



AGRA
Sustainably Growing
Africa's Food Systems

Advancing Sustainable
Agricultural Productivity
and Diversification
through Inclusive
Markets and Trade

Malawi



Malawi Strategic Plan:
2023 – 2027



Country context



85%

About 85% of the rural population depend on agriculture as a source of their livelihoods. National poverty headcount stands at around 50%. Hence, Agriculture has steadily been a key priority of Malawi's national policies over the past 30+ years and will remain key to the development of the Country.

10%

According to the Comprehensive Africa Agricultural Development Programme (CAADP), Biennial Review report of 2021, Malawi is among the countries that are on track to achieving at least 6% annual growth rate, with budget allocation to the agricultural sector exceeding the 10% CAADP target since 2019.

The Malawi economy is heavily skewed towards the agriculture sector which generates over 80% of national export earnings. About 85% of the rural population depend on agriculture as a source of their livelihoods. National poverty headcount stands at around 50%. Hence, Agriculture has steadily been a key priority of Malawi's national policies over the past 30+ years and will remain key to the development of the Country.

Malawi is a youthful population with a median of 18.1 years.

The Government of Malawi has consistently demonstrated political commitment to transform the agricultural sector and catalyze its contribution to the country's broader development objectives. According to the Comprehensive Africa Agricultural Development Programme (CAADP), Biennial Review report of 2021, Malawi is among the countries that are on track to achieving at least 6% annual growth rate, with budget allocation to the agricultural sector exceeding the 10% CAADP target since 2019.

The country has a 2063 vision (MW2063), which sets out a clear framework for policy and a roadmap providing a guideline for the country's long-term development, including agricultural productivity and commercialization (GoM, 2021).

Malawi has embarked on several food systems and agricultural transformation initiatives, such as the Shire Valley Transformation Program (\$235M from

WB, IDA, AfDB, GoM) and Agricultural Commercialization Project (\$95M WB credit financing). These, if implemented successfully, will aid commercialization of wide range of food and cash crops e.g., vegetables, maize, cotton, etc. The government also runs the Affordable Input Program (AIP), which subsidizes inputs such as fertilizers and seeds for maize and complimentary legumes.

AGRA has operated in Malawi since 2007, implementing different programs in improved seed and market development. Between 2006–2016, we focused on building the systems for agricultural transformation. We strengthened sector leadership by training 9 PhDs and 28 MSc graduates. We increased the supply and distribution of improved inputs by supporting the production of 16,609 Mt seed, releasing 31 crop varieties, supporting and strengthening 8 local seed companies with commercialization of 20 crop varieties. We enhanced farmer awareness of good agronomic practices by training 5.3 million farmers on integrated soil fertility management (ISFM). We strengthened post-harvest practices and marketing.

In the last five years, AGRA Malawi began designing and scaling models for transformation with a deliberate shift to putting government ownership and coordination of resources at the center of our work while providing catalytic support to unlock bottlenecks in the sector. We supported the implementation of 'Women and Youth in Agriculture flagship' program.

**In its strategy 2023–27, The goal of the strategy is:
To catalyze an inclusive agri-food system transformation of Malawi through a competitive agro-processing industry that drives farmer productivity, resilience, and dignified work opportunities particularly for youth and vulnerable people.**



The main strategic objectives are:



*Enhance integration
of smallholder
farmers into
strengthened
national and
regional markets*



*Sustainably Increase
productivity of
diversified value
chains*



*Strengthen
capacities of
agricultural sector
institutions and
implementation of
policies*



*Support an enabling
and inclusive
environment
that promotes
job creation for
vulnerable groups
especially youth and
women.*

