

Validation Workshop Report



INTERNATIONAL LABOUR ORGANIZATION



Draft STED Report

Validation Workshop Report

17th March, 2016

1.0 Introduction

A tripartite report Validation workshop for Malawi STED Research was held on 17th February, 2016 at the Bingu International Conference Centre (BICC) in Lilongwe. The purpose of the workshop was to give key stakeholders (the ILO tripartite constituents) an opportunity to review and validate the draft STED report for Malawi.

About 60 participants from various government agencies, workers and employers organisations, NGO's, International Organisations participated in the workshop. The workshop provided an opportunity for the stakeholders to discuss the main findings from the research work so that:

- They make detailed comments on the report
- Make additions and removal of the recommendations in the report
- Validate the recommendations made

The expected outputs and outcomes of the workshop were:

- Detailed comments made by the tripartite constituents on the Draft report
- Recommendations for additions and removals in the report
- Validation of the draft report by tripartite constituents
- Consensus on the way forward

This workshop report includes all comments and additions and removals provided by national partners during the validation workshop. It should be noted that the report is using transcripts of what was actually said, thus some statements may be inaccurate. To the extent possible and realistic, the comments and suggested additions and removals will be incorporated into the final revised version of the STED Report before publication.

The Workshop was organised in the following format:

- The workshop began with an overview of STED Skills Anticipation approach
- The Key findings and recommendations was presented by the lead consultant beginning with an explanation of its development; a presentation of its key findings,
- A plenary discussion to review and revise the (i) business capability gaps, (ii) skills implications (iii) proposed responses, one by one.
- A summary of stakeholders feedback
- Way forward and closing remarks

2.0 Opening Session

The opening session was characterised by remarks by:

- **ECAM**, Program Officer, Mr Emmanuel Magomero
- **MCTU**,....., Mr. Joseph Kankhwangwa
- **MoIT**, Director of Trade, Ms. Christina Chatima
- **MoLYMD**, PS and Guest of Honour, Mr. Patrick Kabambe

2.1 Opening Remarks by ECAM

Firstly, let me begin by thanking the International Labour Organisation for its continued support to the Government of Malawi and the social partners in establishing the STED project. Since its inception the project has proved to be interactive, consultative and based on this report which we will validate, contributory to Malawi's programmes aimed at meeting its export ambitions.

As ECAM we have continued to render our support towards this exercise because entrenched in our business agenda is skills development.

Secretary for Labour, allow me to begin by shedding some light on why skills are an integral part to us as employers.

Firstly, in order for us to be **competitive** we have to be **productive** and in order for us to be **productive** our **workplaces must have the right skills**. This is why this topic is relevant to our business.

The search for these skills must be done in an environment that is conducive for employers to engage those seeking employment. In a situation where there is a conducive environment, employers will be more proactive in opening their doors for more skilled workers. Employers will also move in to provide on the job training that can contribute to the workers' employability and entrepreneurship in two ways; -1. Build their capacity and -2. Make them eligible to be part of their business supply and value chains.

Guest of honour, this contribution is a direct impact on the National Export Strategy and other development goals of this Country. What is important and what this report can assist us with as an employers' organisation is the ability to develop demand driven skills needs. For instance, now we know that there is more we can do in terms of export in the horticulture and oil and seeds sector. This means together as social partners we must log heads and support the factors of production needed to make such impact.

Secondly where we have individual employers in the informal sector in the relevant sectors, they must be supported with these factors of production. It is far-fetched to expect the NES to be successful, if the barriers to economic development such as lack of access to credit and expensive credit and financing continues to be prevalent.

Support for an enabling environment must be broad because the challenges are not only related to finance but also infrastructural. Some of them include low productivity, low quality of products, packaging, transport and marketing facilities as well as more effective linkages across the value chain.

Removal and or improvement of these, creates the enabling environment that **we so request**. From the 2012 Finscope's Small Micro Medium Enterprise survey, we know that SMME's can create employment and revenue. The survey found that they created over **1million jobs** and around **MK 326 billion**.

Guest of honour, once again I must turn my attention to existing technical colleges and the government led community technical colleges exercise. ECAM would like to commend Government for the latter, but as always we have also cried for political will and direct support to the former. These are institutions that we believe can be part of the development of the skills needed for the success of the NES.

