

Michigan State University

New Alliance Policy Acceleration Support (NAPAS) Activity

Associate Cooperative Agreement no. AID-612-LA-15-00001

Quarterly Report

1 October 2018 to 31 December 2018

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MICHIGAN STATE
UNIVERSITY

USAID/Malawi Quarterly Progress Report

Project Name: New Alliance Policy Acceleration Support: Malawi (NAPAS: Malawi) Activity

Reporting Period: October 1, 2018 to December 31, 2018

Obligation Funding Amount: US\$4,002,467

Project Duration: November 28, 2014 to February 27, 2018

Evaluation Dates: October 1, 2018 to December 31, 2018

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Project Objectives: The New Alliance Policy Acceleration Support: Malawi (NAPAS:Malawi) is an activity under the Sustainable Economic Growth (SEG) project of USAID/Malawi. The activity is being implemented by Michigan State University (MSU) in collaboration with the International Food Policy Research Institute (IFPRI) and the University of Pretoria (UP). NAPAS aims to enable the Government of Malawi to implement the policy reforms agenda it committed to under the New Alliance Country Cooperation Framework for Malawi. NAPAS has the goal of *providing effective technical support to the Government of Malawi so that it sustainably achieves the high-level commitments to policy reform made under the New Alliance Country Cooperation Framework for Malawi*. These policy reforms have the broader aim of improving the agriculture investment climate in Malawi through commercializing agriculture and increasing the role of the private sector in Malawi's agricultural sector. NAPAS has three components:

1. Policy Formulation
2. Policy Communication
3. Capacity Strengthening

The NAPAS Malawi activity was expected to officially close on 27th November, 2018 but was given a 3 months' No-Cost Extension (NCE) until 27th February, 2019. This report is covering the last two months of the costed extension period and the one month of the NCE.

Component 1: Technical Support for Policy Formulation

National Fertilizer Policy (NFP)

The draft National Fertiliser Policy was submitted to the Secretary for Agriculture, Irrigation and Water Development on 24th July, 2018 to initiate approval processes. Subsequently, the draft policy was submitted to the Office of President and Cabinet (OPC) by the Secretary for Agriculture in November, 2018. Following this, OPC called for a meeting on November, 29, 2018 for Principal Secretaries to provide input into the document. The meeting was postponed to 10th January, 2019 by OPC, but also failed to take place due to unavailability of the PS of Agriculture. OPC will reschedule the meeting. The NAPAS activity will provide financial support for the PS' Committee meeting when a new date is established.

Fertiliser Bill

A writeshop to align the draft Fertiliser Bill to the National Fertiliser Policy was held at Mount Soche Hotel from 10th to 12th September, 2018. A writeshop to draft regulations in the draft Fertilizer Bill has been planned for January, 2019.

Agriculture Sector Food and Nutrition Strategy (ASFNS)

The draft Agriculture Sector Food and Nutrition Strategy was finalized together with costing on 16th November, 2018. The Department of Nutrition, HIV and AIDS (DNHA) in the Ministry of Health has called for meeting of nutrition specialists to have a final look at the document on February 4-5 2019. After incorporating comments from the nutrition specialists, the Strategy will be finalized and submitted to MoAIWD for adoption.

Farmer Organization Development Strategy (FODS)

During the first quarter of FY19, the NAPAS activity further refined the Farmer Organization Development Strategy (FODS) in readiness for submission to MoAIWD. A cover page for the FODS is being designed in collaboration with the Department of Agriculture Extension Services (DAES). The Strategy will be submitted to MoAIWD for adoption in January, 2019.

