

Policies Supporting Agri-food Value Chains in Malawi

Ministry of Industries, Trade
and Tourism

OUTLINE

Reasons for Trade Policy

Key Trade Policy Objectives

Key Industry Policy Objectives

Key Trade Policy Strategies

World Trade Organisation (WTO) And Regional Trade Agreements

The Control of Goods Act

The Business Licensing Act

REASONS FOR TRADE POLICY

To achieve social economic growth and development through trade

To make trade more predictable

To achieve food security and food safety

To facilitate imports and exports that could trigger development

To facilitate business to business linkages - e.g. farmer to processor or supermarket

To comply with multilateral, regional and bilateral trade agreements

World Trade Organisation (WTO)

SADC

COMESA

TFTA

AfFTA

KEY TRADE POLICY OBJECTIVES

To eliminate external and domestic policy barriers to trade;

To provide support and certainty for traders in the external and domestic market;

To reduce the cost of doing business and trading;

To facilitate investment and provision of a more secure investment framework;

To reduce barriers to movement of service providers and high skilled immigrants;

To strengthen the linkages between domestic and international trade;

To facilitate cross border market access opportunities for MSMEs;

To empower Malawians to participate in the provision of goods and services

Key Industry Policy Objectives

Enhance the provision of appropriate skills and technology;

Improved business environment

Improved access to key business services;

To promote support infrastructure (enablers);

Facilitate participation of MSME

Key Trade Policy Strategies

Negotiate through bilateral and regional frameworks the elimination of trade barriers

Enhance identification, reporting and elimination of domestic trade barriers

Support the development of the national quality infrastructure

Implement the national trade facilitation action plan including the Malawi Programme for Aflatoxin Control (MAPAC)

Develop and maintain a trade portal and commodity price information systems

Rationalize domestic tariffs to reduce tariffs on inputs

Promote competition policy

Key Trade Policy Strategies

Implementation of Simplified Trade Regime

Implement the business linkage programme

Enhance local market structures such as commodity and warehouse receipt systems

Implement the Buy Malawi Strategy

Build the capacity of indigenous traders

Strengthen policy dialogue and coordination under TPSWAp

Promote commercial agriculture strategies/systems such as anchor farms

The Control of Goods Act

Import Licenses:

To bridge gaps in demand created by lack of adequate production (or even lack of joint ventures to meet contractual obligations through consolidation)

To address some consumer preferences such as quality and price

To protect infant industries

Export licenses:

To control availability of products domestically when high demand for exports could create domestic shortage

To support environmental management

To reduce vandalism and theft

To support recycling, agro processing industries and value addition

To enhance export diversification

World Trade Organisation (WTO) And Regional Trade Agreements

The Agreement on the Application of Sanitary and Phytosanitary (SPS) measures

To protect human, animal and plant life and health

SPS enquiry points mandatory in each and every country

Reduction in tariffs

Elimination of tariffs in Free Trade Area – SADC and COMESA FTAs

The Business Licensing Act

Local Authorities license Malawians and all food outlets

The Ministry licenses foreign owned businesses

Foreign owned Agri-businesses are allowed to establish in rural areas to ease access of farm inputs

THANK YOU