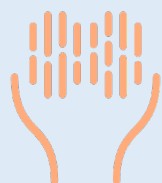




Food and Agriculture
Organization of the
United Nations

Malawi's Priority Agrifood Investment Opportunities



Hand-in-Hand
Initiative

HIH INVESTMENT FORUM

Rome, Italy | 13-16 October 2026





Investment Mobilization Progress since the IF 2023

Resources Mobilized

- **Fish Feed Production:** Investments from CP Feeds (USD 1.2M)- [CP Feeds Fish feed flyer March 2024.pdf](#), Apoche Fish Feed Mill (USD 1M)- <https://www.youtube.com/watch?v=JQruybkYzlg>, TEREN AGRO (USD 1M) and Mtalimanja Holdings (USD 1.1M)- <https://planetdefence.substack.com/p/fish-farms-dr-napeloen-dzombe-eyes> to enhance fish feed capacity. AfDB funded Mzuzu Fish Feed Plant USD 1.2M (commissioned)
- Lake Malawi Aquaculture Invested USD1.5M into Cage Aquaculture
- Banana Value Chain: More than USD 6M by donor supported projects, private sector and GoM

Resources under Negotiation

- Chipoka Mega Farms USD 75M (pipeline), Private-led cage aquaculture investments (Mega Farms) promoted by GoM valued at USD 8.5 M
- Rice Value Chain: Private and public sector investments into production and processing valued at USD 10M