Review of the Special Crops Act (SPA) and Agriculture General Purposes Act (AGPA) and Development of Contract Farming Legislation

Following an external validation workshop on the Review of Special Crop Act and Agriculture General Purposes Act that took place in September 2018, the NAPAS activity consolidated input from the validation workshop and produced a preliminary report which can be accessed [here](#). One of the outcomes of the validation workshop was the realization of a need to further understand contract farming issues to better inform development of Contract Farming Legislation. As a result, the NAPAS team conducted a Contract Farming (CF) study to inform development of CF legislation. Key informant interviews and focus group discussions were conducted in the tobacco, tea, coffee, macadamia, and sugar industries between 17th and 22 December, 2018 to inform the

study. Additional consultations will be conducted in January, 2019. Results of this study will be incorporated in the main report on the Review of Special Crops Act and Agriculture General Purposes Act and will be used to draft new Agriculture Legislation.

Horticulture Policy and Strategy

A writeshop to continue drafting the Horticulture Policy and Strategy was held at La Riviera hotel in Mangochi from 16th to 19th October, 2018. This time the writeshop involved horticulture specialists from selected districts and Agriculture Development Divisions and several participants that attended the first workshop. During this writeshop, goals, objectives, strategies and activities were drafted and consolidated in an Excel sheet. A -1 draft of the Horticulture Policy and Strategy was developed. Another writeshop was held from 19th to 21st November, 2018 at Mpatso Lodge in Salima. A zero draft of the Horticulture Policy and Strategy will be produced by consultants in January, 2019. The zero draft Policy will then be circulated and validated internally in the MoAIWD and externally, across the three regions of Malawi. After this a final draft of the Policy will be produced that will be submitted to the Office of the President and Cabinet (OPC) to undergo the approval process. The plan is to fast-track the process so that the Policy and Strategy are submitted to the OPC in March or early April 2019.

MoAIWD Strategic Plan

The Ministry's Strategic Plan delayed finalization because it was noted that it did not include activities from the Department of Human Resources. The omission was corrected and the Strategic Plan has been finalized and submitted to the Department of Agricultural Extension Services for printing.

Fish Value Chain Study

Prior to getting the NCE, the NAPAS activity planned to use the funds that were not going to be used for conducting a fish value chain study. Professor Emmanuel Kaunda of LUANAR was hired to produce an inception report for the study and design the data collection tools to be used in conducting the fish value chain study. Prof. Kaunda submitted a draft inception report in November, 2018. The data collection was, however, suspended when the NCE was granted. The upcoming post-NAPAS project will most likely continue the study.

Agricultural Extension and Advisory Services Strategy

The Department of Agricultural Extension Services held a national validation workshop for the Agricultural Extension and Advisory Services Strategy on 21st November, 2018. Consultants working on the Strategy have submitted a revised report which will be reviewed by a technical team on 30th January, 2019. Another validation workshop has been planned for a date will be communicated in due course. The document will then be submitted to MoAIWD for adoption.

Component 2: Policy Communication

Policy Dissemination Events

The NAPAS Activity participated in the 3rd Mzuzu Trade Fair from 5th to 7th October 2018 where key policy outputs were disseminated. A total of 54 policy briefs, 7 copies of the National Agriculture Policy document (NAP), 15 copies of the NAP abridged Chichewa version, 8 copies of the National Agriculture Investment Plan (NAIP), and 15 copies of the Contract Farming Strategy were disseminated.

October 2018 Issue of NAPAS Happenings (the Project's Newsletter)

The NAPAS activity published the second edition of the NAPAS Happenings Newsletter on 29th October, 2018. The aim of the Newsletter is to update stakeholders on the status of policies and strategies that have or are being developed. The Newsletter can be accessed [here](#).

Agricultural Commercialization Project's Value Chain Prioritization Workshop

The NAPAS activity was approached by the Agricultural Commercialization (AgCom) Project National Coordinator Dr Teddie Nakhumwa to present value chain studies at a Value Chain Prioritization workshop for the AgCom project. The AgCom project will support development of a number of value chains in the agriculture sector. The workshop was organized to facilitate prioritization and selection of value chains based on empirical evidence. It was held from 3rd to 5th October 2018 at La Riviera Hotel in Mangochi. The project is implemented by the Ministry of Agriculture, Irrigation and Water Development in collaboration with the Ministry of Industry, Trade and Tourism and the Malawi Investment and Trade Centre (MITC). The NAPAS activity played a significant role in helping the AgCoM project with information on value chains that NAPAS conducted. Eleven value chain studies were presented at the workshop among which, groundnuts, banana, macadamia, were selected as some of the high priority value chains the AgCoM will consider concentrating on.

