

Country Cooperation Framework to support the
**New Alliance for Food Security &
Nutrition in Malawi**



NEW ALLIANCE
for Food Security & Nutrition

Cooperation Framework to Support the “New Alliance for Food Security and Nutrition” in Malawi

Four years after the G8 Summit at L’Aquila, Italy, the international community recognises the importance of food security to development, inclusive economic growth and the dignity of all women and men. In that spirit, we welcome the success of the Comprehensive Africa Agriculture Development Program (CAADP) in demonstrating African ownership and leadership, its call for expanded public and private investment in agriculture and desire to build on the progress that African governments have made in advancing a vision for agricultural development in Africa.

Malawi has demonstrated a strong commitment to improved food security and nutrition by focusing on key agricultural growth corridors in the country which take advantage of existing key infrastructure and significant agricultural potential.

Malawi is making great strides in promoting sustainable and inclusive agricultural growth that supports food security and nutrition, exemplified by its recently launched National Export Strategy and its Scaling Up Nutrition – Nutrition Education and Communication Strategy as well as the existing Agriculture Sector Wide Approach (ASWAp). These strategies provide a framework for strategic collaboration and coordination among government, development partners and the private sector. Together, the Government of Malawi, private sector and the G8 members commit to the “New Alliance for Food Security and Nutrition” and to working together to generate greater private investment in agricultural development, scale innovation, achieve sustainable food security outcomes, reduce poverty and end hunger. As partners, we commit ourselves to the following principles and actions:

Support of CAADP Country Compacts

The G8 members, consistent with commitments made at L’Aquila, reaffirm their intention to align their agricultural financial and technical support with the priorities of the CAADP National Investment Plan for Agriculture and Food Security (referred to in Malawi as the Agriculture Sector Wide Approach or ASWAp) and the Trade Industry and Private Sector Development Sector Wide Approach (TIP SWAp), in such a manner as to accelerate implementation of the ASWAp and the TIP SWAp and in conjunction with commitments made by the Government of Malawi. Consistent with the foregoing, the G8 members recognize the value of predictability of donor activities including financial and technical support over a sustained period of time, as set out in Annex 2.

The G8 members intend to provide support within the agriculture sector to accelerate implementation of the ASWAp and the TIP SWAp, including through the Grow Africa platform, with the overall goal of facilitating increases in private investment and scaling innovation. The G8 members intend to engage the relevant agencies of their member governments and also to bring to bear appropriate enabling actions to accelerate progress in the areas of finance and markets, science and technology, and risk management. To address the underlying causes of food insecurity, the G8 members intend to focus key resources and other contributions on high priority, high-impact investments within the ASWAp and the TIP SWAp, particularly in the three growth product clusters identified in the National Export Strategy and in priority areas of the Scaling Up Nutrition Strategy.

Key Policy Commitments

The Government of Malawi intends to pursue the policy goals set out below in order to build domestic and international private sector confidence to increase agricultural investment significantly, with the overall goal of reducing poverty, ending hunger and improving nutrition. The Government commits to consulting with the private sector on key policy decisions that may affect the private sector.

The Government of Malawi intends to:

- create a competitive environment with reduced risk in doing business for private sector investments in various value chains related to food security and nutrition, while also ensuring consistency and coherence in policies;
- improve access to land, water and basic infrastructure to support food security and nutrition;
- reorganise extension services targeting nutrition, agribusiness and cooperative programmes focusing on priority crops in their primary growing areas; and
- reduce malnutrition by promoting production and utilization of diversified foods with high nutritive values.

The Government of Malawi reaffirms its intention to provide the human and financial resources and the mechanisms for dialogue with the private sector, farmers and other stakeholders, and across government ministries that are required for the achievement of tangible and sustainable outcomes, the acceleration of Malawi's development, and the delivery of tangible benefits to smallholder farmers, including women.

The Government of Malawi reaffirms its commitment to mainstream nutrition in all food security and agriculture-related programs.

Private Sector Engagement

Private sector representatives have communicated that they intend to invest in the agriculture sector in Malawi in support of the CAADP National Investment Plan for Agriculture and Food Security (the ASWAp) and the TIP SWAp, through Letters of Intent that they will prepare and execute, and intend to advise, shape, and participate in broad, inclusive and sustained private sector consultative mechanisms with the host government (see Annex 3).

As such the private sector will assume active roles in the Technical Working Groups, Sector Working Groups and Joint Sector Reviews in ASWAp and TIP SWAp.

Shared Responsibilities

The G8 members, other bilateral development partners, the Government of Malawi and the private sector, confirm their intention to take account of the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security ("the Voluntary Guidelines") adopted by the Committee on World Food Security in May 2012, as well as the Principles of Responsible Agricultural Investment (RAI) produced by several international organisations and supported by among others, the G8 and G20, which are undergoing a consultative process through the Committee on World Food Security on RAI. In addition, they intend to work together specifically to develop pilot implementation programs for the Voluntary Guidelines and the RAI in Malawi.

Coordination and Collaboration

Recognizing existing arrangements for division of labour between the Government of Malawi and the development partners, G8 members intend to coordinate their efforts with the aim of attaining greater effectiveness. The lead interlocutor with the host country for this process will be the European Union, working with the agriculture sector development partner working group (the Donor Committee on Agriculture and Food Security), the Donor Group on Private Sector Development, the private sector and other stakeholders on behalf of the G8, working through existing in-country consultation groups and structures¹ without setting up parallel or duplicative structures. The G8 and Government of Malawi welcome the participation of other countries and partners.

Results

Consistent with the New Alliance goal of improving food security and nutritional status by helping 50 million people in sub-Saharan Africa emerge from poverty by 2022, the participants intend their combined actions in Malawi to help 1.7 million² people emerge from poverty by 2022.

In line with the Scaling up Nutrition Strategy to reduce prevalence of stunting among children less than 5 years of age from 47.1³ per cent to less than 20 per cent⁴ by 2020, the G8 members, the Government of Malawi and the private sector intend to scale up nutrition efforts in three ways:

- (1) through commitments to the Scaling Up Nutrition-Nutrition Education and Communication Strategy
- (2) through commitments to the implementation of ASWAp and more particularly through
 - a) the commitment to implement the diversification agenda which focuses agriculture production away from maize towards increased production of nutritious crops such as pulses, soya beans, groundnuts, legumes.
 - b) the commitment to invest in increased agro-processing and value addition thus increasing the choice of nutritious foods in the markets.
- (3) through commitments to the implementation of the National Export Strategy⁵, through the TIP SWAp. The objective of this strategy is to build Malawi's productive economy in a sustainable, market-led way such that farmer incomes may increase to allow them to afford more nutritious foods, while at the same time widening the tax base to better enable the Government to afford welfare programmes targeting nutrition.

