

POLICY PROGRAMS

MwAPATA Institute

1. MwAPATA Institute and its partners launches the first Annual Agricultural Policy Conference



Picture 1: Guest of Honor, Right Hon. Vice President of Malawi, Dr. Saulos Klaus Chilima (seated center) poses for a group photo with some key stakeholders and organizers of the conference.

On June 1st and 2nd 2021, the MwAPATA Institute hosted the first Malawi Annual Agricultural Policy Conference (MAAPC), focusing on “Supporting Agriculture Transformation in Malawi: Beyond Research to Implementation.” The conference, opened by the Vice President, the Right Honorable Dr. Saulos Klaus Chilima, highlighted the challenges to establishing a growing and inclusive agricultural sector that increased incomes for all Malawians. A broad cross-section of stakeholders participated and highlighted several solutions that will help Malawi achieve the goals of the country’s new Vision, Malawi 2063, on “An Inclusively Wealthy and Self-reliant Nation.”

The Conference was held at the Bingu International Convention Center with others joining virtually. The conference was organized by MwAPATA Institute in collaboration with the National Planning Commission (NPC), Lilongwe University of Agriculture and Natural Resources (LUANAR), Civil Society Agriculture Network (CISANET), Malawi Confederation of Chambers of Commerce and Industry (MCCCI), and the Donor Committee on Agriculture and Food Security (DCAFS). The conference partners were Michigan State University, Foundation for a Smoke Free World's Agricultural Transformation Initiative, Catholic Relief Services, and Pyxus Agriculture Limited.

The Guest of Honor, Right Honorable Dr. Saulos Klaus Chilima, the Vice President of the Republic of Malawi, emphasized on the need to ensure that policies are not only just formulated but implemented to transform the agricultural sector, saying, *“The need to have a platform where applied policy researchers consciously and intentionally interact to interrogate research findings and explore avenues through which such knowledge can be used to effectively inform agricultural policy in the country is no longer optional. It is a must.”*



Picture 2: Prof. Ronald Mangani, Keynote speaker makes his presentation

Prof. Ronald Mangani, Associate Professor of Economics at the University of Malawi, delivered the Keynote Speech entitled *Agriculture Transformation for Wealth Creation: Call to Action*. Prof. Mangani stressed the need for action and called on government to think and act differently. His address highlighted some of the key challenges affecting Malawi, including rapid population growth, slow technical

innovation in farming leading to slow yield growth, and limited non-farm employment opportunities, largely because of slow agricultural growth. Prof. Mangani stressed that the agriculture sector still offers the best immediate option for furthering Malawi's economic transformation. He called for leadership and a “coalition of the willing” to be supported by evidence-based policy analysis which can be ably done by MwAPATA Institute.

The final panel discussion that discussed policy responses and practical solutions arising from the two-day conference comprised of representatives from the Ministry of Agriculture, private sector, civil society, and the donor community. The following ten-point priorities were identified for promoting Malawi's agricultural transformation and diversification process:

- i) Identifying ways and means for government to provide a more favorable policy environment so that private sector can be assured that their investments in the sector will be valued and supported and simultaneously promote agricultural transformation. Among these issues: Address major challenge of enforcement, coherence, consistency, and predictability of export mandates.
- ii) Adopt a holistic approach and establish partnerships with private stakeholders by sharing knowledge and information on research.
- iii) Align agricultural sector budget with the National Agriculture Policy (NAP) and the National Agriculture Investment Plan (NAIP) to trigger agricultural transformation, as the government Affordable Input Program (AIP) may be crowding out other crucial agricultural development programs such as crop/animal science R&D and extension.
- iv) Adopt a holistic approach to implementation of AIP; moving beyond inorganic fertilizer to include integrated soil fertility management practices that improve soil health and lead to farm yield/productivity growth, greater resilience, and transformation.
- v) Efficient utilization of idle estate farms for reallocation to/expansion by efficient farm production units.
- vi) Strategic government support for alternative value chains as was done for tobacco in the 1970s, including investments in crop R&D/seed systems, extension systems, financing, infrastructure, structured markets, processing facilities, mechanization.
- vii) Identify where irrigation investments can increase productivity and then either make those investments (by government) or provide the incentives for the private sector to do so.
- viii) Re-examine/redefine the right balance and emphasis on smallholder farmers, medium-scale, and large-scale farms, based on productivity, equity and transformation criteria as contained in the NAP and NAIP.

