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20 years of advocating for food sovereignty in Africa

The decline of FISPs in Malawi – debt, corruption and hunger

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The African Centre for Biodiversity (ACB) is committed to dismantling inequalities and resisting corporate industrial expansion in Africa's food and agriculture systems.

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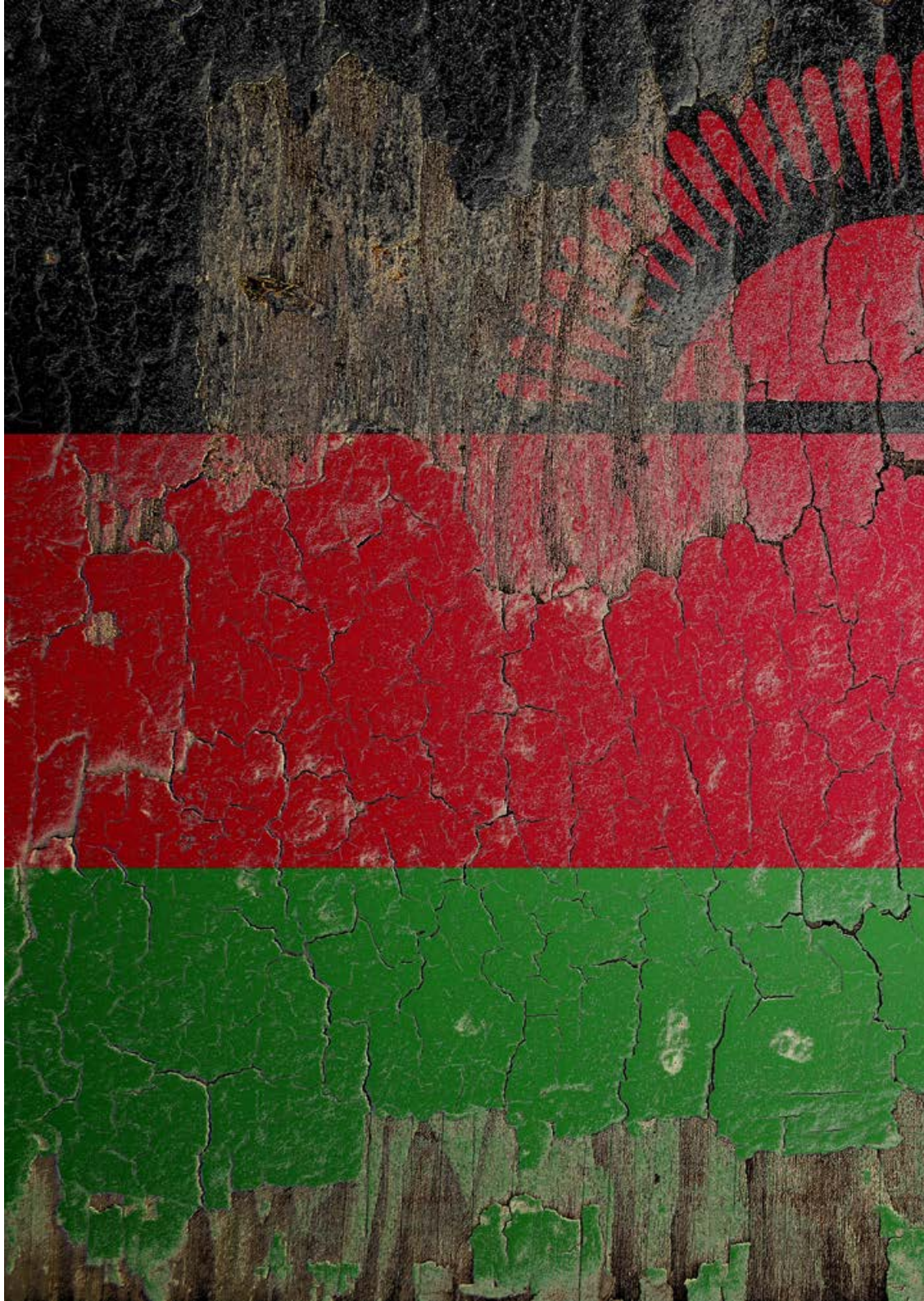

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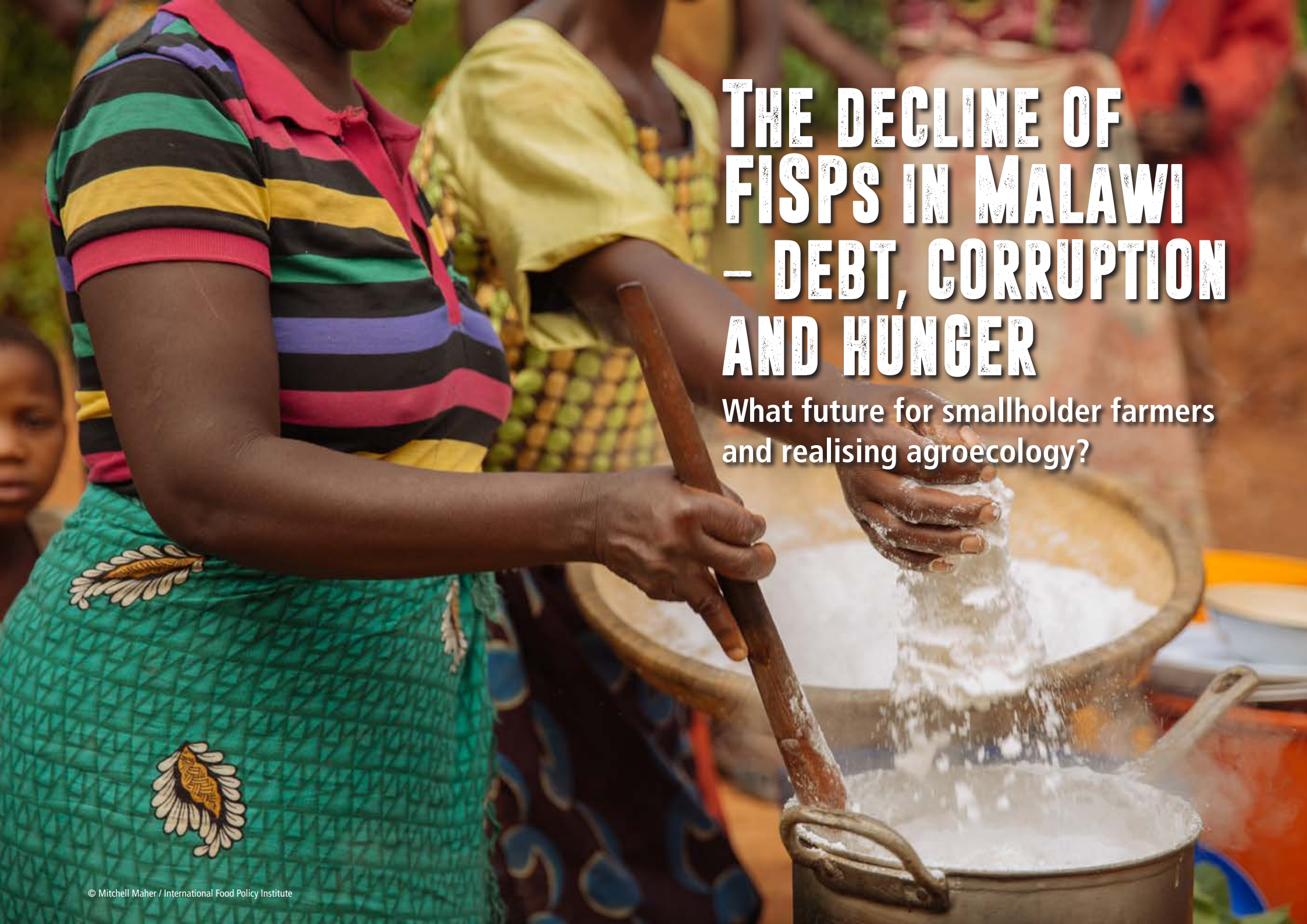
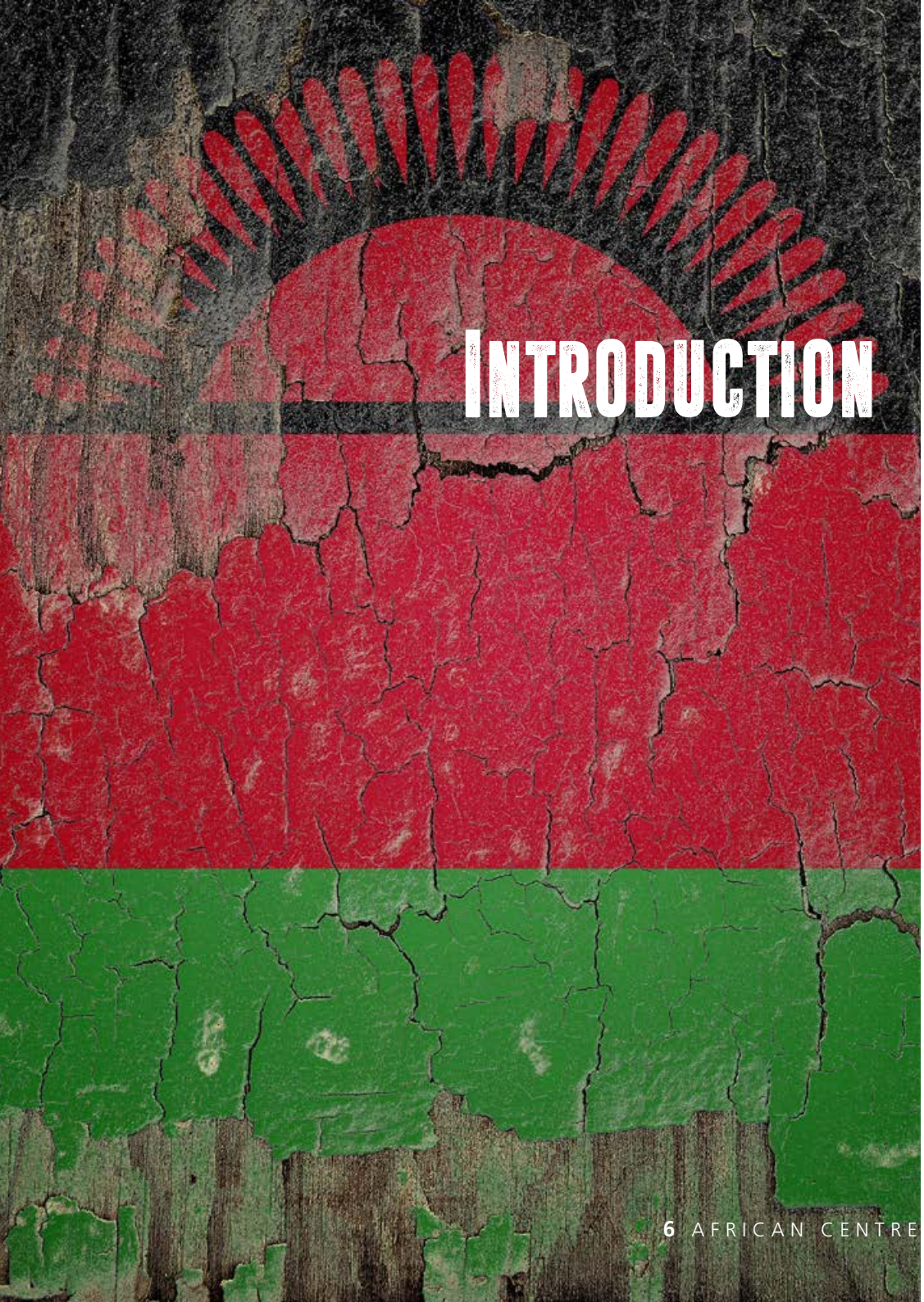
Acronyms

