

Mozambique

Sustainable Investment Requirements



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Mozambique

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About the paper

This is a national companion guide to the publication *The Business Guide for Sustainability in Foreign Investments*. The companion guide presents an overview of Mozambique's environmental and social regulations for investment operations in agroprocessing and light manufacturing. It also provides contacts of relevant national ministries and enforcement bodies.

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For more information on PIGA, see: <http://www.intracen.org/piga/>

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Foreword by ITC

Foreign investment in Mozambique unlocks opportunities to reach new regional and global markets and better serve the local market. The actions taken by business managers have tremendous spillover effects, not only for the local economy, but for the social and environmental conditions of the local population. As part of the post-pandemic recovery, investing sustainably is essential.

National legislation, regional trade agreements, and market demand all trend towards increased consideration for social and environmental practices. Beyond the business case for sustainability, international firms and local business must be aware of the requirements in their country of operation in order to avoid repercussions and remain competitive.

This national companion guide provides the mandatory social and environmental requirements for investing in Mozambique in agroprocessing and light manufacturing. The guide details the steps businesses must take in their investment journey and the respective agencies they will contact along the way. The recommendations as well as the tools, such as sustainability checklists and resource directories, provide practical support to investors in their journey to improve their business practices.

This is a companion guide to the publication *The Business Guide for Sustainability in Foreign Investments*, which makes the business case for sustainable investment and provides common sustainability practices that firms must consider when starting operations in a foreign country.

This guide is an outcome of the research conducted for the Partnership for Investment and Growth in Africa, funded by the United Kingdom's Foreign, Commonwealth & Development Office. It is based on insights of ministries, investors, businesses and experts at the International Trade Centre.

Pamela Coke-Hamilton
Executive Director
International Trade Centre

Foreword by APIEX

Mozambique's trade and economy have grown steadily over the last 40 years thanks to a range of macroeconomic reforms led by the Government, which has worked in partnership with the private sector and international development agencies. For the country to reach the next level of economic growth and continue to reduce its poverty levels, however, foreign direct investment must be carried out in a sustainable manner, covering three main pillars – namely social, economic and environmental.

This companion guide was developed to provide a clear path for foreign investors to invest responsibly in Mozambique. The intention is to catalogue the necessary policies, rules and procedures related to the environment and labour, and to provide a list of the most relevant government institutions in the country that will help foreign investors in their decision-making process, encouraging them to make sustainable, responsible investments.

We would like to acknowledge the support of the International Trade Centre's Partnership for Investment and Growth in Africa project and the United Kingdom's Foreign, Commonwealth & Development Office for their support in developing this guide. This initiative will benefit Mozambique's Investment and Export Promotion Agency APIEX tremendously in the promotion of exports and foreign direct investment.

Lourenco Sambo

Director General
Investment and Export Promotion Agency,
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About ITC

Established in 1964, the International Trade Centre (ITC) is the joint agency of the World Trade Organization and the United Nations. Its mission is to foster inclusive and sustainable economic development and contribute to achieving the United Nations Global Goals for Sustainable Development.

ITC is the only development agency that is fully dedicated to supporting the internationalization of small and medium-sized enterprises. It helps these businesses in developing and transition economies become more competitive and connected to international markets for trade and investment, thus raising incomes and creating job opportunities, especially for women, young people and poor communities. ITC works with policymakers, trade and investment support institutions, exporters and other stakeholders in the public and private sectors to enable export success of small firms in developing countries and transition economies.

Read more at <http://www.intracen.org/>

About the Partnership for Investment and Growth

The Partnership for Investment and Growth in Africa (PIGA) is part of Manufacturing Africa, a flagship programme of the United Kingdom's Foreign, Commonwealth & Development Office facilitating foreign direct investment with high development impact into selected African countries.

Under Manufacturing Africa, PIGA aims to contribute to job creation and sustainable growth in Ethiopia, Kenya, Mozambique and Zambia by helping these countries attract foreign direct investment, specifically Chinese investment, in the agroprocessing and light manufacturing sectors. PIGA is also designed to enhance the capacity of these countries for effective investment promotion.

ITC implements PIGA in cooperation with the China Council for the Promotion of International Trade and the China–Africa Development Fund.

<http://www.intracen.org/piga/>

About APIEX

Mozambique's Investment and Export Promotion Agency (Agência Para a Promoção de Investimento e Exportações, or APIEX) is a public institution with administrative, financial and patrimonial autonomy that was created in 2016. The agency is the result of the merger of the Investment Promotion Centre, the Special Economic Zones Authority and the Institute for Export Promotion.

APIEX promotes and supports exports from Mozambican companies, including small and medium-sized enterprises. It aims to attract and facilitate investment in Mozambique to contribute to the country's national development strategy (Estratégia Nacional de Desenvolvimento), which was launched in 2015, and create jobs, inclusive growth and local development. APIEX also contributes to Mozambique's commitment to the 2030 Sustainable Development Agenda, launched in 2015, by attracting sustainable investment projects.

<http://www.apiex.gov.mz>

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Acronyms

Unless otherwise specified, all references to dollars (\$) are to United States dollars, and all references to tons are to metric tons.

APIEX	Mozambique Agency for Investment and Export Promotion
EIA	Environmental impact assessment
ITC	International Trade Centre
MTA	Ministry of Land and Environment
MITESS	Ministry of Labour, Employment and Social Security
PIGA	Partnership for Investment and Growth in Africa

Chapter 1

Sustainability requirements in Mozambique

Key messages

- Investors are required to obtain an environmental licence for their proposed development, which is granted following the successful production and review of an environmental impact assessment (or project report/brief for low-risk projects).
- The environmental impact assessment or project report process determines environmental requirements for the specific business.
- Compliance with environmental impact assessment requirements and all relevant environmental regulations will be monitored and businesses must submit an environmental audit every year, depending on the details of the national legislation.
- Non-compliance with environmental requirements can result in improvement orders, which, if not followed, can result in closure, imprisonment and/or financial penalties.
- A range of legislation covers labour laws, and the company must understand and comply with relevant legislation. This chapter summarizes only the key points.
- Land regulations should be taken into account, particularly in terms of leasing or purchasing land, where it is vital to ensure that alternative community or tribal rights are considered and respected.

When investing in manufacturing or agroprocessing in Mozambique, it is vital to comply with the national legislation in matters relating to environmental management and working conditions for employees. The following section provides an overview of general principles applicable for investors in any country and specific legal requirements in Mozambique.

General principles

- Do not ask favours from influential government representatives to shortcut processes. This is likely to lead to compliance problems at a later stage. Speak to the relevant government departments and follow their guidance and requirements.

