



Keynote Address

Director, Centre for Social Concern (CfSC)

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ADMARC and Right to Food: Enhancing Advocacy on the Right to Food

With honour, great joy and appreciation, let me recognise:

The Chairperson of Agriculture Committee in Parliament; Honourable Members of Parliament of Agriculture Committee; Chief Executive Officer of ADMARC – Dr. Felix Jumbe; Representatives of Civil Society organisations, namely CISANET, Farmer Union of Malawi (FUM), Oxfam, Action Aid and all others present here; Our today's presenters, namely Mr. Tamani Nkhono Mvula and Dr. Bill Mayaya; Our Friends from various Media Houses; Our Donors and Friends of the Centre for Social Concern; Our Staff Members here present; Very distinguished Ladies and Gentlemen;

Background of the Centre for Social Concern (CfSC):

Centre for Social Concern, founded in 2002, is a faith-based organization that promotes research and action on social issues or issues of concern, linking the Christian faith and social justice based on the Christian Social Teaching (CST). The CfSC aims at transforming the unjust structures in Malawian society through research and advocacy so as to ensure sustained change in policies for the betterment of all in line with their human dignity. Our priority is to attain a dignified life for each and every citizen of Malawi.

Centre for Social Concern has three Strategic Pillars, namely Social Research Conditions (embracing both Rural and Urban Basic Needs Basket (BnB), Economic Governance and Interreligious Dialogue. Thus, this very interaction or conference with members of parliament falls under both Social Conditions and Economic Governance Pillar.

As one way of ensuring the attainment of CfSC vision of ensuring that every person has equitable access to resources and opportunities, enjoy(s) their rights responsibly, and lead(s) a life of dignity, in solidarity with others while preserving the environment or the Integrity of Creation, Centre for Social Concern conducts research on monthly basis looking at the cost of living and access to markets for farm produce, in order to lobby for an increase in wages and fair prices for vulnerable communities in both rural and urban areas. All these are done with the aim of contributing to reduced inequality, poverty and progressive realization of the Right to Food.

With funding from UNDP Centre for Social Concern is implementing a project on ***Enhancing Advocacy on the Right to Food***. The project aims at shedding more light on the Right to Food principles; challenge existing policies in terms of how they are aligned to Right to Food; and monitor the implementation of the policies, strategies, and programs on the Right to Food. The project activities have been aligned with the key elements of the Right to Food namely, Availability, Accessibility and Adequacy.

It is against this background that Centre for Social Concern has organized this conference with Parliamentary Committee on Agriculture, stakeholders and different experts on Agriculture to debate on the role of Parliament in ensuring of the Right to Food for all Malawians and all those who live in Malawi.

Objectives of Our Conference:

Our conference today will have the following objectives:

1. To create debate on the effectiveness of ADMARC as a tool for supporting attainment of the Right to Food for all citizens in Malawi.
2. To create debate on the Right to Food Bill that is gathering dust since 2016.

Right to Food as a Basic Human Right:

The Right to Food was declared a Basic Human Right in the UN Declaration of 1948, stating that ‘everyone has the right to a standard of living for health and well-being of self and of their family.’ Centre for Social Concern understands that without laws that can empower citizens to hold government accountable for violation of the Right to Food, attainment of food security will be a nightmare or ‘hang in vacuum’.

The Right to Food is protected under International Human Rights and Humanitarian Law and the correlative state obligations as well, established under International Law. Up to now, there has been insufficient investment specifically targeting food security and nutrition of the extreme poor, who are largely rural people, and often in remote areas. CFSC believes and is convinced that a combination of investments in social protection and additional pro-poor development is the best way to quickly take people out of hunger and extreme poverty.

ADMARC and Food Security:

Centre for Social Concern understands that ADMARC has a critical role in ensuring country’s food security; hence, reduce poverty for all Malawians. CfSC also understands that ADMARC is facing numerous challenges which affect its rightful role of provision of markets to smallholder farmers and also provision of access to farm inputs at reasonable price. Quoting the Acting Chief Executive Officer, Dr. Felix Jumbe, “ADMARC needs at least K300 billion for re-capitalisation to help the institution run its operations, including buying of farm produce ... ADMARC has been operating on hand-to-hand mouth basis in its quest to deliver its mandate.”¹

Studies carried out by CfSC have revealed that ADMARC, as a grain marketer, fails to secure enough maize for the population thereby promoting speculations of continued food insecurity nationwide; hence, continued poverty. ADMARC is also lacking the necessary capacity to buy the crops from smallholder farmers at a fair price. Every year vendors take charge of buying crops from farmers at a price below farm gate prices. This is exacerbating increased level of poverty. The same farmers who sell their crops, mainly maize, at a very low price during harvest season, are the very ones who are to buy it back from vendors at a very high price during rain or planting season.

Every financial year the government put in money into national budget to buy maize to restock Food Reserve Agency. Centre for Social Concern has noted with concern that this money does not benefit smallholder farmers. Vendors monopolize the procurement of maize. For example, this year farmers were selling maize between MK120 and MK150, which is below the farm-gate price of MK200 per kg announced by the government.

It is on this background that Centre for Social Concern is putting forward the following recommendations to the Members of Parliament in order to ensure that the new government attains Food Security; hence, reduce poverty and inequality as well as ensuring that Malawians are healthy people.

¹ Lloyd Chitsulo, “Admarc Seeks K300bn in capital injection” in The Nation, Thursday, 27 August 2020, p. 1.