AIP	Affordable Input Programme
ASFNS	Agriculture Sector Food and Nutrition Strategy
CAADP	Comprehensive African Agriculture Development
FISPs	Farm input subsidy programmes
FMSS	Farmer-managed seed systems
GDP	Gross domestic product
GM	Genetically modified
IMF	International Monetary Fund
TIP	Targeted Input Programme
MAgNet	Malawi Agrobiodiversity Network
MDB	Multilateral Development banks
MIP-1	Malawi Implementation Plan
MK	Malawi Kwacha
MoA	Minister of Agriculture
MW2063	Malawi Vision 2063
NAP	National Agricultural Policy
NFP	National Fertiliser Policy
NRS	National Resilience Strategy
OPV	Open-pollinated variety
SPS	Social protection programme



The decline of FISPs in Malawi – debt, corruption and hunger

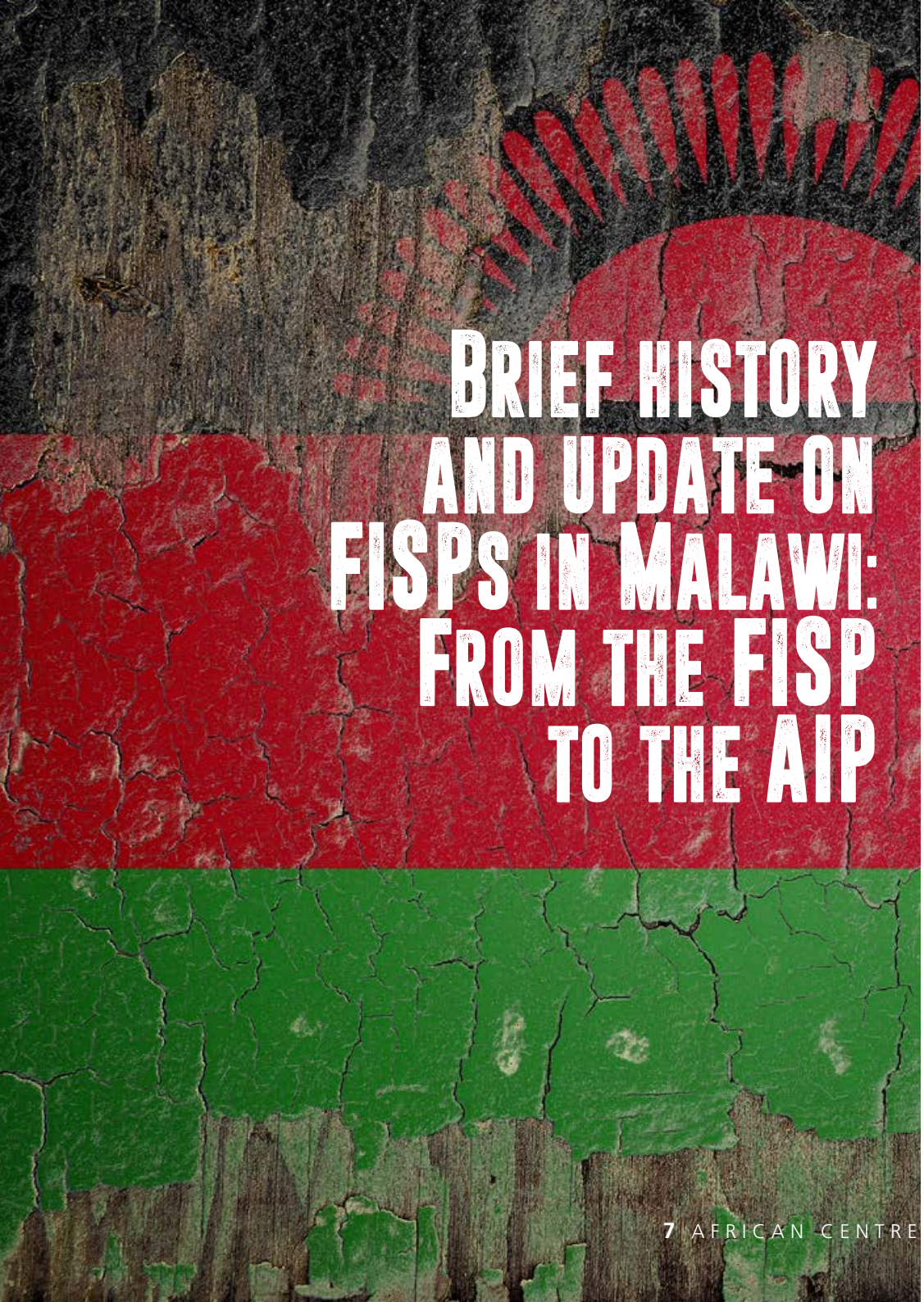
What future for smallholder farmers and realising agroecology?



Introduction

Agriculture is the backbone of Malawi's economy. It accounts for 30% of its gross domestic product (GDP) and generates over 80% of national export earnings. According to the draft National Agricultural Policy 2023, the agriculture sector employs 76.4% of the national workforce (Government of Malawi, 2023). Of Malawi's 2.5 million hectares total cultivable land, smallholder farmers cultivate 70%, typically based on customary land tenure systems. Approximately 75% of the national crop production comes from smallholder farmers who use traditional tools and techniques (Government of Malawi, 2023). The vast majority of Malawi's food is produced through smallholder farming, yet Malawi's vision is set on agricultural commercialisation primarily for external markets. Within this context, this paper seeks to examine the impact of Malawi's support programmes and policy landscape on smallholder farmers and their farming practices, and on the agricultural and food system in Malawi more broadly. The paper examines the history and impact of farm input subsidy programmes (FISPs) in Malawi,[1] the agricultural policy landscape and vision, and the potential to rethink farmer support in Malawi.

1. In this paper the term 'FISPs' is used to explain agricultural input subsidy programmes broadly, while the FISP was also the name of Malawi's specific subsidy programme between 2005 and 2020.



Brief history and update on FISPs in Malawi: From the FISP to the AIP

Since the early 1990s, FISPs have been used extensively across the African continent. The central objectives are to boost agricultural productivity and food security, by providing grants or loans to smallholder farmers, to reduce the cost of agricultural inputs – most notably synthetic fertilisers and hybrid seeds (Walls et al., 2023). In Malawi, the FISP – now known as the Affordable Input Programme (AIP) – follows on from a long history of subsidies. The initial fertiliser subsidies (from the 1960s to the 1980s, and then reinstated in the 1990s) were followed by the Universal Starter Pack (1998/1999 planting season), which then became the Targeted Input Programme (TIP) (2000/2001 to 2004/2005 planting seasons) that distributes small fertiliser and seed packs freely to smallholder farmers (Chirwa and Dorward, 2013). The focus of these programmes was primarily on fertiliser subsidies. Although the Universal Starter Pack and TIP preceded the FISP/AIP, they were significantly smaller in coverage and scope (Kankwamba et al., 2018; Pauw & Thurlow, 2014).[2]

From 2005 to 2020, the FISP was the flagship public programme for agriculture in Malawi (Ragasa et al., 2022). It aimed to increase the production of maize, to address national food security and to improve smallholder farmer incomes, through providing vouchers or coupons that enabled eligible households to purchase fertiliser, hybrid

2. FISP fertiliser provisioning was around 170 000 metric tons per year from 2005/2006 to 2011/2012, around six times the amount under TIP from 2000/2001 to 2004/2005.

> The goal of the AIP was to attain food security at household level and increase economic well-being through increasing smallholder farmer access to 'improved' farm inputs

seed, and pesticides at reduced prices.[3] Although the FISP set out to benefit vulnerable community members, evidence showed that households headed by young females were less likely to receive a complete input subsidy package and that poor households were less likely than rich households to receive any voucher (Chibwana and Fisher, 2011). In 2006/2007, initial successes in raising maize production above national requirements were hailed, but the story was fleeting, with many subsequent growing seasons failing to produce (Chinsinga, 2012). Between 2005 and 2016 the FISP targeted between 1.3 and 1.6 million farmers annually, while from 2017 to 2020, the number of beneficiaries was reduced to around 900 000 per year, corresponding to a reduction in budget allocation to the FISP (Nyondo et al., 2021). At its peak in 2008/2009, subsidy costs accounted for around 74% of the public budget for agriculture and 16% of the total national budget (Dorward and Chirwa, 2011) Between 2006 and 2019, at 79.35% fertiliser purchases constituted the largest share of the budget, followed by seed purchases (17.68%) and administrative costs (3.80%) (Nyondo et al., 2021).

The AIP was introduced in 2020 as the successor to the FISP. Similarly, the goal of the AIP was to attain food security at household level and increase economic well-being through increasing smallholder farmer access to 'improved' farm inputs, including fertilisers, certified seeds, and in some cases goats. For the two growing seasons of 2022/2023 and 2023/2024, the Government of Malawi provided huge financial investments to the AIP, of around 261.1 billion Malawi Kwacha (MK) (around US$150 million) (Office of the Ombudsman, 2024).[4] Yet the AIP (and its predecessors) have continuously faced numerous challenges, including delay and failure to access inputs; inadequate stock availability; inconsistent ability to redeem inputs; corrupt officials and others such as sales clerks, traditional leaders, ward councillors and the ministry's officials; poor mechanisms for complaints and grievance redress; political interference with programme delivery, rent-seeking activities in procurement and transport processes; fraud; and political patronage; amongst others (Office of the Ombudsman, 2024). In the case of the AIP, these failures triggered an investigation by the Office of the Ombudsman. These complaints fall within broader concerns about and critiques of FISPs across the continent.

Agricultural input subsidies form part of a larger focus of governments across Africa to address agricultural production and food security using technological solutions, including hybrid and genetically modified (GM) seeds, synthetic fertilisers, and other agrochemicals (Bezner-Kerr & Wynberg, 2024; Horton et al., 2021). This is in line with African governments' obligations under the Comprehensive African Agriculture Development (CAADP) and the Malabo Declaration on Accelerated Agriculture Growth and Transformation for Shared Prosperity and Improved Livelihoods (The Malabo Declaration, 2014), which builds on CAADP.

FISPs are central to many agricultural development interventions on the continent, including seed law and policy revision, financial incentive schemes, and public-private partnerships (Bezner-Kerr & Wynberg, 2024). These programmes involve large-scale agribusiness with linkages to the political elite involved in the supply chain as the main beneficiaries. They are driven by networks of foreign donors, philanthropists,

3. Requirements for selection varied over the years. The selection process took place through village development committees (VDCs). The official targeting criteria, for example, for beneficiary selection under FISP as of 2007/2008: (1) the household must be headed by a Malawian who owns and currently cultivates land; (2) only vulnerable households eligible, including guardians of physically challenged persons, and households headed by females, orphans, or children; and (3) only one beneficiary per household, the household head (MoAFS, 2008). There was inconsistency between definitions of the 'productive poor' and the official targeting criteria, since vulnerable households often do not have the land and sufficient labour. Inconsistent definitions and shifting requirements over the years complicates both the evaluation of how well the FISP targeted intended beneficiaries, and how effectively it met its objectives (Lunduka et al., 2014).

