

Mozambique

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64%

Population below international poverty line

€48

per month

Agriculture minimum wage

€99

per month

Rural living income

70%

Agricultural workforce

26%

Agriculture share of GDP

3

medium

Risk to workers' rights

Context

Mozambique has a population of approximately 30 million people,^[1] with 63%^[2] living in rural areas and 37% living in urban areas.^[3] The agricultural sector assumes 70% of total employment in Mozambique^[4] and represents 26% of the national GDP.^[5]

Despite its past of a long civil war, the country has been characterized by extraordinary economic growth in recent decades. However, this development has not been translated in better livelihoods for the Mozambican population, the majority of whom still lives in poverty. Agriculture is the main economic activity in rural areas. Farmers mainly depend on their crops to survive, yet they face low productivity and are often isolated from the markets. Women's agricultural work in rural areas is essential to the household income, yet they are in a highly disadvantaged position. They have limited access to productive resources, no voice in decision-making processes and lower wages than men.^[6]

The top produced commodities in Mozambique are sugar cane, cassava, maize, milk and bananas.^[7] Mozambique's top export commodities in terms of quantity are cigars, raw sugar, dry beans, wheat bran and bananas.^[8]

Wages

Minimum wage

The minimum wage in Mozambique varies greatly per sector. In the agriculture, livestock and forestry sector the minimum wage is 4,390 Mozambique Metical (48 EUR) per month.^[9] Although there are laws protecting workers in the formal sector, 95% of the employment in Mozambique is in the informal economy. Overtime, low wages, and other health and safety measures are not effectively enforced in the informal sector. Furthermore, workers employed in the agricultural sector suffer some of the worst working conditions and wage abuses.^[10]

Living wage

The **Global Living Wage Coalition** has developed a Living Income Reference Value study for rural Mozambique based on the Anker methodology.

The Anker Living Income Reference Value is estimated at 9,121 Mozambique Metical (99 EUR) per month, which refers to the monthly cost of a typical family in rural Mozambique to have a decent but basic standard of living. The living income estimate is about 30% higher than the family income at the World Bank \$1.90 poverty line. It is also 21% higher than the income of a typical rural family with 1.71 full-time workers earning the agricultural minimum wage.^[11]

What's happening

RESOURCE

[Living Income Reference Value, Rural Mozambique](#)

Living income estimate for a typical family in rural Mozambique to cover the monthly cost of a basic but decent standard of living.

RESOURCE

[Smallholder Households in Mozambique](#)

This report explores the financial and agricultural needs of rural households in Mozambique.

RESOURCE

[Agriculture and Food Security in Mozambique](#)

This scientific article explores the role of the agricultural sector for rural development and poverty reduction in Mozambique.

Footnotes

1. World Bank (2019). <https://data.worldbank.org/indicator/SP.POP.TOTL?locations=MZ>
2. World Bank (2019). <https://data.worldbank.org/indicator/SP.RUR.TOTL.ZS?locations=MZ>
3. World Bank (2019). <https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS?locations=MZ>
4. World Bank (2020). <https://data.worldbank.org/indicator/SL.AGR.EMPL.ZS?locations=MZ>
5. World Bank (2019). <https://data.worldbank.org/indicator/NV.AGR.TOTL.ZS?locations=MZ>
6. IFAD. Country Profiles: Mozambique. <https://www.ifad.org/en/web/operations/country/id/mozambique>
7. FAOSTAT (2019). http://www.fao.org/faostat/en/#rankings/commodities_by_country
8. FAOSTAT (2019). http://www.fao.org/faostat/en/#rankings/commodities_by_country_exports

9. Wage Indicator Foundation (2021). Minimum Wage-Mozambique. <https://wageindicator.org/salary/minimum-wage/mozambique>
10. U.S. Department of State. 2019 Country Reports on Human Rights Practices: Mozambique. <https://www.state.gov/reports/2019-country-reports-on-human-rights-practices/mozambique/>
11. Global Living Wage Coalition (2020). Anker Living Income Reference Value: Rural Mozambique 2020. <https://globallivingwage.org/wp-content/uploads/2021/01/Rural-Mozambique-LI-Reference-Value-FINAL.pdf>