Once again we must stress that the courses designed and delivered in these institutions must correlate or be able to respond to national and international markets. Training done that is parallel to the demands of the market will not lead to the success of our development plans. It is therefore our request that we, as social partners coordinate more in order to ensure delivery of relevant programmes that will build the necessary skills.

Guest of honour, another challenge presents itself. A significant number of enterprises at small scale are in the informal sector. According to the survey mentioned earlier only 3.3% of businesses are registered, and 8% of businesses are licensed. The informal sector is crucial to this economy and it is a sector that needs to be given the full attention by the social partners with regards to formalisation. What is missing from the report is express reference to this.

The NES is premised on principles which include the fundamental principles of the ILO on the rights at work. Furthermore, regularizing these enterprises to ably contribute to the NES requires them to be formalized. This means any programmes designed under the NES must bear in mind how these informal enterprises can be formalized.

As an example the Work Integrated Learning project which is a pilot under the STED project, brings with it two opportunities for the apprentices that will be trained by ECAM members; firstly, they can become suppliers of the businesses which entails formally registering their businesses or become an employee of the company. Programmes modelled in such a manner carry with them the potential (and I say potential because the pilot project is still underway) to facilitate formalization of the informal sector. Colleagues the report further looks at the need for; expertise in agriculture extension services, agri-business and quality management.

Once again this must take cognisance of the informal sector. Furthermore, the demand led occupation suggests that the enterprises will operate in the formal sector. It is therefore dangerous to exclude the informal sector when efforts are being channelled to supporting formality.

Guest of honour we therefore welcome the draft report and will participate in the interests of employers with a view to them contributing to the overall goals of the NES.

I thank you for your attention

2.2 Opening Remarks by MCTU

The Guest of Honour – PS for Labour Mr Kabambe

Executive Director – ECAM

Director of Trade

Director of Vocational Training

Officials from ILO

All protocols observed

On behalf of MCTU and indeed on my own behalf, I would like to thank the Ministry of Labour for extending an invitation to MCTU to be part of the stakeholders' validation workshop on the STED Project. We believe that the findings in this report will be utilized to the fullest by stakeholders that are gathered today for the betterment of our nation.

Guest of honour, the choice of the two sectors highlighted in the report was strategic since Malawi is an agrarian economy which has potential for job creation however, a lot of issues has to be taken into consideration if indeed this dream has to be realized.

MCTU acknowledges the lack of skills in the country in order to fulfil the dream of becoming an exporting country. As such there is need for coordination between training institutions, the industry and different government departments so that the project is viable. We note a lot of gaps in different fields such as lack of retraining and upgrading by workers, no interaction between training institutions and Industry including poor infrastructure. If the above issues are addressed Guest of honour, Malawi would be ranked highly and that productivity would be enhanced. Issues of under-employment and unemployment would also be things of the past.

In conclusion, Guest of honour let me urge all stakeholders gathered here to critique this report so that we have a better output in the end.

I thank you.

2.3 Opening Remarks by Director of Trade, at the Skills for Trade and Economic Diversification (STED) Project Draft report Validation Workshop on 17th February, 2016 at the Bingu International Conference Centre

It gives me pleasure to be here this morning to give a few remarks at this validation workshop on the skills for Trade and Economic Diversification (STED) project which is being implemented by the Ministry of Labour, Youth and Manpower Development (MoLYMD) in collaboration with the International Labour Organisation (ILO) and other national partners.

Let me at the outset thank the ILO STED management team and the national implementation Unit in the MoLYMD for making the necessary arrangement for this report validation workshop to happen. I wish to reiterate the importance of skills development in the enhancement of trade and economic diversification. You may agree with me that in order for our companies to be competitive and generate significant GDP contribution, human resource capability is regarded as very significant component. The STED project report attempts to analyse the growth potential of the two selected sectors with focus on the skills that are required for Malawi to fully exploit her export potential in these sectors. In line with the National Export Strategy (NES) the analysis in this report will help policy makers work with the private sector, employers and workers associations in thinking strategically about the skills demands of tomorrow and the supply responses required today.