4. 1 US$ was around MK1735.32 at the time of writing.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and multinational companies, most notably the Alliance for a Green Revolution in Africa (AGRA) (AGRA, 2019; Rockefeller Foundation, 2006), that "target Africa's seemingly 'unproductive' lands as an opportunity to enhance the productivity of African smallholder farmers", pushing an African green revolution agenda (Bezner-Kerr & Wynberg, 2024:1). This points to the clear role of international donors and agri-business in shaping agricultural policies in Malawi (Nkhoma et al., 2019).

Farmer support from the government is vital, yet to date **the FISP in Malawi has mostly been narrow in scope, highly politicised, with widespread corruption and maladministration of funds, and ultimately having limited perceived benefit for farmers on the ground, with the majority of the population remaining undernourished and gravely food insecure**. There is clear evidence that decades of exorbitant, misdirected, and maladministered funds going towards narrowly focused programmes such as FISPs have, to date, largely failed to address rising food insecurity at both household and national levels. Many farmers continue to face both chronic and temporary food insecurity, with limited capacity to cope with natural and economic shocks. Malawi faces persistent food and nutritional insecurity. Although stunting rates have declined (from 47% in 2010 to 37% in 2015/16), they remain high, with 35.5% of children under five considered to be stunted, one of the highest rates in Africa (African Union, 2024; Walls et al., 2023). The generational implications of food insecurity and malnutrition are vast and long-lasting. Trends in Malawi show growing inequality, including gender inequality, that has not been addressed, in part due to the highly political nature of these programmes.

Impacts of the AIP

The AIP's successes are proclaimed to be an increase in beneficiaries, a reduction in the price paid by farmers, and an electronic input redemption system. Yet, similarly to the previous FISP, the AIP has many challenges/failures. These include delays, underweight/adulterated fertilisers, irregular fertiliser availability, failure of the network in almost all outlets, the concentration of agro-dealers and therefore limited accessibility, lack of stock, lengthy times to wait at outlets, inputs not suitable to local agroecological conditions or farmer preferences, the removal of legumes from the programme, and bureaucratic complexities (Nyondo et al., 2023), in addition to those mentioned above. Some of these will be discussed in more detail below.

Scope of the programme

In the 2020/2021 cropping season, the AIP targeted all smallholder farmers under the National Registration Bureau Farming Household Database – around 3.7 million farmers (Nyirenda et al., 2021). The package per farmer was meant to include: one 50 kg bag of urea; one 50 kg bag of NPK23:10:5+6S+1.0Zn; and either 5 kg of hybrid seed or 7 kg of open-pollinated variety (OPV) maize, rice, or sorghum seed (Anti-Corruption Bureau, 2021). In that cropping season, with the AIP subsidy, a farmer paid MK4 495, on average, for each bag of NPK or urea and MK2 000 per pack of cereal seed, compared to MK15 500 per bag of NPK or urea and MK6 000 per seed pack during the final years of the FISP (Anti-Corruption Bureau, 2021).[5] While the AIP intended to offer farmers diverse cereal

5. Before that, in 2006/2007, farmers redeemed fertiliser vouchers at MK900; in 2007/08 at MK800; in 2008/09 at MK500; and from 2009/2010 to 2015/2016, at MK3 500. Maize seed vouchers were redeemed at MK0 in 2006/2007; MK90 in 2007/2008; MK0 in 2008/2009; MK150 from 2009/2010 to 2013/2014; MK100 in 2014/2015 and MK1 000 in 2015/2016 (Mwale et al., 2021).

seeds, including OPV maize, sorghum, and rice, to cater to ecological variations, to date the AIP has focused primarily on distributing hybrid maize seed. The AIP also does not include legume inputs, which the FISP included intermittently from 2008 onwards. As Nozgenji Bilima, PELUM Malawi's coordinator, emphasises: "The AIP does not think about nutrition".[6]

In the 2022/2023 AIP, a total of 2.5 million beneficiaries were targeted. Of these, 99% were to receive fertiliser and cereal seed, and the remaining 30 000 beneficiaries from Chikwawa, Nsanje, Balaka, and Rumphi districts were to receive goats. The 2023/2024 AIP had an allocation of MK117 billion (US$67.4 million), targeting 1.5 million people. The beneficiaries were meant to receive fertilisers and certified cereal seed, while some from Salima, Balaka, and Phalombe districts would receive two female breeding goats. The investigation by the Ombudsman discovered many discrepancies. For example, it was found that the number of beneficiaries for the livestock distribution programme in the Nsanje and Balaka districts was reduced, and some beneficiaries were withdrawn, without any communication. This resulted in far fewer beneficiaries than expected. Over the years, discrepancies have been found around the exact number of beneficiaries of the FISPs, including variations between the number of coupons distributed versus the number of households receiving subsidies, amongst others.

The computerised system of the AIP, which had some benefits to the overall functioning of the programme, also had problems, resulting in many people being unable to access the inputs. A lack of places to purchase subsidised inputs, overcrowding, and shortage of inputs, opened up other avenues for corruption. Women especially suffered – some were harassed and subject to abuse, with some male officers and traders demanding sexual favours in exchange for inputs owed to them (Office of the Ombudsman, 2024).[7] There were allegations of traders prioritising those who could pay upfront for inputs, forcing others to take out loans from loan sharks; and with poor production due to delayed inputs and erratic rainfall, they were unable to pay their debts (Chinele, 2023). This placed vulnerable farmers in dire conditions.

"A lack of places to purchase subsidised inputs, overcrowding, and shortage of inputs, opened up other avenues for corruption ... there were allegations of traders prioritising those who could pay upfront for inputs

The AIP programme thus faced numerous issues with procurement, distribution, sales, and access to inputs. This led to inefficiencies in supply chain management and delivery and resulted in delayed planting. Poor farmers, in particular, were left in worse-off conditions (Office of the Ombudsman, 2024). There is persistent evidence that, with the subsidy used to gain political support, FISPs benefit large-scale, better-off, and more politically networked farmers more than lower-income smallholder farmers (Chinsinga & Poulton, 2014). Further to this, the industry, politicians, and civil servants with business interests in the subsidy programmes, in particular, benefit financially from these ongoing programmes. This extends across the supply chain, including the supply of hybrid seed and chemical fertilisers by corporations such as Seed Co and Bayer/Monsanto, the transport and delivery of inputs, and at point of sale and collection. Corruption needs to be accounted for, as this prevents any meaningful change to, or impact from, these programmes.

The AIP programme is reorienting its approach and targeting in the coming season. Numbers will likely remain at around 1.5 million people, shifting away from more vulnerable farmers to those who can produce a surplus for sale.[8]

6. Interview with Nozgenji Bilima, PELUM Malawi Coordinator, April 2024.
7. Interview with Ms Ellen Matupi, President of Coalition of Women Farmers, April 2024.
8. Interview Professor Henry Mloza Banda, University of Eswatini, May 2024.

Impact on food security

While the AIP assisted subsistence farmers to meet the cost of production, more and more people faced hunger and needed further government assistance (Office of the Ombudsman, 2024). According to the 2022 State of Food Security and Nutrition in the World, the prevalence of severe food insecurity in the total population in Malawi increased from 47.7% in 2014 to 51% in 2021, and the prevalence of moderate food insecurity during the same time increased from 78% to 81% in the same period (FAO et al., 2022). These dire statistics show a very real danger of persistent and rising food and nutrition insecurity in the country, which FISPs have been unable to mitigate or solve, despite the Malawi government spending MK160 billion (US$92 million) on the AIP in 2020/2021 and MK142 billion (US$82 million) in 2021/2022 (MVAC, 2022). According to the Malawi Vulnerability Assessment Committee (MVAC)'s Integrated Food Security Classification, reports indicate an increase in severe hunger and food insecurity in the country (MVAC, 2022; MVAC, 2023). This trend will likely increase in 2024 with compounding climate disasters, with more people becoming critically food insecure.

According to the 2024 CAADP report, as mentioned above, stunting remains extremely high in Malawi at 35.5%, although it has reduced over the past 20 years. A study by Tione et al. (2022) found that increased food production due to FISP coupon access significantly correlates with a lower likelihood of wasting amongst children under five years old at the household level, depending on the cost of redeeming the coupon. Therefore, the FISP could have much bigger positive impacts on food insecurity through correct targeting and redesign. Further to this, another study found positive linkages between access and redemption of legume coupons, when these were available, with greater dietary diversity, providing evidence that the type of subsidised seed matters for nutrition outcomes (Matita et al., 2022). Yet, while growing, evidence assessing the linkages of these programmes to food and nutrition security outcomes remains scarce and unclear (Tione et al., 2022).

With regards to the CAADP food security indicators, Malawi is far off. The majority of Malawians do not have an adequately diverse diet (GAIN, 2023), largely due to overreliance on maize cultivation, which reduces the production and availability of nutrient-rich foods such as fruits and vegetables and also contributes to their increasing prices (Matchaya & Guthiga, 2023).

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Climate chaos, chronic food insecurity and debt

The food and nutrition crisis in the country is being compounded by the ongoing El Niño conditions driving rainfall deficits in Southern districts and above-average rainfall in Central and Northern districts, resulting in floods. **As a result, following other countries in the region, notably Zambia and Zimbabwe, Malawi declared a state of disaster in March 2024** (Africanews, 2024). This comes after back-to-back climate disasters have wrecked Malawi's production systems (Changwanda and Clayton, 2024).

Cyclone Freddy, the world's longest-lived and largest cyclone on record, hit Malawi twice in March 2023 (OCHA, 2023). More than two million farmers lost their crops and 1.4 million livestock perished (Mpaka, 2023). Following this, El Niño, a cyclical climate event that triggers drought in Eastern and Southern Africa, arrived. Crop failures as a result of delayed seasonal rains required replanting in December, but another long dry spell in February caused complete devastation, with little to nothing remaining for farmers after two seasons. When El Niño arrived in November 2023, more than 4.4 million Malawians were already facing a food crisis (MVAC, 2023). In response, according to Ellen Matupi, President of the Coalition of Women Farmers, the government offered MK150 000 per household in urban areas for one month, and MK35 000 per household in villages for three months. This began in Blantyre and Lilongwe in April 2024. Ms Matupi asks, "Why are urban households getting this in the first place, and substantially more than in rural areas, when the farmers are the ones who are suffering?"[9] According to the budget speech by Minister of Finance and Economic Affairs, Simplex Chithyola Banda (2024), MK150 000 was provided to 185 886 households under the Social Cash Transfer Programme. Forecasts on the extent and areas that were to be affected by the drought did not feed into planning and risk mitigation.[10]

The number and severity of climate-related disasters in Malawi have increased in recent decades, with devastating outcomes. Since 2010 Malawi has experienced 16 major flooding events, five storm-related disasters, and two severe droughts. Forecasts estimate that over the next 10 years, climate and weather-related disasters will push millions more into hunger and poverty (The Economic Times, 2024). The overreliance on cash crops such as tobacco, and drought- and flood-sensitive maize cultivation, puts farmers at greater risk. The frequent occurrence of floods and droughts often leads to food crises, with millions of people requiring aid (Matchaya & Guthiga, 2023). This said, Dr. Kambewa, from the University of Lilongwe, emphasises **a conflation in the public narrative of maize insecurity with food insecurity. However, many farmers also produce a range of diverse foods.[11] Yet this, along with the diversity and dynamism of farmers, remains unnoticed, undocumented, and fails to inform future planning**.

