

# UNITED NATIONS DEVELOPMENT PROGRAMME BACK TO OFFICE REPORT

Prepared by: Lena Lungu	Date: 20 <sup>th</sup> August 2018	
<b>Reference Number</b> ( <i>if available</i> ):		
Place(s) visited: Mzuzu, Nkhata-	Inclusive travel dates: 14 <sup>th</sup> –	Co-travellers, if any:
Bay	17 <sup>th</sup> August 2018	Chifundo Kungade, Wisdom
		Chimgwede and Ezron
		Chirambo

# Background

The Buy Malawi Strategy (BMS), as outlined by the Government of Malawi, is intended to increase the quality, and subsequently sales volumes of goods and services produced by Malawi based enterprises. The strategy is in line with Sustainable Development Goals (SDGs) 8 and 9. SDG 8 seeks to promote sustained inclusive and sustainable economic growth, full and productive employment and decent work for all which directly speaks to the objectives of the Buy Malawi Strategy. The strategy envisages a robust local industry, hence the emphasis on changing the perceptions of Malawians towards Malawi made products and services. The success of the strategy therefore depends on full participation of the private sector.

The BMS Business captain's interface meeting in Mzuzu marked a first step towards engaging with the private sector in the region on the relevance of the BMS to their business. The highly interactive event provided information on the role of business captains in the overall success of BMS and more especially the benefits to the businesses.

The meetings started on Wednesday through Friday with the team visiting different companies for recruitment as members of BMS with the Wednesday evening interface marking the climax. In Mzuzu, the team physically visited 5 companies (Mzuzu Coffee Planters, Kwithu Kitchens, Chipunga Coffee, Kentam Limited and Kawalazi Estates Limited).

On Wednesday, 15<sup>th</sup> August was the main event where we targeted 40 companies to an interface meeting on Buy Malawi. 38 companies, came on the day with a total of 78 people present. The event was interactive as companies raised pertinent issues affecting their daily operations and their ability to produce quality products for local as well as international markets.

### My Take Aways from the Meetings

- All business captains interacted with acknowledge the importance of the buy Malawi strategy.
- Cost of production in Malawi is very high, something that is affecting their competitiveness on the market. The most common challenge was to do with packaging as almost all the packaging materials used are imported from South Africa, China, Germany etc
- Most Coffee producing companies do not have a local market as Malawians hardly consume coffee. Coming in of Buy Malawi is seen as an opportunity for a voice that can influence the Malawian community to consume locally produce coffee.
- Companies have unique challenges hence the need for tailor made solutions
- The Malawi market is not confident in the products and services produced locally. In most

cases that they have consumed and loved the products, they have done so not knowing they are locally produced.

- Lack of support from Government on importation of raw materials
- BMS to priorities a review of all products in the market and compare them with locally produced that are not only of higher quality but also have a competitive price. I.e. Cable manufacturing industry in Malawi is doing good as compared to Chinese produced cables and Shayona Cement has become one of the best as compared to other imported cement.
- Partnerships will ensure the success of BMS

# Next Steps and Timeline:

- Activity A: Compile all the Challenges raised by companies through our visits and present them to the Steering committee for Action by End of August
- Activity B: Follow up with all the companies that are in the process of applying for membership for payment by end of August
- Activity C: Implementation of some of the recommendations made by the business captains
- Activity D: Organise a high-level press conference to be chaired by Minister of Industry Trade and Tourism on the use of BMS logo, registration and other issues attendant to the drive

# **Recommendations and observations**

- Need to hold a steering committee meeting to discuss the issues raised
- Companies sectoral needs vary hence need to deal with their issues separately
- The secretariat needs to do a needs assessment of all local manufacturers to ascertain best approach to help them
- Companies are in doubt if BMS will thrive. BMS to come up with a retention plan for the members.