



## Simple Technology Revitalizes Mozambique

In the aftermath of a 16-year civil war that devastated his country's economy, Mozambican entrepreneur Antonio Miranda saw opportunity in cashews - a once-thriving industry virtually abandoned at the conflict's end. Mozambique had been the world's leading producer of cashews before its independence in 1975, widely known for exporting high-quality nuts to overseas markets.

The days of huge colonial processing plants were over, but 53-year-old Miranda had a better idea. He set out to blend the best of the old with the new by combining Mozambique's reputation for superior cashews with innovative technology to bring jobs and sustainable economic growth to some of the poorest rural corners of the nation.

But first he had a technical problem to solve. Initial attempts to rebuild the cashew industry in the mid-1990s were focused on large plants with mechanical processing equipment. But the technology proved inappropriate because the machines destroyed much of the nut's value by breaking too many during processing. Miranda found a solution with the help of TechnoServe, a non-profit business development group funded by USAID. Working with a local cashew expert, Miranda introduced a simple, labor-intensive manual processing method to produce large volumes of high-quality whole nuts at low cost.



Photo: TechnoServe/Ditlev Schwanenflugel

Miranda factory workers processing cashews in rural Namige.

With USAID funding, TechnoServe is identifying entrepreneurs with viable business ideas that will benefit Mozambique's rural poor, and forging alliances with businesses, civil society, and government leaders involved in rural economic development. In the cashew sector, the USAID-TechnoServe partnership has focused on putting the right processes in place to improve the quality of both raw and processed kernels, and on helping entrepreneurs like Miranda attract investors and secure financing.

In 2002, Miranda invested in a pilot plant at the remote rural community of Namige in northeastern Mozambique. The area was burdened with massive unemployment and most people barely survived as subsistence farmers. With local labor, Miranda rebuilt the ruins of a building bombed during the civil war and informed the community that he was hiring. More than 1,000 people showed up to apply for the first 70 jobs processing cashews.

Within months, the Namige cashew factory had outpaced all others in Mozambique in profitability and the quality of its product. Nearly 500 people work at 'Miranda Caju' earning about \$2 a day - four times the local average wage. They steam, shell, dry, peel, sort, and vacuum pack cashews that are trucked to the seaport of Nacala for export to Europe, where Mozambican cashews once again are making a name for themselves.

*"Many people cried because there weren't enough positions at the factory. I really like working here. Now I have money to feed and educate the children."*

*- Atija Soalahe, 33-year-old widowed mother of six*

Those with factory jobs are not the only rural Mozambicans whose lives are improving due to the revitalized cashew industry. Small-scale farmers also are reaping benefits. In 2003, Miranda bought cashews from 11,500 small producers in the region. The company's location in the heart of cashew country allows it to buy direct, cutting out the middleman, and pay a higher price than local farmers have seen in the past.

Success Story