Climate change will exacerbate this. While a very high percentage of beneficiaries accessed inputs throughout the AIP, they encountered significant challenges relating to the timely accessibility of farm inputs. This points to broader implications and politicisation of long-term subsidies focused almost exclusively on maize as a single crop. This approach creates dependence on external agricultural inputs as part of an inherently unsustainable and vulnerable agricultural model, which is unable to resolve Malawi's extreme hunger rates.

Amidst the stream of interconnected climate, economic, health, and acute food insecurity emergencies, Malawi continues to borrow money. The International Monetary Fund (IMF) approved a 48-month arrangement under the Extended Credit Facility (ECF) for Malawi, amounting to $175 billion, 95% of their IMF quota (IMF, 2023a). It is expected that between 2023-2027, Malawi will need $1.6 billion to close its external financing gap, of which $987 million should be financed by debt relief (IMF, 2023c). Malawi is currently undergoing negotiations on debt restructuring, yet this covers just one-third of Malawi's external debt, with the remaining debt owed to multilateral development banks (MDBs). Currently, MDBs are precluded from debt relief efforts, despite increased calls for debt relief efforts alongside increased aid, grants, and affordable finance from MDBs and international financial institutions, at the United Nations Framework Convention on Climate Change that took place towards the end of 2023 (COP 28). This will exacerbate Malawi's debt crisis, particularly since it is projected that 90% of the country's total external debt will be owed to MDBs (Zucker-Marques., 2023). This highlights the limitations and deeply flawed nature of the international financial institutions and current debt relief frameworks for countries such as Malawi, and the broader socio-economic implications of fiscal adjustment policies, discussed in more detail below (Zucker-Marques, 2023).

9. Interview with Ms Ellen Matupi, President of Coalition of Women Farmers, April 2024.
10. Interview Professor Henry Mloza Banda., UNESWA, May 2024.
11. Interview with Dr Daimon Kambewa, Lilongwe University of Agriculture and Natural Resources, May 2024.

> The majority of Malawians do not have an adequately diverse diet, largely due to overreliance on maize cultivation, which reduces the production and availability of nutrient-rich foods

This brings into question the orientation of such programmes in contributing to food security at national and household levels. **Furthermore, the AIP, similarly to its predecessors, is incongruent with Malawi's overarching national development policy, Malawi 2063, which calls for a departure from conventional farm input subsidies, and a shift in government spending away from a bias on maize inputs and procurement (NPC, 2020). It is also at odds with Malawi's Agriculture Sector Food and Nutrition Strategy (ASFNS) (2020-2024), which calls for the promotion of diversified production of nutritious and safe foods (strategy 1), in particular through the integration of nutrition in the AIP**.

The AIP has therefore been unable to effectively achieve food security at household or national levels, by neglecting diversity and nutrition. Furthermore, according to the Office of the Ombudsman's investigation, several human rights, guaranteed in the Malawi Constitution, were violated during the process, including the right to human dignity (section 19 of the Constitution), the right to economic activity and to earn a living (section 29) and the right to development (section 30). The investigation report also stated that the subsidies have eroded the countries' economy, to a point where other sectors are also severely affected or choked (Office of the Ombudsman, 2024).

12. Interview with Mr Charles Govati, Moyo Agribusiness Foundation, member of the Malawi Agroecology Hub, who previously worked for YARA, May 2024.

Impact on farming practices, land use, crop, and biological diversity

Fertiliser usage

A study by Ragasa et al. (2022) found that the AIP substantially increased synthetic fertiliser use even compared to the FISP (see Figure 1). Fertiliser application differs due to several factors, including literacy, education, income, and land size. Seed type also influences fertiliser application rates. **The seed distributed by government requires the use of inorganic fertiliser**. Varying use of subsidised synthetic fertilisers is primarily related to availability, with evidence of limited availability, at the appropriate time, of the different fertilisers (notably of NPK). There are also claims that subsidised fertiliser is diverted to cash crops, most notably tobacco.[12]

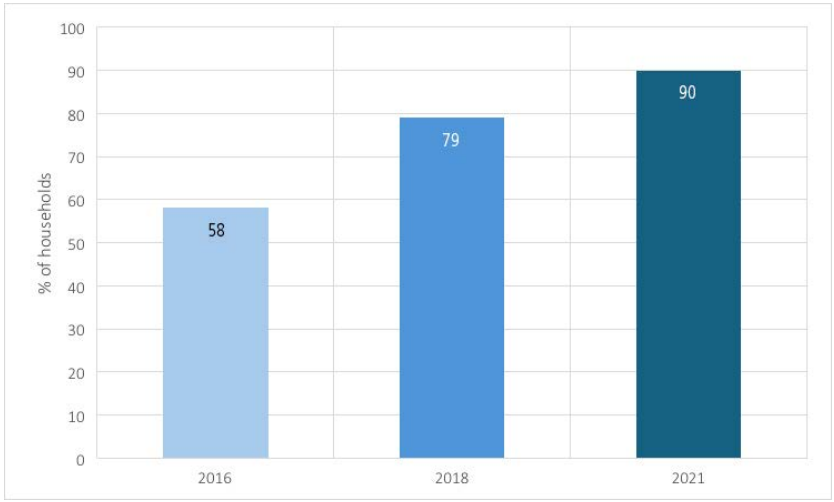


Figure 1. Proportion of rural households applying inorganic fertiliser 2015/16, 2017/18, and 2020/21

Source Ragasa et al., 2022

Maize production

Figure 2 shows maize yields in Malawi between 2017 and 2023 plotted against expenditure on fertiliser over the same period. These graphs indicate that greater expenditure on fertiliser did not correspond to changes in yield. Yield is linked to multiple factors, including climate, which affect productivity. Due to droughts in 2024, a decrease in maize production can be expected. Ms Ellen Matupi, a lead farmer based in Northern Malawi, who had planted both hybrid and local maize seed, indicated that only the local maize survived current climatic onslaughts. "Those who planted only hybrids have totally nothing", she said.[13]

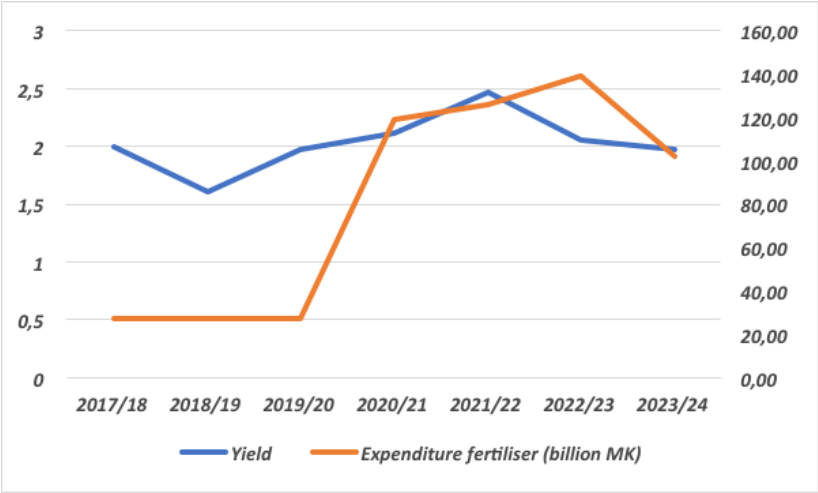


Figure 2. Maize yield (tons/ha) and expenditure on fertiliser (billion MK)

Data source: Office of the Ombudsman, 2024

Smallholders typically grow a mixture of local OPVs and hybrid maize varieties, storing the hard-grained OPVs for consumption and often using hybrid varieties for postharvest sales (Bezner-Kerr, 2013). Local varieties are grown mostly with organic fertilisers, with little or no inorganic fertiliser. A recent large-scale survey found that hybrid maize constituted 61% of maize grown in Malawi with the remainder being local OPVs (Westengen et al., 2019). The seed for AIP is mainly supplied by large multinational companies including Bayer/Monsanto, ChemChina/Syngenta, Pannar, Seed Co, and Pioneer Hi-Bred (now part of Corteva Agriscience), which increases their influence over agricultural development policies (Jakobsen & Westengen, 2022; Bezner-Kerr & Wynberg 2024).

The strong budgetary allocation on hybrid maize production has corresponded with a decline in on-farm biodiversity (Kankwamba et al., 2018; Chinsinga et al., 2011; Bezner-Kerr, 2013; Westengen et al., 2019). **Despite the focus on maize, studies point to fluctuating, yet persistent, crop diversity over the years. In particular, increasing climatic shocks are driving farmers to diversify crops in response** (Makate et al., 2023)

In 2022, Malawi was the sixth biggest maize seed producer on the continent, at 21,993 metric tons (African Union, 2024).[14] Agricultural policies in Malawi are continuously pushing farmers towards the production of export crops, discussed in greater detail below. Yet this approach is incongruent with the reality that farmers face, as generally farmers have faced price and policy-based disincentives to such production, even in the cases of Malawi's traditional commodity crops of cotton, groundnut, sugarcane, tea, and tobacco (FAO, 2015). This is also true for maize, which, though being promoted excessively through the FISPs, is sold in a regulated national market that imposed bans on maize exports in 2005, 2008, and 2011 (FAO, 2015). These restrictions cap the price that producers can obtain for their grain (Benson, 2021).

Crop diversity and farmer preferences

Receipt of input subsidies is considered to be associated with increased fertiliser use, higher maize yields (although Figure 2 shows that this is not fully correlated), and an expansion of maize production at the expense of other crops (Chibwana & Fisher, 2011). Farmers who received both hybrid maize seed and fertiliser for maize allocated 45%

13. Interview with Ms Ellen Matupi, President of Coalition of Women Farmers, April 2024

more land to maize cultivation than farmers who did not receive coupons. This maize expansion occurred at the expense of other crops, notably legumes, cassava, and sweet potato, which were allocated 21% less land on average (Chibwana & Fisher, 2011). This illustrates the incongruence of achieving the objectives of Malawi's agricultural policies of increasing both maize cultivation and crop diversity under the FISPs.

While from 2008-2009 the FISP offered a flexible coupon that could be used for either maize or legumes (certified groundnut or beans), farmers generally selected maize by default, for similar reasons as mentioned above, such as limited legume seed availability. Yet, the introduction of legume seed represents an important addition to the FISP, both to improve nutrition as well as to improve soil fertility (Verduzco-Gallo et al., 2014; Messina et al., 2017). **It is therefore surprising that this prioritisation of legumes went silent and was removed when the AIP succeeded the FISP**.

