

MOZAMBIQUE



Intra-Africa trade and tariff profile



1 Regional Economic Communities

Mozambique is a member of SADC.

It is currently negotiating the Tripartite Free Trade Area and recently signed the AfCFTA

Mozambique is the only country in Southern Africa that belongs to one regional economic community (REC) - SADC. SADC is a REC with 16 member states, of which 9 are also members of COMESA. 13 SADC members are in a Free Trade Agreement (FTA); Comoros, DRC and Angola are yet to join the FTA.

It also has bilateral preference arrangements with Malawi, South Africa, and Zimbabwe.



SADC

EXPORTS

22%

of Mozambique's total exports (US\$1 bn) are intra-Africa



Petroleum Gas (14%)



Electricity (34%)



Postage Stamps (5%)



Unmanufactured Tobacco (4%)

IMPORTS

32%

of Mozambique's total imports (US\$1.9 bn) are intra-Africa



Electricity (14%)



Petroleum Oils (4%)

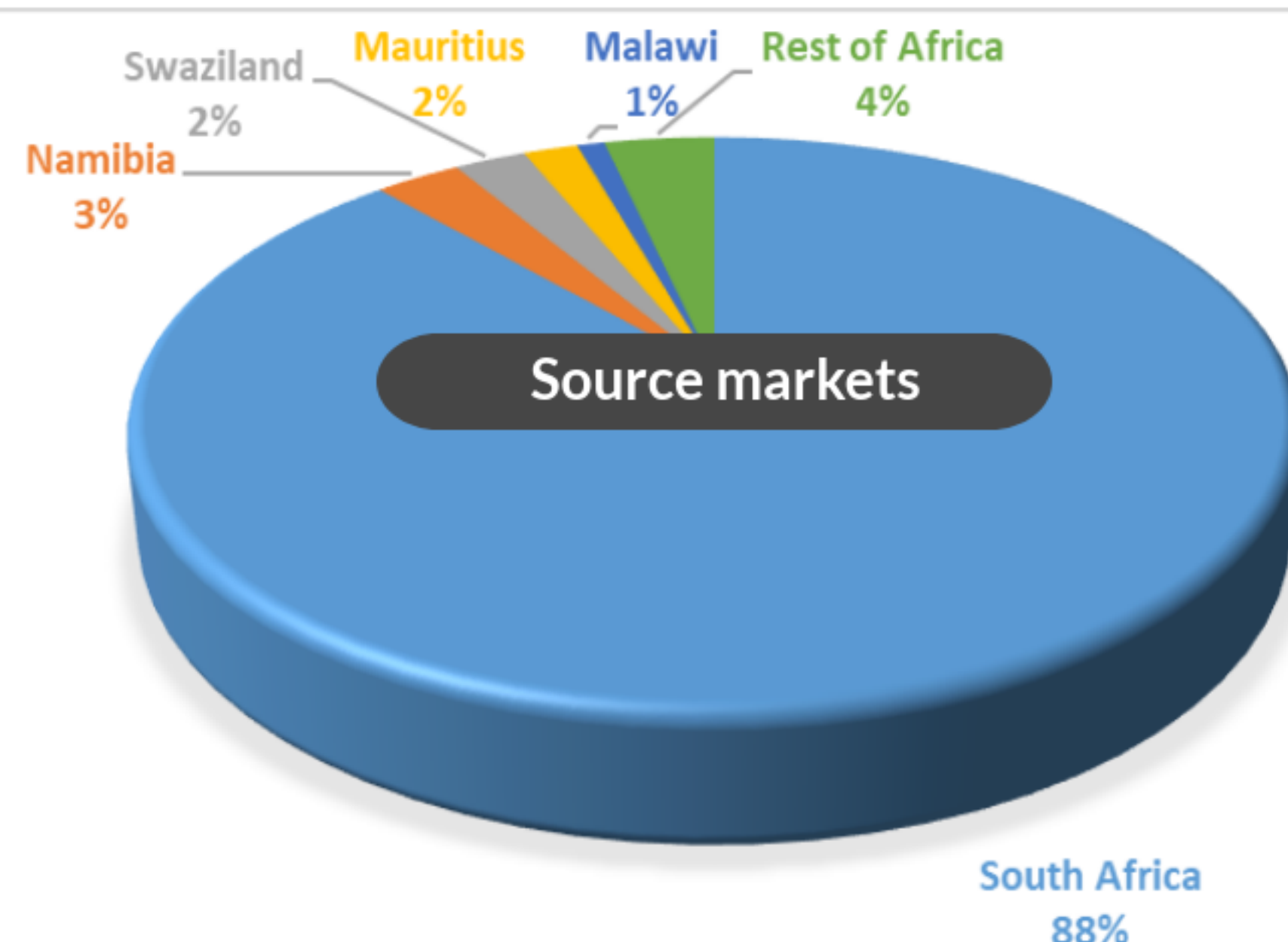
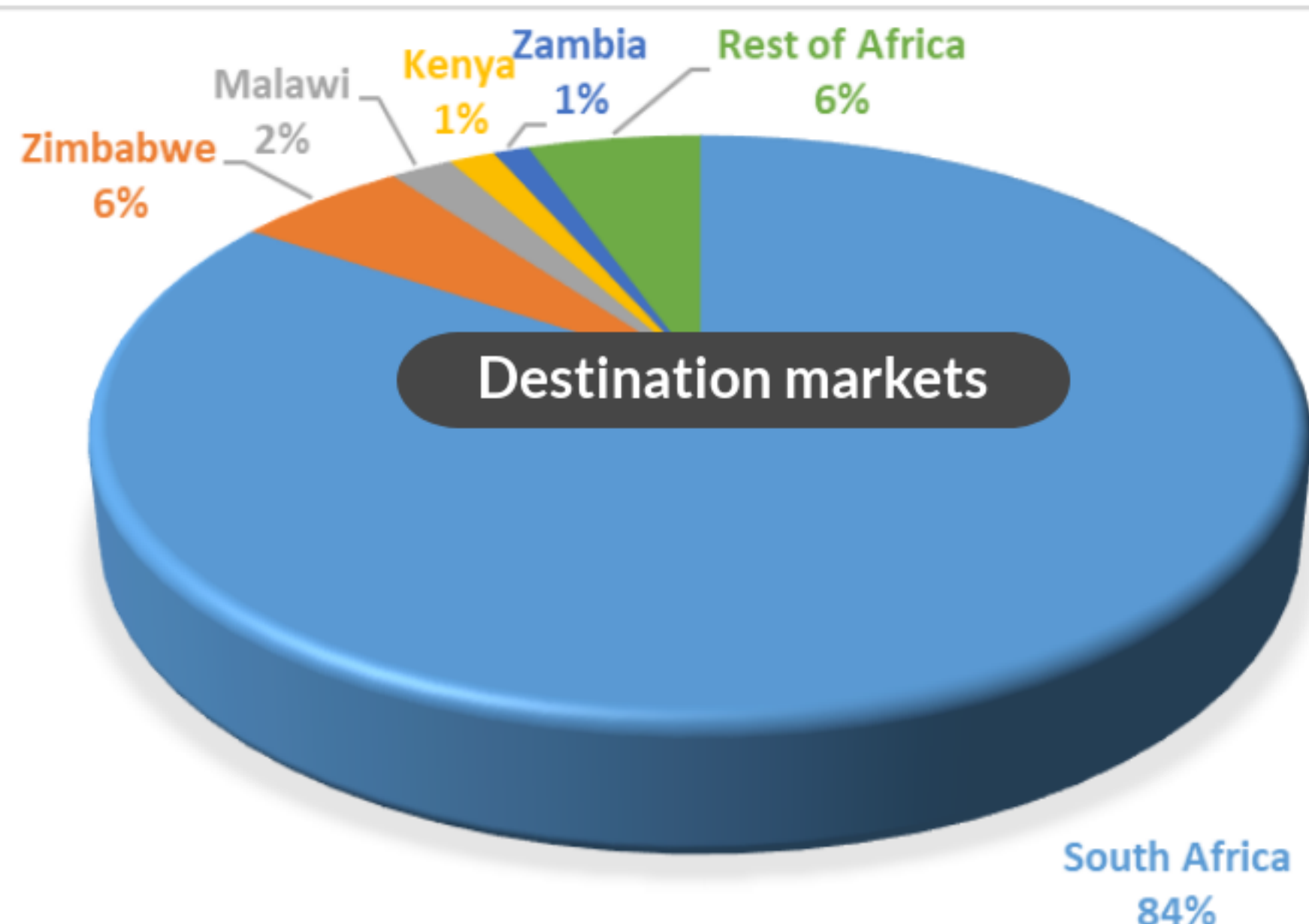