You may wish to note that the Ministry of Industry and Trade launched the NES in 2012 and began to implement it in 2013 with a view to broaden Malawi export base, increase productivity and improve value addition. The NES is being implemented within the Trade Industry and Private Sector Development sector Wide Approach (TIPSWAP) which comprises of all the stakeholders of the economy. The NES, as most of us are aware, has prioritised three export clusters including:

- Oilseeds and Oil seed products Sector
- Sugar cane and Sugar products sector and
- Manufacturing Sector

Nonetheless while the STED methodology can be applied to all these sectors or clusters, this report has focused on Oils seeds and Horticulture Sectors only. These sectors are very strategic in the sense that they are critical stimulators towards enhancing our export diversification drive as well as the economic spill over effects they have in terms of economic empowerment and job creation.

DISTINGUISHED PARTICIPANTS

My ministry has noted that the purpose of the analysis is to help identify and anticipate skills needs in the two sectors so as to improve productivity, trade performance and employability as well as provide demonstration effects that inspire similar work in other sectors. This report is therefore timely in the wake that Malawi's numerous export opportunities. As evidenced from the selected sectors the oil seed sector in Malawi is underdeveloped and yet we would want to succeed in becoming part of the international value chain, while the horticulture sector is also largely under developed with almost all firms serving the domestic market. The ministry therefore welcomes the outcomes of the report and the recommendations put forward. We all acknowledge that in terms of skills development and number of workers, both sectors indeed require significant skills improvements for developing business capabilities in supplies, product development, quality and standards compliance, logistic and transport as well as marketing.

We also support the need to enhance the capacity of our education institutions to develop the necessary skills gaps identified in the two sectors. The need to develop deliberate policies to publicise the national aspirations in the NES amongst training and education institutions as well as establishment of a formalised dialogue platform have been taken note of. However the Ministry is of the view that probably these could be integrated in the existing structures such as the TIPSWAP.

The provision of technical and financial assistance to implement the recommended action points is very critical as highlighted in the document. As such I would recommend our development partners to continue supporting government in the gaps that have been identified.

DISTINGUISHED LADIES AND GENTLEMEN

A successful implementation of the STED project, in particular the recommendations, will facilitate the private sector and its capacity to invest while engaging the government in creating an enabling environment that focuses on unleashing investment capacities. I ask all participants here to use this report validation workshop as an opportunity to give insights and direction on possible areas of improvements in the project progress so far.

Before I conclude, I would like to urge all the stakeholders here from the civil society, private sector and various government departments to realize the important role they play towards

contributing to making the STED project a success. Let me urge you all to make this report validation workshop as interactive as possible and ensure that recommendations on the way forward are clearly outlined.

2.4 Key Note Address by Guest of Honour,

SECRETARY FOR LABOUR, YOUTH AND MANPOWER DEVELOPMENT,

MR. PATRICK KABAMBE

At the Draft STED Report Validation Workshop

Wednesday, 17th February 2016 at Bingu International Conference Centre

- The Director of Ceremonies,
- The Representative of the Norwegian Embassy
- The Representative of the EU Delegation
- The Representative of the African Development Bank
- All Development Partner Organizations present
- The Director of TEVET, Ministry of Labour, Youth & Manpower Development, Dr. Godfrey Kafere
- The Director of Trade, Ministry of Trade & Industry, Ms. Christina Chatima
- The Labour Commissioner, Mr. H. K. Nyangulu
- The Executive Director, TEVETA, Dr. Ndione Chauluka
- All Representatives of the UN Agencies
- The, Chief Technical Advisor, STED Project, Ms. Naomy Lintini
- The Chief Technical Adviser, ARISE Project, Mr. Khalid Hassan
- The Chief Executive, ECAM, Mr. Beyani Munthali,
- The Deputy General Secretary, MCTU,
- Private Sector Representatives here present
- All Government officials here present,
- Representatives of TEVET Institutions here present
- Distinguished Invited Guests,
- Members of the Press,

- Ladies and Gentlemen

I welcome you all to this meeting. Thank you for taking time off your busy schedules to come and attend the workshop.

The purpose of the workshop is to consider the findings of the research which was undertaken by the Project on Skills for Trade and Economic Diversification, STED in short.

As you may be aware, the STED Project has for the past six to seven months been undertaking analytical research in the Malawi oilseeds and horticulture sectors with the view to identify the business capabilities and skills needed to enhance the sectors' export competitiveness.

Today, the research team will be presenting findings and the recommendations on possible ways in which the identified skills and enterprise capability gaps in the two sectors could be addressed.