¹ The Trade Industry and PSD Sector Wide Approach include ASWAp

² This was calculated by analysing the linear relationship between the poverty rate (as per UN MDGs) and GDP growth in PPP terms). UN MDGs provided us with the percentage of the population below \$1 PPP in 1998 and 2004. We used this ratio and the GDP growth during that period, to work forward to 2013, and then to 2022. The estimate is based on the expected decline in poverty on this measure between 2013 and 2022, based on expected real GDP growth.

³ Malawi DHS 2010.

⁴ Targets set in the National Nutrition Education and Communication Strategy 2011-2016.

⁵ The National Export Strategy's growth clusters are oil seed products (products of groundnuts, soya, cotton and sunflower), sugar cane products and manufacturing (which includes dairy and products from other legumes, horticulture, maize, wheat, rice and cassava). The growth clusters are thereby aligned to Malawi's Scaling Up Nutrition Strategy.

Mutual Accountability

The G8 members, other bilateral development partners, the Government of Malawi, and the private sector intend to review their performance under this document through an annual review process to be conducted within the existing broader CAADP-donor Joint Sector Review of the ASWAp implementation. These participants intend, in particular, to review progress toward jointly determined objectives on the basis of jointly determined benchmarks in contributing to fulfilment of Malawi's CAADP investment plan: (1) progress towards achieving the poverty reduction target; (2) G8 member commitments to align their agricultural investments to the Government of Malawi's ASWAp and TIP SWAp; (3) Government of Malawi progress in implementing its policy commitments and consulting with private-sector investors; and (4) the investment commitments of private-sector investors. The review will also take account of the shared responsibilities related to the Voluntary Guidelines on the responsible Governance of the Tenure of Land, Fisheries and Forests and the Principles for Responsible Agriculture Investment (PRAI).

The results of this review process will be reported annually at international level to the Food Security Working Group of the G8 New Alliance for Food Security and Nutrition.

Annex 1: Government of Malawi Key Policy Commitments

Policy indicators		
a. Improved score on Doing Business Index to among top 100 economies b. Increased dollar value of private sector investment in the agriculture sector and value added agro-processing c. Increased private investment in commercial production, sale of inputs and produce and value addition		
Objectives	Framework Policy Actions	Timeline
1. Create a competitive environment with reduced risk in doing business for private sector investments in various value chains related to food security and nutrition and ensure consistency and coherence in policies.	1. Fast track finalisation of the National Agriculture Policy, National Irrigation Policy and Industry and Trade Policy	January 2014
	2. Eliminate export bans on other crops but not maize; review the Special Crops Act and the Control of Goods Act in relation to the Malawi Growth and Development Strategy (MGDS) and the National Export Strategy (NES)	September 2014
	3. Realign existing Government policies and strategies to ensure that they are coherent and consistent and ensure that the various relevant departments work together	December 2014
	4. Government will develop a regulatory framework for commodity exchanges and warehousing receipts	September 2014
	5. Fast track the doing business reforms and review taxation regimes in order to maximise incentives to investment in the growth clusters under the National Export Strategy and to support agricultural mechanization	December 2016
	6. Fast track the implementation of the Financial Sector Development Strategy, particularly the Government is committed to facilitating and enabling rural empowerment through increased access to finance for farm inputs and agricultural and water development	December 2016
	7. Government will make the Export Development Fund more cost effective and focussed on service delivery	March 2014
	8. Government will make the Malawi Investment and Trade Centre , a one stop shop whose roles will include promotion and attraction of investment to the key clusters of the NES, trade facilitation and ensuring smooth information flow to investors	September 2014
2. Improve access to land, water, farm inputs and basic infrastructure to support food security and nutrition	1. The Government will take measures to release 200,000 hectares for large scale commercial agriculture by 2015, this will be done after conducting a survey to identify idle land and crop suitability under both customary and leasehold	June 2015
	2. Commitment to implementation of SADC and COMESA Seed Harmonization Programme through:	June 2015
	a. Enactment of crop variety protection legislation (Plant Breeders Right Bill has been concluded and is awaiting enactment)	December 2013
	b. Enactment of amended phyto-sanitary legislation (Malawi Plant Protection Act, 1969)	January 2015
	c. Reviewing of National Seed Certification System (Seed Act, 1996)	March 2014
d. Reviewing the current Pesticide Act	June 2014	
e. Fast track the development of the Fertilizer Regulatory Framework and the Contract Farming Strategy	January 2015	

	<ol style="list-style-type: none"> 3. Government will enact the new land bill 4. Develop an Access to Land and Water Programme by end of 2013 to be implemented over a 5-year period up to 2018 for mostly the priority crops 5. Government is committed to maintain its ongoing efforts to increase sustainability, transparency, accountability and value for money in its approach to the Farm Input Subsidy Programme 6. Government will ensure that the Strategic Grain Reserves (SGR) are properly maintained and the capacity for the management of the SGR enhanced and will also ensure private sector participation in the SGR 7. The GBI and other donor funded irrigation projects will strongly be linked to the National Export Strategy 8. Government will ensure that the irrigation infrastructure designs accommodate crops that have been identified in the National Export Strategy; and the designs will be up to the farm gate and water storage 9. Explicitly set Nacala Corridor as top priority corridor for development and include the connection to Lusaka 10. Prioritise rural feeder roads to primary production areas of prioritised crops in growth clusters 11. Government is committed to the provision of reliable power supply to agri-business including those in rural areas, in particular through the timely implementation of the Millennium Challenge Compact, the Mozambique Interconnector, the Kholombizo Hydro Power Station and the Kamwamba Coal Power Station, among other investments 	<p>June 2015 December 2013</p> <p>December 2014</p> <p>January 2015</p> <p>January 2015</p> <p>June 2016</p> <p>December 2013</p> <p>December 2013 December 2018</p>
<p>3. Reorganise extension services targeting nutrition, agribusiness and cooperative programmes focusing on priority crops in their primary growing areas</p>	<ol style="list-style-type: none"> 1. Government has prioritised the following crops: maize, groundnuts, soya beans, sunflower, cotton, pigeon peas and sugar cane and dairy in the short term 2. Government is committed to agricultural zoning based on priority crops and growth clusters and promotion of anchor farms as well as out grower schemes 3. The Government is committed to reorganise the extension services to improve delivery of modernised market oriented agricultural extension services in the following priority areas <ol style="list-style-type: none"> a. Facilitate establishment of agricultural cooperatives to effectively participate in agricultural value chains by formulating a special Farmer Organisation Development strategy. b. Support applied research and extension programmes on priority ASWAp and National Export Strategy growth clusters c. Improving knowledge and skills of existing frontline staff through long and short term training programmes d. Standardise and harmonise the pluralistic and demand-driven delivery of extension services 4. Government will gradually fill existing vacancies in extension and agricultural research to facilitate implementation of quality control/regulatory services (seed certification, phyto-sanitary and food safety) 	<p>July 2013</p> <p>September 2014</p> <p>September 2014</p> <p>September 2014</p> <p>September 2016</p> <p>September 2016 September 2014</p>

