

AGRICULTURE: MALAWI'S ECONOMIC BACKBONE

FEATURES

# Shire Valley farmers gear up for commercial farming

GOSPEL

MWALWANDA

Group Village Head Njeleza is not happy that you are a parasite and disrespect you," he says.

Njeleza says rushing to the government and Members of Parliament pleading for help whenever the village has been affected by either floods or drought does not amuse him.

"Going round begging for aid isn't good. People see you as a parasite and disrespect you," he says.

The chief expressed the sentiments during a community meeting of the Shire Valley Transformation Programme (SVTP) convened in his village in Traditional Authority (T/A) Kasisi in Chikwawa District.

The meeting briefed prospective farmers about progress of construction and discussed their preparedness to undertake commercial farming once the irrigation scheme becomes operational.

The Ministry of Agriculture through the Department of Irrigation is implementing the SVTP which aims to irrigate approximately 43 370 hectares of land in Chikwawa and Nsanje districts.

The 14-year programme (2018-2031) will see the construction of a water intake at Kapichira Dam in Chikwawa and a 133 kilometre canal from the intake to Bangula in Nsanje.

The programme also aims to improve sustainable management and utilisation of natural resources.

The World Bank (\$160 million), African Development Bank (\$50 million including \$15 million from the Opec Fund for International Development and US\$6 428 571 from the Nigerian Trust Fund, Global Environment Facility (\$5.5 million) and Malawi Government (\$7.2 million) are financing the programme.

The 14-year programme will be implemented in three overlapping phases, the first already underway with Portuguese contractor Condiul - Engenharia, SA constructing the intake and the first six kilometres (km) of the main canal and Chinese contractor Sinohydro constructing 46 km up to Lengwe National Park. The first phase covers a distance of 52 km.

SVTP's overall objective is to increase agricultural productivity and commercialisation for the 48 000 targeted households in the Shire Valley who are in



Tobacco is Malawi's cash crop

PHOTOGRAPH: NATION

the path of the canal.

People at the Njeleza meeting were delighted upon hearing that the Programme is making strides in the construction of the Scheme which would transform the Shire Valley and bring to the two districts numerous economic opportunities.

But they were told that the kind of farming they would be engaged in would be commercial and that to achieve this, targeted farmers would consolidate their land parcels to create mega farms.

These will be mechanized farms and will not use traditional hoes and other simple farm tools that Malawians are accustomed to. Instead, machines such as tractors will be in use.

"First, farmers will consolidate their land to large estates to allow farm mechanization and growing of commercial crops," says Adrian Masebo of SVTP.

He says land owners will then form legally registered commercial farmer entities referred to as Smallholder-Owned Commercial Farm Enterprises (Socfes) that will manage the commercial farms.

"Professional agribusiness managers will be hired to manage the farms, or through joint ventures," Masebo, who is SVTP Agriculture Commercialization Specialist, told this writer in

an interview.

"Landowners will use land as shares. They will receive dividends according to their shares."

Masebo says there will be interventions to spur value chain development through productive alliances where Socfes will enter into market contract agreements.

Farmers in the SVTP will not grow crops anyhow as happens often. They will only grow a crop depending on the market demand.

"Before production, farmers through their organization whether a cooperative or company will enter into a market contract agreement with an off-taker through productive alliances."

"Nevertheless, in 2016, SVTP conducted a comprehensive market study which identified a total of 13 enterprises that farmers could opt to produce," Masebo says.

The identified enterprises were tomatoes, sweet corn, green mealies, sugarcane, baby corn, dry beans, pigeon peas, cotton, chillies, soy beans, maize grain, aquaculture and livestock.

These were identified based on gross margins, market availability and climate and agronomic conditions of the area," he says.

Masebo says emphasis will be on growing commercial crops and that maize

may also be grown as a commercial crop depending on the off-taker demand.

He says currently, most seed companies have expressed interest in engaging SOCFEs in commercial maize seed production.

"In some cases, the farmer organization may on one side of the farm allocate small plots, say 0.1 hectares per farmer to grow food crops such as maize and vegetables," Masebo says.

He, however, says individual farmers will manage the small plots.

The SVTP will have about 44 mega farms of which 14 will be in Phase one and 30 in phase two. Each mega farm will be between 500 to 1 600 hectares each.

Masebo says that with the anticipated mass production of agricultural commodities, it is inevitable for the project area not to have factories.

"Interested off takers may need some land for either primary or secondary processing of the commodities," he says.

by the SVTP" Masebo says.

"Currently, we are preparing to conduct a feasibility study and resettlement action plan for the targeted site (s)."

The project has targeted 223 000 direct project beneficiaries in 48 400 households according to the 2016 population census broken down in phases as follows:

- SVTP phase 1 : 95 000 people in 21 000 households and
- SVTP phase 2 : 128 000 people in 27 400 households.

As Malawi's flagship project, the SVTP will lead to increased export earnings, job creation and development of sustainable market linkages for agricultural products.

The project will also act as a model on land tenure and security through registration of customary estates," Masebo says.

The SVTP has been conducting community sensitization meetings to all villages in the first phase of the project area.

"The objective of the sensitization meetings was to create awareness on how Agriculture will be commercialized in the Shire Valley," he says.

Njeleza says one pleasing thing about the SVTP is the fact that he is having to deal with fewer land grabbing

cases than was the case in the past.

He attributed the positive development to the land parcel adjudication and demarcation exercise that has enabled over 48 000 landowners within the SVTP Phase One area to have land tenure security.

He says thanks to the SVTP and its land parcel adjudication and demarcation exercise, people will have proof of land ownership and put paid to land grabbers' machinations.

"Everyone will know their land and it will be difficult to be taken away," Njeleza told the SVTP sensitization meeting held in his village.

Commenting on economic opportunities the project is expected to bring to beneficiary communities, the chief says families will not be the same after the canal is completed.

"We will not be scorned anymore because we will be self-reliant," he says.

Masebo further says government has invested a lot in the project for the good of the people of the two districts.

"I therefore encourage farmers to make use of this opportunity. Government has invested a lot in this project to transform your lives, let us help the Njeleza meeting."

Landowners in the first five irrigation blocks out of 14 in the first phase have registered their entities as cooperatives at the Registrar of Cooperative Societies. This was after farmers had chosen cooperatives as their preferred SOCFE and after having being given the first list of landowners from Ministry of Lands, Housing and Urban Development whose land parcels were adjudicated, demarcated and falls within the irrigable area. The remaining landowners in the nine irrigation blocks will be trained and taken through the process of Socfe formation after the Ministry of Lands releases the final list of landowners.

The project reached out to 71 potential value chain players through one-on-one meetings and specific value chain players meetings.

The value chain stakeholders include farm input suppliers, agriculture commodity buyers and processors, financial service providers and government institutions.

Masebo says the majority of these value chain actors have expressed interest in playing a specific role with the prospective Socfes.

"We will continuously engage them until some agreements have been made with the SOCFEs," he says.