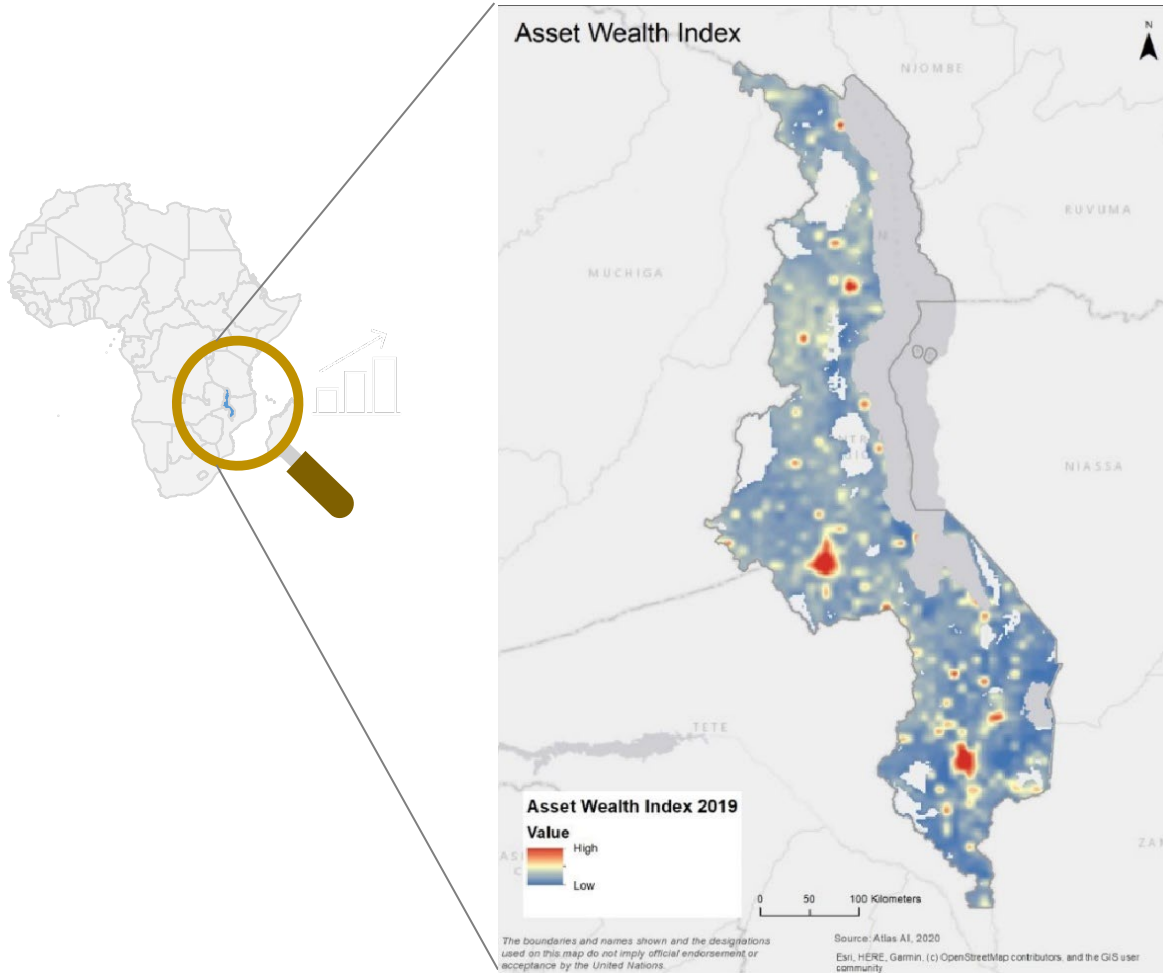
Investment Forums

- Malawi Agricultural Investment Forum-Feb 2024: mobilized private sector players
- Aquaculture Investment Forum- Jan 2025: enhanced visibility, stakeholder alignment, and pipeline development for strategic investments





A GLANCE AT THE WARM HEART OF AFRICA - MALAWI



Fact Sheet- Based on World Bank Data

- Population at 21.6million (2024) with an annual growth rate of 2.6%
- 80% below 35 years, forecasted to grow to 26 million by 2030
- GDP growth **2.0%** (2025), per capita **US\$522.6** (2024)
- Poverty headcount ratio at \$3.00 a day is at 75.4% (2021)
- Land area of **118,500 square kilometers**
- The **capital city is Lilongwe** with the second largest city, Blantyre, serving as the commercial hub
- Malawi boasts a **widely diverse topography and scenery**, ranging from sweeping lake views and breathtaking woodlands to unique city scapes
- **English is the official language** widely spoken by the workforce, while Chichewa is the national language
- Investment opportunities: Agriculture, Tourism, Mining, Energy and Manufacturing



INVEST IN MALAWI

Gateway to Profitable Opportunities

Strategic Vision: Malawi 2063

Agriculture Productivity & Commercialization

Fertile land, agro-processing & export potential

Industrialization

Special Economic Zones & Manufacturing Growth

Urbanization

Expanding Infrastructure & Modern Services

Key Investment Benefits

- **100% Repatriation of Profits**
- **Public-Private Partnership Opportunities**
- **Access to 20M+ Consumers & 500M+ in Regional Markets**
- **Strong Government Commitment to Wealth Creation**

Enabling Factors (MITC Highlights)

