

## MANAGEMENT AND IMPLEMENTATION

<b>13. Type of financing</b>	<p><b>Direct management</b> through grants in accordance with section 4.4.1</p> <p><b>Indirect management</b> with the entities to be selected in accordance with the criteria set out in section 4.4.2</p> <p>This contribution to the Regional Blending Platform shall be implemented in indirect management by the entities indicated in the annex to this Action Document, in accordance with the Regional Blending Platform's award procedure.</p> <p>Budgetary guarantee(s) as set out in section 4.4.4.</p>
------------------------------	--

## 1.2 Summary of the Action

Mozambique's sustained and inclusive growth is tied to the development of its agriculture and agroindustry. Yet, agriculture and food systems remain highly exposed and vulnerable to climate change and environmental degradation, while contributing significantly to biodiversity loss, greenhouse gas emissions and unsustainable use of freshwater and soils. Inefficient agriculture production, with poor access to inputs and technology, exacerbates the pressure on Mozambique's natural capital. At the same time, agriculture intensification efforts often fail to address social, economic, and environmental trade-offs, perpetuating a harmful cycle of ecosystem degradation and increased poverty and vulnerability. The unfavourable business environment, with particularly inadequate access to finance and markets, hampers the development of Small and Medium Enterprise' (SME) and the overall private sector potential to contribute to a sustainable transition and to employment creation. It is thus imperative, for agriculture value-chains, to promote environmental sustainability to safeguard the resource base they rely on, and for agri-food systems to contribute to productive landscapes and biodiversity protection. Achieving these objectives calls for stronger collaboration among stakeholders, supportive policies and investments in capacity development and infrastructure.

This Action seeks to increase the economic, environmental and social sustainability of selected agriculture value-chains through their integration in key landscapes for conservation and development, and by fostering entrepreneurship, SME's competitiveness and a conducive business climate, ultimately supporting Mozambique's transition towards a greener, climate-resilient and inclusive development.

The Action will be implemented in two priority landscapes in Central and North Mozambique, selected for their productive potential and their ecological interest:

1) Zambezia Afromontane landscape, part of the transboundary South-East Africa Montane Archipelago ecoregion shared with Malawi, including the Key-Biodiversity Areas (KBA) of Mounts Namuli, Mabu and Ribaué and, the *Miombo* coastal landscape.

2) Manica mountains landscape, part of the Chimanimani Trans Frontier Conservation Area shared with Zimbabwe, including the KBA of Chimanimani National Park.

The Action intends to focus on the value-chains of soybean, avocado and cashew, prioritized for their suitability to more sustainable production practices and their climate and deforestation-related relevance. Other value-chains might be considered to promote diversification, enhance food security or integration with agroforestry systems.

The Action supports the objectives of the Multi Annual Indicative Programme (MIP) 2021-2027 priority areas of 1) "Growing Green" and its specific objectives to "protect, restore and enhance Mozambique's natural capital and ecosystem services as essential drivers of sustainable growth and resilience", and to "support the transformation of the agriculture, forestry and fishery sectors towards more sustainable food systems, livelihoods and production patterns"; and 2) Growing Youth and its specific objective of "enhanced opportunities for youth to obtain decent employment" and "Foster innovation and digital transformation for inclusive growth". The Action will also contribute to the Team Europe Initiatives (TEI): Green Deal for Mozambique and e-Youth. It is also aligned with the objectives of the regional TEI Investing in Young Businesses in Africa (IYBA) to promote entrepreneurship and provide support to early-stage businesses.