- Do not rely exclusively on foreign investors already working in the country for second-hand knowledge that may be out of date or inaccurate. Make sure you understand what is required from relevant government departments.
- It is usually necessary to hire a specialist (i.e. individual consultant or firm) to undertake a project brief, environmental impact assessment (EIA),¹ environmental audit or decommissioning plan to ensure an objective assessment process. Environmental institutions in Mozambique maintain lists of registered qualified professional companies or individual experts who can provide these services.
- Allocate sufficient time for the EIA process. Engage with the relevant environmental agency as soon as you register a business. Six to 12 months is a reasonable timeframe for a full EIA, including public consultation and review, improvements and approval by the appropriate environmental authority, at which point an environmental licence can be granted for the proposed investment.
- Comply with land use plans where they have been developed on a participatory basis and passed into law to guide spatial development of a region or urban area.
- Be aware of differences in the local method for defining basic salary and remuneration packages. Confusion in this area could lead to a failure to comply with local labour laws.
- Try to obtain national legislation translated into your local language, as well as useful publications and updates on legislative changes (which business associations often produce). These can become outdated, however, and speaking directly to the relevant government department is usually best.
- Specific regulations may be negotiated for the operations of a particular business, with a trade union body representing your workers. This would subsequently be reflected in a legally binding collective bargaining agreement.

Environmental and labour requirements

Investors must follow a set of environmental and labour regulations when setting up a business in Mozambique, during operations or when decommissioning a site due to closure or relocation. These are summarized below, with references to relevant legislation.

¹ Note that EIAs are sometimes referred to as environmental and social impact assessments. The requirements and contents of the assessment remain the same.

Country background

The Mozambican economy has grown remarkably in the last decade, benefiting from major flows of foreign direct investment into various sectors, notably agriculture and agroindustry, tourism, infrastructure development, energy, fisheries and aquaculture, industry and mineral resources. Mozambique boasts a strategic location as a gateway to the Southern African Development Community, providing infrastructure (e.g. ports, railways, pipelines and roads) that gives access to landlocked countries in the region. Mozambique also benefits from a large, competitive and educated labour force.²

Language: Portuguese is the official language of Mozambique. More than 60 different dialects of Bantu languages are also spoken in the country.

Environmental regulations and guidelines

The following environmental regulations must be observed in Mozambique:

- The Constitution of Mozambique (1990)³
- Environmental Law (1997,⁴ amended in 2014⁵)
- Environmental Impact Assessment Regulation (2015)⁶
- Environmental Audit Regulation (2003)⁷
- The Mozambican Criminal Code⁸
- The Civil Code⁹

² For more information on the country overview, refer to pages 2 and 4 of APIEX and ITC (2018). *Investment Guide for Mozambique. Agroprocessing and light manufacturing sectors*. Available from http://www.intracen.org/uploadedFiles/intracenorg/Content/Redesign/Projects/PIGA/PIGA_Mozambique_ENG_20180613_img_web_pages.pdf

³ Constitution of the Republic of Mozambique (2004). Available from <https://www.refworld.org/docid/4a1e597b2.html>

⁴ Law No. 20/1997 of 7 October 1997. Available from (Portuguese) http://www.impacto.co.mz/wp-content/themes/Arpora2_1_0/pdf/Lei%20do%20Ambiente/Lei%2020.1997_Lei%20do%20Ambiente.pdf

⁵ Text not available online.

⁶ Environmental Impact Assessment Regulation. Available from (Portuguese) <http://extwprlegs1.fao.org/docs/pdf/moz174566.pdf>

⁷ Environmental Audit Regulation. Available from (Portuguese) <http://extwprlegs1.fao.org/docs/pdf/moz52141.pdf>

⁸ Text not available online.

⁹ Text not available online.

Environmental impact assessments

Investors must comply with the following environmental management requirements as they set up, operate and decommission a business.

1. Obtaining an environmental licence for a proposed investment

- An environmental licence for a proposed investment is granted depending on an environmental impact assessment of the project. This determines the environmental and social conditions required by law.
- Investors must first visit the ministry that is responsible for the type of proposed project. For example, manufacturing projects require the notification of the Ministry of Industry and Commerce (Ministério da Indústria e Comércio). The Agency for Investment and Export Promotion (APIEX) can help investors in this regard (see institutions listed below). Investors should then submit a letter to that ministry with a project description. This will result in approval in principle, at which point the investor can apply for an environmental licence.
- To secure an environmental licence, investors must apply to the Environmental Impact Assessment Authority at the central or provincial level.¹⁰ The documentation set out in the EIA regulation must accompany applications.
- All activities that could affect the environment are subject to a pre-evaluation procedure to determine the category of the activity and appropriate procedures to be carried out. The EIA authority will judge investments and place them in one of the following categories,¹¹ with different requirements:
 - **Category A+¹² and A:**¹³ Pre-feasibility environmental assessment, including the terms of reference for the EIA, that includes an environmental management plan, a biodiversity balance management plan (when applicable), a report of the physical and socioeconomic assessment (when applicable) and a public consultation report. For activities classified as category A+, an expert reviewer's report precedes both the pre-feasibility assessment and the EIA.

¹⁰ At central level, it is the Ministry of Land and Environment (MTA) through the National Environmental Impact Assessment Directorate. At local level, it is the Provincial Directorate for Coordination of Environmental Action.

¹¹ Note that A and A+ category projects require two rounds of public consultation, B category projects require one round of public consultation and C category projects do not require any public consultation.

¹² Category A+ activities include those 'that, due to their complexity, location or irreversibility and magnitude of possible impact, deserve not only a high level of social and environmental vigilance, but also the involvement of experts in EIA processes'. (APIEX and ITC, 2018, *Investment Guide for Mozambique*). See Appendix 1 for more details.

¹³ Category A activities include those 'that significantly affect living beings and environmentally sensitive areas and their impacts are of longer duration, intensity, magnitude and significance' (*Ibid.*). See Appendix 1 for more details.

- **Category B:**¹⁴ Terms of reference and simplified environmental assessment, including an environmental management plan and a public consultation report.
- **Category C:**¹⁵ Report with proposed general procedures of good practices on environmental management.
- Environmental fees are fixed and paid to the Ministry of Land and Environment (in Portuguese, Ministério da Terra e Ambiente, or MTA). These are subject to change, but in 2019 were as follows:
 - A+ category project: 0.3% of the total investment;
 - A category project: 0.2% of the total investment; and
 - B/C category project: 0.02% of the total investment.
- After an environmental licence is granted for the project, the investor has up to two years to begin the project. An extension can be requested, although this may require the submission of an updated EIA.
- An environmental licence lasts for five years, at which point it must be renewed, with an updated environmental study.

