**Understanding the Impact of the Devalued Kwacha – Member Forum
Digital Meeting, 24th August 2022**

* **Alan Laverock**: Good morning. I'm Alan, finance officer at SMP and trustee of Bananabox Trust
* **Jade Stein**: Good Morning/ afternoon everyone, Jade here, Media and Comms, the Scotland Malawi Partnership. Great to see you all today.
Please feel free to tag us on Twitter @ScotlandMalawi https://twitter.com/ScotlandMalawi
* **Lindsey Barkham**: Good morning. Lindsey here from Open Arms Malawi - looking forward to learning a lot from you all this morning.
* **Matthews Mfune**: Good afternoon everyone,am Matthews Mfune from Sungani Zakwathu Cultural Heritage Association, a cultural tourism NGO in Lilongwe,Malawi
* **Linda Dembo**: Good Morning Scotland and Good afternoon Malawi. Am Linda Dembo from MaSP. Happy to be here
* **Ashlin Mathew**: Hi everyone! I’m Ashlin, I’m a second year student studying Economics and Politics at the University of Edinburgh. I’m Indian, but I’ve grown up in Malawi and I’m currently in Blantyre, Malawi. I’m very excited to learn more about everyone’s opinions on this topic!
* **Stuart, SMP**: Hello, Hope everyone is well. I'm Stuart on the staff team of the Scotland Malawi Partnership (SMP): Stuart@scotland-malawipartnership.org
* **Marie**: Hello everyone, my name is Marie and I am the CEO for African Vision Malawi and I am here with my colleague, Eric Munthali who is our Finance and Operations Manager here in Malawi.
* **Nourishing Minds**: Good Moring, I am han Broere from Nourishing Minds (based in Geneva), representing Jane Broere our president
* **John Kapito**: Hi good afternoon this is John Kapito
* **Misheck Esau**: My name is Misheck Esau, Banking and Finance Consultant, Malawian, attending from Blantyre, Malawi.
* **Yousuf Khursheed**: Hello all!! I am Yousuf, the newsletter editor for the Bananabox Trust and for Classrooms for Malawi.
* **Moira Dunworth, Mamie Martin Fund**: Hello everyone - I am a Trustee of the Mamie Martin Fund - we support girls' education in North Malawi
* **Robin Schreiber**: Good evening from Japan. This is Robin Schreiber, Chair of Trustee from Medic to Medic (mainly operating at KUHeS in Blantyre) and Research Pharmacist.
* **Beatrice Kabota**: Hie, am Beatrice Kabota, am woking with Nkhoma Hospital and Coordinating cervical cancer screening and mentoring project funded by SG
* **Chad - Scotland Malawi Partnership**: Hello everyone. Chad Morse here. Youth and Schools Officer for the SMP. chad@scotland-malawipartnership.org
* **Jonathan Groves**: Good morning, Jonathan Groves, Director of The Kerusso Trust, based in Aberdeen and working in partnership with J-Life in Malawi to develop rural church leader training.
* **Yousuf Khursheed**: Two questions for Mishek for when you are finished: How can Malawi overcome it's trade deficit (export/import imbalance)? Is there scope for responsibly using foreign aid money to fund production as an alternative to the FDI which has been lost?
* **Moira Dunworth, Mamie Martin Fund**: I missed what org Marie is with.
* **David Hope-Jones**: Marie Brown, Chief Executive Officer, African Vision Malawi
* **Moira Dunworth, Mamie Martin Fund**: Thanks David
* **Linda Dembo**: Mishek thanks for the presentation. From what you have presented another devaluation will not be a solution. How can Malawi banks then attrack forex as the black market will still be attractive with better exchange rates
* **Ashlin Mathew**: Question for Mr. Alan Laverock: You mentioned another devaluation should be handled in a “sensitive manner” . I was wondering what you’d suggest the government do? Thank you for your time!
* **Alan Laverock**: Ashlin - I think the population might be prepared better for devaluation. It's an education issue - maybe via radio, TV, social media? The sudden 25% created panic - recognise that might happen and counteract it in advance!
* **Misheck Esau**: Overcoming the trade deficit is key. One solution is to increase access to finance for producing/ import- substituting or exporting companies. Banks are currently financing government and retail trade on imported goods. Agriculture finance is not well- structured. Something needs to be done to restructure the finance landscape.
* **Misheck Esau**: There is room that foreign aid can play in re-engineering agriculture finance and SME finance. Government has for the first time come in with a credit guarantee scheme for commercial farmers. This is good move although coming late. What foreign aid can do it so rump up this programme through a fund that can de-risk agriculture and SME finance. Entities of Export Development Finance, MAIIC and banks can
* **Yousuf Khursheed**: Many thanks for the reply!! I have read some interesting stuff about economies of scale (increasing and diminishing returns) and economic activities. Perhaps moving into manufacturing could be more profitable? I am aware many imported goods in Malawi are Chinese made. Since moving into manufacturing, China has transformed from a relatively poor agricultural country into a the world's second biggest economy.
* **Misheck Esau**: A way must be found to resuscitate the manufacturing sector even if it is done by SMEs some of who have started adding value to the agriculture sector.
* **Yousuf Khursheed**: I 100 percent agree. I also believe that foreign aid can play a larger role in stimulating economic growth. NGOs in Scotland are a key potential source of investment. Comparing pre and post washington consensus gdp statistics show that comparative advantages in agriculture are not advantages at all. My question is how can we use the Scotland/Malawi partnerhsip to generate capital for investment in Malawian manufacturing.
* **Misheck Esau**: Another devaluation can be avoided if, for example: 1 RBM brings more measures that can be trusted by generators of foreign exchange which could start making foreign currency more available in the official market. 2. Production interventions in quick-win value chains should be done as a matter of urgency. 3. Increase access to finance including de-risking some of the productive projects being done by SMEs. 4. Another short term measure would be to review the rules around export controls.
* **Nourishing Minds**: just a question are budgets established in MKW or USD (pounds)
* **Alan Laverock**: Budgets for grants are generally in the currency of the grant.
* **Yousuf Khursheed**: Can we encourage the Scottish MP's focus on the underlying causes of poor nutrition and think about economic issues?
Agree and agree - protectionist policy is important.
I will be planning my visit!!
* **Robin Schreiber**: Thank you for a fruitful and productive meeting!
* **Linda Dembo**: Thank you so much for this meeting! very productive