Distinguished Guests,

Ladies and Gentlemen,

You may recall that the National Export Strategy identified low skill levels as one of main factors constraining Malawi's move into higher value-added production thereby limiting its export potential, economic and employment growth.

You will agree with me that in these rapidly changing technological environment and with globalization, it is no longer sufficient to train workers to meet current skill needs. We must ensure that skills development focuses on future and global market needs.

It is important that we identify and anticipate those much needed skills and align training provision to address the ever changing labour market demands. It is a fact that perpetual skills gaps can retard enterprise growth, jeopardize workers' employability and ultimately affect economic growth. Malawi cannot move to become a producing and exporting nation without investing in skills development.

Distinguished Guests,

Ladies and Gentlemen,

International experience shows that countries that have succeeded in linking skills development to gains in productivity, employment and development have targeted skills policies towards

three interrelated objectives of; firstly, matching skills supply to current skills demand; secondly, helping workers and enterprises to adjust to ever changing skills requirements; and lastly, building and sustaining competencies for future labour market needs.

Distinguished Guests,

Ladies and Gentlemen,

This long-term perspective, of anticipating the skills that will be needed in the near future for the oilseeds and the horticulture sectors in Malawi is what the STED Project, through its analytical research sought to establish. In conducting this research, the STED Project worked closely with the Department of Technical, Vocational Education and Training in my Ministry with support from staff in the Ministry of Industry and Trade.

As you will hear from the presenter, the research analysis took into account and built on work already done under the National Export Strategy and the Skills Scoping study, both of which were commissioned by the Ministry of Industry and Trade.

With the results of this STED research and of other recent research work, the Ministry's plan is to ensure that training programmes in the relevant colleges and universities to clearly identified industry needs and that investments in skills development are channelled towards addressing clearly identified current and future skill needs.

The Government is well aware of the importance of anticipating skills for the future labour markets and has in this regard been working with a number of development partners to come up with strategic skills development interventions.

Distinguished Guests,

Ladies and Gentlemen,

Let me take this opportunity to thank all the Development Partners who are supporting the Government to improve skills development delivery framework who include the European Delegation, the World Bank, the German Development Organization (GIZ), the African Development Bank, UNESCO, GIZ and many other international and national organizations supporting Malawi's skill development agenda.

I thank the International Labour Organization for introducing the STED skills anticipation tools to Malawi and for its continued support towards developing a responsive labour market in

Malawi. May I also take this opportunity to thank the Government of Sweden for the financial support that has made this research work possible.

Let me also reiterate my Ministry's commitment towards ensuring that skills training address labour market needs.

Lastly, I would like to thank officials from my Ministry, TEVET Authority, and from the Ministry of Industry and Trade for actively supporting the research process. I urge the officers to replicate the STED analysis in other priority sectors of the economy.

Distinguished Guests,

Ladies and Gentlemen,

It is now my singular honour and privilege to declare the validation workshop for the STED report officially opened.

I wish you fruitful deliberations and thank you for your attention

May God bless us all

3.0 Overview of STED Research Process,

By CTA, STED Project, Ms Naomi Lintini

The presentation was mainly based on:

The STED research is necessary because competition is stiff in domestic and export markets. As a result, firms need to upgrade to maintain trade position relative to competitors and add more value, higher quality and differentiated products/markets. Unfortunately, most firms lack necessary business capabilities to achieve and maintain a competitive trade position

STED Research framework follows a six staged approach

STAGE 1 is Sector Position and Outlook: The idea at this stage is to analyse a sector's current position and outlook as well as external factors that are likely to affect its progress in the future. The results are discussed with stakeholders in order to develop an ambitious but realistic growth scenario for the medium term, based on the following questions: What would be a realistic growth trajectory based on existing products and existing markets? How can export growth for existing products be stepped up, and what would be a realistic target? Is there room to develop new products, access new markets, improve quality and branding, increase value addition, etc.?

STAGE 2 is Business Capability Implications: this stage identifies gaps between the business capabilities that firms in the sector have now and the business capabilities they will need in order to achieve the outcomes envisaged in the growth scenario from Stage 1. For example: What capabilities will firms need in order to develop new products in line with regulations and consumer tastes in foreign markets? What will they need to be able to do in areas such as logistics, sales, marketing and channel management in order to develop new export markets? What will a business in the sector have to be able to do better in its operations in order to become more competitive on cost and quality?

