



Republic of Malawi

SPEECH BY

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PRESIDENT OF THE REPUBLIC OF MALAWI;
MINISTER OF ECONOMIC PLANNING &
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REFORMS**

AT THE

**2021 INAUGURAL MALAWI ANNUAL
AGRICULTURAL POLICY CONFERENCE**

ON

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AT

**BINGU INTERNATIONAL CONVENTION
CENTRE, BICC**

1. Hon. Lobin Lowe, M.P., Minister of Agriculture,
2. Hon. Sosten Alfred Gwengwe, M.P., Minister of Trade,
3. Hon. Kezzie Kasambala Msukwa, Minister of Lands,
4. Hon. Werani Chilenga, Chairperson of Parliamentary Committee on Natural Resources,
5. Hon. Sameer Suleman, Chairperson, Parliamentary Committee on Agriculture,
6. Hon Simplex Chithyola, Chairperson, Parliamentary Committee on Trade,
7. Mrs. Erica Maganga, Secretary for Agriculture,
8. Dr. Yanira Ntupanyama, Secretary for Forestry and Natural Resources & MwAPATA Institute Board Member,

9. Mrs Christina Chatima, Secretary for Trade,
10. Prof. Richard Mkandawire, Chair of MwAPATA Institute Board of Directors & Advisory Board,
11. Prof. Thomas Jayne, Michigan State University,
12. Prof. Ronald Mangani, University of Malawi,
13. Mr. William Chadza, Executive Director, MwAPATA Institute,
14. Dr. Thomas Munthali, Director General of National Planning Commission,
15. Dr. Candida Nakhumwa, Country Director, Foundation for Smoke Free World and Agricultural Transformation Initiative,
16. Dr Betty Chinyamunyamu, Chief Executive Officer, NASFAM

I feel duty bound and honoured to preside over the official opening of the inaugural Malawi Annual Agriculture Policy Conference.

This conference being the first of its kind, allow me to take this opportunity to express my gratitude to the management of the Malawi Agriculture Advancement and Transformation Agenda (MwAPATA) Institute and all collaborating partners for bringing us together on such a crucial and most relevant topic.

The importance of this conference cannot be over emphasized as it also seeks to effectively recommend quick win initiatives for implementation under the first pillar of the MW2063 using research based evidence.

Therefore, allow me to also congratulate the Ministry of Agriculture; the National Planning Commission; the Lilongwe University of Agriculture and Natural Resources; the Malawi Confederation of Chambers of Commerce and Industry; the Civil Society Agriculture Network; and the Donor Committee on Agriculture and Food Security for jointly organizing this conference.

Distinguished Delegates, Ladies and Gentlemen;

I believe the creation of an agricultural policy platform like the one we are launching today here in Malawi, has been long overdue. As you are all aware, the agriculture sector continues

to play a critical role in the livelihoods and economic well-being of our citizens.

The need to have a platform where applied policy researchers could 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.

In view of this, I have no doubt that this annual Policy Conference will be a strategic platform where the generated policy research evidence will be rigorously scrutinized, synthesized and eventually packaged for use by policy makers. Eventually, this platform will no doubt lead to increased uptake of new research findings in policy and decision making processes.

Distinguished Guests, Ladies and Gentlemen:

The theme of this inaugural policy conference: “*Supporting Agriculture Transformation in Malawi: Beyond Research to Implementation*” – resonates well with the tenets of the MW2063 under the Pillar of Agriculture Productivity and Commercialization as well as the Tonse Alliance’s commitment to the agriculture sector development.

The MW2063 agenda emphasizes on “**Holistic Transformation of the Agricultural Sector**” through enhancing farm-level productivity across agri-food value chains whilst strengthening agricultural institutions, market linkages and agro-processing alongside value addition.

My hope is that this conference will begin to provide us with clear practical steps towards achieving this agenda.

I do believe that having clear and relevant guidance from sector experts is very important for us because the mega socio-economic trends for the country are currently pointing to an impending socio-economic crisis if we do not act decisively now.

Just to highlight **five** of these trends: **First**, you may agree with me that, recently there has been a rapid decline in the international prices for tobacco, with international tobacco producer prices plunging from \$1,008 per ton in 2009 to \$193 in 2016. Yet, as a country, we remain arguably the most tobacco dependent country in the world, as tobacco accounts for over 50% of foreign exchange earnings.

Second, the country is experiencing rapid population growth. In 2018, the Population and Housing Census showed that the country's population stood at 18.1 million. Current projections indicate that the country's population will reach 45 million by 2050. The major challenge we have as a country is that about 85% of this population is currently rural based and 90% of these depend on agriculture for their livelihoods.

