

## Mozambique coconut producers face an insecure future

**C**ivil war and plummeting world prices have crippled Mozambique's largest producers of copra (dried coconut). The state-owned **Borrór** is now on the brink of collapse and is likely to go up for sale.

It is the only publicly run company of the four that dominate copra production in central Zambézia province - an area which boasts one of the world's largest coconut groves, covering 70,000 hectares along a 400-km stretch of coast as far as Nampula province.

All four companies have been hit by the effects of the civil war and falling prices for Mozambican copra, which have declined in recent years from \$700 a tonne to \$140 a tonne (while Filipino and Indonesian copra fetches far higher prices, averaging \$223 a tonne in May). Borrór has also suffered strikes and management wrangles. Borrór's annual output has fallen from its best-ever performance of 14,000t to 5,000t. Of 100 processing ovens, 94 are out of use. A workforce numbering 8,000 in the early 1980s has been cut to 2,500. The remaining employees are unsure of their jobs, and with pay still owed to them from 14 months ago, they have been out on strike three times already this year.

Although security has recently improved in northern Zambézia province, it is still poor at Borrór's headquarters in Macuse, and the company's management is split on how to revive production. Some want to bring in expatriate management, while others advocate seeking new foreign investors.

Prospective investors so far include Portuguese, French and Dutch companies, as well as the UK's Commonwealth Development Corporation.

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