African Growth and Opportunity Act (AGOA) Strategy Regional Dissemination Workshops

The NAPAS activity was requested by USAID to provide technical and financial support towards dissemination of the African Growth and Opportunity Act (AGOA) Strategy. The Strategy was developed by the Ministry of Industry Trade and Tourism with technical support from a USAID supported Southern Africa Trade and Investment Hub project implemented by DAI and the Malawi Investment and Trade Center (MITC). The regional workshops were organized to disseminate a National Response Strategy for increasing Malawian exports to the USA under the AGOA program. The First workshop took place on 29th October, 2018 at Mzuzu Hotel. Subsequent workshops took place on 31st October, 2018 in Lilongwe and 2nd November, 2018 in Blantyre. The NAPAS activity presented 3 value chain studies of crops that have been identified as AGOA

targeted crops including macadamia, tea and mangoes. The NAPAS activity also distributed a number of policy briefs, copies of the Contract Farming Strategy and copies of the abridged version of the National Agriculture Policy to stakeholders.

Fish Value Chain Gap Identification Workshop

The NAPAS: Malawi activity participated in Fish Value Chain Gap Identification workshop that took place at Sun and Sand Holiday Resort in Mangochi from 8th to 9th October, 2018. The CoP of the NAPAS: Malawi activity made a presentation on a proposed Fish Value Chain study that NAPAS will conduct. Stakeholders provided input on the direction the study should take.

Component 3: Capacity Strengthening

The NAPAS: Malawi team was involved in the preparation of the 2018 Agriculture Sector Performance Report that was organized by the Ministry of Agriculture, Irrigation and Water Development at Palm Haven Lodge in Mponela. The meeting was organized to draft a report that will be used at the Joint Agriculture Sector Review (JSR).

In November, 2018 the COP helped the Director of Foundation for Agribusiness and Youth Empowerment (FAYE), Mr. Aubrey Mchonkhwe, prepare talking points for a United Nations conference in Lusaka Zambia where he was one of the panelists. Mr Mchonkhwe is a youth who graduated from Lilongwe University of Agriculture and Natural Resources (LUANAR) with Bachelors in Agribusiness Management in August, 2016 and established the organization to support youths to join agribusiness as a career.

II. International Travel

Dr Flora Nankhuni travelled to Washington DC on 20th November and returned to Malawi on 4th December, 2018

III. Challenges, Solutions and Actions Taken

There has been slow progress on the part of government to fast track approval of the National Fertiliser Policy. As mentioned earlier, the policy was officially submitted to the Secretary for Agriculture, Irrigation and Water Development in July 2018. The Policy was submitted to OPC in November, 2018 and a PS' committee validation workshop that was scheduled for 27th November, 2018 but was postponed to 10th January, 2019 has not yet taken place.

IV. Lessons, Best Practices and Recommendations

The NAPAS: Malawi activity has learned that many times, policy formulation can be swift and delivered within the timeframe. However, once the policy leaves the hands of technical people involved in the formulation process, there is limited room to influence the pace at which the policy is approved. There is need for such projects to be structured in such a way that the Project Chief

of Party works more closely with all key stakeholders in the policy process (such as OPC staff) and political figures like the Minister and the PS and the Chief Secretary (who convenes all PS committee meetings) .

V. Success stories

There is continued growing appreciation of the work NAPAS is doing particularly on value chain studies. The NAPAS activity was approached by the Agricultural Commercialization (AgCom) Project National Coordinator Dr Teddie Nakhumwa to have the NAPAS team present value chain studies at a Value Chain Prioritization workshop for the AgCom project. The workshop was held from 3rd to 5th October 2018 at La Riviera Hotel in Mangochi (see [blog](#) on it).

