

International Macadamia Symposium 2023



IMS'23

MOVING FORWARD TOGETHER

Macadamias South Africa (NPC)
(SAMAC)



Malawi Macadamia
Association (MMA)

Malawi Update

Malawi Macadamia Association (MMA)

We are a member driven association, that exists to support, and represent the interests of the Malawi macadamia industry.

Further to this, it is our mandate to innovate, enhance quality, productivity, and the overall competitiveness of the Malawian macadamia industry.

Our members are made up of macadamia growers and processors as well as associate members which are companies and individuals that have a vested interest in the industry.

The association is a non-profit organisation that gets its funding from membership subscription fees and donations.



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Malawi macadamia background

Macadamia introduction – 1960s

- Seed of varieties *M. integrifolia* and *M. tetraphylla* Introduced at Bvumbwe Research Station, in the southern region of Malawi.
- Introduced into estates, but largely seen as a secondary crop.

Macadamia development and expansion – 1980s

On the back of a World Bank programme that focused on Research and Development, larger estates decided to invest in macadamia orchard planting and primary and secondary processing facilities.

This provided a catalyst for macadamia growth, particularly in Thyolo District in the Southern Region of Malawi, and in smallholder production in the central and northern regions.

Further expansion and development – 2000s

- On the back of firm pricing, and suitable growing conditions, large scale investment was undertaken in further macadamia production in the northern and central regions. This largely heralded the introduction of new planting techniques and extensive establishment of large - scale irrigation schemes.



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Malawi – a rapidly growing industry

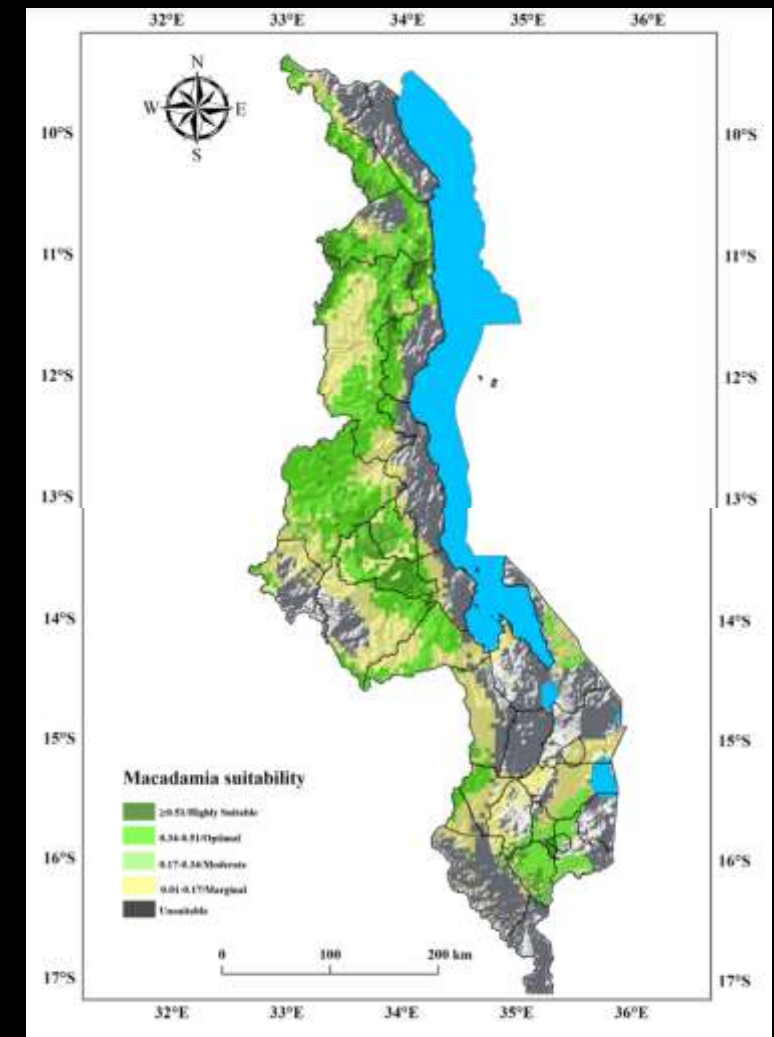
- Malawi is currently the seventh largest producer of macadamia in the world and the third largest in Africa (As at year end 2022).
- Malawi has moved from exporting 1,466 MT of raw macadamia kernel in 2013 to 2,736 MT in 2022 representing 46% growth.
- Macadamia will continue to contribute significantly to Malawi's export revenue in the decade ahead as more of its orchards mature.
- Currently, only 42% of the planted area (11,184 Ha) is currently mature and in full production.

