

Business unusual: Unlocking Malawi's agriculture commercialisation potential

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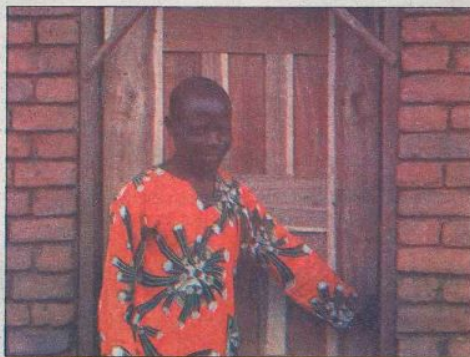
Malawi remains one of the countries in the world whose economy is predominantly driven by agriculture. According to the Malawi Population and Housing Census (2018), approximately 84 percent of the population in Malawi live in rural areas, with the majority engaged in rain-fed subsistence agriculture. The agriculture sector accounts for one third of the GDP and represents an average of 60 percent of the country's total exports.

Agricultural land is scarce in Malawi with 70 percent of small-scale farmers farming less than one hectare of land. Over the years, erratic rains and other adverse effects of climate change including drought, floods, and declining soil fertility, have negatively affected the agriculture sector in Malawi contributing to high levels of rural poverty.

To address food insecurity and spur agriculture-led growth, the Government of Malawi has been developing irrigation schemes in the country in order to shift from smallholder to commercial agriculture. The National Irrigation Policy (2016) estimates that Malawi has 407,862 hectares of potential irrigable land. 118,604 hectares of land has been irrigated to date (Department of Irrigation 2020 Annual Report). The irrigated area has been growing steadily since 2006 at the rate of around 5 percent per annum and almost all of the growth has been on smallholder irrigation schemes.

Since independence, the Government of Malawi has been exploring the viability of constructing a large gravity-fed irrigation scheme in the Districts of Chikwawa and Nsanje in the Shire Valley. It has always been a dream of smallholder farmers in the Shire Valley that one day they will shift to commercial farming when the promised irrigation scheme becomes reality. The dream became a reality when the project was officially launched in March, 2020.

Construction of the largest irrigation scheme in Malawi covering 43,370 hectares commenced in April, 2020 in



Billa outside his new house

Chikwawa District under the Shire Valley Transformation Programme (SVTP). The Programme is being funded by the World Bank (\$160 million), African Development Fund (\$50 million), the Global Environment Facility (\$5.6 million) and the Government of Malawi (\$7.2 million). The Programme will utilize the available land in the Shire Valley and water from the Shire River starting at Kapichira Dam within the Majete Wildlife Reserve up to Bangula in Nsanje District. Approximately 48,400 households are expected to benefit from the initiative.

The project is expected to increase agriculture production and farm-based incomes, hence ensuring food security and poverty reduction. Apart from improvement of standards of living and household food security of the community, the project offers opportunities for development of agro-based industries and generation of foreign exchange earnings.

Irrigation Service Provision

Construction of phase 1 of the Shire Valley Irrigation Canal has started with the construction of the Intake and the first six kilometres of the Main Canal. This will take 30 months to be completed. The intake is the starting point of the irrigation canal. It is located at the Kapichira Dam and is designed to abstract the maximum water demand of 50 cubic metres per second.

Construction of the Intake and first 6kms of the Main Canal has taken into consideration some key structures like an Invasive Fish Barrier and siphons as emphasized in the SVTP's Environmental and Social Management Plan (ESMP). The ESMP was developed

for phase 1 of the project highlighting environmental management (mitigation and enhancement) measures to be carried out in order to address the impacts the project may bring to the environment.

An advert for the construction of the remaining 46 km of Phase-1 Main Canal has been issued and the construction works will start in the next six months. This will take the Main Canal from 6kms to Lengwe National Park. Overall, the Main Canal will run a total length of about 133 km from Kapichira Dam to Bangula. It is expected that water will start flowing to the fields for farming purposes in 2024 but construction of the whole scheme will be completed in 2031.

Land tenure and natural resource management

Commercial farming requires a larger area of land for cultivation. Therefore, farmers will have to consolidate land together to create large farms of at least 500 hectares each. Farmers who will participate will have a share of the commercial farm corresponding to the area of their land (land shareholding capital).

A Resettlement Action Plan (RAP) for the Main Canal was developed and approved by the Ministry of Lands, Housing and Urban Development. The Chikwawa District Council in collaboration with the Project Management Team (PMT) implemented the RAP. The Government of Malawi has acquired and appropriately compensated 1,267 project affected persons to the tune of K 1.3 billion in accordance with the laws and policies of Malawi, the World Bank and the African Development Bank.