	<p>5. Government will foster a favourable enabling environment for contract farming</p> <p>6. Government will improve the quality of agricultural commodities by capacitating the Malawi Bureau of Standards and other research institutions to be able to certify products to meet international standards</p>	<p>September 2015</p> <p>June 2015</p>
<p>4. Reduce malnutrition by promoting production and utilization of diversified foods with high nutritive values</p>	<p>1. Government will enact the Nutrition Bill and complete the review of the Public Health Act to enforce salt iodisation and extend maternity leave.</p> <p>2. Government will develop a nutrition sensitive agriculture strategy, which takes into account of Scaling Up Nutrition and the National Nutrition Policy</p> <p>3. Government will continue the decentralised multi-sectoral approach to implementing the 1,000 special days of the Scaling Up Nutrition Strategy</p> <p>4. Government will harmonise standards for centrally processed foods including complementary foods.</p> <p>5. Scale up nutrition interventions targeting stunting in all 28 districts promoting recommended practices; improving and scaling up Community Based Management of Malnutrition; improving infant micronutrient intake through health day campaigns routine supplementations and dietary diversification; and improving women's empowerment through the promotion of rights based approaches for communities to demand nutrition services and others.</p> <p>6. Government will implement the Micronutrient Strategy</p> <p>7. Government will implement the Nutrition Education and Communication Strategy</p>	<p>July 2015</p> <p>December 2014</p> <p>December 2016</p> <p>December 2015</p> <p>July 2016</p> <p>December 2017</p> <p>December 2016</p>

Annex 2: G8 Members' and Others' Funding Intentions

G8 Members and other bilateral development partners express their intentions in support of CAADP (ASWAp) and TIP SWAp investment plans and the goals of the New Alliance for Food Security and Nutrition in a flexible manner, and for new investments to prioritise government priorities as identified in Annex 1. This annex first presents a summary of focus areas each development partner, with the monetary commitments presented in a table at the end of the annex.

UNITED KINGDOM (2013 G8 SUMMIT LEAD)

Objective 1: Competitive environment with consistent and coherent policies

The United Kingdom is planning to support the development of the oil seed products cluster of the National Export Strategy, through the Making Markets Work for the Poor Approach, and is also planning to fund a Malawi Innovation Challenge Fund focused on the National Export Strategy growth clusters. Through its Malawi Agriculture Catalytic Fund it plans to provide patient capital (concessional debt and equity) as well as hands on management support to early stage agriculture businesses. The United Kingdom is also supporting the dairy sector through its Malawi Agricultural Programme. The United Kingdom is also planning to support the Government to fast-track the Doing Business Reforms as well as to build the capacity of the Malawi Investment and Trade Centre to function as a one-stop-shop for investors.

Objective 2: Land, water, farm inputs and basic infrastructure

Through the Rural Roads Programme, the United Kingdom plans to support the upgrading and maintenance of rural roads to enhance access to markets for farmers. The Farm Input Subsidy Programme and conservation agriculture will be supported through the Malawi Agricultural Programme.

Objective 3: Extension services

Through its Enhancing Community Resilience Programme, the United Kingdom supports NGO interventions on small scale irrigation, drought resistant crops, village savings and loans, post harvest management, livestock, water harvesting and small business skills.

Objective 4: Nutrition

The United Kingdom intends to support nutrition through its Malawi Nutrition Programme, which is focused on two districts. It also is funding the management of acute malnutrition and school meals in 2013.

CANADA

Objective 4: Nutrition

Canada will provide financial support to the Ministry of Health in 2013 to expand and strengthen Community Management of Acute Malnutrition services throughout Malawi. This focuses on the effective treatment of severe acute malnutrition among under-five children through active case-

finding at the community level and appropriate use of therapeutic and supplementary feeding programmes. In addition, Canada will provide financial assistance to the Department of Nutrition, HIV and AIDS to support SUN roll-out in 15 districts between 2013 and 2015. This will involve encouraging essential nutrition actions at the community level through behaviour change communication in line with the National Nutrition Education and Communication Strategy, as well as strengthening nutrition policy, coordination and monitoring capacities. Canada's support for nutrition in Malawi is part of commitments made at the Muskoka G8 summit in 2010 to increase spending on maternal, neonatal and child health.

EUROPEAN UNION

Objective 1: Competitive environment with consistent and coherent policies

The Farm Income Diversification Programme II covers conservation agriculture, diversification of agriculture production, improved storage and some agri-business promotion. This programme will receive additional funding to support the diversification of agriculture and intensify agribusiness promotion. It will also provide support to agro-processing and value addition activities. The Standardization, Quality Assurance, Accreditation and Metrology (SQAM) programme supports food safety and testing as well as strengthened inspection capacity (exports and imports). It also includes support to the Malawi Bureau of Standards to attain international certification by 2016.

Objective 2: Land, water, farm inputs and basic infrastructure

EU support to the Agriculture Sector Wide Approach (ASWAp) foresees support to institutional strengthening, increased agricultural production (seed, including legume seed), quality testing of seed including improvements to laboratory infrastructure as well as support to market based risk management strategies (e.g. weather stations). The Rural Infrastructure Development Programme II supports bridges and roads infrastructure in rural areas and small scale irrigation schemes. Support to the Green Belt Initiative essentially foresees irrigation development schemes and includes institutional strengthening through support to the creation of a National Irrigation Fund which will lead to increased access to financing for irrigation in future. The EU will also support Land Governance for a Sustainable Agriculture in Malawi by promoting the implementation of the "Voluntary Guidelines on Responsible Governance of tenure of Land, Fisheries and Forests in the context of the National Food Security" developed by FAO. With regard to basic infrastructure for food security, the EU will provide specific support to the National Food Reserve Agency to rehabilitate silos and refurbish the Kanengo site to strengthen national storage capacity for maize. Through the Accompanying Measures for Sugar Protocol Countries, the EU will focus its support on irrigation specifically on sugar growing areas as well as support for improved sugar industry regulation. Finally, with the Global Climate Change Alliance for Malawi programme, the EU will support mainly activities concentrating on the promotion of sustainable natural resource management, energy supply, improved agricultural practices and climate resilient livelihoods.

