

# Malawi

QUALITY TIMES DIGEST 



UNITED NATIONS  
INDUSTRIAL DEVELOPMENT ORGANIZATION

Issue No. 9

January 2018



Malawi Quality Times Digest brings you updates on activities of the “Market Access and Trade Capacity Building Support for Agro-industrial Products” (MATCB) Project in Malawi - supported by the Norwegian Agency for Development Cooperation (NORAD) and the “Development of a Robust Standardization, Quality Assurance, Accreditation and Metrology infrastructure for Malawi (SQAM)” Project - supported by the European Union (EU), the United Nations Development Programme (UNDP) and the Government of Malawi (GoM)

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# welcome

**Welcome to the ninth edition of the Malawi Quality Times Digest** - a publication related to the activities implemented by the United Nations Industrial Development Organization (UNIDO) as part of the reform process of the National Quality Infrastructure in Malawi through the MATCB and SQAM Projects.

In 2012 and 2013, Malawi embarked on two projects: the EU/UNDP-funded SQAM Project and the NORAD-funded MATCB Project. Both projects are targeted interventions to reform the National Quality Infrastructure (NQI), and are complementary to each other. The MATCB Project focuses on legal metrology and quality improvement amongst smallholder farmers whilst the

SQAM Project addresses the policy and regulatory landscape, the institutional reform of the Malawi Bureau of Standards, the accreditation of conformity assessment services and quality improvement initiatives amongst small and medium enterprises.

We offer a selection of stories related to the UNIDO activities in which we have seen results, touching on successful partnerships amongst other highlights, with the main purpose of enabling Malawi to achieve inclusive and sustainable industrial development.

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# NASFAM Association Business Manager for Zikometso Innovation and Productivity Center in Mulanje, Mr. Benson Kuziona: Getting Products of Good Quality and Access to Markets for Smallholder Farmers in Malawi is Essential

The Malawi Project team interviewed Mr. Benson Kuziona, NASFAM Association Business Manager for Zikometso Innovation and Productivity Center (IPC) in Mulanje. The National Smallholder Farmers' Association of Malawi (NASFAM) is a beneficiary under the MATCB Project and also one of the key institutions that would benefit from the improved quality infrastructure in Malawi. Zikometso IPC is affiliated to NASFAM as an association and has a membership of 6000 farmers. The Zikometso IPC is being supported by UNIDO to acquire certification in line with the requirements of the Malawi Standards 21 (code of hygiene) and 19 (labelling of prepacked food).

## Q1: What are the mission and the vision for NASFAM's IPCs?

- NASFAM exists to improve the livelihoods of smallholder farmers. Through a sustainable network

*of smallholder-owned business organisations, NASFAM promotes farming as a business to develop the commercial capacity of its members and delivers programmes to enhance member productivity. NASFAM strives to be the leading smallholder-owned business and development organisation in Malawi, producing economic and social benefits for its members, their communities and the country.*

## Q2: How is NASFAM organized? How does NASFAM cooperate with local smallholder farmers?

- NASFAM is organized into a unique extension network to support its membership. The smallest operational unit of NASFAM is the Club, which is made up of 10-15 individual farmers forming action groups - the key points in the extension network for dissemination of information to members, and for the bulking of member crops. Action groups form NASFAM associations (currently 46) which are legally registered entities, member-owned and managed by farmer boards grouped by geographical location under 14 Innovation and Productivity

*Centers (IPCs). They provide management and operational support to the associations in terms of production, marketing and community development. The IPCs are supported by the Head Office structures.*

*Zikometso IPC has 6000 smallholder farmers who are organized in clubs consisting of 10 members and form a Group Action Center (GAC). Each member is obligated to pay an annual subscription fee of 60 Cents. At GAC level, meetings and trainings are organized to train members in land preparation, nursery management, transplanting, food management, post-harvest management, chillies drying and chillies grading. The smallholder farmers are also supported by organizing markets for their products to enable them to sell at competitive prices. Zikometso IPC benefits from this relationship through buying high-quality produce and controls the production of chillies sauce, thus positively impacting the livelihoods of the smallholder farmers.*

## Q3: What are the main challenges to the development of and the market access for smallholder farmers?

- *The local demand for the chillies is low to the extent that 90% is exported as dry chillies (unprocessed). The local processing capacity is at 5% of the market demand, but the local and regional product certification is a challenge. Zikometso IPC will access markets after getting full certification. Currently, it is supplying to limited customers. Accessing many markets locally and regionally will increase the volume of production hence supporting more farmers growing chillies.*

## Q4: What is still missing in order to get certified in fulfilment of requirements of MS 21 and MS 19?

- *The technical assistance provided by UNIDO has cleared all outstanding issues that were hindering the certification of the facility. What is remaining is that MBS should visit the facility and conduct the audit according to the requirements of MS 21 and MS19.*



Chillies grading

## Q5: How will the technical assistance provided by UNIDO assist NASFAM – Zikometso IPC? What would be the direct impact of achieving the certification for local farmers?