Trucks (4%)



Frozen Fish (3%)

2 Intra-Africa trade



Mozambique's intra-Africa trade is limited to Southern Africa (SADC) and mostly with South Africa which accounts for over 85% of its total imports. Other imports are from Namibia; Swaziland and Malawi.

Non-SADC imports account for 2% (US\$ 36 million) of Mozambique's total intra-Africa imports.

Mozambique has a five band tariff regime, with highest tariffs levied at consumer goods most likely for revenue purposes

MFN applied duties

Highest applied tariff band range is between 20% - 25% for goods entering Mozambique without preferences

Duty free imports

More than 90% of imports originating from Africa (SADC) enter Mozambique duty free

High ad valorem duties



Food (meat; fish; fruit; vegetables) (20%)



Plaited Baskets (20%)



Carpets and rugs (20%)



Clothing & textiles (20%)

Duty free imports



Medicaments



Electricity



Aircraft (e.g. helicopters; planes)



Animal or vegetable fertilisers

Mozambique's top intra-Africa imports (excluding SADC) 2017– US\$ millions

	2017	%share	Average tariff	Max tariff
All products	36.5		10%	20%
Petroleum oils and oils.	17.3	47%	6%	8%
Mineral or chemical potassic fertilisers	2.3	6%	3%	3%
Petroleum gas and other gaseous hydrocarbons	2.0	6%	6%	8%
Malt, whether or not roasted	1.9	5%	3%	3%
Medicaments...	1.6	4%	0%	0%
Mineral or chemical nitrogenous fertilisers	1.1	3%	3%	3%
Machinery, not specified elsewhere	0.9	3%	5%	5%
Beauty or Skin care products	0.9	2%	20%	20%
Packaging material, of plastics; stoppers, lids, caps and other	0.7	2%	14%	20%
Monitors and projectors,	0.4	1%	16%	20%
Worn clothing..	0.3	1%	20%	20%
Other	7.0	19%		

Source: UN ITC TradeMap; WTO Tariff Database

With vast agricultural land and 3rd largest proven natural gas reserves, exports opportunities exist for Mozambique in the agricultural and energy sectors beyond SADC.

Mozambique should take advantage of the recently launched AfCFTA to expand to markets in other African countries.