

PRESENTATION ON
PERFORMANCE OF MAIZE
MARKETING & TRADE
SYSTEMS (What is working
well and what need to be
improved to promote
smallholder income growth and
Food Security –
Mr George Zimalirana, Director
Ministry of Agriculture - Malawi



Structure

- Lessons
 - Linked to the challenges mentioned earlier on in Malawi presentation on key objectives of Government Policy with regards to agriculture and food security emphasizing on the role of maize marketing and trade policy in achieving these objectives. Focus on Malawi
- What has worked well?
- What needs to be improved?




What has worked well?


- Six joint Food Security Task Forces established soon after the 2001/2 season food crisis to monitor and manage food shortages in terms of needs for humanitarian aid and commercial maize. Working extremely well. Membership includes government, donors, NGO, Parastatals and the private sector. Transparency and information flow.

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- Cross border trade monitoring jointly done by FEWSNET and WFP has been well established on an early warning system. Assisted to improve the Food Balance Sheet.
 - Borders have remained wide open between our neighboring countries and are to take advantage of the huge potential of trading.
 - Developed an effective marketing information system (MIS) which has brought transparency in pricing information of all commodities including maize. Proposal for Agriculture Commodity Exchange in the pipeline for Malawi.

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- HIV and AIDS being extensively addressed as a cross cutting issue by streamlining it into the various line Ministries' budget and Global Funds Programmes.

2. What Needs To Be Improved

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- Export ban which has been exercised at times is detrimental to potential market benefits. Works against the "Maize without Boarder" principle in COMESA.
 - Transportation costs high in Malawi opening the Zambezi - Shire rivers canal to Indian Ocean. Extensive investments in the infrastructure road network including the rural feeder roads under Integrated Rural Development Programme. Reduced duties on vehicles and spare parts.
 - Competition Act not working effectively.
 - Government should promote competition in Maize Marketing enough to effect price surface.

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- Government should gradually run away from “Maize – centric” policies. The question of ADMARC and NFRA.
 - Government interventions in the marketing of maize which has led to greater seasonal price variation and instability should be avoided. Need for more linkage with private sector on the demand of importing maize in the country. If done well could avoid humanitarian aid.
 - If government imports maize it should encourage full private sector participation by selling government imports at full commercial prices.
 - To bring profound, reputable third parties to assist in resolving political interferences in Maize marketing and trade.