- *UNIDO has been providing the technical assistance to NASFAM - Zikomesto IPC to upgrade the skills of the staff members and association members through trainings on business and management skills, MS 21 and 19, basic laboratory techniques, post – harvest management and basic internal*

*quality audits. These trainings have helped members to upgrade their understanding on quality issues.*

*Previously, the factory was conducting its operations using the trial and error approach, which has the disadvantage of being highly time consuming and leads to large material wastage of the products being produced. UNIDO technical assistance brought the systematic approach to production and quality in place, and the facility is now at a pre-certification stage with the aim of achieving full certification within the project period. Some of the benefits of introducing this new approach are that the production line operators have gained confidence in processing the chillies sauce, increased level of hygiene at the facility by following and implementing the necessary procedures. The certification of the facility will enhance the chillies sauce to access more markets leading to a subsequent increase in the production of more quality chillies.*

## Q6: How does NASFAM Zikometso IPC cooperate with MBS?

- *The NASFAM Zikometso IPC cooperates well with MBS. The Zikometso staff have gained confidence in handling quality matters during production and is ready for the audit to be undertaken by MBS auditors. Throughout the project, NASFAM staff have been trained on key topics such as standards, quality management, etc. The stronger linkages that have been created with MBS will allow NASFAM to work more closely with MBS and rectify any challenges that may hinder further progress in the agro-processing.*

## Q7: What are the future plans of Zikometso IPC following the technical support of UNIDO?

- *The Zikometso IPC is looking to the future with the hope that the processing plant for chillies will be automated to increase production from 1200 bottles per day to 3600 bottles per day and also*

*that the facility will achieve ISO 22000 on the chillies sauce to access international markets. Some samples were sent to USA and UK and the customers were satisfied with the product but they are demanding ISO 22000 certification as a condition for export. The facility would like to invest more in the product development, whereby more flavors for the chillies will be developed, commence the production of chillies powder at a larger scale, which will require investing in a sterilization unit and possibly start a production line for tomato sauce.*



Mr. Benson Kuziona,  
NASFAM Association Business  
Manager for Zikometso Innovation and  
Productivity Center (IPC) in Mulanje

# Status of NASFAM Facilities and Certification Process Against Technical Regulations MS 19 and 21



Processing of chilli sauce at NASFAM Mzimba IPC

One particular goal of the MATCB Project is to ensure that the National Smallholder Farmers' Association of Malawi (NASFAM) has improved access to local, regional and foreign markets through strengthened testing and export certification, and through improved quality systems implemented in selected value chains. In support of this, UNIDO recruited a National Expert (NE), Mr. Madalitso Tsakama, to provide

technical support to three selected NASFAM IPCs (i.e. Zikometso, Lilongwe South and Mzimba South) in order to prepare them for pre-certification or certification versus MS21 (code of hygiene) and MS19 (labelling of prepacked foods).

In July, 2017 the expert assessed the progress made by the IPCs following previous audits, drafted test methods, supported the development of the documentation systems.

He trained the staff in the usage of quality monitoring equipment and basic internal quality auditing. The production facilities are at different stages of implementation of MS21

and MS19 Certification . The most advanced one - Zikometso IPC is involved in the processing of chillies into chili sauce and is currently at pre-certification stage. The gap analysis of the IPCs for obtaining full certification was conducted and the main findings were: the lack of training on basic quality audits and food safety and shortages of the infrastructure, such as poor ventilation, no ceiling in the processing area, the removal of the pump for discharging the chillies paste into bottling section and the dressing area for factory workers. These challenges were resolved thanks to the joint efforts in sharing the infrastructural costs between UNIDO and NASFAM. Furthermore, the operators were trained by UNIDO on basic quality auditing and basic laboratory techniques to allow them to carry out basic tests on the products they are using. The MBS will provide assistance in more complex testing.



NASFAM Sunflower Processing Centre in Mzimba-Jenda IPC started production of retail packages



The chilli sauce processing plant at NASFAM's IPC Mulanje

A detailed work plan was developed in close consultation with NASFAM for the implementation of the remaining activities. An important element of this plan is not only to deliver technical assistance to the participating associations, but also to ensure that the project establishes the capacity at NASFAM Head Office to provide similar training, support, and advisory services on food safety and quality to its members after the project's completion.