- ix) An urgent review of the 2016 land laws is critical to spur land productivity which is key for agriculture transformation. There are still contentious issues that need to be resolved.
- x) Exploit the youth demographic dividend so that youth are attracted to agriculture in meaningful ways.

The closing of the Conference was officiated by Dr. Rodwell Mzonde, Director of Agriculture Planning Services in the Ministry of Agriculture. In his remarks Dr. Mzonde highly commended MwAPATA for filling the gap that existed in leadership and facilitating a coalition of the willing which needs to be supported by evidence-based policy analysis. He echoed the State Vice President who emphasized on the need to bridge the gaps between existing policies and implementation and doing business unusual.

The conference official opening session was attended by three cabinet ministers, namely, Hon. Agnes Nkusa Nkhoma, Deputy Minister of Agriculture; Hon Sosten Gwengwe, Minister of Trade; and Hon. Kezzie Kasambala Msukwa, Minister of Lands.



Picture 3: Dr. Thomas Munthali, Director General, National Planning Commission, contributing during the conference.

Also, present were several Directors from government ministries as well as representatives of parliamentary committees of agriculture, trade and natural resources, the donor community, private sector, civil society, national and international non-governmental organizations, academia, and other sectors.

2. MwAPATA Institute holds a Roundtable on Alternatives to Tobacco Crop

MwAPATA Institute organized a Roundtable to initiate discussions around alternatives to tobacco crop on 20th May 2021. The Roundtable, which sought to answer the question, *If not Tobacco, then What?* came barely few weeks after the State President of Malawi, His Excellence Dr. Lazarus Chakwera advised Malawians that the country needed an exit strategy to transition tobacco farmers to more sustainable and profitable alternative crops. The Guest of Honor, Dr. Alexander Bulirani, Controller of Agricultural Services in the Ministry of Agriculture, said *"I am very happy to officially open this round table discussion today as we can confidently say we have started acting to the directive from the State President when he officially opened the tobacco marketing season on April 20, 2021."* Dr. Bulirani applauded MwAPATA for quickly responding to the call by the State President by organizing the Roundtable to initiate a conversation around identifying promising agricultural value chains that could serve as alternatives to tobacco crop.

The Roundtable commenced with two presentations by Dr. Makaiko Khonje, a Research Fellow at MwAPATA, and Prof. Blessings Chinsinga from University of Malawi. Their presentations were based on some recent analytical work that shed light on viable alternatives to tobacco and pathways to more inclusive agricultural commercialization. Dr.

Khonje shared that tobacco prices have declined since 2008 and that Malawi is already diversifying away from tobacco. He further observed that tobacco still remains the most profitable than most alternatives to efficient growers. He urged the participants to debate on strategies to improve the profitability of the alternative crops.



Picture 1: Dr. Alexander Bulirani delivering the opening speech at the Roundtable.



Picture 2: Dr. Makaiko Khonje making a presentation on Alternatives to Tobacco at the Roundtable.



Picture 3: Prof. Blessings Chinsinga making a presentation on Pathways to Inclusive Agricultural Commercialization at the Roundtable.

Prof. Chinsinga's presentation looked at the triple crisis on land, productivity, and marketing that the country is facing. Prof Chinsinga emphasized on the need to start discussions around possibilities of smallholder agricultural commercialization being placed in the broader context of the triple crisis Malawi is experiencing. The triple crisis calls for policy refocusing, reviews (learning, flexibility, and adaptability) and implementation in a manner that brings about the desired strategic impact. As a way forward, Blessings stressed on the urgent need to implement existing policies to their logical conclusion with dynamism, flexibility, and adaptability within an embedded culture of continuous learning.