Third, recent research has shown that arable land sizes have shrunk from 0.40 hectares (ha) to a mere 0.22 ha between 1971 and 2016. This suggests that it is unlikely that future households will inherit sufficient land to maintain a reasonable livelihood from farming alone.

Fourth, the level of Malawi's agricultural output per worker unfortunately remains amongst the lowest in the world despite agriculture being our mainstay.

And finally, **fifth**; Malawi's agricultural sector growth rate has been lower than our population growth rate. The sector has roughly grown at the rate of 2% annually, since 2000, below the population growth rate of about 3%.

In any event, outside agriculture, employment opportunities are limited and the country's industrial sector is so small that it cannot even begin to absorb people coming out of farming. If at all, the only promising source of off-farm employment has been wholesaling and retailing of imported products. However, this trend neither creates significant off-farm employment nor reduce poverty.

Distinguished Guests, Ladies and Gentlemen:

It is, therefore, the confluence of the following challenges:

1. rapid population growth,
2. acute land scarcity,
3. stagnant agricultural growth, and
4. Limited off-farm employment opportunities...

...that constitute an impending socio-economic crisis for the country if we do not do anything now.

However, we remain resolute and optimistic. It must be noted therefore that given Malawi's stage of development and limited industrial development, the agriculture sector still offers the best immediate prospects for furthering our economic transformation.

Agricultural growth increases demand for many services along the agricultural value chains and provides key products for the agro-industry. As a result of this, it is clear that transforming the agricultural sector holds the key for enhancing and sustaining the socio-economic transformation our country yearns for.

Distinguished Guests, Ladies and Gentlemen:

As you might have noted that, in a bid to enhance the growth of the agriculture sector, and consistent with the existing continental initiatives such as the 2003 Maputo Declaration and the 2014 Malabo Declaration - the Government of Malawi has over the last decade consistently allocated a relatively large share of the national budget to the agriculture sector.

Additionally, Government has spearheaded the development of the National Agriculture Policy (NAP) and its corresponding implementation framework - the National Agricultural Investment Plan (NAIP) to harmonize investments in the sector as a first step towards transforming the sector.

As Government, we are also in the process of reviewing other sub-sectoral policies, strategies and regulatory frameworks to align them to the NAP and NAIP.

Distinguished Delegates, Ladies and Gentlemen;

We will have failed in our duty to transform the sector if we cannot commercialise and diversify the agricultural sector.

We need to swiftly move beyond crop enterprises into other non-traditional enterprises, such as, livestock and fisheries. This is the only way we will be able to achieve the transformation we have espoused in both the NAP and NAIP.

It is also my conviction that as a country we need to take advantage of the opportunities presented by the agricultural sector on our journey to transforming this country. However, I am aware that this will not be possible without us making policy choices or implementing measures that are grounded in concrete empirical research evidence.

In view of this, I am pleased to learn that MwAPATA Institute is complementing Government effort in this process, especially in areas related to agricultural, natural resource management and rural development policy.

As an indigenous policy think tank, MwAPATA is best placed to collaborate with Government in this initiative. It is, therefore, my hope that the key resolutions coming from this policy conference will be harmonized and disseminated for application in policy making processes.

Distinguished Guests, Ladies and Gentlemen,

I have also been informed that this inaugural policy conference will form the basis for future annual research outreach events.

I would like, therefore, to use this opportunity to call on our distinguished researchers to focus their efforts on providing practical policy insights to inform the implementation of government initiatives. These initiatives, of course, include the recently launched Malawi 2063 and its corresponding First 10-Year Implementation Plan.

I hope this forum can also be used as a platform to validate some of those insights. I believe that with this approach, this platform stands to add a lot of value to what government has already started implementing in the sector. Further, I am sure that this approach will also be critical for integrating applied research into government initiatives.

Furthermore, this approach provides a potential framework where Government can productively interact with policy experts in the sector. Let us continue working together for the good of mother Malawi.

As I conclude, let me thank all the sponsors of this conference for their kind support and generosity. Most importantly, let me acknowledge the Foundation for a Smoke Free World, the Michigan State University, the Catholic Relief Services, and all partners that have contributed to this conference in cash or in kind.

Finally, let me call upon all stakeholders to join hands in implementing the resolutions of this conference and in supporting governments' efforts to develop this country. We need to continue with our pursuit for a better

country than we currently have and only we, can achieve.

My office will be looking forward to receiving the report of the proceedings of this conference and to support in whatever way possible in implementing the resolutions thereof.

With that said, it is now my singular honour to declare the inaugural national research conference officially opened.

Thank you for your attention and I wish you successful deliberations.