Attractive Tax Incentives - Duty-Free Imports, Tax Holidays

ECRI Liberalized Policies - Investment-Friendly Regulations

Good Agro-Ecological Conditions - Ideal Climate for Aquaculture, Honey & Chilli

Abundant Water Supply - Lake Malawi & Irrigation Potential

Low-Cost Labor Force - Young & Trainable Workforce

Low Political Risk - Stable & Secure Environment

Regional Market Access – SADC, COMESA, AfCFTA



<https://mitc.mw/>

Malawi Investment and Trade Centre





MALAWI INVESTMENT CASES 2026





Investment case 1: COMMERCIAL CAGE FISH FARMING SYSTEM



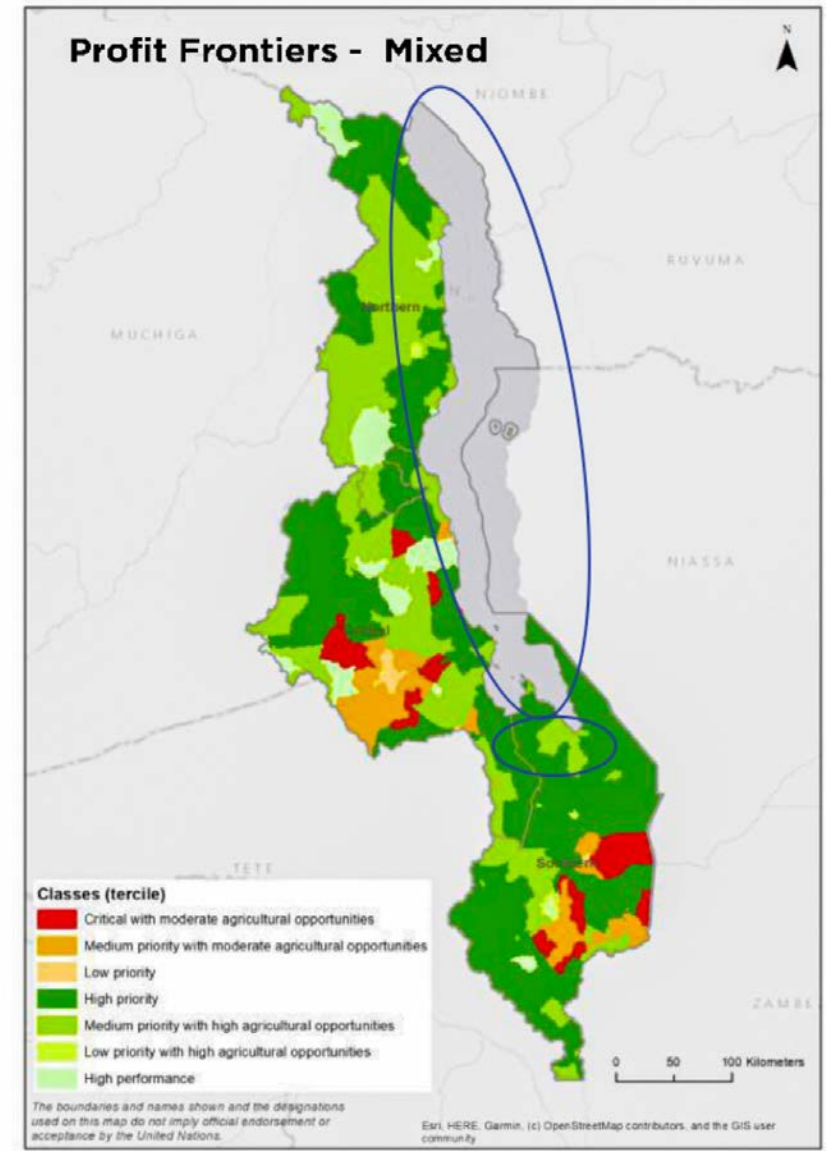


Commercial Cage Fish Farming System

Context- Overview of Malawi's Fisheries and Aquaculture

- o Abundant Water Resources: Vast aquatic ecosystems (about 20% of surface area is covered by lakes, rivers, wetlands, floodplains)
- o Sectoral Importance: Fisheries and aquaculture contribute about 4% to GDP, employ over 75,000 fishers and 15,465 fish farmers, and supply nearly 70% of dietary animal protein
- o Production Trends: Capture fisheries averaged 180,000MT between 2017-2022, while aquaculture output remains low at approximately 10,000 MT/year, highlighting untapped potential for growth
- o Aquaculture offers a pathway to affordable protein and improved nutrition, backed by National policy frameworks
- o Rising domestic demand of fish and fish products estimated at about 300,000MT by 2027

Malawi Typology Map





Commercial Cage Fish Farming System

Bottlenecks

- o Limited Scale of Cage Aquaculture: fewer than 20 investors with about 30 cages, an average 9,393 MT annual output against a 100,000 MT potential
- o Feed Cost and Supply Constraint: Feed is the single largest operating cost (55–65% of total), with Malawi dependent on imported fishmeal. This makes cage aquaculture vulnerable to price shocks and foreign exchange volatility, limiting profitability and scale
- o Post-harvest losses are estimated at 37% due to lack of cold chain facilities and weak aggregation, which reduces effective supply