Objective 3: Extension services

The Farm Income Diversification Programme II will receive increased funding to strengthen smallholder farmers' capacity in agri-business. The Accompanying Measures for Sugar Protocol Countries includes capacity strengthening of smallholder farmers.

Objective 4: Nutrition

The EU supports school meals as well as strengthening of policy coherence at district level between agriculture and nutrition. Capacities at district levels will be strengthened and nutrition education will be promoted.

FLANDERS

Objective 2: Land, water, farm inputs and basic infrastructure

Flanders is providing and will continue its support to land and water management through its Agro-forestry Food Security Programme.

Objective 3: Extension services

Flanders will focus most of its efforts by supporting the government's objectives in extension services, via its contribution to the Multi-Donor Trust Fund of the Agriculture Sector Wide Approach. It will also continue and possibly scale-up its support for extension services through farmer, civil society and research organisations through its Agricultural Extension Support Programme.

Objective 4: Nutrition

Flanders will also continue providing some support to improving food security and nutrition policies.

GERMANY

Objective 4: Nutrition

Through its School Meals Programme, Germany supports the testing of sustainable school meals approaches, mainly through technical assistance rather than financial contributions.

IRELAND

Objective 2: Land, water, farm inputs and basic infrastructure

Ireland continues to provide support to increased crop diversity, productivity and nutrition adapted to climate change. This will be delivered through the support to the legume seed component of the Farm Inputs Subsidy Programme, the Malawi Seed Industry Development Project (including the Legumes Platform), Agro-forestry Food Security Project, Conservation Agriculture Project, Irish Aid will contribute towards supporting ASWAp through the ASWAp-SP Multi Donor Trust Fund particularly to develop a strong national seed industry, oil seed legume production and roots and tubers. Ireland continues to provide support for research and seed/planting materials development programmes for crop diversification in support of the ASWAP particularly: ground nuts, pigeon peas, beans, rice, sorghum, "Irish" and sweet potatoes, and fruit and nut trees.

Objective 3: Extension services

Through its Local Development Support Programme, the Chikwawa Small Scale Irrigation Programme and the Enhancing Community Resilience Programme, Ireland supports NGO interventions in 11 Districts on small scale irrigation, drought resistant crops, village savings and loans, post harvest management, livestock, water harvesting and small business skills.

Objective 4: Nutrition

Ireland is supporting the rolling out of the Scaling Up Nutrition's National Nutrition Education and Communication Strategy (NECS) in two Districts; strengthening micronutrients through, among others helping to control and manage Vitamin A deficiency through sugar fortification, support for the Malawi national micronutrient survey and supporting the Supplementary Feeding Program (SFP). Its Local Development Support Programme includes a hunger and nutrition component and this will continue to be funded in the next four years. Irish Aid will also continue to support the Irish and Orange Fleshed Sweet Potatoes project.

JAPAN

Objective 2: Land, water, farm inputs and basic infrastructure

Japan will focus on capacity development of government institutions for irrigation development (Department of Irrigation), sustainable land management (Department of Land Resources Conservation) and soil erosion control (Department of Forestry, Department of Land Resources Conservation, Department of Agricultural Extension Services and the Department of Community Development).

Objective 3: Extension services

Japan will focus on the empowerment of farmers' groups, associations and cooperatives for agro-processing and marketing through the capacity development of the One Village One Product secretariat at the Ministry of Industry and Trade.

NORWAY

Objective 2: Land, water, farm inputs and basic infrastructure

Norway will also continue its support to the ASWAp through the Multi-Donor Trust, as well as continued support for FISP. Norway intends to support the ASWAp by supporting the Lilongwe University of Agriculture and Natural Resources through the Capacity Building for Managing Climate Change in Malawi project. The focus will be on training Bunda Staff to teach, train and conduct research in climate change mitigation and adaptation; conduct demand driven research on climate change adaptation and mitigation, and strengthen the capacity of Bunda in the area of outreach. Norway also intends to support the University's infrastructure development.

Objective 3: Extension services

Through its many NGO partners (NASFAM, African Institute of Corporate Citizenship, We Effect, Malawi Union of Savings and Credit Cooperatives, Farmers Union of Malawi, Total LandCare, LEAD, World Fish and the Development Fund of Norway), Norway supports large-scale livelihoods interventions in all districts in Malawi. These interventions focus on achieving food security and increased incomes at household level through increased, diversified and sustainable agricultural productivity, business development and improved natural resource management. The Norwegian share of the funding for the DFID led Enhancing Community Resilience Programme contributes to similar goals.

UNITED STATES OF AMERICA

Objective 1: Competitive environment with consistent and coherent policies

Through the Feed the Future initiative, primary focus will be the soybean, groundnut and dairy value chains. Through engagement with Malawian farmer organizations, specific activities in this initiative include up scaling improved seed varieties for smallholder farmers, improving agronomic practices and linking smallholder farmers to markets through such efforts as aggregation, commodity exchanges and warehouse receipt systems. USAID resources will also be used to support the engagement of Non-State Actors in agriculture policy dialogues as well as contributions to the ASWAp SP Multi Donor Trust Fund.

Objective 2: Land, water, farm inputs and basic infrastructure

USAID resources will support climate change adaptation and mitigation activities focused on rural agriculture based communities. Focus will be both on agriculture and forest based landscapes. Through these efforts, communities will be supported to manage land and water resources in the face of climate change.

Objective 3: Extension services

USAID resources will also support livelihood and agriculture development programs in Southern Malawi for vulnerable populations through the Wellness in Agriculture and Life Advancement (WALA) activity.

Objective 4: Nutrition

Through support of community nutrition care groups, USAID will directly support SUN efforts by promoting essential nutrition actions within communities such as behaviour change communication messages, exclusive breastfeeding under six months and support for dietary diversification. The care group model will be implemented simultaneously with USAID supported agriculture activities. Other nutrition efforts will support development of university level nutrition programs, CMAM and food fortification.