Before opening the Roundtable to reactions from the audience, there was a four-member Panel Discussion consisting of Mr. Boyden Ndhlovu from Champhira in Mzimba District; Dr. Betty Chinyamunyamu, the Chief Executive Officer of National Smallholder Farmers Association; Mr. Ronald Ngwira, the Managing Director of Pyxus Agriculture Limited, and Dr. Rodwell Mzonde, Director of Planning Services, Ministry of Agriculture. Mr. Ndhlovu mentioned that he had started to diversify from tobacco to other crops such as groundnuts, and tomatoes. He is also involved in bee keeping. Dr. Chinyamunyamu shared challenges and opportunities that are available in the export of other crops. Mr. Ngwira shared his company's experiences in groundnuts production which they consider another better alternative to tobacco. Dr. Mzonde provided policy options available to guide diversification into other profitable alternative crops.



Picture 7: A Panel consisting of (from R to L) Mr. Boyden Ndhlovu from Champhira in Mzimba District; Dr. Betty Chinyamunyamu, the Chief Executive Officer of National Smallholder Farmers Association (NASFAM); Mr. Ronald Ngwira, the Managing Director of Pyxus Agriculture Limited, and Dr. Rodwell Mzonde, Director of Planning Services, Ministry of Agriculture.

PoISAT Project

- 1. Minister of Agriculture commends PoISAT Project support to agricultural transformation in the Country.**



Picture 1: Hon. Lobin Lowe (fifth from left), Minister of Agriculture, pose for a photograph with the visiting Michigan State University delegation.

Hon. Lobin Lowe MP, Minister of Agriculture applauded PoLSAT Project for supporting the Ministry's agricultural transformation drive. The Honourable Minister said this while welcoming a delegation from Michigan State that paid him a courtesy call in his Lilongwe office on 24 May 2021. The delegation was led by PoLSAT Project's Principal Investigator Prof. Thomas Jayne, who is also a Foundation Professor at the Michigan State University. Prof. Jayne noted that time for agriculture diversification has arrived. The observed trends in tobacco industry over the past decades are telling. Tobacco, the country main foreign exchange earner, sales revenues are dwindling, and farmer participation has declined sharply from 17 percent to 5 percent over the past decade. The area under tobacco cultivation by the smallholder farmers has also declined from 7 percent to 2 percent in the same period. Ninety (90) percent of farmer exiting tobacco growing have moved on to other crops, chiefly maize, oilseeds, and legumes. The remainder are engaged in horticulture, mainly bananas and tomatoes.

Considering this declining trend in tobacco production, the government should seriously consider investments in productivity of emerging alternative crops such as legumes and other commercially viable value chains. Prof. Jayne advised that the Ministry's policy support through programs such as Affordable Inputs Programme (AIP) should be informed by these trends, that is, policy should follow where the farmers are.

On his remarks, Hon Lowe, reiterated Malawi Government's resolve to diversify agriculture in Malawi. In the short term, the Minister indicated that the Ministry is working on promoting agricultural products that are on demand in the local market but short of production. He mentioned bananas and sugarcane as having greater potential for growth in Malawi. The Minister indicated that this will also involve exploiting complementarities among the different programmes that are undertaken by the Ministry with the support of the different development partners. For example, maize grain produced under the support of the AIP could feed into dairy and poultry production.

Hon. Lowe asked PolSAT Project and MwAPATA Institute to support the Ministry in developing a national agricultural diversification strategy. He also requested PolSAT and MwAPATA to conduct a number of analytical research to inform the Ministry's bid to attract and promote emerging commercial farmers, and to assess the magnitude and returns on investment in irrigation infrastructure in Malawi.

The Minister was accompanied by his Deputy Minister, Hon. Agnes Nkusa Nkhoma, and Mrs. Erica Maganga, the Principal Secretary for Agriculture.

2. PolSAT's continuous support towards Ministry of Agriculture's sectoral coordination.

The Policy Support for Agricultural Transformation (PolSAT) Project aims at supporting the creations of an enabling policy and regulatory environment for improved investment climate in the agricultural sector in Malawi. To achieve this goal, PolSAT is continuously supporting the Ministry of Agriculture in several sectoral coordination initiatives.