Selection of good quality chilli peppers in NASFAM's IPC Mulanje



# Building the Capacity of NASFAM on Value Addition: Training on the usage of Quality Monitoring Equipment and Basic Internal Quality Audit



## Training in Basic Internal Quality Audit

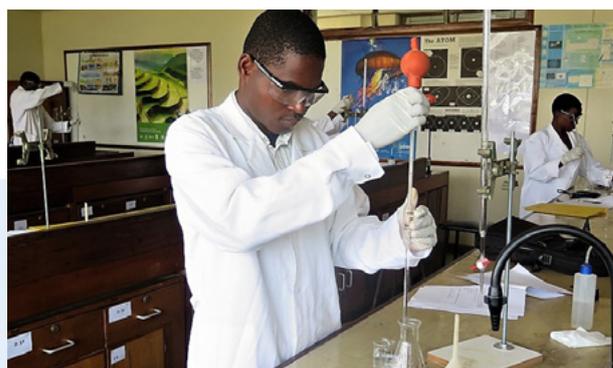
UNIDO provided training in basic internal quality audit to smallholder farmers in 3 NASFAM IPCs (Zikometso, Lilongwe South and Mzimba North). The members were trained on carrying out internal assessments for their facilities and products as well as on compliance with the regulatory requirements. The training also aimed at facilitating staff exchange programs to oversee staff audit processing units within NASFAM.

Some of the topics of the training included: Definition of Quality, Cost of Quality, Quality Assurance and Control, Quality Management Systems, PDCA (Plan-Do-Check-Act) Cycle Model, Quality Audit, Principles of Audit, Types of Audit, Audit Methods and Process, Performing Internal Quality Audit and Minimum Data Set (MDS) Audit. The training was beneficial to a number of staff including entry clerks, warehouse officers and accounts personnel as well as food handlers and managers.

## Training on NASFAM Quality Monitoring Equipment

The training on usage of quality monitoring equipment and basic laboratory techniques was provided to NASFAM selected personnel in line with the products produced per IPC. This five (5) days training took place in September 2017 at the Malawi Polytechnic, a constituent college of the University of Malawi. The operators from the eight (8) NASFAM production facilities were trained on: - Basic laboratory techniques; - Basic Chemistry; -Basic laboratory safety; and - Test methods for chillies, livestock feed and sunflower oil.

UNIDO is currently in the process of procuring quality monitoring equipment for NASFAM production facilities - Zikometso Chillies Processing Factory, Lilongwe South Livestock Feed Processing Factory and Mzimba South Sunflower oil Processing Factory.



Successful completion of UNIDO training on use of quality monitoring equipment for NASFAM members at University of Malawi - The Polytechnic in September 2017

# Study Tours Visits to the National Standard Body (NSB) in the Region and to the National Enquire Point (NEP) for MBS Staff



## Study Tour to Botswana Bureau of Standards (BoBS) of MBS Officers

UNIDO organizes the visits to selected national standards and metrology institutes in the region to assist MBS in identifying lessons learned in construction, operation and maintenance of the facilities in general, with specific emphasis on the laboratories. In November 2017, the study tour to Botswana Bureau of Standards (BoBS) for MBS staff and construction engineers from Terrastone was organized to illustrate to the participants how BoBs developed the facility. What the BoBs did was to carry out a survey to understand the needs of the industry, benchmarking with existing regional institutions. The MBS also conducted a market survey through the SQAM Project to understand the needs of the Malawian industry and how best MBS can service and support the industry.

The study tour created an opportunity for engineers and MBS staff to benchmark the quality of workmanship of the BoBS infrastructure with the MBS Laboratory complex which is being developed. Critical to this is the setup and design of the laboratories in meeting safety standards and achieving also the environmental conditions. The study tour team learnt that BoBs has a centralized air conditioning system which proved to be a challenge in terms of maintenance and sustainability, thus a decentralized system would be preferred in the MBS new facility. The MBS staff had also an opportunity to interact with team from the Southern African Development Community Accreditation Services (SADCAS) in regard to the accreditation in the Scope of

Mass and Aflatoxin and MBS was guided accordingly with regard to the requirements of ISO 17025 document review. All lessons learnt, will be implemented on the MBS new laboratory complex as required.

## The Uganda National Bureau of Standards (UNBS) Study Tour

One of the objectives of the SQAM Project is to strengthen the proactivity and responsiveness of the Malawi Bureau of Standards (MBS), as a National Enquiry Point, to the information and notification requirements of the World Trade Organization (WTO) Agreements on Sanitary and Phytosanitary (SPS) and Technical Barriers to Trade (TBT). To support this, UNIDO organized a study tour to an established National Enquiry Point (NEP) to enhance the participants' knowledge and skills in WTO/TBT NEP operations and the capacity of the MBS as a NEP for Malawi.