2. Environmental audit to assess compliance with requirements

- One year after operations start, an environmental monitoring report must be submitted to MTA to explain how the business is complying with the environmental management requirements specified in its approved EIA. This process must be repeated once a year.
- All companies must comply with the environmental legislation and guidelines, listed in the box above.
- MTA may require the company to mitigate any issues of non-compliance; it must do this immediately or face financial and/or legal penalties.
- MTA has the authority to inspect a business once a year to verify that the business is complying with the environmental management requirements specified in its approved EIA.

¹⁴ Category B activities include those 'that do not significantly affect living or environmentally sensitive areas compared to category A activities' (*Ibid.*). See Appendix 1 for more details.

¹⁵ Category C activities include those 'that have negligible, insignificant or minimal negative impacts. There are no irreversible impacts in this category and the positive ones are superior and more significant than the negative ones' (*Ibid.*). See Appendix 1 for more details.

3. Decommissioning a site at closure

- A decommissioning plan is required as part of the initial EIA. As the decommissioning process may happen many years later, at the time of closure, an updated decommissioning plan must be prepared and submitted to MTA.
- MTA will advise the company what improvements it must make to the plan. A full decommissioning report must be submitted to MTA upon completion of the remediation works, detailing evidence of compliance with the measures set out in the decommissioning plan.

Labour laws and workplace provisions

The following legislation must be observed in Mozambique:

- Constitution of the Republic of Mozambique (2004, amended in 2007)¹⁶
- Labour Law (2007)¹⁷
- Regulation on the General Labour Inspectorate (2009)¹⁸
- List of Works Considered to be Dangerous for Children (2017)¹⁹
- National Action Plan to Combat the Worst Forms of Child Labour in Mozambique (2017–2022)²⁰
- Law on the Social Protection system (2007)²¹
- The Mozambique Commercial Code (2005)²²

¹⁶ Constitution of the Republic of Mozambique (2004). Available from <https://www.refworld.org/docid/4a1e597b2.html>

¹⁷ Boletim da República I Série, No. 31 (2007, 1 August). Law No. 23/2007. Available from (Portuguese) <https://www.mitess.gov.mz/sites/default/files/documents/files/Lei%2023%202007%20%20Lei%20de%20Trabalho.pdf>

¹⁸ Decree No. 45/2009 of 14 August. Available from <https://www.acismoz.com/wp-content/uploads/2017/06/labour-inspectors-reg.pdf>

¹⁹ Boletim da República I Série, No. 188 (1 December 2017). Decree No. 68/2017. Available from (Portuguese) <https://www.ilo.org/dyn/natlex/docs/ELECTRONIC/106420/130733/F1846847640/decreto%2068%20mozambique.pdf>

²⁰ República de Moçambique (2017). Plano de Acção Nacional para o Combate às Piores Formas de Trabalho Infantil em Moçambique (2017–2022). Available from (Portuguese) <https://www.ilo.org/dyn/natlex/docs/ELECTRONIC/106421/130734/F2024838475/MOZ106421.pdf>

²¹ Ministry of Women and Social Action (2012). Legal Framework for Social Security in Mozambique. Available from <http://www.pension-watch.net/silo/files/legal-framework--moz.pdf>

²² Mozambique Commercial Code. Decree 2/2005 of 27 December. Available from <https://osall.org.za/docs/2011/03/Mozambique-Commercial-Code-Companies-Act-Decreto-Lei-2-2005-de-27-Dezembro-English-translation.pdf>

- The Investment Law and Regulations (1993, decree in 2009)²³
- Labour regime for the industrial free zones (1999)²⁴
- Industrial Free Zones Regulation (1999)²⁵
- Regulation of the Land Law (1997)²⁶

Summary of key labour law provisions

The legislation above specifies many other laws and conditions, and employers should make sure they understand and comply with what is relevant to their business.

Minimum wage: Yes; specified for different categories.

Working hours:

- Eight hours/day and 48 hours/week
- The employer is required to provide a minimum of 30 minutes of daily rest, and one full rest day per week.
- The normal period of daily work may be extended to up to nine hours, provided the employee receives a complementary half-day of weekly rest.
- It is also possible exceptionally to increase, by a collective bargaining agreement, the normal maximum period of daily work up to a maximum of four hours, as long as the amount of the weekly work does not exceed 56 hours.

²³ Assembleia da República (1993). Law No. 3/1993 of 24 June. Available from (Portuguese) <https://www.wipo.int/edocs/lexdocs/laws/pt/mz/mz016pt.pdf>

Available from (English) <https://cta.org.mz/wp-content/uploads/2019/05/Legisla%C3%A7%C3%A3o-InvestEversion.pdf>

²⁴ For detailed information on the regulatory framework for hiring foreigners in Mozambique, see also: APIEX (2019). 'Hiring of Foreigners in Mozambique. Regulatory regimes and practices. Reference for investors.' Available from https://www.jica.go.jp/mozambique/english/office/others/c8h0vm0000f4kbj-att/hiring_en.pdf

²⁵ *Ibid.*

²⁶ MozLegal (2004). Land Law Legislation No. 19/1997. Available from:

http://www.impacto.co.mz/impacto-en/wp-content/themes/Arpora2_1_0/pdf/Lei%20de%20Terras/Ing/Mozambique-Land-Law-Legislation.pdf

Overtime:

- The employee may be asked to perform overtime work up to a maximum of eight hours per week (or 96 hours per three-month period; 200 hours per year).
- Overtime is to be compensated in accordance with the categories outlined in the Labour Law.

Rest days: Workers are entitled to 24 consecutive hours of rest per week.

Paid leave: The employee is entitled to paid vacation as follows:

- One day per month of effective work, during the first year of contract;
- Two days per month of effective work, during the second year of contract;
- Thirty days per year as of the third year of contract. Employees are entitled to split holidays, provided that each fraction is at least six consecutive days.

Paid public holidays: Workers are entitled to paid public holidays. There are nine mandatory public holidays and one municipal holiday. Whenever the public holiday takes place on a Sunday, it is transferred to the following Monday, unless the labour activities cannot, by nature, be interrupted. Mozambique's public holidays are: New Year's Day (1 January); Heroes' Day (3 February); Women's Day (7 April); Worker's Day (1 May); Independence Day (25 June); Lusaka Peace Agreement Day (7 September); Armed Forces Day (25 September); Peace Day (4 October) and Family Day (25 December).²⁷

Maternity leave: Female employees are entitled to a paid maternity leave of 60 consecutive days, which can start 20 days before the delivery date.

