Application of the Multi Criteria Decision Analysis (MCDA) in Malawi

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Presentation Outline

- Introduction – Malawi
- Previous SPS Capacity Building Needs Assessments
- Application of the MCDA Framework
  - The process
- The MCDA Analysis
  - Benefits
  - Challenges
- Conclusion
  - Message to Interested Countries
  - Message to the STDF Secretariat
Introduction – Malawi

- **Land Area**: 118,484 Km²
- **Population**: 15.3 million
- **Capital City**: Lilongwe
- **Climate**: Tropical (cooler in highlands)
- **Official language**: English
- **Currency**: Kwacha
- **GDP (2011)**: US$5,621m
- **Merchandise Trade, 2011**:
  - Imports (US$2,428million);
  - Exports (US$1,425 million)
- **Rank in world trade, 2011** (Merchandise):
  - Imports (148);
  - Exports (143)
- **Trade to GDP ratio (2009–2011)**: 72.7

15/07/2013
Previous SPS Capacity Building Needs Assessments

- The World Organization of Animal Health’s (OIE) Performance, Vision and Strategy (PVS) and PVS Gap Analysis for animal health capacity have been applied.

- The International Plant Protection Convention’s (IPPC) Phytosanitary Capacity Evaluation (PCE) of plant health capacity was completed in 2009 by the University of Pretoria.

- A National Bio-security Capacity Assessment was carried out by the Food and Agriculture Organisation (FAO) in 2009, which reviewed food safety, plant and animal health.

- Others include
  - EIF DTIS
  - WTO Policy Review, etc.

- The status of implementation of these evaluations are not clear or little has been done due to the general focus of these recommendations = Value for money for investment???
Application of the MCDA Framework

The Process

1. Compilation of information dossier

2. Stakeholder Workshop
   - Identification of SPS Capacity Constraints/building options
   - Setting of the Decision Criteria
   - Setting of Decision Weights

3. Compilation of Information Cards - elimination of perceived SPS constraints that are not and SPS constraints that are already being addressed

4. Analysis – D-Sight Tool

5. Validation Workshop
Application of the MCDA Framework (Cont)

- Stakeholders Workshop held 8th February 2012
- 37 participants:
  - Public sector (17)
  - Private sector (9)
  - Donors (6)
  - Research (5)
- Identified 31 capacity-building options
- Only 16 Made it through after compilation of information cards
  - perceived SPS constraints and/or options already being addressed were eliminated
- Detailed data collected by a national support team through face-to-face interviews and working sessions
- Validation Workshop held on 29th June 2012
### E.g. Decision criteria and weights - defined at stakeholder workshop

<table>
<thead>
<tr>
<th>Criterion</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cost and difficulty of implementation</strong></td>
<td></td>
</tr>
<tr>
<td>Up-front investment</td>
<td>11%</td>
</tr>
<tr>
<td>On-going costs</td>
<td>9%</td>
</tr>
<tr>
<td>Difficulty of implementation</td>
<td>8%</td>
</tr>
<tr>
<td><strong>Trade impact</strong></td>
<td></td>
</tr>
<tr>
<td>Change in value of exports</td>
<td>20%</td>
</tr>
<tr>
<td>Trade diversification</td>
<td>11%</td>
</tr>
<tr>
<td><strong>Domestic agri-food impacts</strong></td>
<td></td>
</tr>
<tr>
<td>Agricultural/fisheries productivity</td>
<td>12%</td>
</tr>
<tr>
<td>Domestic public health</td>
<td>8%</td>
</tr>
<tr>
<td>Environmental protection</td>
<td>7%</td>
</tr>
<tr>
<td><strong>Social impacts</strong></td>
<td></td>
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<tr>
<td>Poverty impacts</td>
<td>9%</td>
</tr>
<tr>
<td>Impact on vulnerable groups</td>
<td>6%</td>
</tr>
</tbody>
</table>
The MCDA Analysis

The Result

- **Top 4 Options**, which appear relatively robust irrespective of changes in the weights or the decision criteria:
  - Pesticide controls for tea.
  - Compliance with SPS requirements for chilli sauce exports.
  - Virus indexing capacity for planting material
  - Aflatoxin controls for groundnuts

The Benefit:

- A clear and objective SPS Capacity Building Options prioritized, based on justifiable impacts
The MCDA Analysis (Cont)

- Unlocked funding for two options (underlined above) for programme development with clear objectives
- Feeding into a National Export Strategy and Trade Facilitation Programme

The Challenges

- Data availability
- Stakeholders commitment to share information
- Costing of options
- Those present define the options
  - The result is, somehow, options delinked from the National Development Agenda/focus of export diversification
Conclusion

Message Countries interested in applying the framework:

- Data availability
- Stakeholders commitment to share information
- Costing of options – relevant agency must be ready to take responsibility
- Need to clearly define the link between SPS capacity building and national development agenda,
  - critical that the right stakeholders related to national development agenda attends the stakeholders workshop

Message to the STDF:

- Thanks for introducing us to the framework
- Thanks for supporting us use the PPG
- Thanks for your staff dedication to support us technically
Thank you for your attention