1. Ensuring Farmers are Selling Crops above Minimum Farm-gate Prices:

The government through the Ministry of Agriculture releases farm-gate prices for various crops including maize. Studies carried out by the Centre for Social Concern reveals that farmers are selling below the minimum farm-gate prices due to either delays in opening ADMARC depots or ADMARC depots do not have money to buy the crops. The Acting Executive Director states that, “One district requires about K12 billion to ably buy maize and cash crops from smallholder farmers. This is hard to achieve because we do not always have enough funds.”²

As an example of our research, this year smallholder farmers in most parts of the country are selling a 50kg bag of maize at MK5,000 instead of the government set minimum farm-gate price of MK10,000 per 50 kg bag. Soya beans is being sold at MK10,000 per 50kg bag instead of government recommended price of MK15,000.

CfSC has noted with regret and concern that farmers who are selling their farm produce below the minimum farm-gate price will not be able to buy farm inputs next growing season. This will lead to reduced yields next growing season; hence, perpetuate hunger or food insecurity situation. As part of the coping mechanisms, farmers will be selling their assets to buy inputs; thus, increasing the number of Malawians wallowing in abject poverty.

The delay by ADMARC to open markets – again for different reasons including lack of funds - force vulnerable smallholder farmers to sell most of their maize to vendors in order to enable them buy basic necessities. This results into increased household food insecurity.

This implies that the delay by ADMARC to buy maize leads to national food insecurity since vendors buy all the maize. Consequently, the government is unable to restock grain reserves. In an effort to restock grain reserves, ADMARC, therefore, will spend more tax payers’ money to buy maize from vendors. This will also increase inequality.

CfSC, therefore, recommends that the government must ensure that ADMARC depots are sufficiently funded; hence, open the markets on time in order to buy crops from farmers. This will ensure that vulnerable farmers are protected from unscrupulous traders who will be exploiting them. The government must not only encourage farmers but also empower them in bargaining for fair and just prices for their commodities which enable them generate profit.

CfSC believes that the increase in prices for farm produce will increase disposable income that will support farmers in improving their standard of living and escape from the jaws of poverty. CfSC is convinced that provision of profitable markets will reduce burden on national budget due to increased demand on food universal subsidy or Farm Input Subsidy.

2. Members of Parliament should Advocate for Capacitating ADMARC:

A random Survey conducted by Centre for Social Concern has revealed that most of the ADMARC depots are not buying crops due to unavailability of funds. CfSC believes that a reformed ADMARC must be able to buy maize from farmers at a price that those farmers are able to make profit. Selling too should be done at a reasonable price. CfSC therefore, is recommending that ADMARC depots have money to buy maize from farmers. It is for this reason that the Acting Executive Director, on behalf of the institution, is seeking “K100 billion loan from Export Development Fund with government as a guarantee for it to purchase maize this season.”³

² Isaac Salima, “Admarc needs K300bn bailout” in The Daily Times, Thursday, August 27, 2020, p. 1.

³ Ibid., p. 3.

3. Uproot Deep-rooted Corruption:

CfSC recommends that our honorable Members of Parliament should support the effort of the new government to uproot corruption that is prevailing in ADMARC markets. The buying of maize must be done in a transparent manner in order to avoid ADMARC staff from forming cartels with the traders in view of monopolizing ADMARC markets. During the launch of ADMARC's New Vision, the Minister of Agriculture and Food Security, Hon. Lobin Lowe, stated emphatically that:

“It is sad that massive corruption at Admarc has stood on the way of its progress. Admarc has gone through a lot of syndicates and corruption that needs to be dealt with at all levels. I have all the information that for example, the syndicates involved some Admarc employees engaging vendors to buy from farmers at poor prices and in return, the vendors used to sell the produce to Admarc at higher prices. So, the issue here is to bring back Admarc to its lost glory.”⁴

The Centre for Social Concern will appreciate if the Members of Parliament under the new government will encourage and support the present Admarc Administration with their new vision of which the Minister of Agriculture promised that it's going to be “*Business unusual*” so that Admarc reclaims its lost glory.⁵

4. Members of Parliament should engage in or help to Depoliticize ADMARC:

CfSC recommends depoliticizing ADMARC in order to improve its performance; otherwise, Malawians will continue to wallow in abject poverty as a few advantaged people take advantage of the situation. ADMARC must be run by professionals. Politicians should not use ADMARC as a tool to siphon tax payer's money. ADMARC must stand for the benefit of all Malawians, and not few political zealots.

5. Enact Right to Food Bill:

Without proper laws citizens will not be able to demand accountability from government or concerned parastatals to ensure availability of food at all times. CfSC is therefore, requesting honorable Members of Parliament to consider enacting Right to Food Bill. The Bill will empower citizens to demand transparency and accountability of food security issues, which remain to be issues of concern.

Conclusion:

CfSC strongly believes that with support from Members of Parliament who stand and represent interests of citizens, Malawi can be fully food secured, free from poverty and reduced inequality.

We, the Centre for Social Concern and all those whose concern is upon ADMARC, therefore urge you, Members of Parliament, in your honourable capacity to join us in advocating substantial transformation of unjust structures in Malawian society through our renown parastatals, ADMARC. Let us assist in recapitalising it as we were reminded in June 2020 of such a need when the ADMARC management met four parliamentary committees of Agriculture and Food Security, Budget and Finance, Industry and Trade and Public Accounts. That will be part of the “Business as unusual”!!!

**Thank you one, thank you all,
May God Bless our ADMARC,
May God Bless all the smallholder farmers,
May God Bless and grace us to Secure Our Food,
May God Bless You all,
May God Bless Malawi, the Warm Heart of Africa,
Welcome one, welcome all to this participative, lively and lovely interaction!
Takulandirani!!!**

⁴ Ibid. p. 3.

⁵ Cf. Lloyd Chitsulo, op. cit., p. 3.