Malawi – Target Geographies and Crops

Crops

Main: Maize,
soybean,
groundnuts,
pigeon pea,
horticulture

Others: Oil crops
(sunflower), beans,
cassava & sweet
potatoes

Crops

Main: Maize,
soybean,
groundnuts, pigeon
pea, horticulture

Others: Oil crops
(sunflower), beans,
cassava & sweet
potatoes

Crops

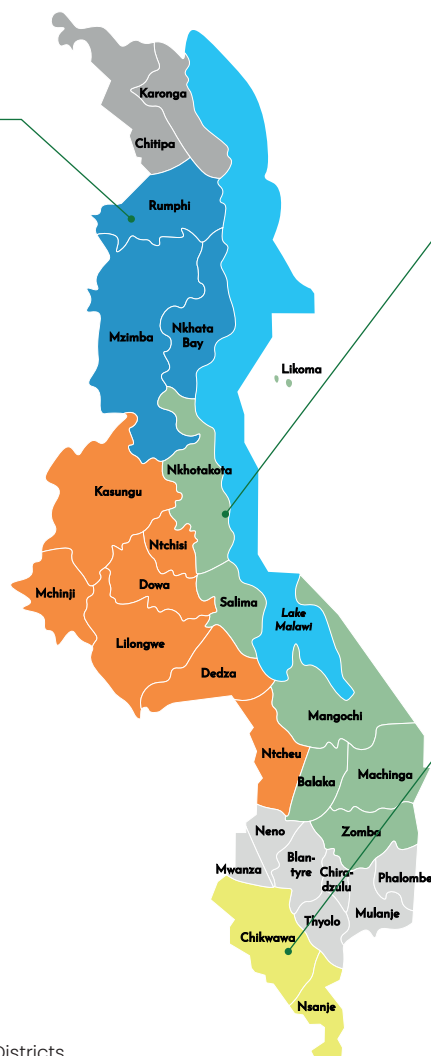
Main: Rice,
vegetable crops &
tree crops

**Others
(catchment
area):** Maize,
soybean,
groundnut,
pigeon pea,
cassava, beans &
sweet potatoes

Legend

- Mzuzu ADD
- Salima & Machinga ADD
- Shire Valley ADD
- Kasungu & Lilongwe ADD
- Other Districts
- Water Areas

*ADD: Agricultural Development Districts



AGRA's approach in Malawi

AGRA will support financial institutions to develop inclusive trade finance products that are accessible by SMEs, and enhance policy and regulatory enabling environment for youth and women led businesses.

In the past fifteen years, AGRA has developed a wealth of knowledge and experience in terms of suitable improved technologies, adapted to local conditions that it has analyzed and improved over the years. Its strategic choices now target the urgent need to help build competitive agro-processing industry that drives farmer productivity, resilience, and job creation.

We expect to meet our objectives through these business lines:

Inclusive Markets & Trade



Through this business line, AGRA will help build inclusive markets and trade at domestic, regional, and continental levels; ensuring that increased on-farm productivity is matched by post-harvest “pull” opportunities for aggregators, traders and processors, as well as the access to finance required to pursue these opportunities.

In Malawi, we will:

- Promote export and market competitiveness through price incentives for quality products and facilitate identification of off takers and processors for priority value chains as an incentive or a pull factor for smallholder farmers.
- AGRA will Support SMEs to develop inclusive business models.

We will de-risk and incentivise MSMEs and financial institutions to invest in servicing small holder farmers.

- We will also facilitate production, value addition/processing, distribution/marketing of fortified food and nutrient dense products.
- AGRA will support financial institutions to develop inclusive trade finance products that are accessible by SMEs, and enhance policy and regulatory enabling environment for youth and women led businesses.

Seed Systems



AGRA's aim for this business line is to build strong, efficient, and robust seed systems that give farmers access to appropriate, affordable varieties with traits for better yields, pest and disease tolerance, and more.

In Malawi, we will:

- Increase farmers' access to quality seed through scale up of private seed certification system and internal quality standards for EGS
- Facilitate production of EGS and development of EGS demand estimation system
- Support development and implementation of seed regulations

Sustainable Farming



Under this business line AGRA will identify, validate, and catalyze Sustainable Farming models which tackle policy and systemic constraints and therefore enable smallholders particularly youth men and women to achieve sustained yields and profitability and adapt to climate risks.

AGRA will facilitate adoption of sustainable and climate smart technologies (seed and soil health).

We will strengthen access to private extension and market systems through the Community Agribusiness Advisor Model (CAA), anchor farm model, FOs and other models

We will also facilitate access to small-scale irrigation and mechanization models.

Policy & State Capability



AGRA will build upon its credibility and track record in improving policy and state capability, leveraging proven approaches for supporting governments in evidence-based policy reforms and investments planning.