Considering the important role the NAPAS activity plays in the Ministry, the project continues to receive requests from departments to provide technical support in the formulation of various policies and strategies. In particular, the project was requested to support development of the Horticulture Policy and Strategy in the Department of Crop Development, and the Livestock Policy in the Department of Animal Health and Livestock Development. Furthermore, the Ministry of Industry, Trade and Tourism (MoITT) asked the Project to provide technical support during dissemination of the AGOA strategy. Macadamia, coffee, and tea value chain studies were presented during the AGOA Strategy dissemination workshops that were held in Mzuzu, Lilongwe and Blantyre from October 29, 2018 to November 2, 2018. Following dissemination of the draft review of the Special Crops Act and Agriculture General Purposes Act, the MoITT has also asked the NAPAS team to conduct a scoping study on development of structured markets for most of the crops produced in Malawi. The NAPAS activity was also asked to conduct a Fish value chain study to inform development on an upcoming AfDB project on fish and aquaculture development.

VI. Management Issues

The Foundation for A Smoke Free World facilitated the NCE with the aim of smoothing the transition from the current USAID-funded NAPAS project to the next policy project that the Foundation has funded, to continue supporting the Ministry of Agriculture. However, personal disagreements among MSU staff has caused that smooth transition to be rocky. It is not clear if the people that were involved with the NAPAS team will be the same people working with the Ministry of Agriculture in the post-NAPAS phase – indicating possible inefficiencies if new staff will have to be employed. The senior management of the Ministry of Agriculture were not happy to be bypassed in the process of the transition.

The MSU business office that is managing the MSU funds has advised that there is not sufficient funds to have the current NAPAS staff employed on the project beyond February 18, 2019. The NCE was planned to end on February 27, 2019 but will practically end on February 18, 2019.

VII. Update of the PMP

Indicators tracked to measure progress of the NAPAS: Malawi activity are presented in the Table below. In general the NAPAS activity has made progress on 11 policy reforms in this quarter.

Table 1. Indicators for Monitoring Progress of the NAPAS activity

Result Area	Indicator	Unit of Measure	Data Source	Method of Data Collection	Frequency of Data Collection	Result & Description
2	Number of policy reform commitments the government of Malawi made under the Country Cooperation Framework to support the New Alliance for Food Security and Nutrition in Malawi for which MoAIWD is responsible that have been completed or are in progress.	Number of New Alliance policy reform commitments	Twenty-six policy reforms were made in the New Alliance Country Cooperation Framework for Malawi that are the responsibility of MoAIWD to implement. In December 2015, the government of Malawi approved a revised set of policy commitments under the New Alliance, with the number of policy commitments being reduced to 15 and those under the purview of the Ministry of Agriculture being reduced to eight. Records on progress on these policy reforms will be updated on a regular basis by NAPAS: Malawi staff.	NAPAS:Malawi record keeping; contact: New Alliance secretariat	Quarterly and annually	11 in this quarter -currently working on all 11 (Enabling environment for private sector investment: Fertiliser Bill; Horticulture Policy and Strategy, Review of Special Crops Act, Review of Agriculture General Purposes Act; Development of Contract Farming Legislation, Value Chain analyses to support effective implementation of the NAP and NAIP; MoAIWD Strategic Plan; Agriculture Inputs Policy: National Fertilizer Policy, Agricultural Extension and Advisory Services Strategy; Agriculture Trade Policy: Farmer Organization Development Strategy; Nutrition Policy: Agriculture Sector Food and Nutrition Strategy.
3	Number of demonstrated uses by policy makers of evidence (analyses and policy papers) generated or presented through NAPAS:Malawi.	Number of demonstrated uses	Annual NAPAS:Malawi records will be used. NAPAS:Malawi will maintain records of use by policy makers of evidence supplied by the project	NAPAS:Malawi record keeping	Quarterly and annually.	2 this quarter: 1) Results of value chain studies informing prioritization of value chains to be developed under the World-Bank funded AgCom Project; 2) Results of value chain studies informing dissemination of the AGOA Strategy.
4	Index (or scorecard) of quality of the institutional architecture for agriculture and food security	Index of quality of institutional architecture	Measured by stakeholder evaluation survey to capture level of satisfaction and confidence. Baseline survey in April 2015; endline survey in end November-2017	Stakeholder survey implementation and analysis	Twice over life of project	1.8 baseline, 1.0 Endline http://www.canr.msu.edu/resources/the-quality-of-agriculture-and-food-security-policy-processes See also Baseline report and policy brief