STAGE 3 is about asking what type of skills? Improving business capabilities is not just about skills. It is also about technologies, processes, strategies, financing, business culture and other factors within and outside a firm. However, any capability improvement will also have significant implications for skill demand. The results point to the types of skills that will be

important to deliver the medium term growth scenario. In addition, Stage 3 also identifies existing gaps in skills in all areas of relevance to firms.

STAGE 4 seeks to establish how many workers by skill type? Companies hire workers, not skill-sets. In order to develop useful policy recommendations, anticipated developments in skills requirements are translated into demand for workers based on the sector's current occupational structure and the expected demand for new skills. The result is a picture of expected demand for workers by each relevant skill type.

STAGE 5 is the skill supply gaps Stage which matches the results from the previous stage with an assessment of the skills currently provided by the education system, on-the-job training, migration, etc. The purpose is to identify gaps between skill supply and demand now and in the future. The analysis also covers the institutional set-up of the education system and available mechanisms for skills anticipation in order to identify potential institutional causes for skills mismatch.

STAGE 6 is the proposed responses where by the results of STED are concrete recommendations at the policy, institutional, and enterprise level. Policy recommendations typically cover the development of specific curricula or training programs, labour market policies that improve job matching, as well as the overall incentive system.

For innovation and skill formation. Policy recommendations also cover ways to enhance coherence between trade, investment, development, and skills policies. At the institutional level, recommendations may suggest ways to enhance the relevance of training and educational institutions for the sector's needs, for example by improving dialogue with employers. In addition, the creation or improvement of permanent institutional arrangements for skills anticipation might be recommended. At the enterprise level, critical factors for skills development, such as in-house training, labour turnover and mechanisms for social dialogue on training needs and delivery, are considered and improvements are recommended where necessary.

The Expected Research Outcomes will be the evidence base for strategic decision making. The results will provide a roadmap for implementing trade related skills development.

It will also be a call for action for policy makers, training providers, private sector and development partners. Finally it will also act as a resource targeting tool for demand-led skills development

It is intended that STED will lead to improvements in sector productivity and capacity to effectively engage in international trade. As a result there will be increased availability of right skilled workers, improved employability and higher and more diversified exports. This will in turn create more and better jobs for people.

4.0 Presentation of Draft STED Report: Key findings and recommendations

By Lead Consultant, Mr. Sirys Chinangwa

Introduction

The research work was characterised by small sample sizes and discouraging response rate among the sampled enterprises. There was also poor record keeping among small enterprises, poor quality of data and narrow depth of analysis. Also, unwillingness to disclose important information such as sales data among those with good records. There are no National Export Strategy (NES) horticulture export targets.

However, STED report provides sound basis and opportunity to reflect on key important issues and recommend necessary responses.

Sector envisioning: Preferred scenario & Actual vision

Producing and selling/exporting more of existing products to same and similar markets

Producing and selling/exporting more and new higher value products to more & new markets

Sequential and incremental approach that ensures adequate supply of high quality local raw materials for processing

Vision has three strategic elements

- Short-term shift of focus from domestic to export markets by scaling up production and improving quality and pricing.
- Steady growing demand to sustain growth path in the medium-term
- Exploit / build on existing competitive advantage

The report identified Business capability gaps in both sectors as being low levels of production and productivity, low level of product development, poor quality and standards, in adequate Logistics, Transport and other infrastructure, problematic marketing and sales factors

In Oil seeds labour demand is projected to increase from 14,000 to 21,300. Which gives a total demand of 7,300 (Scoping study of 2014). Existing training institutions have capacity to produce the numbers however, the quality is questionable and something needs to be done.

In Horticulture labour demand is projected to increase: 1,407 to 2,221. Which gives a total demand of 814 (Enterprise survey of 2015) Existing training institutions have capacity to produce the numbers however, quality is questionable and something needs to be done.