Table 1: Summary Table of Development Partner Commitments to G8 New Alliance

Development Partners	Original Currency	2013	2014	2015	2016	Total Original Currency	Total \$	
Belgium/Flanders (FICA)	EUR	4.1m	4.2m	2.9m	2.7m	13.8m	18.1m*	
Canada	CAD	3.8m	5.1m	3.0m		11.9m	12.3m	
Germany	EUR	0.15m	0.2m	0.15m	-	0.5m	0.67m	
European Union	EUR	35.3m	28.8m	34.7m	24m	122.8m	160.8m	
Ireland	EUR	7.9m	8.0m	7.4m	6.3m	29.6m	38.7m	
Japan	YEN	500.0m	230.0m	165.0m	79.0m	975.0m	10.6m	
Norway	NOK	140.0m	150.0m	150.0m	150.0m	590.0m	102.0m	
United Kingdom (DfID)	GBP	20.0m	20.1m	16.8m	6m	63.5m	96.3m	
US (USAID)	USD	27.5m	26.2m	-	-	53.7m	53.7m**	
Total	USD							493.1m

Note: The euro exchange rate is the Infoeuro rate as at May 2013. The pound rate is the BBC market rate in May 2013. The Norwegian Krone exchange rate used is NOK 5.80 to one dollar. The Canadian Dollar exchange rate used is CAD 1.033 to one US dollar. The Japanese Yen exchange rate used is 92.4 Yen to one US dollar.

* The Flemish Government is currently drafting its next Country Strategy Paper Malawi – Flanders 2014 – 2018. Therefore, more detailed commitments cannot be shared at this time.

** The United States Government intends to continue robust support for Malawi's food security and nutrition priorities. Due to United States Government budget procedures, commitments for 2015-2016 cannot be shared at this time.

Annex 3: Private Sector Investment Intentions

As of May 20, 2013, 23 companies have prepared and signed “Letters of Intent” that describe their investment intentions in Malawi under the New Alliance for Food Security and Nutrition. The private sector investment plans will support the CAADP National Investment Plan for Agriculture and Food Security, as well as the ASWAP and the National Export Strategy (NES). Other companies are welcome to prepare and sign Letters of Intent in the future on the same basis.

Malawian Registered Companies	International Companies
Afri-Nut Co Limited	Alliance One
Agora Limited	Bunge
Bio Energy Resources Limited	Export Trading Company
Citrefine Plantations	Illovo
Dairibord Malawi Private Limited	Limbe Leaf Tobacco Company
Exagris Africa Limited	Monsanto
Farmers Union of Malawi	Seed Co Malawi
Malawi Mangoes	Standard Bank
Mpatza Farms Limited	
National Smallholder Farmers’ Association of Malawi	
Panthochi Seed Company	
Press Agriculture Limited	
RAB Processors Limited	
Tapika Food Products	
Universal Industries Limited	

Summaries of private sector Letters of Intent to date:

Malawian Registered Companies

Afri-Nut Limited is a groundnut processing facility that adds significant value to nut products and creates additional income for producers in Malawi. Afri-Nut processes groundnuts for export to the UK under Fairtrade terms and for use in ‘ready-to-use therapeutic food’, the paste given to malnourished children. Afri-Nut is a joint venture, financed and co-owned by shareholders from the commercial and development sectors: NASFAM, TWIN, ExAgris, Cordaid and Waterloo Foundation. Afri-Nut currently has the capacity to produce 4,000 metric tonnes of groundnuts per annum which meet the exacting standards of Europe’s aflatoxin regulations and Fairtrade certification requirements. It aims to increase these volumes as the business develops.

- Afri-Nut intends to design, contract and build a new factory for ground nut processing and to order and import new machinery during the next 12 months. In addition, training and employment in the ground nut sector will be provided to smallholder farmers.

- To realise this project, Afri-Nut and its shareholders and partners will contribute **\$3.9 million** in the short term and anticipate further substantial contributions over the next few years to increase scale.

Agora Limited is part of the Farmers World group of companies and serves customers mainly in the southern region of Malawi. Agora retail shops cater for the rural consumer's broader requirements including fertilizer, maize seed, salt, sugar, cooking oil, hardware and bicycles among others. The company also provides linkages between farmers and urban consumers of farm output commodities such as maize, soya beans, groundnuts, sunflower and pulses in large quantities. Most of these commodities are bought on supply forward contracts with local grain processors and export customers. Agora also helps to empower grass-root farmers by encouraging transactions in both directions – both sales and purchases. For example 70 per cent of Agora outlets provide Malswitch banking services such as confirmation of balances, encashments and purchases through Agora's Makwacha Card.

- The company will build and commission a Toor Dhal Plant situated in the southern region of Malawi and expect to produce 28 metric tons of Toor Dhal a day. This investment is worth **\$4.7 million**. The by-products may be used for animal feeds and fillers. These targets will require the purchase of 12,500 metric tonnes of pigeon pea from smallholder farmers, per annual season.
- Over the next twelve months, the project, will include the purchase of an appropriate piece of land to accommodate storage space and production plant (\$0.5 million), the procurement of plant equipment (\$2.4 million), the building and commissioning of warehouses and factory (\$1.8 million), and the acquisition of skills through the training of employees in the area of production and packaging of the finished product.

Bio Energy Resources Limited (BERL) is a ready scalable business that is developing the production, processing and trade of oil seed commodities in Malawi. The business works with a network of 30,000 rurally located smallholder farmers to produce jatropha nuts and sunflower seed. Jatropha is processed into bio fuel and bio fertiliser whereas sunflower is processed into cooking oil and animal feed. All products are currently for the domestic market.

- In the coming 12 months BERL is planning to further develop its state of the art oil seed processing facility by adding an additional oil press and further seed / oil cleaning and storage equipment worth **\$600,000**. This increased capacity will have a direct positive impact on local value addition, reducing the requirement for imported cooking oil by \$45 - \$50 million per annum.
- BERL will have a positive, impact on rural household incomes, poverty reduction and food security through the enrolment of additional beneficiaries. Beneficiaries will benefit from an annual income from the sale of sunflower seed with sunflower being an accessible crop that requires few inputs and crop diversification with a new cash crop.

Citrefine Plantations Malawi is the largest essential oil plantation in Southern Africa with nearly 5,700ha of land. It operates land in Viphya Forest Reserve that belongs to the Department of Forestry of the Government of Malawi, through a lease agreement. The main plant grown is *Corymbria Citriodora* from which lemon fragrant oil is produced as an input into insect repellents and cosmetics. Citrefine operates a distillation plant in Viphya and employs 280 people.

