INSTITUTO DO ALGODÃO & OLEAGINOSAS MOÇAMBIQUE

INFORMATION ON COTTON PRODUCTION IN MOZAMBIQUE IN THE 2021/22 – 2024/25 MARKETING SEASONS

SEPTEMBER, 2025

I. INTRODUCTION

The Institute of Cotton and Oilseeds of Mozambique (IAOM, IP) is a Public Institution with the mandate to promote the promotion of the production, marketing, processing, industrialization, export of cotton and oilseeds, their products, by-products and other crops for textile purposes.

IAOM, IP has the mission of sustainably developing cotton and oilseed value chains, through the implementation of policies and technology transfer to increase productivity, production and profitability of actors. Its vision focuses on a sustainable, competitive cotton and oilseeds sub-sector that meets national and international demand.

This report was prepared to respond to the request of the International Cotton Advisory Committee (ICAC), on the behavior of the Cotton Sector in the last three Agrarian Season, 2021/22, 2022/23, 2023/24 and 2024/25 with regard to the number of producers, production areas, national production achieved, prices to the producer and in the international market, and domestic consumption and export of Mozambican cotton fiber.

II. COTTON PRODUCTION

Cotton production in Mozambique is predominantly done by the family sector in the North and Center regions of the country, areas where the climatic soil suitability is more favorable compared to the South region.

Currently about 70 thousand rural families produce cotton in the country, against another 130 thousand families that produced this crop about 3 years ago. In the 2023/24 season, the cotton production area was around 40 thousand ha against around 120 thousand ha in the 2021/22 Season, while the production of the last 5 Seasons was around 50 thousand tonnes, when in the 2023/24 Season it was 19 thousand tonnes. Regarding fiber production, in the 2023/24 Season, about 7 thousand tons were obtained, when the average of previous Seasons was about 17 thousand tons (see table 1). This crop culture, along its value chain, creates more than 30,000 salaried jobs, between seasonal and permanent and is a business for about 5 companies, all of which are national. (see table 2).

Table 1: Cotton production statistics in the last 3 years

Season	Area (ha)	Cotton Seed Production (ton)	Number of producers			Fiber (Ton)			
			Man	Woman	Total	Fiber Produced	Exported Fiber	National Industry	Balance
2021/2022	117.242	22.095	108.599	40.167	148.766	8.280	6.964	496	820
2022/2023	95.097	23.516	90.495	38.783	129.278	8.453	8.219	90	145
2023/2024	41.518	19.399	44.578	19.105	63.683	6.921	6.799	-	122
2024/2025 (*)	50.356	24.000	20.517	47.873	68.390	7.885	-	-	-

Source. IAOM,IP 2025

(*) Plan

Cotton production in the country has suffered from several constraints, including conjunctural, public and business policies, socioeconomic and even agronomic ones.

The causes of the decrease/decline in production are summarized as:

1. the scarcity of certified seed;
2. the weak agro-technical assistance from the public and private sector
3. low plant density per hectare,
4. low efficiency and low availability of pesticides in pest and disease control;

5. variability of climatic factors from droughts to floods;
6. low efficiency in identifying the economic level of damage of the main pests and diseases;
7. low financial availability and/or physical strength to control weed pressure during rainy periods;
8. Market factors, which create low competitiveness of cotton in relation to other crops in the field;
9. Low local use and added value to national cotton; and
10. Planetary phenomena that are characterized by variability of climatic factors.

regard to the main pests of cotton cultivation in Mozambique, the following stand out:

1. Jassideos (*Empoasca fascialis*);
2. Aphids (*Aphis gossypii);*
3. Elegant grasshopper (*Zonocerus elegans*);
4. American caterpillar (*Helicoverpa armigera);*
5. Red caterpillar (*Diparopsis castânea;*
6. Pink caterpillar (*Pectinophora gossypiella*);
7. Spiny caterpillar *(Earias insulana);*
8. leaf caterpillar *(Spodoptera littoralis); and*
9. Fiber stainer, (*Dysdercus fasciatus);*
10. Cotton mealybugs *(Phenacoccus Solenopsis)*

Note: In the current agricultural season, northern Mozambique, a new variant of the jasside pest (*Empoasca fascialis*) was identified, characterized by the presence of two very evident black dots on the sides and undersides of the wings, as illustrated in figure 1.

Figure 1: New variant of Jasid (*Empoasca fascialis*), in November 2025

Regarding cotton diseases in Mozambique, there are 5 main ones, namely.