Two MBS officials, Mr. Fred E. Sikwese, the Director of Standards Development and Mr. Jimmy Thombozi, the Library Assistant visited the selected NEP - the Uganda National Bureau of Standards (UNBS) on September 25-29, 2017. The study tour covered theoretical and practical training on the principles, functioning and daily operations of a NEP. It included class room sessions as well as interactive practical workshops on the TBT and SPS Notification Submission System, preparation and submission of TBT and SPS notifications and on the ePing SPS and TBT Export Alert System.

The significant milestone achieved was the drafting and submission of 15 TBT notifications of draft Malawi standards to the WTO, which were approved and circulated to the Member States for comments. The study tour provided an opportunity to experience the implementation of the transparency provisions of the WTO's TBT and SPS Agreements through the operations of a NEP. The participants were updated on developments in the TBT area, and shared experiences on how, as a WTO Member, they could meet the obligations of the transparency provisions of the TBT and SPS Agreements.

The knowledge gathered on the notification alert system (ePing) will help Malawi stakeholders in tracking notifications of new measures (regulations) by other Member States that may affect the exporting business community. This would provide the opportunity to comment on such impending regulations and properly prepare before they come into force.



The Study Tour to Botswana Bureau of Standards (BoBS) of MBS Officers/Contractor in November 2017 in regard to construction of MBS new laboratory

# ISO 9001 – Helping Malawian SMEs in Transforming their Quality Infrastructure

The Malawi Project team interviewed Mr. Shashank Sheth and Mr. Rex Nyahoda, UNIDO Experts in Implementation of ISO 9001 Quality Management System. The cohort companies (SMEs) having MBS certified products, potential to conquer export markets including the Southern African Development Community (SADC) region, were selected for the MBS certification as part of accreditation process for the MBS in terms of ISO 17021. This will have direct implications in terms of improved business services for Malawi enterprises provided by the NQI and, in the long term, in terms of improved protection of consumer rights of Malawian citizens.

## Q1: What is the importance of effective implementation and certification of ISO 9001 supported by UNIDO's intervention for Malawian economy?

➤ UNIDO provided technical assistance on the implementation of international standard for quality management system ISO 9001 to the Malawian SMEs. These are: Flowtech Limited (manufacturing of PVC pipes and fittings); Mzuzu Coffee Planters Cooperative Union Limited (organization processing

coffee beans – green and roasted, ground coffee, tea and honey); Promat Limited (manufacturing of PVC pipes, high-density polyethylene pipes and fittings); and CORI (processing of fortified edible oil). MBS needs to gear up to meet the market demand for conformity services, such as product testing, management system certification (Quality Management System and Food Safety Management System) and metrology services, in order to create a better and competitive quality infrastructure in Malawi, particularly for SMEs. SMEs and the general public would benefit from better QMSs and improved business processes that meet international standards. Strengthening the SQAM infrastructure will help Malawian SMEs to promote exports in SADC region and the Common Market for Eastern and Southern Africa (COMESA) as a long term and sustainable solution.

## Q2: What is the current status of ISO 9001 certification for the participating SMEs under the SQAM Project

➤ The first critical milestone of the SQAM Project, Stage 1 Audit of the SMEs, has been successfully completed by MBS in December 2017. Based on successful completion of stage 1 audit, the selected SMEs shall comply with the Stage 2 Audit, which will result in the accreditation of the MBS as an internationally accredited certification body as per ISO 17021 requirement and certification of selected SMEs for ISO 9001.



Stage I audit on ISO 9001 Quality Management System by MBS auditors at the Mzuzu Coffee Planters Cooperative Union Limited with presence of UNIDO experts, Mr. Shashank Sheth and Mr. Rex Nyahoda

### Q3: What are the benefits of using standards for the country and its people?

- • Increase credibility, competitiveness and customer satisfaction
- Access regional markets/Increase in export
- Increase employment and income generation for poverty reduction
- Engagement of employees
- Improve cost efficiency and profitability and reduce waste



Stage I audit and plant visit at the Capital Oil Refining Industries (CORI) based in Blantyre, Malawi

### Q4: How is ISO 9001 helping an oil processing SME in Malawi to improve their quality system?



Mr. Shashank Sheth, International Expert in Implementation of ISO 9001 Quality Management System

- Capital Oil Refining Industries (CORI) is involved in processing of fortified edible oil: soya, palm oil and sunflower oil. Despite CORI is in the process of ISO 9001 certification, the technical guidance provided by the experts for infrastructure changes in the food production processes has helped them to attain business inquiry and positive response from the WFP (World Food Programme). The establishment of robust documented system, safe food product processing ready infrastructure and dynamic approach for the effective implementation of QMS, shall help CORI to benefit from future cooperation with the WFP. CORI is already implementing major infrastructure changes, which will not only make it one of Malawi's first ISO 9001 certified organization in edible oil segment but also will prepare them to achieve Food safety management system certification for HACCP and ISO 22000.