Existing training institutions

- need to build the capacity of the training institutions through provision of adequate training infrastructure and equipment in these institutions
- formalise internship and attachment arrangements between industry and training institutions
- upgrade the qualifications of existing staff to degree and higher levels
- Introduce guest lecturers from within industry and visiting international experts
- Introduce international experiences through partnerships with international training providers
- e-orientation of courses towards industry needs
- Regularise training needs assessments
- Introduce new courses such as food technology and graduate-level M&E expertise
- Introduce new training content or revise curricula to incorporate international testing and certification (57.1%), domestic regulatory compliance (50%) and understanding end users (22.2%)

Other sources of skills

- Technical assistance needs
- R&D and innovation, quality assurance, safety and hygiene and international testing and certification.
- Understanding end users and manage international distribution channels.
- Domestic regulatory compliance.
- Consider ways of intensifying provision of technical assistance in these areas
- Development Advisors fully-funded externally
- Integrated Experts partly funded internally

National policy initiatives

- Incorporate skills anticipation within government at the apex policy level

- Establish a formalized dialogue platform of key decision-makers from training system, industry and government to discuss the outcomes of these assessments and agree on the strategies for addressing any skills gaps.
- Pass results of skills anticipation exercises to training institutions
- Enforce results through policy and legal instruments vested within TEVETA

Enterprise initiatives

- Retraining and provision of further training to workforce in domestic regulatory compliance, international testing and certification and understanding end users.
- Regularise retraining or up-skilling activities within firm's human resource policies
- Demand skills anticipation exercises and take part and support them
- Engage government and development partners to access technical assistance

Conclusion

The report has confirmed that there is a huge growth potential for the two sectors in the NES to offer significant opportunities to reverse the widening trade imbalance. The choice of the sectors was strategic because both are agriculture sectors with similar envisioning. They both have similar and less costly approaches to addressing business capabilities gaps.

Yes, minor differences exist in terms of types of skills and number of workers but both require significant skills improvement for developing business capabilities in supplies, product development, quality and standard compliance, logistics and transport as well as marketing.

Proposed skills responses at existing training and education institutions, national policy, other existing sources and enterprise levels to improve productivity, trade performance and employability in the two sectors will produce tangible results and demonstration effects that will inspire similar work in the other priority sectors of the NES.

5.0 Detailed comments on the report

- 5.1 What has been done through the STED methodology up to envisioning is commendable, but there is need for more qualitative and quantitative work to be

done so that type of skills gaps that are lacking are specifically mentioned, like in the case of Food Science and Technology course from LUANAR.

5.2 Teaching and Learning infrastructure at the University level is poor to meet most of industry needs. Therefore there is a greater need to use internships to fill this technological gap. A qualitative analysis would have better explained the main issues that prevent the internship programs.

5.3 Internships should not be limited to students but also lecturers so that they can observe and work in the companies. Some employers cannot articulate some needs of the labour market. Therefore the interaction between lecturers and employers is key

5.4 There is need for clarification in the report if workers were interviewed during the research so that their views are heard

5.5 It is quite encouraging to hear that Malawi is capable of producing more, but issue of land are not coming out more. Is there an assumption that land is readily available?

5.6 To link skills development and productivity, the issue of National Productivity Centre should come-up

5.7 In order to address the whole education system, Ministry of Education, Science and Technology should have been present because they are the ones that articulate the education standards

5.8 Employability in this report should include self-employment as well

5.9 End of product research has not covered much, higher learning institutions should have been engaged

5.10 Investment into oil seeds is aimed at Malawi increasing its export, what if other countries have better strategies and better comparative advantage than us, do we have a strategy for such scenario

Consultant's responses

5.11 The 2014 Scooping Study, says that no training institution is offering courses in Food Technology

5.12 Sizes of land, land ownership issues in Malawi makes it very difficult to scale up production

5.13 Will incorporate in the report the need to engage training institutions to also go into research and development

Business Capability Gaps Feedback

- 5.14 The Skills Scooping study should have specified Food Technology in Oil Essentials
- 5.15 In agreement with Bullet point 4, but the wording should change to; “limited capacity to comply with standards or quality requirement. This is so because issues might be changed to domesticated national standards. So standards of target market should be a priority.
- 5.16 On page 8 of the report,...1st paragraph and last statement, “105 of exporting firms.....
- 5.17 This is one of the areas we came across during inspection this is because of complexity of staff
- 5.18 2nd paragraph half of the..... next statement