Nursing: Female employees are entitled to a daily interruption of their work schedule to accommodate breastfeeding, until one year after giving birth. Employers should consider voluntarily providing appropriate locations in the workplace for nursing.

Paternity leave: Male employees are entitled to a paternity leave of seven days, which they must take within 30 days of the birth of the child, and not more than once every two years. Additional paternity leave may be granted for a period of 60 days, when there is a death, or physical or mental incapacity of the mother (to be proven by the Health Board).

²⁷ Portal do Governo de Moçambique (n.d.). Informação Geral. Available from (Portuguese) <http://www.portaldogoverno.gov.mz/por/Mocambique/Informacao-Geral>

Sick leave: Employees are generally eligible for up to 15 days per year of sick leave, or five non-consecutive days per quarter. Additional time may be granted at the discretion of the Health Board. National social security will pay for 365 days of continuous sick leave for a non-occupational illness or accident.

Absence from work/compassionate leave: An absence from the workplace during the period in which the employee is obliged to work can be granted for the following reasons:

- Five days for the employee's marriage;
- Five days for the death of the employee's spouse, father, mother, child, stepchild, sibling, grandparent, stepfather or stepmother;
- Two days for the death of the employee's uncle, aunt, cousin, niece, nephew, grandchild or in-law;
- Inability to attend work for reasons beyond the employee's control, such as illness or accident;
- Accompanying the employee's hospitalized child(ren), or other underage children under his/her responsibility;
- Periods of convalescence for female employees, in cases of abortion or miscarriages occurring more than seven months before the expected birth;
- Other absences previously or subsequently authorized by the employer, such as for participation in sporting or cultural activities.

If one of the aforementioned absences is foreseeable, it should be notified to the employer at least two days in advance. Justified absences shall not result in loss of remuneration, length of service and/or holidays. Absences justified on grounds proven to be false may be subject to disciplinary proceedings.

Medical insurance: Employers deduct social insurance contributions as part of their pay.

Work injuries: Employees must be compensated in accordance with the relevant legislation in the Labour Law.

Disability rights: Mozambique is a signatory of the Convention on the Rights of Persons with Disabilities, and the Labour Law establishes that it is prohibited to discriminate employees on the basis of disability.

Occupational health and safety requirements: Investors should ensure compliance with the Labour Law (and the Decree No. 53/05 of 15 August) on legal regime of accidents at work and occupational diseases.

Trade unions: Trade unions have the right to draw up their bylaws, to elect their representatives, to organize their management and activity, and to formulate their action programmes.

Preventing child labour: Mozambique has a severe child labour problem that is drawing international scrutiny. Investors should ensure compliance with the Labour Law and relevant decrees listed above.

Labour inspection: The General Labour Inspectorate has free access to all establishments under its supervision and may ask employers to provide any information deemed necessary to carry out a compliance assessment. Inspections may occur under a pre-established framework of inspections or triggered by a complaint, upon the request of trade unions or under exceptional circumstances.

Penalties for non-compliance of employers: The legislation sets out a variety of penalties for employers that fail to comply with the relevant legislation.

Resolving workplace disputes: Mozambique has three authorities with powers to resolve labour disputes: (i) the Commission on Labour Mediation and Arbitration, (ii) judicial courts with labour jurisdiction and (iii) arbitration courts.

Ownership rights to land and other assets on land:

- Mozambique does not recognize the private ownership of land.
- The Mozambican Constitution establishes that land is owned by the state and cannot be subject to any sort of sale or encumbrance. Any attempt to sell land is deemed a criminal offence and both the seller and the buyer can be held liable and subject to imprisonment.
- The use and benefit of the land can be granted to any entity (both local and foreign) provided a development plan is submitted and approved. Local communities that are granted land use under a development plan must also approve occupancy and be compensated for discontinuing the use of the land.
- The title that enables use and benefit of the land granted to private entities is referred to as the Right to Use and Benefit from the Land (*Direito de Uso e Aproveitamento da Terra* in Portuguese). This title is granted in compliance with the Land Law.
- The investor and/or developer must engage with the representatives of local communities that make use of the land, to evaluate the conditions for such communities to vacate the land. Compensation may be due if there are improvements on the parcel of land identified.
- Land use titles enable the holder to make improvements based on which land has been granted (respecting the zoning of the area where the land is located).
- Once improvements are made, the titleholder can register all infrastructure built with permanent character (that constitutes a real estate property) at the Land Registry Office, as it can be privately owned, leased, transferred and encumbered.

In addition to the legislation above, the Investment Law and Regulations²⁸ of 1993 and its updated Regulations in 2009 establish that foreign direct investments carried out in Mozambique must pursue certain objectives that contribute to sustainable development, namely:

- The development, rehabilitation, modernization or expansion of economic infrastructure for the operation of productive activities, or for rendering services necessary to support productive economic activities and promote the country's development;
- The expansion and improvement of national production or the capacity to render services that support productive activities;
- Contribution towards training, expansion and development of national entrepreneurs and Mozambican business partners;
- The creation of jobs for national employees and improvement of professional skill levels of the Mozambican labour force;
- Promotion of technological development and the improvement of entrepreneurial productivity and efficiency;
- Increased and diversification of exports;
- The rendering of productive services and those generating foreign currency;
- The reduction and substitution of imports;
- Contribution towards improving the supply of domestic markets and the satisfaction of the priority and basic needs of the population.

²⁸ Investment Promotion Centre (n.d.). Legislation on Investment in Mozambique. Available from (English): <https://cta.org.mz/wp-content/uploads/2019/05/Legisla%C3%A7%C3%A3o-InvestEversion.pdf> (Portuguese): <https://www.wipo.int/edocs/lexdocs/laws/pt/mz/mz016pt.pdf>

Chapter 2

Summary checklist

Potential investors in the agroprocessing and light manufacturing sectors in Mozambique should consider various environmental and labour requirements when setting up their business operations. The steps included in the checklist below refer to different categories of procedures that investors must follow to obtain their investment certificate and start running their business.²⁹

Figure 1 Checklist: Environmental and labour requirements for investors

Legend of icons per investment stage:		
		
