

# Malawi's AGOA exports fall

Malawi is US\$0.7 million short of last year's exports through the American Growth Opportunity Act (AGOAIII) by only registering US\$1.7 million in the first quarter of the year from US\$2.4 million recorded in the corresponding period last year.

By Gregory Gondwe 17 Jun 2008

However, Director of trade in the Ministry of Trade and Industry Harrison Mandindi expressed hope that the country's exports could pick up as the year draws to the end with several incentives government has put in place.

"Under our program called 'Business Environment Strengthening and Technical Assistance Program' cotton farmers and entrepreneurs are being trained on how they can utilise and the AGOA initiative," he said.

AGOA has opened doors and Malawi can export over 20,000 different products.

Although the country seems to be benefiting more from the bilateral trade with the US it seems ever since it established diplomatic ties with mainland China in December there has been a major shift.

From December to now, National Statistical Office indicates in its statistics a huge leap to as high as 4,894% in trade between Malawi and China in comparison to a period of over the previous three years.

"This is the biggest jump in trade for Malawi over the past 10 years," observed NSO Head of Trade Statistics Willy Kachak

Unlike the textile products that are exported through AGOA, Malawi has found a lucrative tobacco and tea markets in mainland China.

Tobacco exports alone were valued at K822 million, with K35.2 million in tea exports.

Despite tobacco and tea topping exports, Malawi has also found a market in China of other products and raw materials that include hides and skins worth K23.7 million, wood at K7.4 million and vegetables at K6.7 million.

Coffee Association of Malawi (CAMAL) also says it hopes to gain exports market for the product.

"Malawi coffee has generated a lot of interest from foreign companies following the country's participation in the Eastern African Fine Coffees Association (EAFCA) coffee exhibitions," said the association's Technical and Marketing manager Peter Njikho.