The Ministry has been working on brainstorming on ways of tracking off-budget expenditures which do not pass through the Ministry's vote. PolSAT Project facilitated the Ministry's engagement with the Donor Committee on Agriculture and Food Security (DCAFS). A representative from DCAFS was invited to make a presentation at the April 201 Monthly policy seminar on Towards Better Coordination in the Utilization of Budgetary and off-budgetary resources from Donors in the Agriculture sector.

Other key areas that the PolSAT is focusing on in the Ministry includes supporting the Agriculture Joint Sector Review (JSR) by working with the Director of Agriculture Planning. Currently the PolSAT team is supporting the Director of Agriculture

Planning Services with the preparation of the Agriculture Sector Performance report for 2021.

As a way of improving performance of Technical Working Groups (TWGs) and their respective inputs into the Sector Working Groups (SWGs) and the JSR, PolSAT and MwAPATA Institute are supporting Ministry of Agriculture to develop guidelines to help in running five NAIP Technical Working Groups with an advert for recruitment of a consultant to lead the process floating in the local newspapers.

3. Ministry of Agriculture benefits from PolSAT's support to Program Development and Implementation

The Ministry of Agriculture continues to work with partners in program development and implementation through different programs and initiatives. Currently PolSAT project is supporting the Ministry in creation of an enabling policy and regulatory environment for improved investment climate in the agriculture sector in Malawi.

Currently, PolSAT is supporting the development of agricultural development programmes for implementation of NAIP more specifically by developing flagship programme on youth in agribusiness. PolSAT has since supported the MoA to convene an inter-ministerial team of experts on 7-9 June 2021 to develop a Youth in Agribusiness Programme proposal to African Development Bank (AfDB).

Further, to ensure progress of agricultural development programmes aligned with NAIP, PolSAT is supporting the Country Agribusiness Partnership Framework which seeks to promote private sector investment within NAIP. Currently a process of recruiting a consultant (Business Investment Officer) to kickstart the Country Agribusiness Framework Operations has been started with support from PolSAT Project.

In terms of the Affordable Inputs Program (AIP) Reforms, PolSAT Project is working in collaboration with other DCAFS members to support the 2020/21 AIP internal review. Currently an AIP reform roadmap has been submitted to the Ministry of Agriculture Management for consideration.

With the support of PolSAT, the Ministry of Agriculture's Director of Planning Services commissioned a study on structure, conduct and performance (SCP) of fertilizer market in Malawi on 15 March 2021. The study seeks to shed some more light on the operations of the fertilizer market in Malawi to inform the Government's policy for a

holistic support to fertilizer market development. A meeting to review the report took place on 28 June 2021.

4. PolSAT supports Ministry of Agriculture with review and development of sectoral policies and regulations.

PolSAT supports the review of policies and strategies by providing technical and financial support to the Ministry of Agriculture to review various policies. The project is taking part in supporting the National Agricultural Policy (NAP). PolSAT participated in two DCAFS meetings aimed at mapping of DCAFS support to 2016 NAP review and development of successor National Agriculture Policy (NAP) on the request from the MoA.



Picture 4 Dr. Janet Banda, Deputy Chief Secretary chairing the meeting on review of the Livestock Development Policy in Salima.

The PolSAT project is also supporting with fast tracking the review of the draft National Livestock Development Policy document. The development of this policy started in 2012 but had been dragged until in July 2020. PolSAT supported the review of the draft policy document by MoA Management, a meeting of the taskforce to address the comments by MoA Management, and a meeting of the Principal Secretaries' Committee on Public

Service Management, Public Sector Reforms, and the Economy in March 2021 to review and clear the draft policy document for submission to Office of the President and Cabinet (OPC) for Cabinet approval.

As a way of supporting the Department of Land Resources Conservation to develop the National Land Resources Management Policy and Strategy PolSAT facilitated Internal Procurement Committee of the MoA in the recruitment of a consultant who has been identified to lead the process.

With support from PolSAT, the Department of Agricultural Extension and Advisory Service held a joint Ministry of Agriculture (MoA) and Office of the President and Cabinet (OPC) meeting to review the Agricultural Extension and Advisory Service Policy for submission to the PSs committee on 8th and 9th April 2021. The policy document is undergoing final edits before submission to OPC.