- Citrefine plans to invest **\$2.5 million** over the next five years to bulk up production of oils from eucalyptus, geraniums, lemon grass and other high value oils. These can serve as a key input for the Oil Seed Products Cluster of the National Export Strategy. The aim of this investment is to increase the size the plantation by 1,500 hectares which could yield over 150 tonnes of oils per annum and yield revenues (which at present would be all exports) of \$2 million per annum.
- The expansion project aims to improve nursing and seedling, develop an outgrower scheme for smallholder farmers, increase tree planting, support ecotourism in the forest reserve and improve electrification. The project would double Citrefine’s employees to 600.

Dairibord Malawi Pvt Limited (DML) is the largest manufacturer and marketer of milk, dairy products and beverages in Malawi. It is a subsidiary of Dairibord Holdings Limited headquartered in Zimbabwe with products being marketed in Malawi, Mozambique, Zambia and Zimbabwe. DML has one plant in Blantyre and a distribution depot in Lilongwe.

- DML intends to progress the “Export-oriented Growth in Milk Production through Commercialization” project in Malawi by investing **\$3 million** in small-scale dairy development and the set-up of three large-scale commercial anchor farms, as well as the purchase of equipment for value addition targeting both domestic and export markets.
- To advance this commitment over the next 12 months, DML will import at least 100 dairy animals for distribution to small-scale farmers, provide training and support to small-scale farmers, and identify local partners with suitable land for investment in commercial dairy farming. This will create at least 450 new jobs in dairy farming and manufacturing.

ExAgris Africa Limited (EAA) farms approximately 5,000 hectares on 13 estates across Malawi. The company specialises in certified seed production and farming enterprises are complemented by an out-grower programme dealing with paprika, bird’s eye chillies and groundnuts from all 3 regions of Malawi. This involves around 25,000 smallholder farmers and provides an important source of forex revenue. The farming system employed enhances soil health and reduces exposure to the risks of uncertain weather conditions. EAA is also engaged in research into other agricultural/horticultural products to be produced for European markets.

- Current investment intentions, which are worth **\$2 million**, include the completion of 450 hectares of electrified irrigation, continued mechanization, mechanised groundnut grading facilities, soil fertility improvement and extending the utilization of arable land.
- EAA intends to increase the value of non-tobacco exports of over \$1 million (paprika and groundnuts) and to employ an additional 200 staff as well as to create 1,500 part-time jobs.
- The company will also contribute 500 tons of maize/maize flour, 500,000 litres of vegetable oil, and 75 tons of beef to the national food basket statistics as well as supply 200 cross-bred dairy heifers annually to the smallholder dairy sector.

Farmers Union Malawi (FUM) is an umbrella body of farmers in Malawi established in 2003 with a purpose of promoting and safeguarding the interest of all farmers to enhance their competitiveness. FUM’s overall objective is to ensure that farmers effectively and meaningfully participate in the design, implementation, and monitoring of policies and programs aimed at improving their livelihoods in Malawi. FUM’s membership includes smallholder, medium and large-scale farmers.

- The organisation intends to strengthen farmers' competitiveness in various agricultural value chains through institutional development of agricultural cooperatives, promotion of agribusiness, market access and policy advocacy.
- FUM will also increase the production and marketing of strategic agricultural commodities such as cereals, oilseeds, fruits, vegetables and dairy by more than 500,000 smallholder farmers and approximately 500 medium and large-scale farmers.
- FUM will contribute **\$2.5 million annually** to achieve these goals.

Malawi Mangoes is the first large-scale fruit processor in Malawi with an objective to deliver positive development, both economically and in terms of general well-being, to the people of Malawi, through a financially viable and commercially driven business. Currently focusing on varieties of mangoes and bananas demanded by the major fruit drinks market, Malawi Mangoes intends to produce and process in excess of 100,000 metric tonnes of fruit per annum in a 100 per cent renewable energy international standard processing facility and from smallholder farmers and Rainforest Alliance certified farms. Over the next year Malawi Mangoes will contribute around **\$18 million** in capital investment and over the coming years reinvest tens of millions of dollars of revenue.

- Malawi Mangoes will construct and commission a 10,000 square meter International Standard Fruit Processing Facility and commence commercial trials with major international customers – further expansion from one line to three will happen over the next 5-7 years, with over 100,000 metric tonnes of fruit being processed every year.
- With the G8 commitments, this year alone the company will develop and irrigate over 350 hectares of farmland that is Rainforest Alliance certified and a further 1,000 hectares in the following 12 months. Of this one third would be smallholder land and will have the capacity to generate revenue incomes of over \$10,000 per year per farmer at considerable profit.
- Malawi Mangoes will also establish a smallholder out-grower scheme with between 2,000 and 3,000 smallholders with a guarantee to buy all their fruit for processing, equating to an average net benefit of over \$100 per household, directly impacting between 10,000 and 15,000 people, as well as employing around 1,000 local people full-time and permanent – growing to between 2,000 and 3,000 in the next few years.

Mpatsa Farms Limited is part of the broader Mpatsa Trust which includes Mpatsa Holdings Ltd as the investment arm as well as Mpatsa Trading Ltd, Mpatsa Lodges Ltd and Armando Ramos Ltd. In addition it has a substantial shareholding in other companies such as Mwabvi Coal Ltd, Corporate Graphics Ltd and Malawi Pharmacies Ltd.

- The company intends to introduce irrigation farming for rice, cotton, soya and maize. Over the next twelve months, Mpatsa Farms Ltd. will solicit irrigation expertise and purchase irrigation equipment for its farms.
- Mpatsa Farms Ltd. also plans to expand the company's aquaculture venture by breeding fish species such as Chambo, Makumbi and Catfish. This will require the construction of additional dams and the introduction of cage culture.
- Both projects will be supported by an investment of approximately **\$2 million**.

National Smallholder Farmers' Association of Malawi (NASFAM) is the largest independent smallholder-owned membership organisation in Malawi, serving around 110,000 farming families. NASFAM works to improve the livelihoods of smallholders through operation of a network of

smallholder-owned agribusiness organisations. Market access is supported by production diversification, and yield and quality improvement programmes delivered to its membership.

- Supplemental to its existing activities, over the next three year period NASFAM plans to increase its operations by enlarging seed multiplication and supply programmes for groundnuts, soya and pigeon peas to reach over 100,000 smallholders, in particular expanding the supply of certified seed for commercial sale to 1,000 metric tonnes per annum.
- The company will develop rice export markets for 250 metric tonnes per annum and increase groundnut and soya trading to local and external markets by 3,000 metric tonnes.
- NASFAM will also provide production training to smallholders to a value of **\$3 million annually**.