"The AIP is missing the most important things, what people need. One shoe doesn't fit all. We need to understand the culture, the food system there, the rainfall pattern, this should inform decision making."[15]

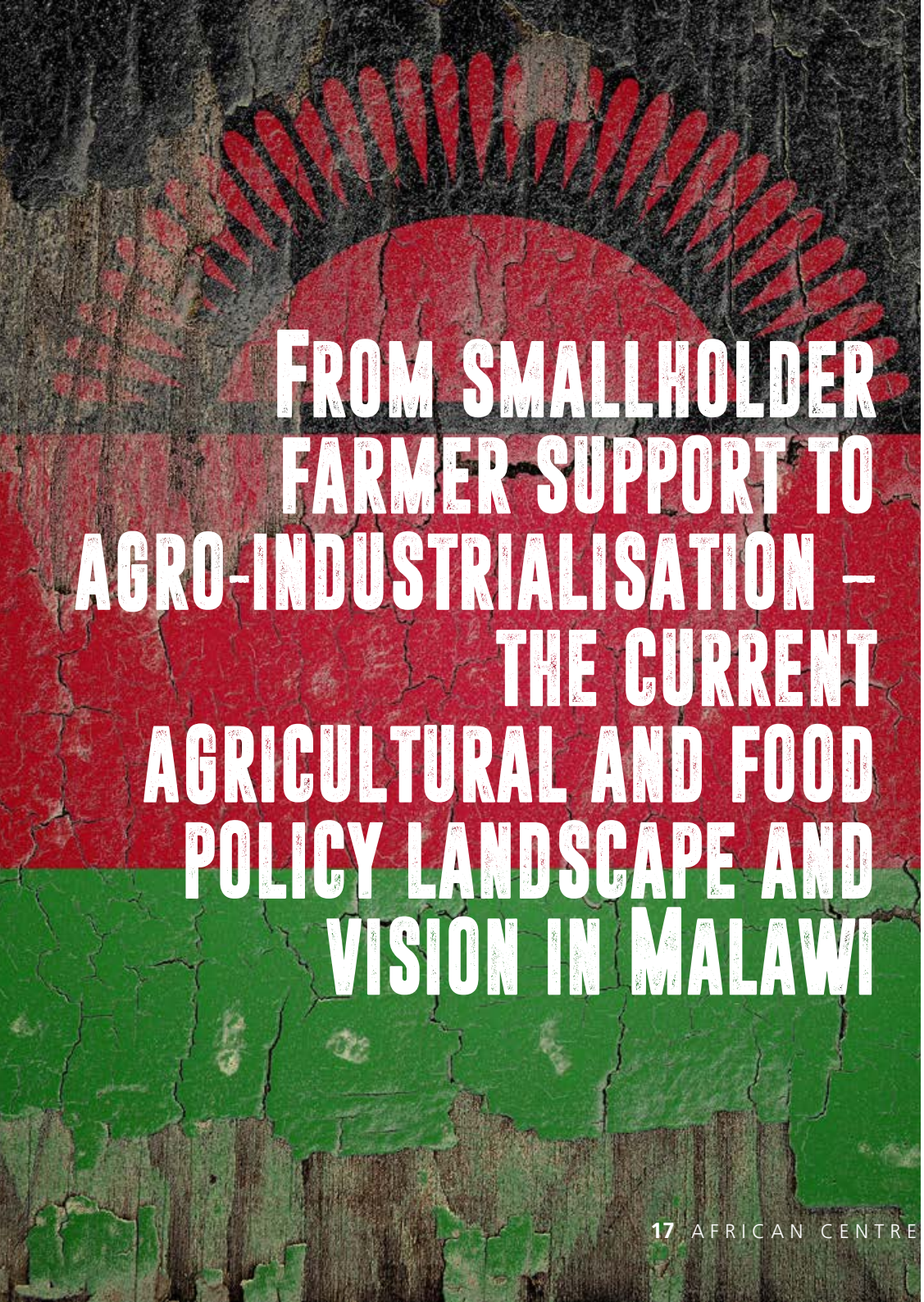
Deforestation and soil erosion

Agriculture is the main driver of deforestation in Malawi, accounting for 90% of deforestation in 2019 (GAIN, 2023). Forest cover has reduced from 47% in 1975 to 25% in 2018 (World Bank, 2017), the highest deforestation rate in the Southern African Development Community (SADC) region (Matchaya & Guthiga, 2023). Malawi is ranked 37 out of 53 African countries on the Biodiversity and Habitat Index (Rockefeller Foundation et al., 2021). The sustainability and productivity of agriculture are integrated with the level of biodiversity in the country. Land use change, biodiversity loss, and ecological damage threaten production systems, food, and medicinal plants, and create an overall less resilient food system. **As a result of monoculture production and deforestation, Malawi's top-soil loss is extremely high, at 38 tons/ha/year.[16] This threatens the future of food production in the country and calls for investments in technologies and extension that focus on supporting on- and off-farm biodiversity and soil health** (Matchaya & Guthiga, 2023).

14. Malawi followed Zambia at 131,017 MT, Zimbabwe at 50,480 MT, South Africa at 43,110 MT, Kenya at 40,264 MT, and Nigeria at 37,714 MT.

15. Interview with Nozgenji Bilima, PELUM Malawi Coordinator, 10 April 2024.

16. Interview with Charles Govati, Moyo Agribusiness Foundation, member of the Malawi Agroecology Hub, who previously worked for YARA, May 2024.



From smallholder farmer support to agro-industrialisation – the current agricultural and food policy landscape and vision in Malawi

"The future of smallholder farmers is under threat. The future of agrobiodiversity is under threat".[17]

In 2021 Malawi launched its new development vision, Malawi Vision 2063, (MW2063), which aims for Malawi to achieve upper-middle income status by 2063. MW2063 is based on three pillars: Agriculture Productivity and Commercialisation; Industrialisation; and Urbanisation. This vision is operationalised in 10-year phases, the first of which is currently being implemented through the Malawi Implementation Plan (MIP-1 2021- 2030). MIP-1 aims first to operationalise MW2063, and second to ensure the achievement of the 2030 Sustainable Development Goals in the remaining years of action (Government of Malawi, 2021a). Agricultural Productivity and Commercialisation, the first Pillar of MW2063, targets the production and supply of raw materials for industrial processing and healthy and nutritious food, and strategic crops, livestock, and fish for local, regional, and international markets. This will be achieved through land reform, mechanisation, use of effective production technologies, review of prices and trade regulations, provision of market information, an effective extension service, and moving away from the bias of subsidies to maize inputs and procurement (Office of the Ombudsman, 2024). According to MW2063, subsidies should be targeted and only given as catalysts mostly for enhancing the productivity of agricultural initiatives, related off-farm activities, and anchor farms[18] or cooperatives. Further to this, it emphasises that the ultimate goal of subsidy programmes is self-reliance at household, community, and national levels and that there should be exit mechanisms

17. Interview with Nozgenji Bilima, PELUM Malawi Coordinator, 10 April 2024.

18. A business model that aims to integrate farmers as ingrowers and outgrowers into the commercial value chain (Ramshay, 2018).

> The focus on large-scale farms to meet the country's economic interests continues despite evidence that yields of most food crops are generally higher on small farms than on large-scale farms in Malawi

for subsidies with the overall aim of achieving national food security and agricultural commercialisation (Office of the Ombudsman, 2024). The shift towards larger-scale production of niche crops is driven primarily by export (Government of Malawi, 2020).

Policy increasingly prioritises large-scale agricultural commercialisation projects, such as the recently launched Mega-farm project, which will share production by allocating plots to farmers,[19] reminiscent of Kamuzu Banda's agricultural estates.[20] Mega farms will serve as anchor farms to integrate smallholder farmers in surrounding communities into export supply chains (Masina, 2023; Gondwe et al., 2022). Some mega-farms to date include an 80.2-hectare cotton farm in Chipoka; a 107-hectare maize farm in Mlambe/Nkopola; a 100-hectare Malawi Defence Force farm in Gada; a 102-hectare Illovo Sugar and Lilongwe University of Agriculture and Natural Resources (LUANAR) maize farm; and a 300-hectare Malawi Prison Services farm (Banda, 2024). The focus on large-scale farms to meet the country's economic interests continues despite evidence that yields of most food crops are generally higher on small farms than on large-scale farms in Malawi (Gondwe et al., 2022). There are other programmes, such as the World Bank-funded Agricultural Commercialisation (AGCOM) Project, a flagship programme of the Malawi government, aiming to transform smallholder agriculture from subsistence to commercial.[21] These programmes indicate the orientation of the Malawi government and its vision for agriculture in the country.

At the time of writing, processes were underway to validate the revised National Agricultural Policy (2024-2030) (NAP 2023). NAP 2023 was developed as a new agriculture sector policy aligned to the MW2063, MIP-1, and regional, continental, and international frameworks. The latest draft of September 2023 states that agriculture in Malawi is envisioned to be highly productive, sustainable, and commercialised by 2030. **The draft revised NAP acknowledges that the FISP absorbs an exorbitant amount of the national and agricultural budget. It proposes a reduction in the current 60% allocation to the AIP to 10%, through AIP reforms**. NAP2023 builds on the National Agricultural Policy 2016-2021, which sought to achieve sustainable agricultural transformation resulting in significant growth of the agricultural sector, expanding incomes for farm households, improved food and nutrition security for all Malawians, and increased agricultural exports. This is to be achieved by a 100% increase in the yields of major crops, a 50% increase in the production and consumption of livestock, aquaculture, and fisheries, and a 50% increase in women and youth access to, ownership of, and control of productive agricultural assets. Food security is one of its guiding principles.

The Food Security Policy of 2006 emphasises targeted agricultural input subsidies to enhance growth and food diversification for poor farmers. Yet the almost exclusive focus on maize stands in contrast to enhancing agricultural and dietary diversity. The draft revised NAP acknowledges that maize is, by far, the most dominant crop grown by almost every farmer in Malawi, and accounts for about 50% of the total planted area. As the main source of food, maize has been a central focus of agricultural policies and public expenditure for decades. The NAP further recognises that this maize-centred approach to food security has contributed to limited dietary diversification at

19. Ms Ellen Matupi, from the Coalition of Women Farmers, said that women have not been allocated farms to date. This needs to be followed up, to understand the targeting and impacts of these programmes.

20. Interview with Professor Henry Mloza Banda., UNESWA, May 2024.

21. https://www.agcom.gov.mw/

22. Revised draft National Agricultural Policy, September 2023.

the household and national levels, such that only 25% of the population can achieve adequate dietary diversity. On the other hand, tobacco has been the major cash and export crop since the 1980s, accounting for between 25% and 50% of Malawi's annual export earnings. The dominance of maize and tobacco renders the country vulnerable to the production and market risks associated with these two commodities. This has led to the call for diversification of production for export markets, such as soybean and macadamia nuts.[22] The draft revised NAP maintains a strong focus on mega-farms and anchor farms, implying a shift away from the AIP to more budget allocation for larger-scale, commercial, export-oriented farms. There is little mention of the need for extension services for smallholder farming, let alone which type. The draft revised NAP outlines the need to scale up and integrate "nutrition smart agriculture crops" into agricultural programs and subsidies. Therefore, it is important to see whether the 2024/2025 AIP will incorporate crop diversity, in line with the ASFNS.

Malawi's National Resilience Strategy (NRS) 2018 seeks to break the cycle of food insecurity in Malawi by bridging development and humanitarian interventions and prioritising a continuum of more predictable livelihood support 'packages' that target households rendered vulnerable as a result of climate-related events. Outcome 1.3 of Pillar 1 of the NRS, Resilient Agricultural Growth, aims to increase crop diversification to contribute to food security, nutrition, and dietary diversity, and a more diverse food market environment. This is expected to lead to a reduction in dependency on maize, and support dietary diversity and resilience for smallholder farmers. There is also the intention to expand commercial livestock and fisheries. In terms of reform of input subsidy programmes, Outcome 1.6 seeks to diversify the inputs by promoting maize, legumes, and organic fertilisers; and enhancing the efficiency and effectiveness of the FISP through timely delivery, updating soil maps, and private sector engagement. None of these seem to have been put into practice as the FISP transformed into the AIP.