Strengthen youth advocacy platforms, supporting policy reforms on access to productive assets – land and finance for youth particularly young women.

Offer technical assistance to the government of Malawi to support implementation of Youth in Agriculture policies and flagship programs

Support implementation of policy reforms in seed, fertilizer and markets.

Support coordination, monitoring and sector budgeting.

Support reforms for the subsidy program.

Drive engagement from all ecosystem players to ensure that the policy structure and reforms are responsive to the needs of the youth.



AGRA will build upon its credibility and track record in improving policy and state capability, leveraging proven approaches for supporting governments in evidence-based policy reforms and investments planning.

Inclusion



Across every area of its work, AGRA recognizes an urgent need for intentional inclusivity. Women and youth face structural barriers across the food system that AGRA must deliberately tackle. AGRA's inclusivity work adopts intentional strategies to eliminate the barriers to participation for women and youth, enabling them to contribute to – and benefit from – agricultural transformation

We will achieve this by:

- Supporting the participation of youth SMEs and entrepreneurs in export promotion zones, industrial parks, other growth initiatives led by governments and other partners.



Strengthening youth and women led SMEs, Cooperatives, VSLAs for upgrading value addition capabilities, TA for digitization for scale, Matching grants for technology and skills up grading.

- Scaling the Value 4Her Initiative targeting young women agripreneurs for mentorship
- Increasing the number of youths particularly women in farming as a sustainable business and agri-service provision
- Improving the resilience of the young men and women agri-prenuers

AGRA will also promote:

- *Inclusivity to enable women and youth to contribute to agriculture for their economic empowerment.*
- *Climate change adaptation by equipping farmers and strengthening food systems to absorb and recover from shocks.*
- *Nutrition by improving nutrition outcomes by diversifying crops and ensuring food availability.*

Our ecosystem of partners includes the Government, Private sector actors, Development partners and farmer organizations. AGRA will continue to work with Non-State Actors, Farmers Organizations, Youths and Women Organizations.

Delivery Models

We believe that our strategic vision can only be achieved through strong partnerships with other players. We will leverage the expertise and influence of partners to deliver lasting benefits to smallholder farmers. Our ecosystem of partners includes the Government, Private sector actors, Development partners and farmer organizations. AGRA will continue to work with Non-State Actors, Farmers Organizations, Youths and Women Organizations.

Our delivery vehicles will include a combination of investments, externally sourced technical expertise, AGRA technical and institutional expertise, AGRA's convening capacity and network to provide leadership in systems building and support to the government and private sector investment choices.

AGRA always supports national priorities and works under the leadership of each country's leadership. As an African institution, we stress the need to work together to find and use African solutions for African challenges. Supported by our development partners, we provide a range of tools to support our partners in Malawi.

These include grants, technical assistance, partnerships and convenings, tailored to the specific needs of the country, our partners and on-the ground support required. Our delivery models will be customized based on the areas of investment and strengths and capabilities of our partners.

About AGRA

Headquartered in Nairobi, Kenya, AGRA is an African institution supporting inclusive agricultural transformation and sustainable food systems. AGRA empowers smallholder farmers in Africa by convening and catalyzing the building of functional and inclusive agricultural food systems. By doing so, AGRA transforms the livelihoods of farmers from a struggle to survive to profitable business, thereby increasing incomes and improving nutrition and food security.

By rigorously testing and validating scalable models, we tailor our approaches to meet the specific needs and goals of each country and ensure that our approach is fully aligned with the national development priorities of our focus countries.

Furthermore, AGRA fosters partnerships, and networks essential for driving inclusive agricultural transformation. With an extensive network of over 5,000 partners spanning across our presence countries, we cultivate an inclusive environment that promotes local and global innovations. These strategic partnerships and networks enable us to leverage the expertise and resources of a diverse range of stakeholders, facilitating a more effective response to the challenges faced by smallholder farmers and propelling sustainable agricultural transformation across Africa.



AGRA always supports national priorities and works under the leadership of each country's leadership. As an African institution, we stress the need to work together to find and use African solutions for African challenges. Supported by our development partners, we provide a range of tools to support our partners in Malawi.





AGRA
Sustainably Growing
Africa's Food Systems