Panthochi Seed Company is located in the southern region of Malawi at one of the lakeshore districts and has been operating since 2005 to provide local farmers with high quality certified seeds. The company manages all its operations at its farm shelters of Panthochi Seed Farm which compiles 101ha of land. All seed production processes are done manually from harvesting to packaging.

- Panthochi aims at expanding its seed production in order to create self-sustainability and income independence of smallholder farmers which will accelerate development in local farming communities.
- The company plans to purchase farming machinery which will assist in up-scaling its seed production but these intentions dependent on the Government of Malawi meeting its commitment under the National Export Strategy to improve the accessibility and cost of accessing appropriate finance for the agricultural sector.

Press Agriculture Limited (PAL) is one of Malawi's largest agricultural companies, involved in the commercial production of maize, groundnuts, sugar, and soya beans. The company is owned by Press Trust (93 per cent) and Old Mutual (7 per cent) and has over 50,000 hectares of land on ninety five estates throughout Malawi. PAL is interested in partnering with investors through joint ventures to further up the value chain and/or sublease of some estates for a long term to interested investors.

- PAL is currently restructuring its operations and intends to expand in seed cropping and marketing to fill Malawi's certified seed availability gap, oil seed production (groundnuts, soya & sunflower) with a desire to invest in oil crushing and refining, and livestock production for beef and related products. PAL intends to invest **\$5 million** in the next five years in the above priority areas.
- The company will also do out-grower schemes by using its estates as anchor farms to train and improve local farmers' production capacity while the same time enabling PAL have access to an increased supply of raw materials.

RAB Processors Limited is one of the major forces in the agro-processing industry in Malawi, having been in existence for 30 years and has gained international reputation in this area of business. Rab Processors operates a nationwide network of over 60 rural outlets, *Kulima Gold* depots which are engaged in buying agricultural produce from farmers and in turn providing them with farm inputs as well as basic needs. The agricultural produce sourced from smallholder farmers is processed at the company's factories in Blantyre into fortified and nutritious food products for distribution in Malawi and internationally.

- The company intends to increase the production of leguminous crops in order to expand Malawi's export base whilst uplifting the nutritional status of the population.
- Rab Processors Ltd. expects to contribute investment funds in the region of **\$8 million to \$10 million** along with knowhow and resources available to identify investment partners, technical partners, carry out research and development and imparting skills and guidance to farmers.
- RAB Processors Ltd. will carry out research to add value to basic legumes such as groundnuts and soya beans with the aim of producing textured vegetable protein, quality edible oils and high energy supplements similar to the presently manufactured Likuni Phala (Corn Soya Blend).

Tapika Food Products is a medium-sized company located in the northern region of Malawi and involved in honey production by approximately 400 households of smallholder farmers for the local market. Bee keeping improves food security and nutritional status of the farming families by providing an additional regular income besides traditional crop production. It also contributes to the conservation of natural resources surrounding the bee keeping households.

- The company is planning to expand its bee keeping project to other regions of Malawi which will benefit an estimated 4,000 families.
- The intended investment is worth **\$1.5 million** but is dependent on the Government of Malawi meeting its commitment under the National Export Strategy to improve the accessibility and cost of accessing appropriate finance for the agricultural sector.

Universal Industries Limited is the largest manufacturer of quality biscuits, confectionary, savory snacks, beverages and nutritional food in Malawi. The company owns five manufacturing locations spread across the country. The company has vertically backward integrated its processes through its subsidiary Universal Farming and Milling Ltd. which is spearheading its foray into value addition of locally grown commodities. Universal Industries Ltd's development projects revolving around Nutrition, which are worth an investment of **\$2 million**, aim at increasing oil seed product exports and other agro-processing exports as per the National Export Strategy.

- The company will produce breakfast cereals using locally grown rice and maize. To realize this project, Universal Industries Ltd will contribute towards organization of the supply chain, technical backstopping down the value chain, procurement of machinery and creating employment opportunities.
- Furthermore, the company plans to add value to Soya by producing extruded Soya TVP, and through collaboration with Malawi Industrial Research and Technology Development Centre (MIRTDC) produce a complete "Instant" Soya meal by adding various dehydrated vegetables procured from SME's to be created in the value chain. The oil that is produced by pressing soya before extrusion to Soya TVP will be refined and directly substitute imported vegetable oil in some applications within snack production. The project will create SME's along the value chain through Inclusive Business Models and will have a direct impact on import substitution as well as add value to locally grown crops.
- In addition, Universal Industries Ltd. will use defatted soya flour from the Oil processing as a base for the fully locally made instant nutritious porridge, "Nutri Gluco Phala". The soya flour, a by product of Oil processing will be milled to specification and then added to the porridge to provide the required protein component.

International Companies

Alliance One Tobacco (Malawi) Limited (AOM) is part of Alliance One International, a leading independent leaf tobacco merchant that provides worldwide service to the large cigarette manufacturers. Alliance One typically purchases most of its leaf tobacco according to customer orders, supply contracts, or customer indications of anticipated need. AOM's seven-year plan, which is consistent with the Government of Malawi's agricultural development strategies, is currently forecast to involve significant grower support and new capital investment, emphasizing the development of smallholder production and the empowerment of women growers. In particular, AOM's project is anticipated to result in significant increases in volumes and productivity by smallholder and commercial growers of maize, soya bean, flue cured tobacco and burley tobacco.

- AOM will enlarge its existing production base through the expansion of cultivated land, the development of one or more academies to enhance Malawi growers' agronomic and business abilities, and the establishment of one or more research farms to develop high flavor/aromatic burley styles in furtherance of expanding Malawi's profile in the world market.
- The production is planned to substantially increase in order to harvest 300,000 metric tonnes of maize (currently 36,000 metric tonnes), 145,000 metric tonnes of soya (currently 1,600 metric tonnes), 40,000 metric tonnes of flue-cured tobacco (currently 6,800 metric tonnes), and 90,000 metric tonnes of burley tobacco (currently 50,000 metric tonnes). This will require an increase in related employment from 71,000 (current) to 181,000 (end-state) as well as an increase in land utilized in production from 61,000 hectares (current) to 181,000 hectares (end-state).
- AOM's projects, if successful, are anticipated to contribute, by end-state, an additional \$543 million per annum to the Malawi rural economy.

