

PRAISE AND PEACE

THE MALAWI POULTRY INDUSTRY AND REGIONAL INTEGRATION:

A CASE OF LOCAL POLICY SUPPORT AND VALUE CHAIN GROWTH

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6/30/2015

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INTRODUCTION

This paper is examining the reasons for the growth in the poultry industry in Malawi in the past 10 years but wider livestock industry is probably where this discussion ought to start.

The livestock population in Malawi includes poultry-mostly chicken farming, cattle, goats, pigs and to a smaller extent sheep. The Poultry population has growth to the extent that Malawi has moved from a position of being net importer of poultry products and is exporting more than 20,000 chickens per month (MOIT Reports 2015) into neighbouring Mozambique and mostly into the Tete Province due to the growing coal mining taking place there.

Curiously, soya bean production supported by United Nations Development Programme (UNDP) Africa Facility for Inclusive Markets(AFIM) programme in Mozambique's Tete province has increased to target Malawi's a blossoming poultry industry. This writer was part of a meeting to review the UNDP FIM programme in 2013.

DISCUSSION

The Malawi Poultry Industry has experienced phenomenal growth in the past 10 year due to mostly policy instruments under industrial and trade policy. Prior to the year 2002, the Industry declined steeply most due to imports from neighbouring Zimbabweans South Africa that were brought into the country by backpacking cross border traders.

There were less than five active poultry farms with more than 10,000 per month production capacity operating in Blantyre and Lilongwe. Key Industry players lobbied for the regulation of the imports which meant that some sort of licencing had to be introduced. On being convinced, utilising the provisions of the Control of Goods Act, the Minister of Industry and Trade introduced controls in the form of licencing in 2002. Poultry products, that has hitherto formed a critical part of the food basket were in short supply. Even the importation, though sustained would not arrival on time and meet the need. There was therefore a need for a more organized response to the challenge.

Since then, poultry products coming into Malawi, are required to obtain a licence from the Ministry and an SPS clearance from the Department of Animal Health and Livestock Development. Despite the licences being a mere formality, importation of dressed chickens and table eggs, except by such entities as Shoprite, have significantly decreased and has been replaced by local players.

The other reason for the transformation in the industry and perhaps a significant one too, has been the availability of feed constructed through a combination of maize and soya bean.

Noting that soya bean were becoming a critical part of the food basket for both human and animal consumption, further controls on exportation of soya bean which has been a key ingredient in baby foods, porridge meals, and poultry farming were also instituted concurrent to the controls of imports of table eggs and dressed chickens.

The results of the action are as follows:

- The industries that were operation at the institution of the controls have more than doubled capacity since then.
- New industries have come up. Poultry operations have more than tripled in the main cities and more cottage industries have risen to the occasion and taken advantage of the new environment.
- Soya bean farming has become lucrative and has been further encouraged by the National Export Strategy (MOIT, 2012) which singled out oil seeds and sugar as Malawi's most vital export products

LESSONS

From the above discussion, it is clear that the Control of Goods Law is critical to the survival and growth of several agribusiness related entrepreneurial activities in Malawi. For the future, certain actions would be critical:

- The Control of Goods (CG) Act should not be repealed and if anything changes should be minimal.
- The Control of Goods Act is a true promoter of industrialization. Without such deliberate action, no country can ably grow an industry.
- Malawi should encourage more investment in these critical areas of both soya processing and poultry farming in order to grow local production and probably promote exports
- Maize production for the poultry industry should be commercialized to ensure critical mass production

- More training for farmers on poultry farming need to be included in the overall strategy under the National Export Strategy (NES)
- More smallholder farmers should be encouraged to participate in the poultry value chain
- The lesson in from Malawi, could be replicated in other countries facing a similar problem in the region and even beyond.
- It is important to carry out studies on the Sanitary and Phytosanitary benefits of controls for the poultry industry.

References

1. Malawi Ministry of Industry and Trade, *National Export Strategy* 2012.
2. Ministry of Industry and Trade, Various Reports, 2015.