	policy processes in Malawi					
5	Index (or scorecard) of quality of agriculture and food security policy processes in Malawi.	Index of quality of policy processes	Measured by stakeholder evaluation survey to capture level of satisfaction and confidence. Baseline survey in April 2015; endline survey in end November-2017	Stakeholder survey implementation and analysis	Twice over life of project	1.8 baseline; 1.3 Endline http://www.canr.msu.edu/resources/the-quality-of-agriculture-and-food-security-policy-processes See also Baseline report and policy brief
Output:						
1	Number of policy research and best policy practice papers generated.	Number of papers produced	NAPAS:Malawi records will be used. Activity staff will maintain records on all policy research and best policy practice papers generated; all training sessions held, with sex-and sector-disaggregated information on participants; and all	NAPAS:Malawi record keeping	Annually and quarterly	2 this quarter (Tea value chain study (http://www.canr.msu.edu/resources/opportunities-to-enhance-the-competitiveness-of-malawi-s-tea-industry-policy-brief); 2) NAPAS Endline Survey report (http://www.canr.msu.edu/resources/the-quality-of-agriculture-and-food-security-policy-processes). A review of the SCA and AGPA will be produced in January 2019.
2	Number of stakeholder learning forums on agriculture and food security policy issues supported.	Number of learning forums	engagements with private sector and civil society organizations to work with them on how their engagement in policy formulation processes might be strengthened		Annually and quarterly	6 this quarter: 1) policy documents dissemination/exhibition at the Mzuzu Trade Fair from 5th to 7th October, 2018; 2) NAPAS presentation at the Stakeholders' workshop to inform design of an upcoming FAO/MSU/LUANAR/MoAIWD Fish value chain project; 3) NAPAS value chain study presentations at the Value Chain Prioritization Workshop held in Mangochi (3 rd to 5 th October 2018) 4) NAPAS value chain presentations at the AGOA Strategy Dissemination Workshop in Mzuzu (October 29, 2018) 5) NAPAS value chain presentations at the AGOA Strategy Dissemination Workshop in Lilongwe planned for October 31, 2018 6) NAPAS value chain presentations at the AGOA Strategy Dissemination Workshop in Blantyre planed for November 2, 2018)
3	Number of people receiving short-term training in	Number of trainees			Annually and quarterly	0 this quarter

	policy analysis, planning, formulation, advocacy, monitoring, and evaluation.					
4	Number of institutions where trained individuals are applying new practices	Number of institutions			Annually and quarterly	0 this quarter
5	Number of private sector and civil society organizations assisted to participate in policy formulation processes.	Number of firms & CSOs assisted			Annually and quarterly	19 this quarter (those that informed the Contract Farming Study)
Input:						
1	Labor allocations to activity, disaggregated by level of expertise and type of activity – technical support, communications, capacity strengthening.	Person-weeks allocated	Annual and quarterly NAPAS:Malawi reports to USAID/Malawi – 51 man-weeks on Technical support (Flora 9, Todd 2, Andrew 2, Christone 12, Zephania 13; Joseph 13); 15 man weeks on policy communication (Paida 13, Flora 2) and 16 man weeks on Administration (Flora 2, Doris 13, Christone 1)	NAPAS:Malawi record keeping	Annually and quarterly	82 man weeks (this quarter).
2	Financial resources directly expended by NAPAS: Malawi on policy process strengthening activities.	US dollars expended	Annual, Quarterly and Monthly Financial Reports	NAPAS: Malawi record keeping	Annually and quarterly	\$37,360.00 (for this quarter) -from the following activities: International Trade Fair; Regional Value Chains and AGOA Dissemination Workshops in Blantyre, Lilongwe and Mzuzu; Fisheries Value Chains Gap Identification Workshop in Mangochi; Dissemination of Value Chains in Mangochi;