Bunge is a leading global agribusiness and food company with integrated operations that circle the globe, stretching from the farm field to the retail shelf. The company aims at ensuring food security for a growing population in a sustainable way by establishing a seamless connection between farmers and customers as well as among regions, and by producing high-quality products ranging from animal feed to consumer foods to renewable fuels. Bunge entered Sub-Saharan Africa as an investor in 2011 through a joint venture with Senwes, a leading South African agribusiness company, and now has operations in South Africa, Malawi, Zambia and Mozambique.

- In Malawi, Bunge is working with smallholder farmers in partnership with organisations like the Farmers Union of Malawi, the Clinton Development Initiative, and the National Smallholder Farmers Association of Malawi to promote the growing, the structured marketing and export of soya beans. In 2013/14, soya beans worth \$9 million is earmarked for export by Bunge/Senwes and this is expected to grow to \$75 million by 2015/16.
- Throughout Sub-Saharan Africa, Bunge intends to invest in Agribusiness, Food & Ingredients and Sugar and Bioenergy. These intended investments are in support of the New Alliance for Food Security and Nutrition and the CAADP.

Export Trading Group (ETG) is an international company that specializes in integrated farming, trading and processing of agricultural commodities, through an end to end supply chain solution.

- ETG is planning to establish an integrated cotton processing facility in Blantyre, supply chain infrastructure and expanding its processing facilities in soya bean, pigeon peas and maize processing.
- ETG plans to invest **\$20 million** on this project in the next three to five years. In addition to expanding processing capacity by 100,000 metric tonnes, the project will further expand silo, warehouse and transport capacity both near rural areas as well as for bulk hubs for the additional handling of 50,000 metric tonnes of commodities. ETG will also set up a tractor and farm equipment showroom and training centre in Lilongwe.
- The project envisages working with smallholder farmers for the transfer of technology, best practices, improvement in planting materials and pre and post-harvest handling.

Illovo Sugar Malawi Limited (ISML) is listed on the Malawi Stock Exchange with the Illovo group holding 76 per cent of the issued share capital and the balance being held by institutional investors and the public. The company is Malawi's only sugar producer with significant agricultural, milling and refining assets at the Dwangwa sugar estate situated in the mid-central region and at the Nchalo sugar estate in the south of the country. In a normal season, combined with supplies of cane from Malawian small-holder growers, around 2.5 million tonnes of cane can be produced in Malawi enabling the production of approximately 330,000 tonnes of sugar.

- ISML intends to increase its sugar production by 30,000 metric tons per annum through incremental expansions at both Dwangwa and Nchalo estates which will require a capital investment of approximately **\$30 million**.
- The company also plans to up-scale its food crop production by planting 50 hectares of maize at both, Dwangwa and Nchalo estates in 2013.
- In addition, ISML with support from the Government of Malawi, its community trust and development partners intend to develop 50 hectares of irrigated food crops and produce three rotational crops per annum at Kaombe estates which will be expanded to 100ha in 2014, and will require a capital investment of approximately **\$800,000**.

Limbe Leaf Tobacco Company Limited (LLTC) is one of Malawi's leading tobacco processors. LLTC operates under the ownership of two companies: Continental Tobacco SA of Geneva, Switzerland, wholly owned by Universal Leaf Tobacco Company of the United States, and Press Corporation Limited situated in Blantyre, Malawi. LLTC has various schemes to promote safety, well-being and financial security of those involved in the production and handling of tobacco. In addition, all LLTC projects promote the achievement of high yields and quality through acceptable agronomic techniques and management to ensure minimum impact on the product and the environment.

- LLTC intends to expand its farmer contracting program and increase the average maize yield from 1.8 to 3.3 metric tonnes per hectare by 2014 which will increase the household agricultural income from currently \$280 per year to \$600 per year by 2014.
- Under its farmer contracting program, the company will also provide pre-financing and guarantees to banks for pre-contracted smallholder farmers, inputs (e.g. fertilizer, seed etc.), technical extension services, and training on water management as well as support for a long-term reforestation program to achieve self-sufficiency of wood for farm uses.

- In addition to previous investments that build and support these activities, LLTC will have an associated working capital requirement of at least **\$30 million** to achieve these objectives.

Monsanto Malawi Limited is part of Monsanto Africa with headquarters in South Africa and offices in Kenya, and Malawi. The locations are variously administrative and sales offices, manufacturing plants or seed production facilities. Monsanto's seeds and genomics segment consists of the company's global seeds and traits business, and genetic technology platforms including biotechnology, breeding and genomics. Monsanto produces hybrid seed brands in large-acre crops like maize, cotton, and oilseeds (soybeans and canola), as well as small-acre crops like vegetables. In addition to seed products, Monsanto offers a range of crop protection products like herbicides.

- Over the next twelve months, Monsanto intends to advance its existing testing efforts in Malawi focusing on the introduction of high quality and high yielding conventional hybrid seed maize varieties and Bollgard insect-protected cotton.
- Monsanto will continue to invest working capital to enable its normal business operations and meet all biosafety laws and regulations prior to commercial introduction.

Seed Co Malawi (SCM) Limited is part of Seed Co Limited, a public listed company incorporated in Zimbabwe and quoted on the Zimbabwe Stock Exchange and the leading producer and marketer of certified crop seeds in Southern Africa. Seed Co Limited develops and markets certified crop seeds, mainly hybrid maize seed, but also cotton, wheat, soya bean, barley, sorghum and ground nut seed.

- SCM intends to invest **\$8 million** in Malawi in the coming years to build a new modern processing plant in Lilongwe, including a modern office complex, a warehouse and the installation of new seed processing plant for maize, soybean and beans.
- This investment will include the installation of a \$1 million cotton acid de-linting plant in Lilongwe.
- SCM will also engage in the development of improved rice varieties in conjunction with a CGIAR partner.

Standard Bank Malawi is part of the Standard Bank Group of South Africa, with Stanbic Bank, through its subsidiary Stanbic Africa Holdings, being the major shareholder with 60.18 per cent interest in the bank. The business of the bank is divided into two main units, namely Personal & Business Banking Division and Corporate & Investment Banking Division offering a comprehensive range of services to individual clients, local businesses and international enterprises.

- Standard Bank intends to progress commodity and production finance related to the National Export Strategy (NES) in Malawi, in particular related to the oil seed cluster, in order to increase productivity and in-country value addition.
- To advance this commitment over the next twelve months, Standard Bank will finance projects approved by its Credit Department that are in line with the NES.