No legal labour and environmental requirements set at the investment stage.	No legal labour and environmental requirements are set at this stage, however investors should take into account certain considerations.	Investors need to comply with legal labour and environmental requirements at this stage.
	<p>1. Business opportunities for investing in Mozambique</p> <p>No legal labour or environmental requirements are set at this stage for investors considering opening a business in Mozambique. Nonetheless, investors should consider the following:</p> <ul style="list-style-type: none"> • Collect information about the labour legal system and environmental regulation in the invested country. • Understand which sustainability areas will be affected by the investment and include this analysis in project design. • Understand the social, environmental, economic and political context of the invested country. Refer to the ITC PIGA Investment Guide Mozambique³⁰ for more information. 	
	<p>2. Starting a business</p> <p>No legal labour or environmental requirements are set at this stage for investors considering opening a business in Mozambique.</p>	

²⁹ Steps 1 to 12 are retrieved from APIEX and ITC (2018). *Investment Guide for Mozambique. Agroprocessing and light manufacturing sectors*. ITC, Geneva. Available from http://www.intracen.org/uploadedFiles/intracenorg/Content/Redesign/Projects/PIGA/PIGA_Mozambique_ENG_20180613_img_web_pages.pdf

³⁰ *Ibid.*

	<p>3. Legal obligations when starting a business</p> <ul style="list-style-type: none"> • Declaration of commencement of activities for labour purposes Relevant legislation: Labour Law (Law no. 23/2007) <p>Institution involved in the process: Ministry of Labour, Employment and Social Security</p> <ul style="list-style-type: none"> • Enrolment of the company and employees in the social security system Relevant legislation: Law on the Social Protection system (Law 4/2007) <p>Institution involved in the process: National Institute of Social Security, as part of the Ministry of Labour, Employment and Social Security</p> <p>(See Appendix 2 for more information)</p>
	<p>4. Foreign taxpayer registration</p> <p>No legal social or environmental requirements are set at this stage for investors considering opening a business in Mozambique.</p>
	<p>5. Obtaining an investment certificate</p> <p>No legal social or environmental requirements are set at this stage for investors considering opening a business in Mozambique.</p>
	<p>6. Mandatory local bank accounts</p> <p>No legal social or environmental requirements are set at this stage for investors considering opening a business in Mozambique.</p>
	<p>7. Import and export registration requirements and taxes</p> <p>No legal social or environmental requirements are set at this stage for investors considering opening a business in Mozambique.</p>
	<p>8. Land and buildings</p> <ul style="list-style-type: none"> • Submit an application to obtain the Right and Use and Enjoyment of the Land (acronym DUAT in Portuguese) <p>Relevant legislation: Regulation of the Land Law (Law No. 19/97 of 1 October)</p> <p>Institutions involved in the process: Relevant municipality if the plot is located within the municipal area, or Provincial Directorate of Agriculture if the plot is located outside the municipal area.</p>

	<p>9. Environmental issues for obtaining an environmental licence</p> <ul style="list-style-type: none"> • Pre-evaluation study: <p>Category A and A+ activities:</p> <p>I. Pre-feasibility environmental study</p> <p>II. Terms of reference for the environmental impact study including:</p> <ul style="list-style-type: none"> – Environmental management plan; – Biodiversity balance management plan (when applicable); – Report of the physical and social-economic assessment (when applicable); – Public consultation report. <p>For activities classified as A+, an expert reviewers' report precedes both the pre-feasibility environmental study and the EIA.</p> <p>Category B activities:</p> <p>I. Terms of reference and respective simplified environmental study, including an environmental management plan and a public consultation report.</p> <p>Category C activities:</p> <p>I. Report with proposed good practices on environmental management</p> <p>Relevant legislation: Environmental Impact Assessment Regulation (approved by Decree 54/2015)</p> <p>Institutions involved in the process: relevant ministry to the type of proposed investment project, EIA Authority at central or provincial level</p> <ul style="list-style-type: none"> • Performing an EIA <p>II. Obtaining an environmental licence</p> <p>Relevant legislation: Environmental Law approved by Law No. 20/1997), and Environmental Impact Assessment Regulation (approved by Decree 54/2015)</p> <p>Institution involved in the process: MTA</p>
	<p>10. Rules and regulations for expatriates (employment contracts, labour law and documentation)</p> <p>Relevant legislation: Labour Law (Law No. 23/2007 of 1 August)</p> <p>Institutions involved in the process: Ministry of Labour, Employment and Social Security, and National Migration Services and Mozambican Consulate in the country of the investor.</p> <p>See Appendix 3 for detailed information.</p>

	<p>11. Investing in special economic zones</p> <p>Special economic zones are areas created by the Mozambican Government. The Government, in collaboration with APIEX, first determines which measures investors should adopt to protect the environment. This assessment identifies which activities are exempt of the EIA, which means foreign investors would only need to obtain an EIA (following the procedures defined under step 9 in this checklist) if their activities are not exempted of an EIA for that special economic zone.</p> <p>Institutions involved in the process: Agency for Investment and Export Promotion and MTA</p>
	<p>12. Sectoral nuances and permissions</p> <p>No legal social or environmental requirements are set at this stage for investors considering opening a business in Mozambique.</p>
	<p>13. Legal considerations after the start of business operations</p> <p>Environment:</p> <ul style="list-style-type: none"> • Environmental audit to assess compliance with requirements established by the EIA <p>Relevant legislation: Environmental Audit Regulation (2003)</p> <ul style="list-style-type: none"> • Decommissioning a site at closure <p>Relevant legislation: Environmental Impact Assessment Regulation (approved by Decree 54/2015)</p> <p>Institution involved in the process: MTA</p> <p>Labour:</p> <ul style="list-style-type: none"> • Labour provisions described in this chapter <p>Institution involved in the process: MITESS</p>

Chapter 3

Directory of institutions and strategies

Local institutions often have dedicated units that can provide background context or suggestions to investors on more sustainable production processes or business approaches, within the context of their specific region. Factors to be discussed with local institutions include:

- Location selection to maximize sustainable outcomes and minimize risks to local populations and the environment;
- Sustainable sourcing and production techniques;
- Where to source raw materials;
- Recruitment of local workforce;
- Vertically integrated supply chains – linking to value chains;
- Circular opportunities, including with other businesses;
- Resilience to the impacts of climate change and biodiversity loss evident now and likely in the future.

A list of the most important government institutions and business associations available in Mozambique follows:

Agency for Investment and Export Promotion (Agência Para a Promoção de Investimento e Exportações, APIEX) was created from the 2016 merger of the Investment Promotion Centre, the Special Economic Zones Authority and the Institute for Export Promotion. Its objective is to promote and facilitate private and public investment and exports, special economic zones, industrial free zones and rapid development zones.