Key Investments

- o Rollout HDPE cage clusters (4 cages, 16m diameter) and GI cage clusters (10 cages, 9m diameter), inclusive of cold chain logistics hubs (refrigerated vans, storage facilities; each hub handles ~170 MT HDPE / 58 MT GI annually). \$639,920 per HDPE site; \$165,334 per GI site. Private-led BOO model with donor co-financing for cooperatives.
- o Establish local fish feed mill (commercial scale) to reduce reliance on imports (already mobilized via existing feed mill pipeline). 20,000 MT feed/year capacity. Private-led with PPP incentives (tax waivers, blended finance).

Risks

- o Limited bio-security measures could increase vulnerability to fish diseases, which can wipe out stocks
- o Temperature shifts, droughts, floods may affect cage productivity
- o Feed price volatility; reliance on imported soy/fishmeal
- o Theft/vandalism of cold-chain assets; high Operating & Maintenance costs

Mitigation Measures

- o Biosecurity protocols; certified fingerlings; sentinel testing
- o MoU with Dept. of Fisheries; site diversification
- o Hedged procurement contracts; black soldier fly larvae substitution; donor-supported feed R&D
- o Cooperative ownership; community policing; asset insurance; solar-powered systems to cut costs



Commercial Cage Fish Farming System

Investment Outlay and Returns

Tranche A: HDPE

Profitability Indicators

Total Private Investment- 80 cage farms

USD 51.2M

Capital expenditure (Year 0, USD)

USD 639,920

Scaled NPV

USD 43,899,200

IRR

28%

PBP

4.48 years

Tranche B: GI

Profitability Indicators

Total Private Investment- 80 cage farms

USD 13.2M

Capital expenditure (Year 0, USD)