						Horticulture Policy and Strategy Formulation writeshop in Mangochi; NAPAS Project End Wrap up; Preparation AGRF Meeting MOAIWD Horticulture Strategy Development ,Mpatsa Lodge ,Salima; 2018 Agriculture Sector Performance Report Writeshop in Mponela; Printing NAP, NAIP and Contract Farming Strategy Books and Contract Farming Study
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VII. Planned Activities for Next Quarter

The activities shown in Table 2 are planned for the 2nd quarter of FY 2019 (January 2019-February, 2019) for the NAPAS activity:

Table 2. Planned NAPAS activities for January 7th to February 18th, 2019

Activity Description	Month or Date	Description of NAPAS contribution or efforts	Staff responsible
Completion of drafting of the Agriculture Sector Food and Nutrition Strategy (ASFNS) and submission to the Ministry for adoption	January 7 th , 2019-February 18 th , 2019	Supporting finalization and submission of draft ASFNS (in collaboration with the SANE activity and DAES).	Dr Flora Nankhuni Mr Zephania Nyirenda
Finalizing development of the National Fertilizer Policy and drafting of Fertiliser Bill	January 7 th , 2019-February 18 th , 2019	NAPAS to work in collaboration OPC and the PS of Agriculture to ensure validation of the National Fertilizer Policy by the Principal Secretaries' committee. The project will also support the Department of Agricultural Research Services to develop a draft Fertiliser Bill.	Dr Flora Nankhuni and Mr Zephania Nyirenda
Drafting of the Farmer Organization Development Strategy (FODS) and validation	January 7 th , 2019-February 18 th , 2019	NAPAS to finalize drafting of the Farmer Organization Development Strategy and facilitating adoption of the Strategy by the Minister and Secretary of Agriculture.	Dr. Christone Nyondo, Dr. Flora Nankhuni
Review of the Special Crops Act and Agriculture General Purposes Act	January 7 th , 2019-February 18 th , 2019	NAPAS to finalize soliciting input from stakeholders, analyze the data and produce a report.	Dr. Flora Nankhuni, Dr. Todd Benson Dr. Milu Muyanga Mr. Andrew Comstock Mr. Zephania Nyirenda Mr. Christone Nyondo Mr. Joseph Kanyamuka Legal experts from MoJCA
Provide support for the amendment of the Agriculture General Purposes Act	January 7 th , 2019-February 18 th , 2019	NAPAS to support a study to investigate the current contract farming systems to better inform development of legislation for contract farming in Malawi. The legislation will most likely be amended in the Agriculture General Purposes Act and submitted to Ministry of Justice. This work will most likely go beyond closure of the USAID-funded NAPAS activity.	Dr. Flora Nankhuni Dr. Todd Benson Dr. Milu Muyanga Mr. Andrew Comstock Mr. Zephania Nyirenda Mr. Christone Nyondo Mr. Joseph Kanyamuka

Activity Description	Month or Date	Description of NAPAS contribution or efforts	Staff responsible
			Legal experts from MoJCA
Horticulture Development Policy and Strategy	January 7 th , 2019-February 18 th , 2019	NAPAS to provide technical support in a writeshop to finalize drafting of the Horticulture Policy and Strategy.	Dr. Flora Nankhuni Mr. Zephania Nyirenda Dr Christone Nyondo