

MALAWI QCSP recommendations

A total of 6 key recommendations to address deficiencies and/or opportunities in the QCSP area of Malawi's seed system have been developed by the assessment team and vetted with stakeholders. The recommendations are roughly, but not strictly, listed in order of importance or recommended sequencing.

Recommendation # 01: Strengthen the seed quality control capacities within seed companies
Description
The Malawi Seed Regulations of 2018 outline the requirements for registration of seed producers, processors and sellers, in terms of human resource and infrastructure requirements. These requirements are intended to ensure that all registered seed companies produce quality commercial seed in line with the national standards. The Seed Services Unit (SSU) will need to strictly adhere to these requirements during the process of annual registration of seed companies. In addition: (i) SSU, in collaboration with the Seed Trade Association of Malawi (STAM) should consider conducting annual audits of seed companies to assess whether they adhere to these requirements and standards. In case there are gaps, a plan should be put in place to address these gaps within a given timeline. Failure to address some of these gaps may lead to a withdrawal of the company's operating license. (ii) SSU can work with the seed companies to address some of the gaps identified at the point of registration or during the annual audit exercise.
Key determinants of costs
Associated costs include: (i) Staff time for SSU and STAM staff, (ii) transport costs for SSU to conduct audits of all registered seed companies, (iii) training of seed company staff in different aspects related to seed quality assurance at the company level. This training may be conducted among several seed companies.
Additional comments, if needed
This recommendation may also be captured under the Quality Assurance Thematic Area
Recommendation # 02: Sustain on-going efforts to address the challenge of counterfeit seed
Description
In 2019, seed companies reported a total of 21 cases of counterfeit seeds, about the same number as the 20 reported in 2017. To address this persistent challenge, the Seed Services Unit (SSU), together with the Seed Trade Association of Malawi (STAM) and other actors, are engaged in a new initiative under the Transparency and Accountability to Improve Economic Development and Service Delivery (TRACTION) project to implement the use of security labels on seed packets. Using lessons from countries that have similar initiatives (e.g., Kenya) to ensure the success of the initiative, SSU is involving key stakeholders in the design and initial phases of this project and putting substantive investment into awareness creation among farmers and agro-dealers. SSU should sustain its on-going efforts to address the challenge of counterfeit seeds by effectively implementing and monitoring their performance of the TRACTION project, and other initiatives.
Key determinants of costs
No additional costs as these are on-going initiatives

Recommendation # 03: Develop a post-AIP marketing strategy to reduce seed companies' dependence on the program and facilitate the steady development towards a market-driven seed distribution system.

Description

The Agricultural Inputs Program (AIP), formerly the Farm Input Subsidy Program (FISP), is the government's national seed subsidy program, implemented by the Ministry of Agriculture, Irrigation and Water Development. FISP was a major buyer of seed from seed companies in 2019, when, on aggregate, it purchased between 36% to 57% of seed for maize, bean and groundnut. Although this was a reduction from the range reported in 2016 (65%-82%), eight of the fifteen active seed companies sold at least 50% of their seed for the three focus crops to FISP in 2019. This signals a high dependence on the program over the years. This could be a problem if AIP folds, because most of these seed companies are relatively small and have not developed large market outside of AIP to remain profitable. Seed companies would need to recognize this threat and explore new seed markets. The FISP/AIP Task Force should work closely with STAM and the seed companies to develop an exit strategy for the FISP/AIP program.

Key determinants of costs

The associated costs include: staff time for STAM and the FISP Task Force members to meet and discuss an exit strategy for the FISP/AIP program

Recommendation # 04: Strengthen SSU's capacity for oversight of seed companies in their production and processing operations

Description

The recently enacted Malawi Seed Bill of 2022 establishes the Malawi Seed Regulatory Authority as a replacement for the Seed Services Unit (SSU). As part of the transition from SSU to the new Authority, there will be a need to strengthen SSU's capacity to provide oversight in aspects of seed quality assurance at the seed company production and processing levels. This can be done by: (i) hiring more seed inspectors, (ii) procuring more vehicles to facilitate travel to various field sites, (iii) strengthening SSU's oversight of the para-inspectors and auditing their performance.

Key determinants of costs

The associated costs include: (i) Hiring more seed inspectors, (ii) procurement of vehicles for SSU

Recommendation # 05: Evaluate the performance of the online seed certification system recently instituted by the Seed Services Unit

Description

The Seed Services Unit has recently started using an online seed certification system which the registration of seed actors, application for seed inspection, reporting on seed inspection results, and the application for seed certification, among others. SSU should evaluate the initial performance of this system. The aim of this evaluation is to identify any emerging bottlenecks and define strategies to address them. The evaluation should also assess the extent of adoption of the system by the key seed actors, especially seed companies, and seed producers.

Key determinants of costs

The association cost: hiring an independent expert to evaluate the performance of the online seed certification system.

Recommendation # 06: Institute system to register and train all agro-dealers in the country
Description
<p>Agro-dealers are the main outlet of seed for seed companies. The 2020 TASAI Malawi study revealed that, on aggregate, 64% of maize seed sales, were sold through agro-dealers. SSU, in collaboration with STAM, maintains a registry of the active agro-dealers. However, not all agro-dealers are registered. SSU needs to institute a system where all active agro-dealers are registered annually, in line with the requirements specified in the Malawi Seed Regulations of 2018. The registration should be followed by a training program to build their capacity in the handling of all categories of agricultural inputs. SSU and STAM would also need to conduct a country-wide awareness campaign to ensure that all agro-dealers are informed of these requirements.</p>
Key determinants of costs
<p>The association cost: (i) staff time for SSU to register all active agro-dealers; (ii) transport costs to conduct a country-wide awareness campaign targeting agro-dealers.</p>