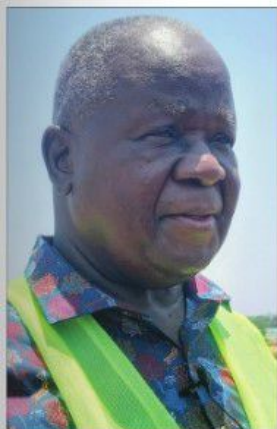




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PHOTOGRAPH: ESMIE KOMWA

Mlusu says irrigation project a game-changer

ESMIE KOMWA
STAFF WRITER

Minister of Finance Felix Mlusu says the Shire Valley Transformation Project, the largest irrigation scheme being constructed in Chikwawa and Nsanje districts, is a game-changer in agriculture commercialisation.

Speaking when he toured the project site on Tuesday in Chikwawa, the minister said agriculture commercialisation is one of the key pillars of Malawi

2063, the country's long-term development plan.

"In the presentation that the officials of this project made, they highlighted that this project will not only focus on crops that are included in the plan, but also other crops such as cotton which is a cash crop and does well in this area," said Mlusu.

He said government wants to attract investors to open industries to add value to the crops grown at the irrigation project.

Acting project coordinator Stanly Chakhumbira said, so

far, the construction works of the intake and the first six kilometres of the main canal stand at 55 percent, but could have been at 60 percent had it not been for Covid-19, which forced the works to stop twice.

He said the minister's visit was an opportunity for him to assess progress of the work and also prepare funding for the second phase of the project which will start in 2023.

"We are happy that he is impressed with the progress that we have made so far and he has assured us that he will make

sure that finances are available in time," he said.

Chikwawa Mkombezi Ward councillor Aubrey Masanza, who is also Chikwawa District Council chairperson, said the project will bail out the Shire Valley from perennial hunger as the area is mostly hit by floods and drought.

The Shire Valley Transformation Project was launched in 2020 and the targeted area is 43 370 hectares.

About 223 000 farmers are expected to benefit from the project upon completion. ■

OLD MUTUAL PLANS RATED BOND ON MSE

MSE says rating gives confidence to investors

GRACE PHIRI, NEWS ANALYST

Old Mutual Investment Group (OMIG) says the yet-to-be listed bond in partnership with development finance institution GuarantCo will be rated by international credit rating agencies, thereby enhancing its attractiveness to investors.

OMIG managing director Mark Mikwamba said this in an exclusive interview in Blantyre on Wednesday on the sidelines of a three-day Infrastructure Projects and Private Partnerships Capacity Building Workshop organised by Old Mutual Malawi and GuarantCo.

He said GuarantCo is partially guaranteeing the capital and interest of the bond repayment of what he touted as the first-ever green bond, which will be rated.

The global credit rating industry is dominated by three big agencies, namely Moody's, Standard & Poor's and Fitch

Said Mikwamba: "The bonds that are currently in Malawi are not rated. We are going to have our bond rated by credit rating agency because that is the trend internationally.

"The bond is going to be a green bond, first time for Malawi to have such. Right now, the world is talking about climate change and its impact and this bond is one of the things that will be the drivers on the future."

He advised institutions to start considering having



PHOTOGRAPH: COURTESY OF OLD MALAWI

Mikwamba: The bonds currently in Malawi are not rated

IMF optimistic about Zambia loan deal

International Monetary Fund (IMF) chief Kristalina Georgieva says she was "very optimistic" about reaching a lending arrangement with Zambia, one of just three countries that have sought debt restructuring under a G20 framework.

She told Reuters on the sidelines of the Cop26 UN climate conference that Zambian authorities had done "fantastic" work in terms of debt transparency and engaging with creditors, but more work was needed on financial assurances.

"We are not yet quite there, but they are very determined," Georgieva said. "So, I'm very optimistic. It's not quite yet closed, but I'm optimistic that we will have a good arrangement."

Zambia's Finance Ministry on Wednesday said it expected to resume talks with the IMF yesterday about an agreement mapping out economic reforms and a medium-term macro-fiscal framework that, together with a debt restructuring package, would restore the country's fiscal and debt sustainability.

Zambia hopes to secure an IMF support agreement by the end of November this year.—

REUTERS