The AIP fulfils a social protection role for many less productive smallholders. Yet, the AIP's social protection function has been extremely inefficient. In 2023/24 this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propelled the shift of a million so-called "unproductive" smallholders from AIP to a true social protection programme (SPS) (Duchoslav & De Weerd, 2023). It is not clear how the transfer of AIP beneficiaries to an SPS will be achieved, what this transition will mean for farmers, how this programme is distinct from other SPSs, or whether SPSs have sufficient budget for expansion. It is important to follow this process to understand how this shift towards a focus on the AIP as an SPS will support vulnerable farmers and other smallholder farmers, especially those who are not eligible for the mega farm project, such as farmers intentionally producing commercially for local markets and those choosing agroecological farming practices. The government has embarked on a national registry to document which beneficiaries are not double-dipping, as such, which is still ongoing.[23] Which Ministry will house future programmes for vulnerable farmers is also still under discussion.

23. Interview with Professor Henry Mloza Banda., UNESWA, May 2024.

Seed laws in Malawi, farmer-managed seed systems, and farmers' rights

Malawi passed its highly controversial revised Seed Act in 2022. The Act is indicative of Malawi's commercialisation vision for its agricultural future. The Act recognises certified seed as the only seed allowed to be sold in the country, a massive blow to smallholder farmers who rely on farmers' seed systems to ensure their food security. It also recognises GM seeds as a class of seed under the Seed Act, effectively "paving the way for the use and sale of GM seeds in the country" (Bezner-Kerr & Wynberg, 2024:11). This will have implications for the three million or more smallholder farmers, comprising 99% of all farmers in Malawi, who rely on farm-saved seed (Muyanga et al., 2020). The Biosafety Act passed in 2002 does not provide any regulations about risk assessment, monitoring, or any other environmental or health provisions, with the main requirement for parties interested in growing or importing GM crops being to obtain a special permit from the Minister (ACB, 2004). The 2022 Seed Act is silent on farmer-managed seed systems (FMSS), the role of local communities and farmers in preserving and maintaining seed and agrobiodiversity, and farmers' rights. There is therefore no acknowledgment of the importance of agricultural biodiversity or the rights of farmers to save, exchange, reuse, or sell farm-saved seed. Previous drafts explicitly criminalised farmer seed systems and brought country-wide civil society response. As such, the 2022 Act was hurriedly passed, contrary to legal processes, bypassing due public consultation (Bezner-Kerr & Wynberg, 2024).

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The enactment of the revised seed law comes after the National Seed Policy was launched in 2018, which explicitly outlines its overall goal as developing and promoting the seed industry to raise agricultural productivity, through the provision of "sustainable, adequate and high-quality seeds" (Government of Malawi, 2018:3). The bias towards the private seed sector is evident throughout the country's policy objectives. The 2018 National Seed Policy, and the 2022 Seed Act, explicitly aim to promote commercial seed industry interests, protecting breeders' rights and the private sector's role on multiplication and marketing of seed in the country (Bezner-Kerr & Wynberg, 2024). Regulations for the Seed Act are currently being developed, and have recently been circulated for input.

Local OPV maize in Malawi has persisted despite active state promotion of hybrid maize over many decades. Despite the aggressive push towards certified and hybrid seed, farmers still maintain, conserve, and develop local seed varieties, often able to withstand climate shocks, in the face of continued attempts to prevent farmers from using their seed. "Farmer seed systems are the ones that feed the whole nation, yet they are being suppressed as not being productive. The outcome will be that even they [smallholder farmers] will become reliant on purchasing food."[24]

Civil society organisations in Malawi have made attempts to secure recognition and protection of FMSS and farmers' rights in the country. Under the umbrella of the Malawi Agrobiodiversity Network (MAgNet), a model policy on Farmer Managed Seed Systems and Farmers' Rights was developed and validated together with the National Gene Bank in June 2023.[25] MAgNet currently is waiting to present the model policy to the Ministry of Agriculture.

24. Interview with Nozgenji Bilima, PELUM Malawi Coordinator, 10 April 2024.

25. Interview with Ellen Kapeleta, Programme officer biodiversity, Centre for Environmental Policy and Advocacy, April 2024.

The transformation of land policy and law in Malawi is also having a significant impact on the country's agricultural landscape. Customary land, which represents the main source of agricultural production, is increasingly the site of large-scale land expropriation. Over the last two to three decades, rising domestic and foreign private and government investment in agriculture, forestry, mining, and other extractive industries has driven people off the land, with land increasingly in private hands. In Malawi and Zambia, between 25%-40% of cultivated land is now in the hands of absentee urban landholders, a trend which is increasing, and making less land available to customary landholders (Jayne et al., 2014, Anseeuw et al., 2016; cf. Chitonge et al., 2017: 136). The provisions in the Customary Land Act 2016 and the Customary Land (Amendment) Act 2022 reinforce this dynamic by dramatically altering customary land ownership, with far-reaching implications for the inheritance and management patterns of the millions of people who live and work on customary land. The stated intention is to improve tenure security, yet the introduction of land registration and titling of customary land, and putting its management and administration into community trusts, opens the doors for the sale of communal and family land, removing the historical safeguards that are based on customary landholding through the descent/kinship system.[26] This potentially threatens land tenure security (Banda & Chilonga, 2021).[27] The increasing vulnerability of customary landholders to land appropriation by domestic and foreign investors is primarily due to the lack of recognition of customary rights as legal property rights.[28]

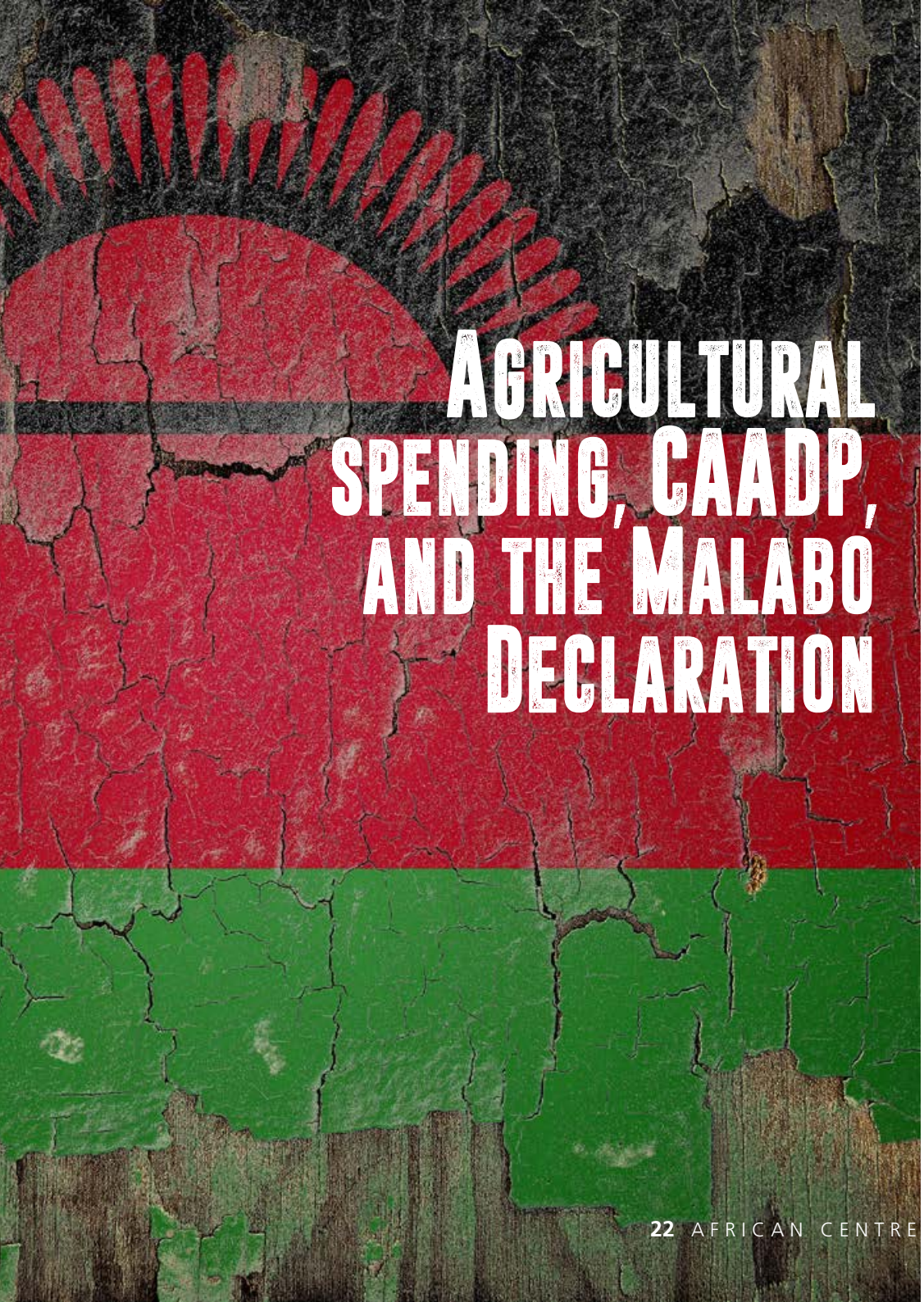
Between 2005 and 2015, the land under medium-scale holdings increased by 49%. According to Anseeuw et al. (2016), roughly 300,000 hectares have been acquired by medium-/large-scale holders since 2005, slightly more than 10% of the total area under cultivation. Of medium-scale farm acquisitions, 39% were reported to entail some form of land dispossession. This shift in land ownership is considerable, particularly in a country with a large rural and agrarian population, facing acute land scarcity and food insecurity (Jayne et al., 2016).

Over the last two to three decades, rising domestic and foreign private and government investment in agriculture, forestry, mining, and other extractive industries has driven people off the land, with land increasingly in private hands

It is therefore clear that land and agricultural policy in the country is intended to drive smallholder farmers off their land, as they are perceived as unproductive. This will likely deepen inequities, vulnerabilities, and insecurities.

The National Fertiliser Policy (NFP), signed in 2021, led to the revised Fertiliser Act, No. 13 of 2023. At the same time, fertiliser prices have continued to rise, with local solutions developed in response. According to the NFP, the Government of Malawi will support smallholder farmers through a reformed fertiliser subsidy programme and through new innovative loan-based fertiliser programmes that integrate the private sector to encourage the development of a commercial fertiliser industry (Government of Malawi, 2021b). Comments on the Regulations have recently closed. It will be important to engage in this process to understand what impact this may have on smallholder production systems in Malawi, as the AIP evolves and local solutions are increasingly stifled due to the orientation towards private sector, commercial interests.

26. Interview with Dr Daimon Kambewa, Lilongwe University of Agriculture and Natural Resources, May 2024.
27. Ibid.
28. Ibid.



Agricultural spending, CAADP, and the Malabo Declaration

At the African Union Summit in Malabo, Equatorial Guinea, in June 2014, heads of state adopted the Malabo Declaration. The Malabo Declaration outlines seven major commitments to be reached by 2025.

States committed to:

- The CAADP process, particularly the intention to adopt agriculture as a main development growth strategy and to obtain agriculture growth targets of 6%;[29]
- Enhancing agricultural investment finance, in particular by allocating 10% of public expenditure on agriculture;
- Ending hunger in Africa by 2025;
- Halving poverty by 2025, through inclusive agricultural growth and transformation;
- Boosting intra-African trade in agricultural commodities and services;
- Enhancing the resilience of livelihoods and production systems to climate change and weather-related risks; and
- Mutual accountability.

No country on the continent is currently meeting the targets under the Malabo Declaration (African Union, 2024). At the time of writing, discussions were underway to develop CAADP's next 10-year implementation plan, which is anticipated to be finalised in Kampala, Uganda in early 2025.