USD 165,334

Scaled NPV

USD 7,266,080

IRR

22%

PBP

4.39 years

Socio-Economic Performance Indicators

Increase in per capita income

USD 1,200 for HDPE; USD 1,000 for GI

Job creation

Minimum of 18,000 jobs

Direct Beneficiaries

84,000

Indirect Beneficiaries

369,600

Other benefits

Improved nutrition, Export earnings

Environmental Performance Indicators

Carbon Emissions

TBD





Investment case 2: STRUCTURED HONEY EXPORT TRADE AND GEOGRAPHICAL INDICATIONS

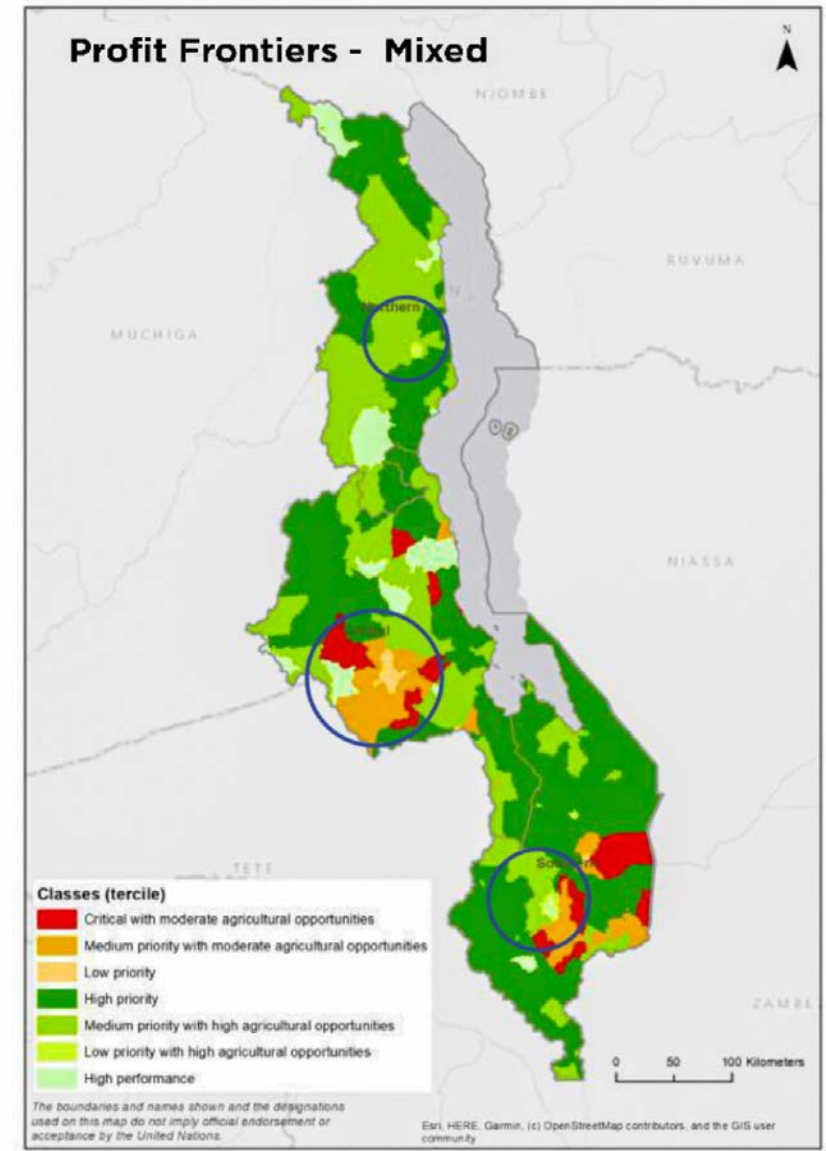




Context- Overview of Malawi's Honey Value Chain

- o National honey demand of approximately 200MT per year against the domestic supply of 90MT, leaving a structural deficit of 110MT
- o Honey is a key source of natural sugars, antioxidants, and micronutrients, contributing to healthier diets in a country where 5.4 million people face chronic food insecurity and malnutrition remains high
- o The country's miombo woodland provides exceptional forage for premium organic honey for satisfying the domestic market and structured exports
- o Structured honey exports could unlock an estimated \$10M annual export market, generate foreign exchange, and provide sustainable livelihoods for over 32,000 smallholder beekeepers

Malawi Typology Map





Structured Honey Export Trade and Geographical Indications

Bottlenecks	Key Investments	Risks	Mitigation Measures
- o Low hive productivity and technology gap - o Lack of certification and market access - o Weak product identity and trade finance	- o Establish aggregation infrastructure with improved hive distribution and collection logistics. Cost \$399,811 with capacity of 250 MT honey in Year 1 and up to 537 MT by Year 10. PPP model (public land + private operation) - o Construct double-certification laboratory (LC-MS/MS, HPLC, IRMS) for EU Annex I compliance. Approximate cost \$569,114 with testing capacity of more than 150 pesticide residue and certifies +500 MT/year. PPP mode (MBS + private operator) - o Register Geographical Indications (GIs) + Structured Trade Finance facility. \$57,000 (GI registration) + Operating capital facility estimated at \$1.87 M. 50,000 ha forest co-management; \$1 M annual trade finance turnover. Blended finance (donor + commercial bank + cooperative collateral)	- o Low adoption of improved hives; pest/disease outbreaks - o Delay in EU Annex I listing; currency depreciation - o Pesticide drift; honey adulteration; liquidity gaps	- o Cooperative training; bio secure hive movement; emergency-response fund - o Early DG SANTE engagement; USD-linked export pricing; front-loaded import capex - o Spatial mapping of apiaries; centralized testing lab; inventory-backed financing



Structured Honey Export Trade and Geographical Indications

Investment Outlay and Returns

Profitability Indicators

Total Private Investment (10 processing plants)	USD 10.3 M
Capital expenditure (Year 0, USD)	USD 1.03 M
Scaled NPV	USD 16,105,660
IRR	26%
PBP	5.84 years