Website: <http://www.apiex.gov.mz/>

Address: Av. Ahmed Sekou Touré, No. 2539, P.O. Box 1669, Maputo

Phone: +258 21 321 291

Confederation of Business Associations of Mozambique (in Portuguese, Confederação das Associações Económicas de Moçambique)

Website: <https://cta.org.mz>

Address: Avenida Patrice Lumumba, 927, Maputo

Phone: +258 21 321 002

E-mail: info@cta.org.mz

Ministry of Labour, Employment and Social Security (Ministério do Trabalho, Emprego e Segurança Social) is in charge of proposing, designing, developing, managing and overseeing policies related to all areas of labour, employment and labour relations, labour training and social security.

Website: www.mitess.gov.mz

Address: Av. 24 de Julho, No. 2351, Maputo

Phone: +258 21 428 303 / +258 21 428 301

E-mail: admin@mitess.gov.mz

Ministry of Land and Environment (in Portuguese, Ministério da Terra e Ambiente) is responsible for environmental matters, acting through the Department for Environmental Licensing. The EIA Authority, which is under the ministry's supervision, functions both at central and provincial levels. It coordinates the process of environmental impact assessment and issues environmental permits and licences.

Website: www.mta.gov.mz

Address: Rua de Resistência, 1746/7, Maputo

Phone: +258 823 063 020

Mozambique Chamber of Commerce

Website: <http://ccmoz.org.mz/>

Address: Rua Mateus Sansão Muthemba, 452, Maputo

Phone: +258 868 778 410 / +258 828 778 410

E-mail: info@ccmoz.org.mz

National development strategies

- National Development Strategy (2015–2035)³¹
- Mozambique's Agenda 2025³²
- National Agricultural Development Strategy³³
- National Strategy and Action Plan of Biological Diversity in Mozambique (2015–2035)³⁴

³¹ República de Moçambique (2014). Estratégia Nacional de Desenvolvimento (2015–2035). Available from (Portuguese) https://www.cabri-sbo.org/uploads/bia/mozambique_2015_planning_external_national_plan_author_region_portuguese.pdf

³² The Committee of Counsellors (2003). Agenda 2025. The Nation's Vision and Strategies. Available from <https://www.foresightfordevelopment.org/sobipro/55/130-agenda-2025-the-nations-vision-and-strategies>

³³ Portal do Governo de Moçambique (n.d.). Estratégia de Desenvolvimento Agrário. Available from (Portuguese) <http://www.portaldogoverno.gov.mz/por/Governo/Documentos/Estrategias/Agricultura-Ambiente-e-Florestas>

³⁴ Ministério da Terra, Ambiente e Desenvolvimento Rural (2015). National Strategy and Action Plan of Biological Diversity of Mozambique (2015–2035). Available from <http://www.biofund.org.mz/wp-content/uploads/2017/03/NBSP-Biodiversity-Strategy-and-Plan-Mocambique-2015-2035-Ingl.pdf>

Appendices

Appendix I

Categories of activities to determine environmental impact assessment procedures

(Retrieved from the PIGA Investment Guide Mozambique)

Category A+

This category includes activities with the following characteristics and locations:

- a. Physical and economic displacement of families that does not correspond with the pre-defined resettlement model in the Regulation on the Resettlement Process Resulting from Economic Activities;
- b. Activities located in areas with a high biodiversity value;
- c. Activities with irreversible potential impact prior to the application of mitigation measures in areas where human activity has not substantially modified the native ecological functions and species composition of the area;
- d. Activities whose location is in conservation and protected areas and in their buffer zones, with the exception of activities proposed by the managing entity of said conservation area, when intended to improve its management;
- e. Activities whose implementation directly affects coral reefs and primary dunes, mangroves, wetlands and seagrass whenever the affected area exceeds 1 hectare;
- f. Populated areas where the concerned activity may involve high levels of pollution or other disturbance that significantly affects local communities;
- g. Zones of unique scenery;
- h. Native forests;
- i. Zones containing animal or plant species, habitats and endangered ecosystems. This category includes: (i) the treatment and manufacture of dangerous substances classified as carcinogenic, mutagenic or toxic; (ii) the manufacture of products using genetically modified organisms and their derivatives; (iii) manufacture of pesticides; (iv) nuclear power plants; (v) processing and storage of radioactive waste; (vi) extraction and processing of ores; (vii) extraction, storage, transportation, processing and production of hydrocarbon derivatives; and (viii) underground and surface storage facilities for combustible gases.

Category A: This category includes activities related to or located in areas with the following characteristics:

- a. Areas and ecosystems recognized as having special protection status under national and international law, such as small islands, eminent erosion zones, areas exposed to desertification, areas of archaeological, historical and cultural value to be preserved, protection areas of sources and sources of supply, and groundwater reservoirs;
- b. Populated areas that imply the need for reassignment, such as regions subject to high levels of development or where conflicts exist in the distribution and use of natural resources, areas along water courses or areas used as a source of water for community consumption, zones containing valuable resources such as aquatic, mineral and medicinal plants, etc., and areas prone to natural disasters.

For the agroprocessing and light manufacturing sectors, the A Activities category includes the following activities:

Forest exploration

- Exploration, parcelling and exploitation of native vegetation cover with individual or cumulative areas greater than 100 hectares;
- All deforestation activities with more than 50 hectares, reforestation and afforestation of more than 250 hectares

Agriculture

- Activities of parcelling for agriculture of more than 350 hectares with irrigation and 1,000 hectares without irrigation;
- Conversion of agricultural land for commercial, urban or industrial purposes;
- Conversion of equivalent areas or more than 100 hectares of uncultivated agricultural land for more than five years for intensive agriculture;
- Introduction of new exotic crops and species;
- Irrigation systems for areas of more than 350 hectares;
- Intensive livestock activities of more than: 1. 50,000 poultry per year; 2. 1,500 pigs or 100 breeding sows per year; and 3,500 bovine animals per year or individual or cumulative area less than or equal to 1,000 hectares.
- Extensive livestock activities of more than: 1,500 cattle per year or individual or cumulative area less than or equal to 2,000 hectares (4 hectares per animal); 2. 2,000 animals per year (small ruminants – goats and sheep).
- Aerial or field spraying in individual or cumulative areas exceeding 1,000 hectares.

Fisheries

- Industrial fishing activities involving increased pressure on fishery resources;
- Aquaculture activities with more than 100 tons of production per year.