According to the 2021 CAADP biennial review, Malawi is performing in only one of the thematic areas, climate change resilience (See Figure 3). Performance in this thematic area is based on increased public expenditure to create a climate change-resilient agricultural sector and for emergency relief activities.

29. Currently Malawi continues to hover around 2% growth.

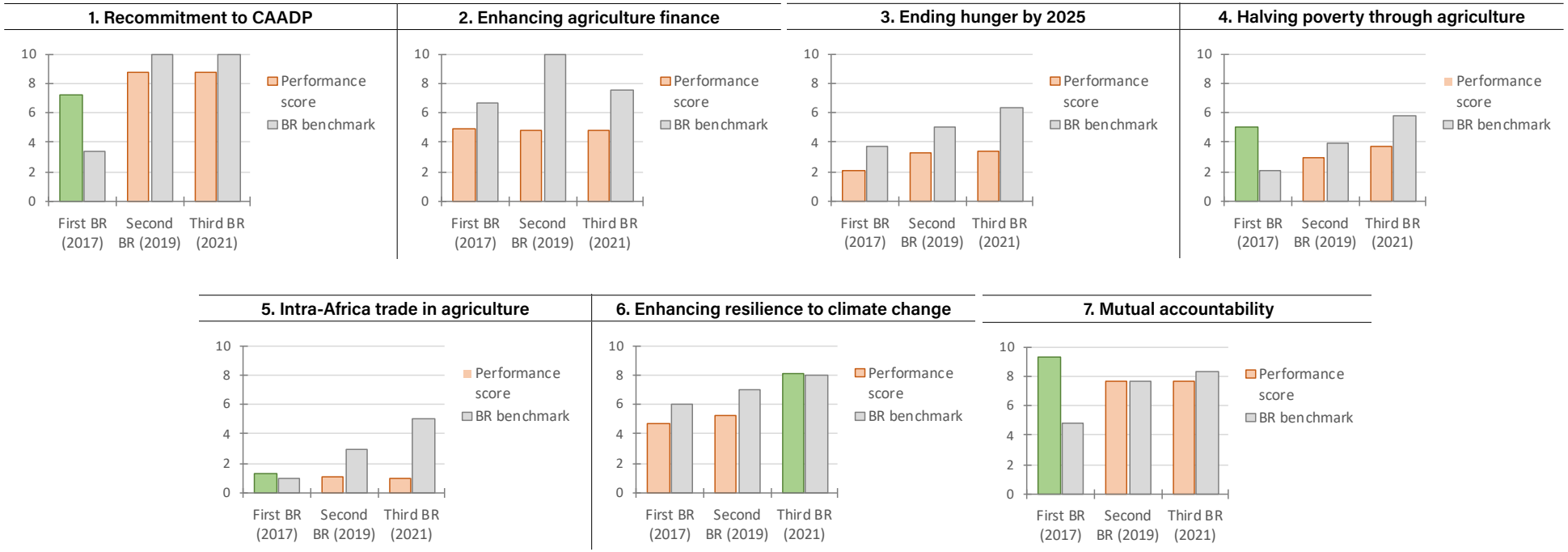


Figure 3. Trends in Malawi's performance scores on each Malabo Declaration commitment over the three Biennial Reviews to date

Source: Jumbe et al., 2023

As indicated in Table 1, the period of 2017/18 to 2023/24 shows that the AIP/FISP budget share of the Ministry's budget ranged from 19% to 65%, with an average of 42%. The AIP/FISP share of the Minister of Agriculture (MoA)'s Other Recurrent Transactions (ORT)[30] budget ranged from 31% to 109% with an average of 78% (Office of the Ombudsman, 2024). In both scenarios, the AIP/ FISP share mostly constitutes 50% of the total Ministry's budget. Of this, the majority is spent on fertilisers, illustrated in Figure 4. The large allocation of funding to the AIP leaves minimal funding for other services and roles in the public agriculture sector. For instance, investment in agricultural extension made up only 1.6% of agricultural spending in 2012/13 (Ragasa & Mazunda, 2018).

30. The ORT includes the AIP, fertiliser payments, maize payments and logistics. Recurrent expenditures have been higher than capital expenditures since 2018-19 (NASFAM et al.,2024)

Table 1. National Budget Share of Ministry of Agriculture (MoA), since 2017 and budgetary share of the AIP/ FISP from the MoA budget (MK billions)

Financial Year	National Budget estimates/ expenditure	MOA budget estimates/ expenditure	MOA National Budget share	AIP/FISP estimates/ expenditure	AIP/FISP MOA budget share	AIP/FISP ORT MOA budget share
2017/18	1,422.8	173.1	12%	33.2	19.2	30.6
2018/19	1,454.8	108.2	7%	41.3	38.1	78.7
2019/20	1,737.2	184.6	11%	35.5	19.2	66.7
2020/21	2,347.1	246.5	11%	160.2	65.0	103.7
2021/22	1,994.9	264.2	13%	168.8	63.9	84.9
2022/23	3,357.5	352.7	11%	209.0	59.3	109.4
2023/24	4,332.3	393.4	9%	109.8	27.9	73.4

Source: Office of the Ombudsman, 2024

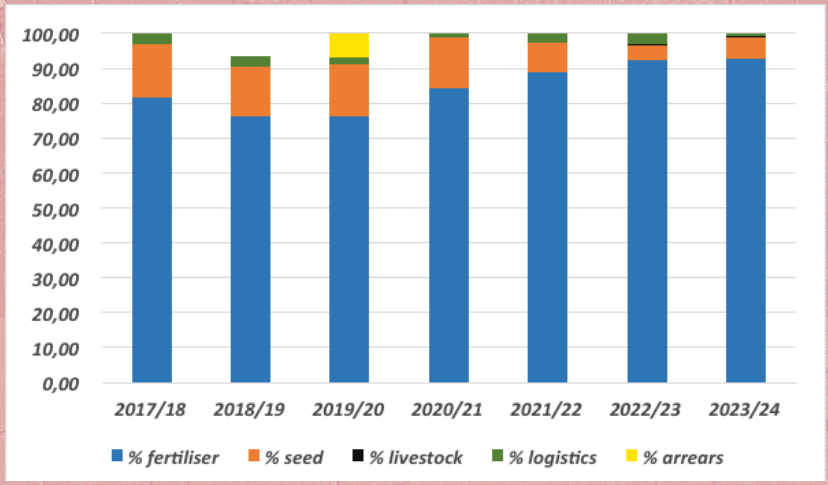


Figure 4. Percentage of MoA budget allocation for each component of the FISP

Data source: Office of the Ombudsman, 2024

Please note that due to arrears in 2018/2019, the total budget has discrepancies.

In terms of the 2024/2025 budget, it remains to be seen what the AIP's exact budget allocation will be. The AIP is not specifically mentioned anywhere in the draft estimates of expenditure on recurrent and capital budgets for the financial year 2024/2025. Yet, according to the speech by the Minister of Finance and Economic Affairs (2024), the AIP was allocated MK161.28 billion in the 2024/2025 budget.

Fiscal adjustments on expenditure, related to IMF borrowing and debt restructuring, will focus on scaling back the AIP and reallocating funds towards "improving its targeting and efficiency, building the foundation for growth, and boosting human and physical capital, including social safety nets" (IMF, 2023b:7). Further to this, fiscal adjustments are aimed at boosting exports, including government measures to promote agriculture commercialisation through supporting small farmers and attracting large anchor firms, as well as expanding mining activity (IMF, 2023b). This indicates the extent to which the debt crisis in Malawi impacts the orientation of Malawi's agricultural and economic future and the type of support that will be available for smallholder farmers.

Given persistently high rates of poverty, food insecurity, and malnutrition, debates remain about the cost-benefits of the input supply programme, its sustainability, and whether the funds could be more effectively used. There are calls across the board to improve the programme's efficiency. Importantly, this can be used to "address smallholder livelihoods, sustainable land management, and food security through integrated programs that could include legume [and other] intercrops, small livestock, agroforestry, irrigation infrastructure, school feeding programs, and social protection" (Bezner-Kerr & Wynberg, 2024: 10). It is also vital that gender inequalities and documented manipulation/coercion receive attention in programme implementation.

The focus of FISPs is primarily on increasing fertiliser use through fertiliser subsidies. Yet globally there are persistent calls, such as the Global Biodiversity Framework's Target 7, to reduce "excess nutrients", especially from synthetic fertilisers (mainly nitrogen and phosphorus), which are polluting water systems and destroying biodiversity in wider ecosystems. Integrating this imperative into farmer support programmes is necessary to meet globally agreed biodiversity targets. Further to this, while the continental focus of agricultural policy centres on the industrialisation of agriculture and the promotion of private agri-business to drive agriculture on the continent, even some other aspects of

In particular, commitment 3, to end hunger by 2025, calls for integrating measures that increase agricultural productivity with social protection initiatives, focusing on vulnerable social groups through committing targeted budget lines within national budgets

Malabo are somewhat in conflict with this intention. This is relevant to the discussion on the design, objective, and role of subsidy programmes, as well as the future of smallholder and agroecological agriculture and territorial food systems on the continent. In particular, commitment 3, to end hunger by 2025, calls for integrating measures that increase agricultural productivity with social protection initiatives, focusing on vulnerable social groups through committing targeted budget lines within national budgets to encourage and facilitate increased consumption of locally produced food (African Union, 2016). This could include the promotion of innovative school feeding programmes that use food sourced from the local farming community. This, as well as commitment 6 on increasing climate change resilience, offers many opportunities to reconsider how subsidy programmes and support to smallholder farmers can be reoriented, without simply redirecting funds towards large-scale agriculture in the hope that this will have a spillover effect on the incomes and food security of smallholder farmers. Rather than simply diverting these costs to other unsustainable programmes that promote industrialisation and commercialisation of agriculture, policymakers should consider what the future of African agricultural and food systems could look like.