- 5.19 Quality certificate at national level standards for ground nuts e.g. someone packaging the groundnuts we have an interest to check quality of the groundnuts. If they comply they issued a certificate. An export certificate is assessed based on requirements of exporting country
- 5.20 Establishment should e established to an ISO market 90002 should be deleted ISO 220000 missing its for food safety management systems. SACCP
- 5.21 National standards need to be met not only International standards
- 5.22 MBS accreditation for afflation testing
- 5.23 Should include weak institutions address business institutions within itself in business governance environment which is organised by the private sector. Deciding how they want to operate amongst themselves
- 5.24 MBS last bullet... government institutions need to be aware of where they need to get the information
- 5.25 The value chain must be well understood
- 5.26 Need an audit of our activities, so that feedback on what is successful or not/ M&E as gap in business

Changes effected in Business Capability are:

- 5.27 Standards requirement
- 5.28 Business governance
- 5.29 Limited skills of international and regional marketing opportunities

- 5.30 Skills gaps and farm production, (needs further clarification) Need to cross check with Training institutions and need to chat with graduates of the FT courses
- 5.31 Issues of skills, enterprises said they couldn't find graduates and others said they couldn't find graduates of the right quality. Therefore the report will clarify that it touches on both quality and quantity
- 5.32 Lots of irrigation engineers in this country but the problem with industry is that they are not clear on what they want. Good engineers are feared because they demand high salaries which they can't pay. The report needs to be specific rather than generalising about lack of graduates.
- 5.33 Institutions and employers need to be in partnership so that the needs of each other must be recognized. Relevancy to employers is key.
- 5.34 The report needs to state the need for specific levels needed between engineers or Production technologists. It should state the need for production engineers and technical skills at the 2 level. Some are needed at the design of the infrastructure while others are at the actual operations. I.e where there is "various" need to be specific with the particular skill gaps
- 5.35 Post harvesting skills needs to be added - production productivity. Skills set gap like an example in business governance environment.

Policy responses Feedback

- 5.36 The need for Labour Market Information is not clear in the report. A functional labour market information System must be well captured in the report
- 5.37 Labour Market Information aspect could give us arguments of the skills issues needed. Could be 3 or 4 industries lacking skills sometimes there can be more skills and industry may fail to absorb the skills thus need for specification. E.g specifications of skill in oil seeds needs good coordination between institutes and industry.
- 5.38 Policy interventions in skills must be the apex because skills is a bit broad
- 5.39 There is need to build linkages with other institutions key in this area
- 5.40 The report must recognise role of other institutions in implementing the decent work Agenda
- 5.41 Institutional structure on how interventions could be framed. MoIT TIPSWAP at policy level is a structure that brings institutions together.

- 5.42 Universities should be included in the first bullet. Not only MoLYMD and MoIT but also University of Malawi because issues of patenting are important.
- 5.43 Stake holders have attempted to link suppliers with demanders of skills. Structure discussed has a skills thematic working group under it. Issue of National Productivity Centre to be Instituted or a higher forum which may be suggested
- 5.44 Recommend technical support to MoLYMD and TEVETA so that they drive the recommendations that we have discussed

Training Level Intervention responses

- 5.45 Training must go further to industry i.e the supervisors must be knowledgeable to also deliver training
- 5.46 Structure must be put in place so that when expose visits are done, implementation strategies are in place and action plans must be in place.
- 5.47 Role of MoEST so that there is connection between training institutions and policy
- 5.48 Create a database of competencies and skills in MoLYMD and ECAM so that it is ongoing other than waiting for 5 year tracer studies
- 5.49 Technical subjects in secondary schools is the way of this knowledge filtering in what has been developed at policy level- education
- 5.50 Market relevant curriculum at all levels of education system needed. A representation of the MoEST inn the National Productivity Centre.
- 5.51 Equip a training institute as a centre of excellence for agriculture. No need to establish a training institution.

Enterprise Initiatives Responses

- 5.52 Private sector can input into what should be taught to workers. Training is not the core of ECAM and its members but TEVETA. (Bullet 1)
- 5.53 Training institutions must be mentioned in the statement
- 5.54 Internships and attachments a challenge in Malawi. Thus this issue should come under enterprise who have skilled workers Bullet 2
- 5.55 Support SME's in terms of training very important

6.0 Additions and removals on the recommendations in the report

7.0 Validate the recommendations made

PS Labour then asked the participants if they felt that they own the results to which the participants agreed. The PS then said that this meant that Projects can be designed to implement the recommendations. He therefore closed the session.