1. Alternaria leaf spot
2. Angular spot;
3. Rebularia;
4. Vermilion; and
5. Blue cotton disease.

As for the predominant cotton varieties in the last 4 Seasons

1. CIMSAN-1;
2. CIMSAN-2
3. Albar-SZ-9314; and
4. CA-324.

With regard to the use of technologies in cotton cultivation, Mozambique started with the process of digitization of the cotton value chain, in the component of producer registration, mapping of production areas and electronic payment of producers in the process of marketing seed cotton and Use of the Platform for Registration of Operators and Approval of contracts that aim to make the services provided by IAOM more flexible, IP to actors and operators in the Cotton Subsector, especially for the registration of operators, approval of contracts and issuance of certificates for the cotton fibre export process:

Table 2. Jobs generated in the Cotton Chain Value Chain

Value Chain Segment	Female	Male	Total
Ginning	105	230	335
Spinning	210	540	750
Weaving/Knitting	-	-	-
Dyeing & Finishing	150	350	500
Clothing manufacturing	150	255	405
Transportation and logistics	100	275	375
Other supporting services/industries	100	170	270

Source, IAOM,IP

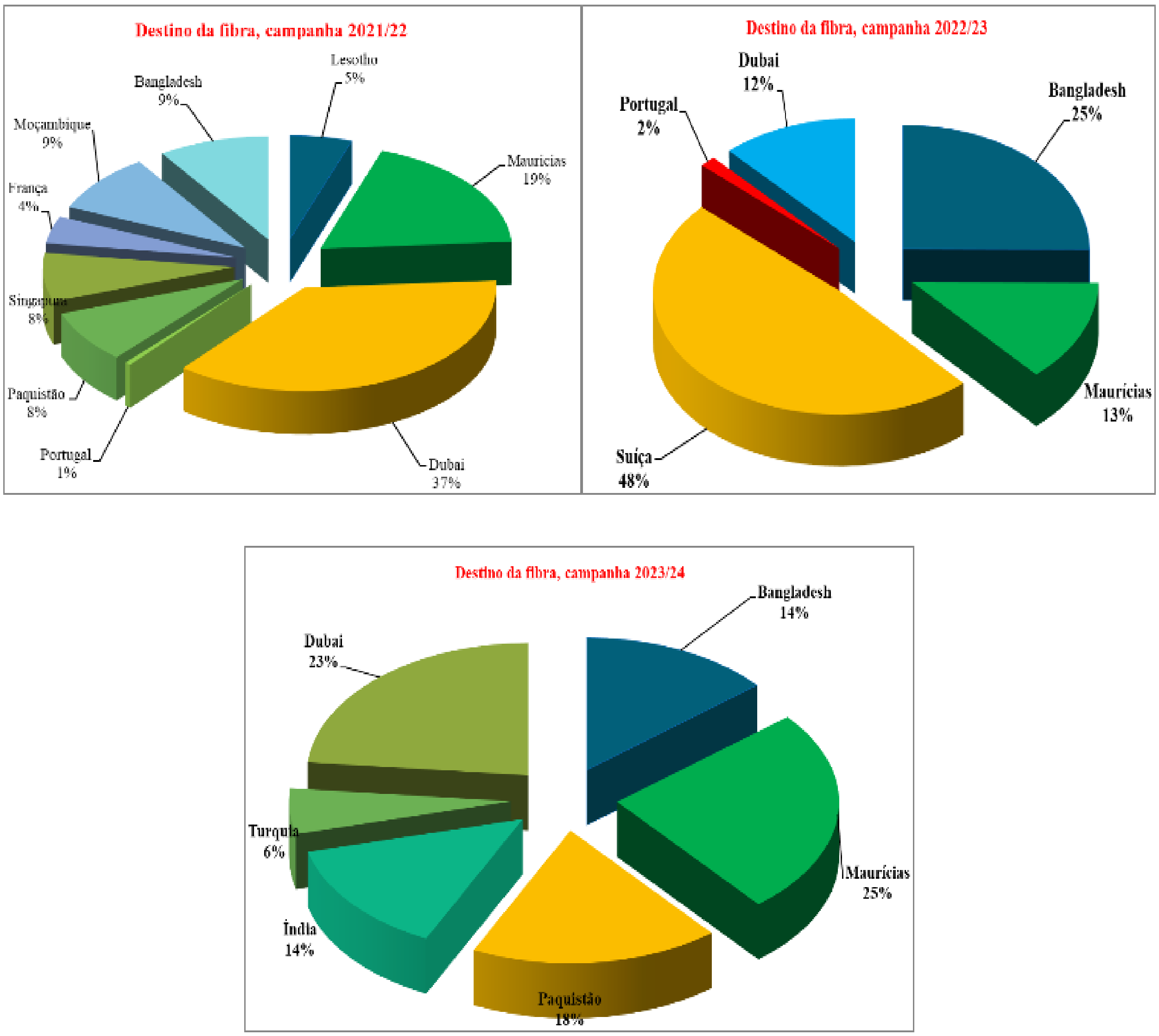
II. TRADE & MARKETING

In the 2021/2022 agricultural season, the main export of fiber was Dubai, which absorbed 37% of the total volume exported, consolidating itself as the largest market. This was followed by Mauritius, with 19%, also showing itself as an important destination for national fiber, and Bangladesh in third position with 9%, followed by Pakistan and Singapore, both with 8% of exports. Lesotho accounted for 5%, while France and Portugal had more modest shares, with 4% and 1%, respectively.