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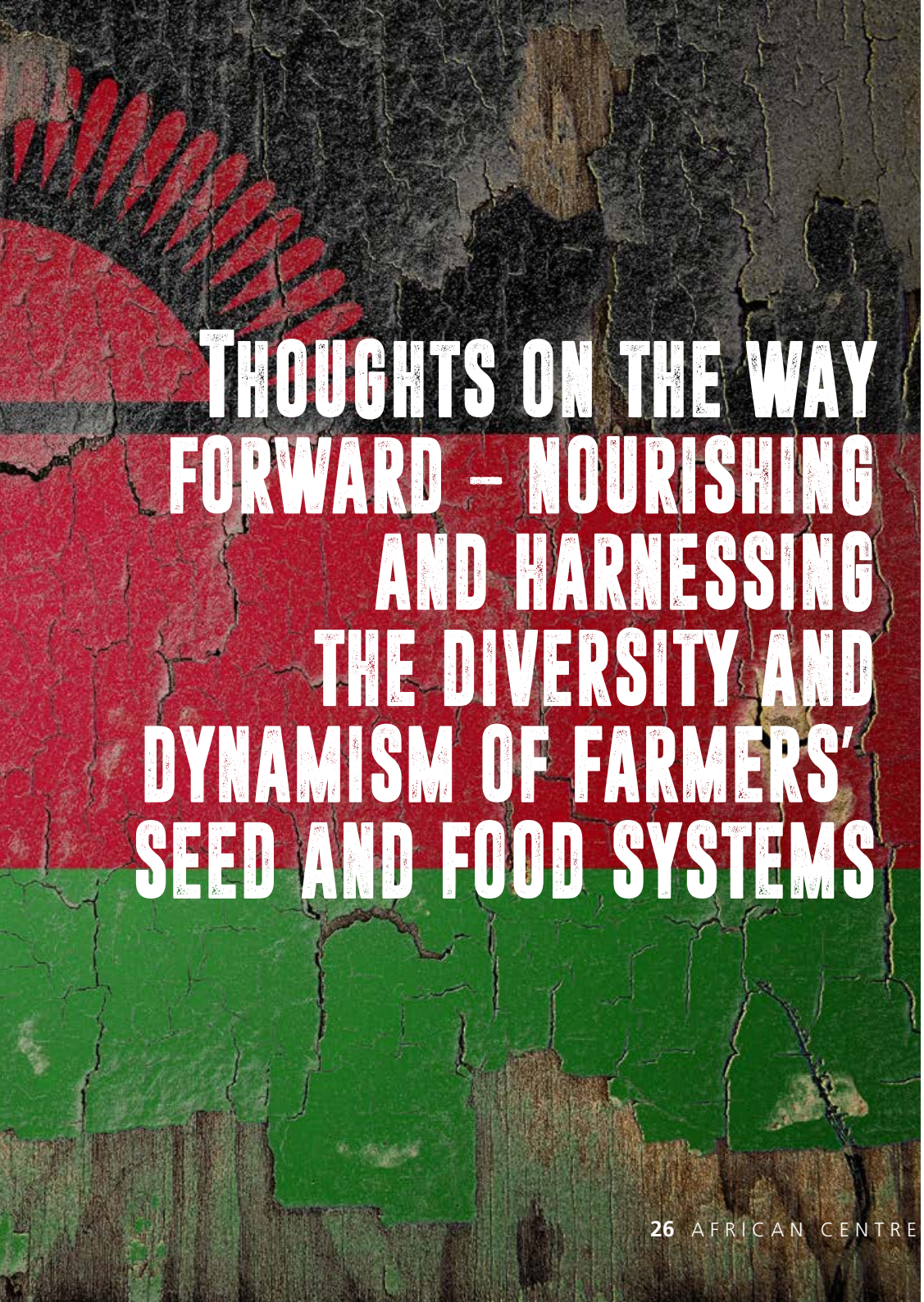

THOUGHTS ON THE WAY FORWARD – NOURISHING AND HARNESSING THE DIVERSITY AND DYNAMISM OF FARMERS' SEED AND FOOD SYSTEMS

Agricultural policy in Malawi is repressing local seeds, agricultural, and food systems. Across the policy landscape, the primary focus is on the private sector, to support export-oriented, large-scale commercial agriculture. While the Malawian government recognises that the focus on maize, as a food security crop, tobacco as a cash crop for smallholders, and sugar production on commercial farms, is problematic, the linkages between the diversification of strategic, niche export-oriented crops and diversified diets, resilient livelihoods, and food security, remains unclear. The future of smallholder farmers, agricultural biodiversity, and food production is in danger.

Despite this, **examples across the country illustrate the dynamism of farmers and food systems**. There are examples of growth in the production of Bambara nuts in the Central Region. Based on local farmers' varieties, these legumes are having a big impact and are being sold locally and externally. Other examples are thriving pumpkins around Salima, where maize crops failed and pumpkins became the staple food, and in other regions where sweet potato is the main crop and is sold to buy other foods, including maize.[31] **More research is needed to understand the evolution and dynamism taking place in local food systems, to see how government policies can nourish and harness these activities,[32] and where they diminish and prevent them**.

While FISPs to date may benefit some farmers to the extent that they are receiving any support, there are massive issues related to the programme. Fundamentally, these programmes do little to address food and nutrition insecurity in the country.

31. Interview with Professor Henry Mloza Banda, UNESWA, May 2024.

32. Ibid.


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Chinsinga (2021) and others argue that the main issue is not subsidies themselves, as farmers do need an array of support mechanisms. Rather, the design and implementation of subsidy programmes should be revisited so that they can contribute to the progressive and dynamic transformation of the country's agricultural sector. Across all levels, mismanagement and misappropriation of public funds are a concern. Programme design is inherently flawed, making these programmes costly, inefficient, and unjust. Therefore, substantial reform is required in the way the AIP is structured. The AIP could consider a food systems approach, to encompass the entire range of activities across inputs, production, processing, and retail/consumption. This requires addressing the "stream of myths" that policy-making and investments are based on.[33]

Support for services that benefit the whole sector rather than targeted individuals presents one alternative. This could include an agricultural extension that reaches all farmers, agricultural research and development, investments in reducing post-harvest losses, and adopting ecological practices such as water harvesting and organic fertiliser production. Broadening agricultural extension alone can increase production by 53%, even without the use of more inputs (Phiri, 2023). Policy should reconsider how smallholder farmers are "integrated" into the wider vision, and how to better support them as the backbone of Malawi's agricultural sector. This goes beyond simply integrating farmers into export-oriented value chains, with smallholder farmers literally at the bottom of the food chain in adverse power relations.

33. Interview with Dr Daimon Kambewa, Lilongwe University of Agriculture and Natural Resources, May 2024.


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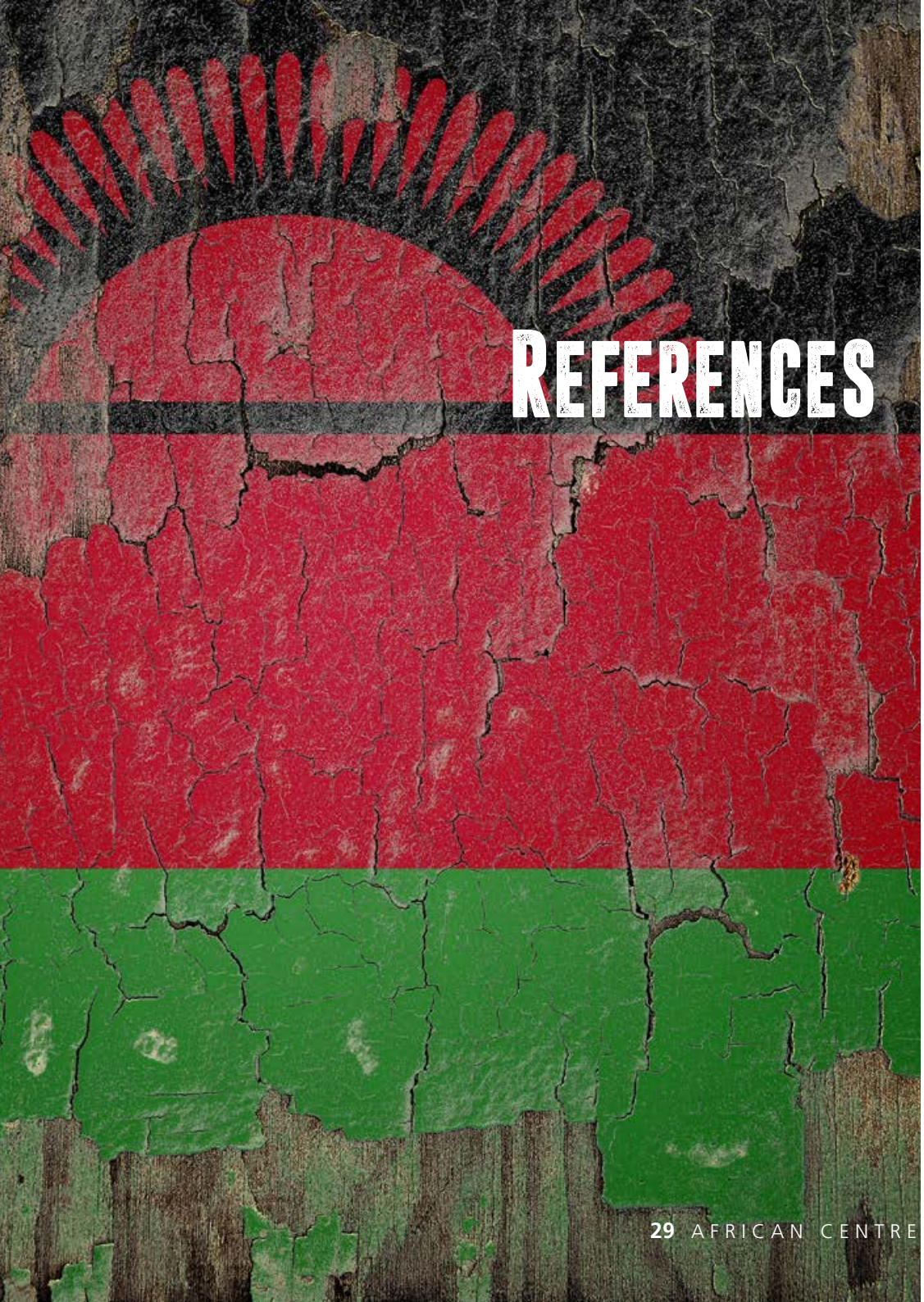
The AIP could be reoriented to be more flexible and support farmers' context-specific input choices. Farmer preferences on seed, crop, and variety selection should be promoted and supported. Subsidies could support a more diverse range of crops, such as sweet potatoes, legumes, and maize. Any redesigned programme should ensure that the seed is available at the right times. Simply reintroducing intercrops into the programme would go a long way to reduce the harmful effects of focusing exclusively on one crop, however important it is. Extension services could be strengthened to support and educate farmers in crop diversification. The soil-building properties of legumes are well known by farmers in rural Malawi, but research showed that education about the nutritional benefits of legumes greatly enhanced interest in growing them (Bezner-Kerr et al., 2007). Adopting such policies could help the FISP improve on the goals of food self-sufficiency and at the same time reduce unintended and counterproductive trends toward crop and genetic simplification and monoculture. Synthetic fertiliser constitutes by far the largest proportion of the AIP budget. This is a massive structural lock-in that limits diversified production. A major setback to crop diversification and climate change adaptation/resilience is the entrenchment of industrial seed and agrochemicals in the country. This is particularly the case with the 2022 Seed Act, which only allows the sale of certified seed, which in turn requires the use of synthetic fertilisers for higher yields. This makes farmers reliant on a poorly suited agricultural input supply chain, rather than promoting the use of locally available seed which is adapted to local conditions. The undermining of smallholder agriculture, smallholder seed systems, and agricultural biodiversity exaggerates the multiplying risks posed by climate change and extreme weather events. Flexibility and the promotion of local solutions are needed to ensure resilience and adaptation. This requires a reorientation of available resources, redesigning the input subsidy programme, and ensuring sustainable and relevant support is provided to smallholder farmers beyond social protection.

Local farmers are showing an increased interest in locally developed innovations with regards to fertiliser, such as Mbeya Manure,[34] a combination of ash, maize bran, and animal manure, combined with a little synthetic fertiliser, which is left for 21 days to ferment. This substantially reduces the need for and dependency on inorganic fertilisers. These locally adapted solutions are absent in the policies and therefore limit discussion on alternative, post-colonial food futures in Malawi. Agroecological approaches offer the potential to produce more food with fewer inputs and need to be practically developed further, including the kind of investments, knowledge, and infrastructure needed to support such a shift across the food system.[35]

34. Interview with Ellen Kapeleta, Biodiversity programme officer, Centre for Environmental Policy and Advocacy, April 2024.

35. IInterview with Charles Govati, Moyo Agribusiness Foundation, member of the Malawi Agroecology Hub, May 2024.



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