	Produced Kernel (MT)	Average Price/kg	Estimated Value
2013	1466	14.54	\$ 21,309,679
2014	1958	15.14	\$ 29,645,483
2015	2008	15.55	\$ 31,221,601
2016	1470	16.15	\$ 23,738,239
2017	1286	17.36	\$ 22,323,745
2018	1,918	18.70	\$ 35,860,242
2019	1,955	18.75	\$ 36,655,875
2020	1,501	17.07	\$ 25,619,851
2021	1,973	15.30	\$ 30,186,900
2022	2,736	13.00	\$ 35,568,000



Malawi suitability as a macadamia origin

- Extensive areas of the country are highly suitable for macadamia cultivation (57% by area) which has until now has mainly been exploited in the southern highlands.
- The central and Northern Regions represent 83% of the suitable area and have great potential for further growth.
- Macadamia grows well throughout the country from north to south, and both soil and climatic conditions enable (with good agricultural practice) the production of a good quality, white, creamy and crunchy macadamia kernel.
- New planting techniques and irrigation, have enhanced productivity and resultant yields in the macadamia orchards.



Malawi macadamia orchard distribution

- Production by District – Area and Percentage

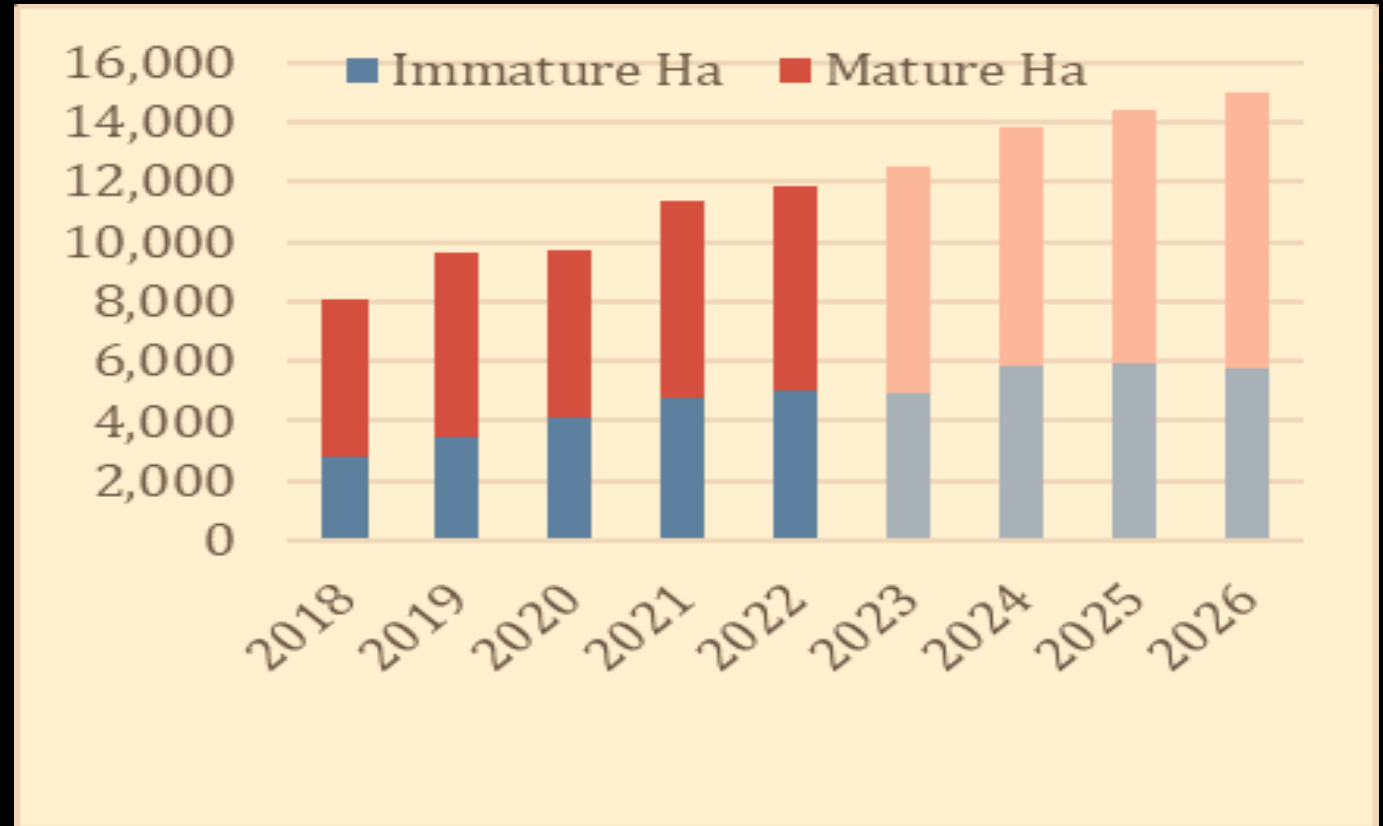
District	Hectarage	Percent
Nkhata Bay	1,031	11%
Mzimba	520	6%
Kasungu	224	3%
Mtchinji	1,230	13%
Blantyre	924	10%
Chiradzulu	92	1%
Thyolo	4,919	53%
Mangochi	211	2%
Zomba	60	1%