Textiles, leather, wood and paper

- Manufacture of paper and paperboard of a capacity exceeding 20 tons per day;
- Washing, bleaching, mercerizing or dyeing of fibres and textiles having a capacity of 10 tons or more per day;
- Construction of tanneries with a capacity exceeding 12 tons per day;
- Installations for the production and treatment of pulp with a capacity of 40 tons or more per day

Treatment and disposal of solid waste and effluents

- Storage, transport, treatment and disposal of hazardous industrial waste; sanitary landfills with a capacity of more than 150,000 inhabitants;
- Storage, transportation, treatment and disposal of hospital waste, central, general, provincial, district and clinics with maternity and general surgery services;
- Sewage and sewage treatment facilities with a capacity of more than 150,000 inhabitants;
- Cemeteries with an area greater than 50 hectares;
- Incinerators of waste treatment and others.

Category B

- a. Wood processing plant;
- b. Factory for processing of paints and varnishes;
- c. Factory for food and beverage processing with production of more than 10 tons per day;
- d. Storage areas of scrap more than five hectares;
- e. Cashew nut processing plant;
- f. Breeding of poultry with capacity between 1,000 and 1,500 animals per year;
- g. Transformation or removal of indigenous vegetation in areas 100–200 hectares without irrigation;
- h. Production and processing of juices;

- i. Industrial production of concrete. This type of activity should be located in industrial parks or in areas located at a minimum distance of 6 kilometres from housing areas;
- j. Industrial production of blocks of cement, kerbs and paves;
- k. The production of milk and milk products;
- l. Industrial flour processing;
- m. Production and processing of wicks;
- n. Ceramic industry;
- o. Slaughterhouses;
- p. Fish processing industry;
- q. Industrial carpentry;
- r. Manufacture of cigarettes, cigars and the like;
- s. Dredges for maintenance of the navigational conditions, provided they do not exceed the previously achieved background dimensions;
- t. Maintenance and reconstruction of coastal erosion works;
- u. Activities in conservation areas proposed by the conservation management entity, aimed at improving its management.

Category C

- a. Irrigation systems with an individual or cumulative area of 50–100 hectares;
- b. Production of plastic bags with a thickness of more than 30 micrometres;
- c. Domestic carpentry and joinery;
- d. Factories of biscuits, pastas and sweets;
- e. Bakery industry;
- f. Fruit and vegetable preservation industry – production of 300 tons per day or less;
- g. Manufacture of fibre, particleboard and plywood panels;
- h. Intensive livestock activities (poultry <1,000 animals per year)
- i. Manufacture of toilet paper and napkins;
- j. Zinc sheet bending.

Appendix II

Legal labour obligations when starting a business

(Retrieved from the PIGA Investment Guide Mozambique)

1. Declaration of commencement of activities for labour purposes

Where to go? The Ministry of Labour, Employment and Social Security.

What to do? Submit the relevant communication, up to 15 days before the start of activities

What are the documents and information required?

- Communication letter;
- Copy of operating licence(s);
- Copy of declaration of commencement of activity for tax purposes, acknowledged as received by the Mozambique Revenue Authority.

How much time will it take? One day.

What are the costs? Free of charge.

What will you obtain? MITESS will only acknowledge receipt of the communication if you stamp and put the receipt date on it.

What is the next step?

- Enrol the company and employees in the social security system;
- Submit a nominal list of employees to MITESS on an annual basis;
- Submit an application for working hours schedule approval to MITESS;
- Purchase books for the registration of overtime and the registration of exceptional work;
- Purchase employee files and complete them with the required information;
- File relevant documents and information in files mentioned in previous point;
- Purchase work cards, complete them and submit for approval of MITESS;

- Have the relevant authorities approve internal regulations. The three steps fully described herein a) declaration of commencement of activities for tax purposes, b) for labour purposes and c) enrolment with the National Institute of Social Security are the three first major steps to start operating.

Then the submission of the below additional documents are tasks and although necessary, which are not described in details as associated with few straightforward procedures.

2. Enrol the company and employees in the social security system

Where to go? National Institute of Social Security.

What to do? Submit the application to enrol the company and employees in the social security system.

What are the documents and information required?

- Application letter;
- Copy of operating licences;
- Copy of declaration of commencement of activities for tax purposes;
- Copy of employees' identification documents.

How much time will it take? Fifteen days on average.

What are the costs? Free of charge.

What will you obtain? A document attesting to the registration with the identification numbers in the social security system.

What is the next step? Make the social security deductions on a monthly basis, submit the relevant returns and pay said deductions.

Appendix III

Rules and regulations for expatriates

(Retrieved from the PIGA Investment Guide Mozambique)

Employment contracts, labour law and documentation

All citizens who enter Mozambique should use official borders and bear a valid passport with a valid visa. For work purposes, expatriates should hold a work visa and the passport should be valid for more than six months.

Employment contracts entered into with a foreign citizen must comply with the following:

- Be in writing;
- Be concluded for a renewable fixed term not exceeding two years;
- In the event of termination of employment for any reason, the employer must give notice of that fact to MITESS and to the National Migration Services within 15 days.

The Labour Law allows the hiring of foreign employees, governed by the principle of equal treatment and opportunities. This principle does not preclude the duty imposed on employers, domestic and foreign, to create conditions for the integration of Mozambican employees in jobs of greater technical complexity and management and administration positions in the company, and the possibility that, for specific reasons, including public interest, the Mozambican state may reserve certain functions or activities solely for Mozambicans.

Under these general rules, hiring foreigners may be performed through one of the following routes:

- I. Hiring under the quota system – work permit;
- II. Short-duration hiring;
- III. Hiring with authorization (outside the quota system) – work permit.

Hiring under the quota regime is undertaken within the available quota applicable to the employer, with a minimum limit of one foreign employee: (i) in large companies, 17 equivalent to 5% of all employees; (ii) in medium companies, 18 equivalent to 8% of all employees; and (iii) in small companies, 19 equivalent to 10% of all employees. Employment authorization is not required when hiring under investment projects. The employer simply needs to inform MITESS about the hiring of the employee or employees in question within 15 days of their entry into the country.

The short duration hiring comprises cases of employers who wish to admit expatriate workers for a period of less than 30 days, extendable up to 90 days a year. Hiring outside the quota system is not such a straightforward process as the one under the quota system.

Where to go?

- For hiring an expatriate or obtaining a work permit (under the quota system): MITESS.
- For hiring an expatriate or obtaining a work permit (outside the quota system): MITESS.
- Short-duration hiring: MITESS.
- For work visa: Mozambican Consulate with jurisdiction over applicant's country
- For residence visa: Mozambican Consulate with jurisdiction over applicant's country
- For residency permit (DIRE): National Migration Services in the province in which the employee is going to work.

What to do?