Socio-Economic Performance Indicators

Increase in per capita income	USD 1000
Job creation	Minimum of 1,000 jobs
Direct Beneficiaries	32,000
Indirect Beneficiaries	140,800
Other benefits	Export earnings and Biodiversity

Environmental Performance Indicators

Carbon Emissions	TBD
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Investment case 3: COMMERCIAL CHILLI PRODUCTION, PROCESSING AND EXPORT

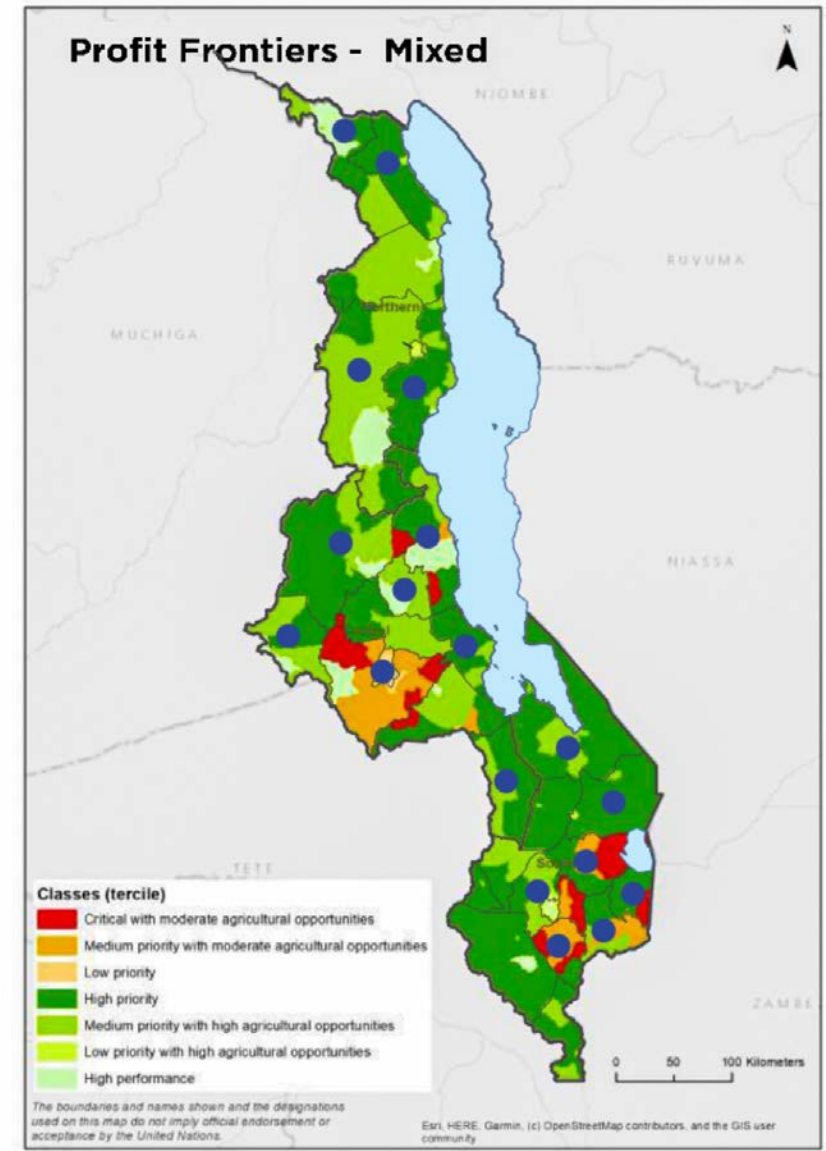




Context- Overview of Malawi's Chilli Value Chain

- o Current Production Levels: Malawi produced about 1,323MT of dry Chilli and pepper in 2024, down from a peak of 3,722MT in 2008, showing fluctuating productivity over time, with a rising market demand estimated at 3,500MT and projected at 4,000MT by 2027
- o Chilli is widely consumed locally as a spice and source of micronutrients (vitamin C, antioxidants), contributing to dietary diversity
- o Domestic demand is anchored by NALI Limited, Cheetah Malawi, Africa Invest Malawi and a small number of smaller processors and aggregators
- o Regional and international demand for dried Chilli and Chilli products is strong, with Malawi positioned to supply niche organic and fair-trade markets. The global Chilli market is expanding, driven by demand for processed products (powders, sauces), offering Malawi opportunities to diversify exports