<sup>1</sup> ISO/IEC 17021-1:2015 contains principles and requirements for the competence, consistency and impartiality of bodies providing audit and certification of all types of management systems

## Recommendations from the Mid-Term Review of the MATCB Project Addressed

The Mid-Term Review (MTR) undertaken at the end of 2016 provided the necessary recommendations in order to achieve a significant sustainable impact on quality promotion, and trade facilitation even beyond the duration of the project.

The recommendations made by UNIDO International Review Expert, Mr. Stefano Sedola's are: (1) Revised log-frame matrix to increase the coherence of the intervention logic; (2) Project stakeholders (i.e. MBS, MoITT, NASFAM) to translate relevant project outcomes/outputs into their respective internal KPIs (work in progress); (3) Following international regulatory best practices, technical regulations in metrology area should be drafted following good regulatory practices (i.e. UNECE) and include a risk assessment; (4) Technical staff competences and qualifications of Metrology Service Department of MBS are reviewed and a revised organogram and job descriptions to be presented; (5) Follow-up actions under output 4 (NASFAM) focus on one or few

key products or on the producers of a smaller region; (6) Linking outputs planned in output 4 to a clear revenue increase strategy for targeted farmers' groups; (7) Work in progress for a system for monitoring the indicators (OVIs) to be established.

The management response was presented at the eight MATCB Project Steering Committee (SC) Meeting in April 2017 and finalized in close consultations with MBS and NASFAM. The CTA in coordination with the Project team and the counterparts revised the log-frame matrix and drafted a system for monitoring which was presented during the ninth SC Meeting. All the other recommendations are being addressed.



Chillies as the one of the key NASFAM products the MATCB Project is focusing on according to the fifth MTR's recommendation



*The ninth MATCB Project Steering Committee Meeting on December 1, 2017*

# MATCB Project Steering Committee Holds its Ninth Meeting

The Deputy Director of Industry, Mr. Clement Phangaphanga from the Ministry of Industry and Trade (MoIT), chaired the ninth Steering Committee (SC) Meeting of the MATCB Project in Lilongwe on December 1, 2017 to review the milestones and the achieved progress of the implementation of the project. MBS was represented by the Director General, Mr. Davlin Chokazinga, the Deputy Director General, Mr. Willy Muyila and the Director of Metrology Services, Mr. Thomas Senganimalunje. NASFAM was represented by Dr. Dean Kampanje Phiri, Head of Associations, Business and Marketing. The United Nations Development Programme (UNDP) – the partnering organization of the SQAM Project was represented by Ms. Cinzia Tecce, Private Sector Development Specialist. UNIDO was represented by the Chief Technical Advisor (CTA), Mr. Alaa Fahmy, the National Project Coordinator, Mr. Jackson Hau, the Administrative Assistant, Ms. Flora Katsabola and the UNIDO Project Associate, Ms. Karin Monaco, who replaced Ms. Laura Pedraza (SQAM Project) from UNIDO HQ in Vienna. The new CTA was formally introduced to the members of the SC as UNIDO appointed him in July 2017 to provide technical support for both SQAM and MATCB projects.

UNIDO informed participants about the extension of the project until July 2018 and a possible second phase with focus on quality improvements within value chains. All parties shared success stories including efficient use of the weighbridge truck carrying out effective calibration processes providing confidence to consumers and generating a current annual revenue of approx. USD 122,000. UNIDO stressed that the workshop tools and pre-package inspection equipment were procured, and that the Heavy Mass and Large Volume Laboratory has been granted the Certificate of Occupation with all outstanding works completed. The MBS highlighted that the roadmap for accreditation of the light mass metrology scope (0-200 g) was revised from December 2018 to April 2018. This is a step ahead in demonstrating increased confidence in MSD calibration services and with a learning experience for more accredited scopes in line with the MBS Strategic Action Plan. UNIDO reported on NASFAM IPCs certification process in MS21 and MS19 by MBS. UNIDO and NASFAM are addressing the outstanding infrastructural issues, and the quality monitoring equipment is being procured. The recommendations from the MTE were addressed and the monitoring and evaluation plan was submitted to the SC meeting for approval.