In the 2022/2023 Season, the distribution of cotton fibre exports highlighted Switzerland as the main destination, absorbing 48% of the total volume exported, which demonstrates a strong concentration of exports to this European market. In second place is Bangladesh, with 25%, followed by Mauritius with 13%, confirming the relevant role of these two markets in the fiber export chain. Dubai was also among the important destinations, with 12% of exports, while Portugal had a smaller share, with only 2%.

In the 2023/24 Season, Mauritius stood out as the main destination, absorbing 25% of the exported fiber, followed by Dubai, with 23%, and Pakistan, with 18%.

India and Bangladesh recorded equal shares of 14% each, demonstrating their continued role as relevant destinations for Mozambican fibre. Turkey, in turn, captured 6% of the total volume exported.



Source. IAOM,IP

III. PRICES

In Mozambique, the domestic price of seed cotton is determined based on a mathematical formula (below), where it is directly influenced by the behaviour of the international price of fibre and the exchange rate. It should be noted that the determination of the same is negotiated and agreed between the representatives of the producers and development operators under the mediation of the Minister who supervises the area of Agriculture.

$$PM= ((PIR - DQ-TT)xFCxTC)xTDxPP$$

PM – Minimum price;
PIR – International Reference Price;
DQ – Quality differential;
TT- Transaction fee;
FC - Conversion Factor lb- kg (2.2046);
TC – Exchange rate;
TD- Ginning rate;
PP – Sharing with producer.

Table 3 – Average fiber prices per USD/kg

Season	Average Fiber Price (USD/Kg)	Average seed price (USD/Kg)
2021/2022	2,2	0,8
2022/2023	1,78	1,20
2023/2024	1,54	1,30

In Mozambique, cotton production is based on the system of concessions of areas to development and extension companies and producers sell their seed cotton directly to development agents who are also ginners.

With regard to cotton prices, in recent season they have registered a decreasing trend and the demand for the fiber has been a little low, also associated with the decrease in fiber production.

Regarding the cotton storage capacity, the country has a total capacity of 222,300 tons/year distributed in the three South, Center and North zones (8,900 tons/year, 47,500 tons/year and 165,900), respectively, and the cotton produced in Mozambique is exported through the port of Nacala located in the province of Nampula in the North zone (above 95%) and the Port of Beira. Sofala province, Central zone.

I. GOVERNMENT AND POLITICAL SUPPORT

In the last 3 years, the public sector of Mozambique has supported cotton production in about **57,739,551Mt** (corresponding to 888,300.78USD), (see tables 3) for the components of:

1. Direct Promotion of Cotton in the provinces of Manica, Tete and Cabo Delgado.
2. Stabilization of the price of Cotton to the Producer through the Stabilization Mechanism of the Price of Seed Cotton to the Producer (MEP) approved by the Government in light of Decree No. 25/2022 of June 3, with the aim of ensuring the stabilization of the price of seed cotton to the producer between the various agricultural seasons, in order to reduce the volatility of production and promote the stability of the subsector; and
3. Last Purchase of Cotton Resort

Table 3: Government support for cotton production

Nr	Agrarian Season	Government support on cotton production (USD)
1	2022/23	276.923,08
2	2023/24	230.769,23
3	2024/25	380.608,48

Source. IAOM, IP

II. TEXTILE INDUSTRY OVERVIEW

Perspectives of the national textile sector

In Mozambique, production levels have fallen significantly in recent years, however in the ongoing 2024/25 Season, the production estimate tends to rise by around 24,000 tonnes, after a drop of around 20,000 tonnes in the 2023/24 Season. Cotton production is a crucial source of income for around 100,000 rural households, generating around 30,000 jobs and contributing nearly $34.3 million in annual agricultural exports.

Abandoned textile industries still arouse the interest of foreign investors. The resurgence of Moztex, formerly known as Texlom, one of Mozambique's leading textile mills, is a remarkable achievement. After a long period of inactivity, the plant resumed operations in 2009, driven by a substantial investment of around US$2.5 million from its new owners, the Aga Khan Foundation. This injection of capital signals a promising new chapter for this once-dormant industrial powerhouse.

Moztex currently has around 500 employees and is a leading manufacturer of ready-to-wear clothing, exporting its products mainly to South Africa.

Another factory of this type is Mozambique Cotton Manufacturers (MCM), a company formed by a group of Mozambican and Portuguese companies, which acquired the assets of the Riopele Textile Factory, which closed its activities in 2004. MCM has invested close to US$20 million for the installation and operation of the yarn processing unit and currently has around 750 workers, and could reach 7,000 workers as the entire cotton value chain becomes fully operational, that is, from cotton production to clothing manufacturing.

Mozambique Cotton Manufacturers (MCM), in partnership with three Portuguese companies, plans to invest about US$35 million to install weaving, dyeing, sewing and other support facilities to expand the textile business and will export these textile products to new export markets on the African continent, according to a statement issued in Maputo.

III. SUSTAINABILITY

For the purposes of sustainability in cotton production in Mozambique, the following principles are applied:

i. Minimal soil disturbance and the promotion of vegetation cover;

ii. The integrated management of cotton cultivation; and

iii. The adoption of the principles of good practice of the Global Better Cotton Production Initiative (BCI);