Malawi Typology Map





Commercial Chilli Production, Processing and Export

Bottlenecks

- o Low productivity and rainfall variability
- o Fragmented supply post-harvest losses
- o Limited market access and price volatility

Proposed investments

- o Establish 50-ha Anchor Farm with full drip irrigation, mechanisation, and solar drying. Cost \$589,378 with 196 MT dried chilli/year. Private-led BOO model with donor co-financing
- o Construct 1 MT/hour Processing Factory with solar drier and drying racks with investment cost of \$1,363,507. 1,400 MT raw Chilli input → 560 MT finished product/year. PPP (public land + private operation)
- o Develop structured out-grower network and export-grade certification system. Included in operating cost lines (\$0.3 M setup). Blended finance (private + donor + cooperative)

Risks and threats

- o Rainfall variability and drought; pest/disease outbreaks
- o Raw-material supply shortfall; energy interruptions
- o Farm-gate price decline; currency depreciation

Mitigation

- o Full irrigation coverage; pond water harvesting; crop insurance; integrated pest management using biochemical-first approach
- o Multi-district out-grower network; grid + solar dual-source; strategic stock buffer; backup diesel for critical processing windows
- o Multi-buyer off-take agreements; USD-linked pricing; front-loaded import capex



Commercial Chilli Production, Processing and Export

Investment Outlay and Returns

Chilli Production

Profitability Indicators

Total Private Investment- 50 farms	USD 29.5M
Capital expenditure (Year 0, USD)	USD 589,378
Scaled NPV	USD 11,518,750
IRR	20.0%
PBP	4.38 years

Chilli Processing

Profitability Indicators

Total Private Investment- 2 plants	USD 2.7 M
Capital expenditure (Year 0, USD)	USD 1.36 M
Scaled NPV	USD 1,162,406
IRR	20.0%
PBP	4.63 years

Socio-Economic Performance Indicators

Increase in per capita income	USD 720 for production; USD 1000 for processing
Job creation	Minimum of 6 000 jobs
Direct Beneficiaries	40,000
Indirect Beneficiaries	176,000
Other benefits	Export earnings

Environmental Performance Indicators

Carbon Emissions	TBD
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SUMMARY MALAWI INVESTMENT PLAN- 2026

USD 109.13 M Total Investment	23.2% Overall Average IRR	USD 80 M Total NPV	842 400 Total Beneficiaries	USD 984 Income Increase Per Capita	TBD Emissions (ExACT)
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KEY INVESTMENTS

	Commercial Cage Fish Farming System- HDPE & GI	Structured Honey Export Trade and Geographical Indicators	Chilli Production, Processing and Export
Total Investment	USD 64.4 M	USD 12.23 M Public: USD 1.93M Private: USD 10.3M	USD 32.5 M Public: USD 0.3M Private: USD 32.2M
Net Present Value (NPV)	USD 43,899,200 for HDPE; USD 7,266,080 for GI	USD 16,105,660	USD 11,518,750 for Production; USD 1,162,406 for Processing
Internal Rate of Return (IRR)	28% for HDPE; 22% for GI	26%	20% for Production; 20% for Processing
Direct Beneficiaries	84,000	32,000	40,000
Indirect Beneficiaries	369,600	140,800	176,000
Increase in Per Capita Income	USD 1,200 for HDPE; USD 1,000 for GI	USD 1000	USD 720 for Production; USD 1,000 for Processing
Emission Reduction Per Capita	TBD	TBD	TBD