Malawi – growth in area planted

- Malawi continues to follow an aggressive trend in new production, although this will diminish from this year, onwards, due to the collapse in the international macadamia market.
- Nonetheless, existing plantings will continue to contribute to greater production in the years ahead.

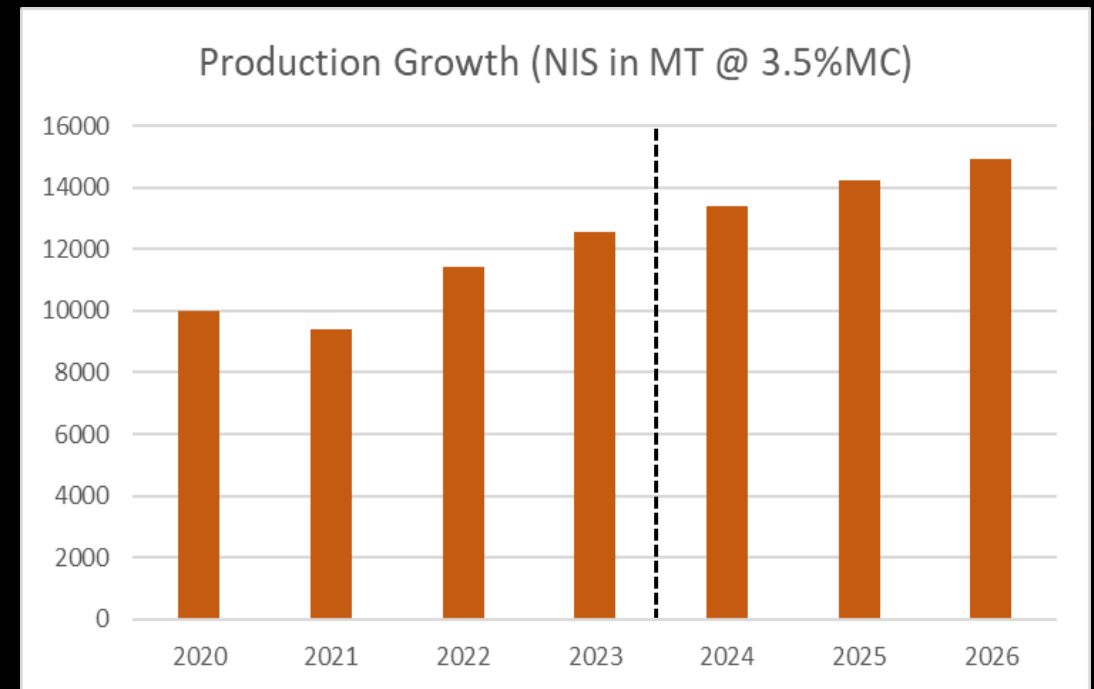
Current growth in area planted and projections



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Malawi – production statistics

- Production in 2020 recorded just under 10,000mt of macadamia nut in shell at 3.5% moisture content in 2020 and dropped slightly in 2021 to under 9,500mt. In 2022 production of nut in shell (NIS) yield increased to 11,400mt and is expected to reach approximately 12,500mt in 2023.
- The forecast going forward has been tempered by the recent market collapse on pricing, but in terms of projected growth this is already “baked in” due to prior plantings.



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Malawi – macadamia industry employment

- The industry's rapid growth, has among other things, led to a temporary skills shortage in the industry.
- The expanding macadamia industry is projected to generate 32,000 jobs, half of which will be skilled over the next 10 years.

Current industry employment figures

1	Workers employed on estates and orchards	15,500
2	Skilled workers in processing plants	1,200
3	Small-holder growers	9,000
	TOTAL	25,700



Malawi – Unique Selling Proposition

Malawi prides itself on quality production of macadamia.

The Malawi crop predominantly consists of *M. integrifolia* varieties.

These varieties produce white, creamy, crunchy kernel – with a thinner shell that is easier to crack and produces higher whole style grades.

The *M. integrifolia* varieties tend to be less bitter in taste.

Reliable direct links to sea ports in Mozambique, Beira (road), Nacala (rail) and South Africa, Durban (road).

This provides Malawi as an origin, with a unique selling proposition.



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QUESTIONS ?

Thank you!

