

# SOCIO-ECONOMIC IMPACT IN MOZAMBIQUE

Maragra Açúcar makes a valuable contribution to Mozambique's economy. Due to the relative labour intensity of sugar production, compared to other agricultural crops, as well as the large number of smallholder farmers in the value chain, the economic multiplier effects are significant.

Maragra's primary investor is Illovo Sugar Africa which, with sugar and downstream businesses in six southern African countries, is Africa's largest sugar producer. Illovo holds a 90% share in Maragra while the balance of shares are owned by a private investor, representing the interests of the Petiz Family who originally owned and operated Maragra prior to the sale of 50% of the business to Illovo in 1997.

The information and data presented in this document originates from an independent and external socio-economic impact study undertaken on behalf of Illovo by an international company based in the United Kingdom, Corporate Citizenship. Its findings are based on the operational and financial performance for the financial year ended March 2017 during which 687 000 tons of cane supplied by Maragra's own agricultural operations and by outgrowers was crushed to produce 73 000 tons of sugar.



**\$96 million**  
TOTAL ILLOVO INVESTMENT  
IN MARAGRA SINCE 1997

SIGNIFICANT FOREIGN EXCHANGE  
EARNINGS BENEFITS ACCRUING  
TO MOZAMBIQUE  
FROM EXPORT SALES

## MARAGRA'S TOTAL ECONOMIC IMPACT

MZM billion **4.636**

DIRECT

**DIRECT CONTRIBUTION**  
OF MARAGRA TO  
MOZAMBIQUE ECONOMY

MZM billion **1.254**

INDIRECT

**MULTIPLIER EFFECTS**  
THROUGH SUPPLY CHAIN AND  
WIDER ECONOMY

MZM billion **3.383**

**69%**  
PAID TO  
SHAREHOLDERS

**31%**  
RETAINED IN  
THE BUSINESS

## PRODUCTION 687 000 TONNES OF CANE

PRODUCED BY

OUTGROWERS  
LARGE AND SMALLHOLDER  
FARMERS

**34%**

MARAGRA

**66%**

TOTAL SPEND  
MZM billion **2.318**

MZM billion **2.945**  
REVENUE  
GENERATED  
IN THE 2016/17 SEASON

**79%**

OF TOTAL SPEND  
PAID TO LOCAL  
MOZAMBIQUE  
SUPPLIERS

INCLUDING  
**473**  
OUTGROWERS



MZM  
million **191**



GOODS & SERVICES  
MZM billion **1.225**



MZM  
million **588**



MZM  
million **306**

## CREATING EMPLOYMENT OPPORTUNITIES



**25 000**  
LIVES SUPPORTED  
VIA DIRECT EMPLOYMENT  
AT MARAGRA

**5 092**  
DIRECTLY EMPLOYED

PERMANENT  
**908**

NON-PERMANENT  
PEAK SEASONAL

**4 184**

INDIRECTLY  
**2 153**

OF WHOM  
ARE WOMEN

**65%**