- Execute/sign the work contract before leaving the country of origin;
- After obtaining the work permit, apply for a work visa and travel to Mozambique with the relevant documents, which are issued in the country of origin;
- Once in Mozambique, obtain the residency permit (DIRE), in accordance with work visa validity

What documents and information are required?

For hiring an expatriate or obtaining a work permit (under the quota system):

- Application;
- Certified copy of passport (all pages) of the relevant expatriate employee without any valid visa for Mozambique;
- Copy of the relevant employment contract or the document that evidences the existence of a contractual relationship;
- Certificate of academic or technical-professional qualifications of the expatriate to be hired and document evidencing his or her professional experience;
- Certificate of academic equivalence issued by the Ministry of Education and Culture;
- Clearance certificate issued by National Institute of Social Security confirming that the employer has no outstanding debts;

- Clearance certificate issued by the Mozambique Revenue Authority confirming that the employer has no outstanding taxes;
- List of workers, approved by MITESS; and
- Evidence of payment of a fee in the amount of five minimum salaries in force for the relevant industry

For hiring an expatriate or obtaining a work permit (outside the quota system):

- Application;
- Certified copy of the full passport (all pages) of the relevant expatriate employee without any valid visa for Mozambique;
- Copy of the relevant employment contract or the document that evidences the existence of a contractual relationship;
- Certificate of academic or technical-professional qualifications of the expatriate to be hired and document evidencing his or her professional experience;
- Certificate of academic equivalence issued by the Ministry of Education and Culture;
- Clearance certificate issued by National Institute of Social Security confirming that the employer has no outstanding debts;
- Clearance certificate issued by the Mozambique Revenue Authority confirming that the employer has no outstanding taxes;
- List of workers, approved by MITESS;
- Opinion of the relevant union body of the sector of activity approving the hiring of such worker; and
- Evidence of payment of a fee in the amount of 10 minimum salaries in force for the relevant industry.

For short-duration hiring:

- Application;
- Certified copy of the passport (all pages) of the relevant expatriate employee without any valid visa for Mozambique;
- Certified copy of company's operating licence;
- Reason for request;
- Evidence of payment of a fee in the amount of five minimum salaries in force for the relevant industry.

For a work visa:

- Application;
- Copy of the work permit;
- Certified copy of the employment contract;
- Criminal record (issued for this purpose in employee's country of origin) issued for no longer than 90 days;
- Certified copy of company's operating licence;
- Certified copy of company's commercial certificate;
- Letter from the company requesting the issuance of the visa, duly signed and stamped (company stamp);
- Certified copy of the employee's passport (all pages), without any valid visa;
- Evidence of payment of the respective fee.

For residence visa:

- Application;
- Copy of the work permit;
- Certified copy of the employment contract;
- Criminal record (issued for this purpose in employee's country of origin) issued no longer than 90 days before submission;
- Certified copy of company's operating licence;
- Certified copy of company's commercial certificate;
- Letter from the company requesting the issuance of this visa, duly signed and stamped (company stamp);
- Certified copy of the employee's passport (all pages), without any valid visa;
- Evidence of payment of the respective fee.

For obtaining a DIRE:

- Application;
- Certified copy of the employment agreement;
- Copy of the work permit;
- Certified copy of the employee's passport (all pages), with work visa obtained in the country of origin;
- Letter from the employer, proving the employment relation between the employer and employee;
- Criminal record (issued for this purpose in employee's country of origin) issued no longer than 90 days before submission;
- Original passport;
- Clearance certificate issued by National Institute of Social Security confirming the employer has no debts;
- Clearance certificate issued by the Mozambique Revenue Authority confirming the employer has no outstanding taxes; and
- Evidence of payment of the relevant fee.

Additional documents required for expatriate's family members

- Certified copy of marriage certificate (in case of husband or wife);
- Criminal record (issued for this purpose in employee's country of origin) issued no longer than 90 days before submission;
- Certified birth certificate (all pages) issued no longer than 90 days before submission, obtained in the country of origin – for children;
- Letter from school attesting that the child is studying there – applicable for children.

How much time will it take?

- Hiring an expatriate or obtaining a work permit: 15 days
- Hiring an expatriate or obtaining a work permit (outside the quota system): 15 days
- Short-duration hiring: 5 days
- Work visa: 15 days
- Residence visa: 15 days
- Residency permit (DIRE): 15 days

What are the costs?

For hiring an expatriate and obtaining a work permit

- Companies operating in the non-financial services sector: MT 27,625
- Companies operating in the financial services sector: MT 52,000
- Companies operating in the construction sector: MT 27,180
- Companies operating in the agriculture sector: MT 18,210
- Companies operating in the fishing sector: MT 23,075
- Companies operating in the mining sector: MT 34,815
- Companies operating in the production and distribution of electricity, gas and water: MT 36,430

For hiring an expatriate or obtaining a work permit (outside the quota system)

- Companies operating in the non-financial services sector: MT 55,250
- Companies operating in the financial services sector: MT 104,000
- Companies operating in the construction sector: MT 54,360
- Companies operating in the agriculture sector: MT 36,420
- Companies operating in the fishing sector: MT 46,150
- Companies operating in the mining sector: MT 69,630
- Companies operating in the production and distribution of electricity, gas and water: MT 72,860

For short-duration hiring

- a. Companies operating in the non-financial services sector: MT 5,525
- b. Companies operating in the financial services sector: MT 10,400
- c. Companies operating in the construction sector: MT 5,436
- d. Companies operating in the agriculture sector: MT 3,642
- e. Companies operating in the fishing sector: MT 4,615
- f. Companies operating in the mining sector: MT 6,963
- g. Companies operating in the production and distribution of electricity, gas and water: MT 7,286

For work visa

- MT 8,750

For residence visa

- MT 8,750

For residency permit (DIRE)

- MT 14,400 (for nationals from the Community of Portuguese Language Speaking Countries)
- MT 19,200 (for nationals from the rest of the world)

What will you obtain?

- For hiring an expatriate or applying for a work permit: work permit
- For hiring an expatriate or applying for a work permit (outside the quota system): work authorization
- For short-duration hiring: work permit for short duration
- For work visa: visa
- For residence visa: visa
- For residency permit (DIRE): the DIRE

What is the next step?

- For hiring an expatriate or obtaining a work permit: obtain a work visa
- For hiring an expatriate or obtaining a work permit (outside the quota system): obtain a work visa
- For short-duration hiring: obtain a business visa
- For work visa: obtain the DIRE
- For residence visa: obtain the DIRE
- For residency permit (DIRE): obtain the tax registration number

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