

INVESTMENT CASE STUDY

LOCAL SUPPLIER TURNED INTERNATIONAL EXPORTER

Inspired by the success of another AgDevCo investment, and following a \$3.9 million debt and equity investment from AgDevCo, Westfalia Fruto established a commercial avocado plantation in central Mozambique, becoming the country's first large-scale avocado exporter. Westfalia Fruit is also working with a group of 34 neighbouring smallholder litchi farmers to share know-how and learnings. Productivity has increased and GlobalGap certification has been obtained, which ensures produce traceability and access to attractive export markets.

In 2016, Westfalia Fruto marketed 160 tonnes of litchis to France, increasing the farmers' group income four-fold and paving the way for a new litchi block farm. This is a long-term project given the seven years it takes for litchi trees to come into production. If successful, this enterprise will drive a viable horticultural export industry and create a middle class of local fruit producers in a deprived region of Mozambique.

SMALLHOLDERS IN THE AREA USED TO GROW LITCHIS AD HOC AND MANY NEARLY GAVE UP FARMING THEM ALTOGETHER. THREE YEARS LATER, LITCHIS ARE NOW AN ESTABLISHED EXPORT CROP, WITH FARMERS EMPLOYING SEASONAL WORKERS AND LOOKING FOR FURTHER EXPORT OPPORTUNITIES.