The Government enacted new land laws in 2020. The SVTP therefore supports the piloting of the new land legal framework in the project area as well as formation of consolidated farms by smallholders with secure land tenure for commercial agriculture based on a flexible approach modelled on successful local and regional examples.

In line with the new land laws, there is a need for the land parcels to be adjudicated, demarcated and registered in the names of people claiming to be the owners of pieces of land being adjudicated. The adjudication, demarcation and registration exercise cannot commence until appropriate land governance structures including land committees and tribunals are in place in accordance with the Customary Land Act (CLA). For adjudication, demarcation and registration process to be conducted smoothly, there is a need for gazetted subsidiary legislations for the key Acts. Hence, the following land related regulations have been gazetted; Land Acquisition and Compensation regulations, Land Survey regulations, Physical Planning regulations, and Physical Planners regulations.

The SVTP will ensure that all impacts on the environment and wildlife are mitigated at all stages of the Project. With funding from the Global Environment Facility (GEF), issues of wildlife and environmental conservation in Lengwe National Park, Majete Wildlife Reserve, Mwabvi Wildlife Reserve, the Elephant Marsh, and Matandwe Forest Reserve are being addressed.

The overarching objective in this Sub -Component is to strengthen landscape connectivity and management to improve livelihoods and conserve key biodiversity areas in the Lower Shire Landscape. To this end, the project is working hand in hand with the Departments of Environmental Affairs, Forestry, Parks and Wildlife, and Fisheries, and African Parks Limited.

Agriculture Development and Commercialization

The objective of the project is to transform subsistence smallholder farmers into commercial farmers. Farmers will decide what crops to grow on their land. Cash crops will be grown on a larger portion of the land. Part of the land (10%) will be used for food crops, pastures, woodlots and other uses.

Farmers have continuously been sensitized on these farming models to accord them an opportunity to make informed choices on the model to be used in their large farms. The SVTP has pending physical sensitization of farmers due to the Covid-19 pandemic but other ways of information dissemination including use of radio will be undertaken.

There are already existing models of consolidated farms in Phase I of the irrigation scheme involving smallholder farmers, such as Kasinthula Sugarcane Growers Association, Phata Cane Growers Cooperative and Katunga-Maseya (KAMA) Cooperative. Hence farmers under the SVTP have opportunities to learn from these home-grown models. All farmers interested to be part of the irrigation scheme

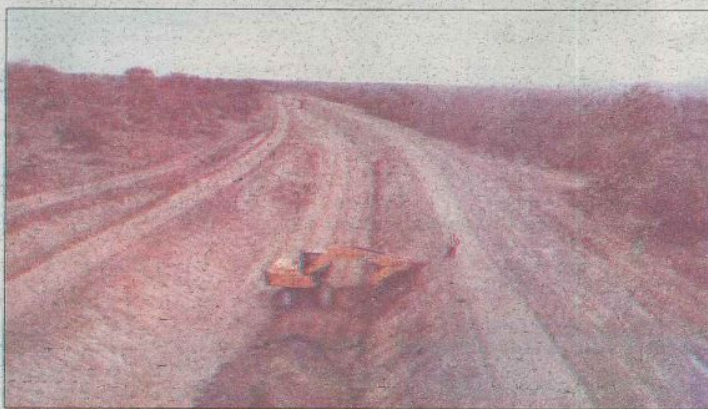
will organise themselves and be legally registered using any of these models.

The farmers' organisations will be responsible for managing the farms in one or more irrigation blocks and will sign a water purchase agreement with the operator of the irrigation infrastructure. Farms shall be expected to pay a fee intended to ensure proper operation and maintenance of the infrastructure for long term sustainability.

Samson Billa is a 67-year-old farmer from Supuni Village. Billa is one of the farmers to be involved in irrigation farming under the SVTP. "Cultivating crops on a small scale has not benefitted me economically over the years. One cannot cultivate a huge piece of land using a hoe and expect to achieve much. The yields have always been minimal as it is difficult for me to cultivate crops on a large scale and also to find markets. I believe the project will ease the challenges we have been having as farmers as farming will be mechanized and marketing of commodities will be based on already explored markets. This project is a great blessing to us farmers in this area," Billa said.

The Shire Valley Transformation Programme is opening up new opportunities for farmers in Chikwawa and Nsanje Districts to shift from smallholder to commercial agriculture.

There is therefore hope that agriculture in the Shire Valley will be transformed as the dream of having one of the largest irrigation schemes in Southern African is being fulfilled.



Excavation of the canal route