

FISPs and the misuse of public funds

Farm input subsidy programme (FISPs) packages are funded by national governments to assist small-scale farmers. But vouchers and fertilisers are sometimes being **stolen**, and often **directed away** to commercial outlets and commercial farmers.

There is very **little transparency** regarding seed and fertiliser deals, making it difficult to calculate how much public funds fertiliser and seed companies are



receiving. Monitoring and evaluation systems are weak or non-existent, and it is not known what quantities of fertilisers and seed go missing.

In many FISPs in Southern Africa, subsidised inputs are stolen before distribution ('diversion'), and beneficiaries redeem vouchers for cash or sell their subsidy packages to others ('leakage').

- ▶ **Tanzania** – 60% loss of fertiliser to diversion.
- ▶ **Zambia** – 35% diversion or leakage of inputs.
- ▶ **Malawi** – 33% diverted or leaked into secondary markets.
- ▶ **South Africa** – significant proportion of inputs diverted and sold to farmers in the country or smuggled across borders.