countries. To increase production, agricultural practices linked to the Green Revolution rely on hybridised seeds and seeds genetically modified in laboratories to resist different types of pests and diseases, and the use of agrochemicals, fertilisers, agricultural implements and machines. Taking into account small farmers' reduced purchasing power, many of these inputs must be subsidised for some time, to encourage small farmers to use the new technologies.

Inspired by the Malawian experience, Mozambique launched a two-year subsidy programme for maize and rice production, funded by the European Union. At the request of Mozambique's Ministry of Agriculture and Food Security, the Food and Agriculture Organization (FAO) and the International Fertilizer Development Centre (IFDC) implemented an agro-input subsidy programme over the years 2009–11. The programme involved the distribution of 25 000 vouchers across five provinces, offering a 73% subsidy on an improved seed and fertiliser package.

Such a farm input subsidy programme (FISP) creates high levels of farmer dependency and promotes the use of hybrid seed, reducing genetic diversity of crops and making them more susceptible to attacks of pest and disease, which adds to farmers' reliance on costly fertilisers and leads to reduced income. Such a programme also promotes the monopoly of companies that produce and supply the farm inputs, and relegates farmer seed varieties to oblivion. Soils are damaged by overuse of synthetic fertilisers or the application of mixtures of inappropriate nutrients, especially nitrogen. Inequalities between small-scale farmers and commercial farmers increase as the latter expand their areas of influence and the former lose their land and end up as wage or farm labourers.

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The FISP is supported by public funds; a significant part of state budget goes towards acquiring a set of technologies that are not appropriate for diverse agro-ecological zones. From 2007 to 2013, the Mozambican government spent about \$1.1 billion on fertiliser programmes. Of this amount, 93% was directed to the subsidy programme, creating enormous profit for companies that provided the inputs and leading to speculation on a corruption scheme. Despite this spend; the agricultural sector is far from securing sufficient nutritious food for 25 million Mozambicans.

The commercial and financial goods provided by the FISP benefits individual commercial farmers and companies that provide technology, contradicting the idea that public funds must be used for the good of all and not just a group of people. Furthermore, the government of Mozambique is promoting the total dependence of farmers on the FISP. In addition, because small-scale farmers are forced to produce single crops, this leads to an over-supply of certain products in the market and consequently to a price reduction, resulting in a loss of income.

The FISP does not build a resilient agricultural system able to cope with economic downturns and the expected effects of climate change. External inputs are not a sustainable investment in a difficult economic scenario, and do not contribute to building sustainable food systems.

For these and other reasons, we reaffirm our complete confidence and trust in an agricultural system that promotes agro-ecology practices for food production. We believe that:

- 1. Agro-ecology and policies in favour of food sovereignty are the only real and effective solutions to address the multiple challenges faced by small-scaled farmers.
- 2. Agro-ecology practices use natural resources, without synthetic fertilisers, to produce good quality food, without damaging the environment, while improving and conserving the soil.
- 3. Through the economic and social viability of truly sustainable development, agro-ecology promotes technology that is based on indigenous and traditional knowledge and science and that advocates biodiversity and the protection of the natural environment.
- 4. By maintaining control of seeds in the hands of farmers, agro-ecology creates conditions for them and their nations to develop greater sovereignty.
- 5. Development policies must be socially and environmentally sustainable and based on the real challenges of peoples. Food sovereignty advocates a production system that maintains fertile soils and respects biodiversity, cultural traditions and the diversity of local seeds.

With agro-ecology, we produce good food in the countryside and in the city.

This statement is supported by:

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- 2. ADECRU
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