Food Assistance for Assets (FFA)

WFP Malawi

Background

In a context of high climate variability, the risk of climate shocks is increasing while the rural poor are also increasingly unable to mitigate, manage or endure the impacts of such shocks. WFP and partners are therefore working with vulnerable communities through the FFA programme to build their resilience to shocks and ability to adapt to a changing climate.

The programme aims to reduce risk and equip people with training, support and productive assets that will gradually enable them to meet their own food and nutrition needs, and endure a highly variable environment context.

WFP’s current assets include, reforestation at household and community level, fish farming ponds, micro irrigation schemes, homestead development with nutrition sensitive activities, flood control dykes, community access roads and training complemented with insurance, Village Savings and Loans (VSL) and Climate information services.

In partnership with the Government of Malawi, district and community partners, WFP designs FFA programmes using a Three Pronged Approach (3-PA) for planning and coordination.

The 3PA is a multi-sector participatory methodology, enabling communities to identify their needs and design resource-based action plans that the Government, WFP and partners can use to deliver appropriate community-level assistance.

In numbers

724,000 households participated in asset creation activities and trainings as part of the FFA

643,000 beneficiaries from emergency response were transferred onto WFP’s multi-year resilience programme in 2017

10.4 million tree seedlings raised by FFA participants
SCOPE

Through SCOPE’, WFP’s beneficiary and transfer management platform, WFP can collect information on different resilience interventions that the beneficiaries are engaged in to avoid double dipping or overlapping NGO assistance.

Beneficiaries receive their entitlement (cash or food) using barcoded SCOPE cards after completing asset creation activities. In 2016, 14,567 households (80,199 beneficiaries) in seven districts were enrolled in SCOPE.

LINKAGES TO OTHER INITIATIVES

Purchase for Progress (P4P)

In 2016, WFP built the foundation for further linkages with Purchase for Progress (P4P) expertise on business training, post-harvest management and commodity aggregation, storage and marketing to bring additional benefits to FFA participants, which were implemented through a trial in 2017.

R4 Rural Resilience Initiative (R4)

The R4 Rural Resilience Initiative (R4) applies four risk management approaches—risk reduction, risk transfer, prudent risk taking and risk reserves—that help poor households improve their food security and deal with climatic shocks, thereby strengthening their resilience. The initiative is being implemented in Balaka district, reaching 3,056 households in 2016, with immediate plans to scale up to one more district. The model builds on WFP’s ongoing FFA programme, which is the bedrock of WFP’s resilience-building work in Malawi.

Nutriton

The FFA programme rolled out a nutrition sensitive approach in six districts which will focus directly on Moderately Acute Malnutrition beneficiaries (households), children aged 6 months to 12 years, pregnant and lactating women (PLW) and patients recieving ART/TB treatment. The beneficiaries are linked with treatment services and livelihoods support and care groups. The five-year pilot will target 5,000 households annually.

Climate Services

Climate services offers timely and actionable agro-climatic information and advisory tailored to the needs of the recipients to help inform planning for and implementation of agricultural livelihoods. Climate services was introduced alongside R4 to help inform the use of risk management tools, helping participants, for example, to better plan and make use of the credit opportunities.

FFA activities aim to create healthier natural environments, reduce the risks and impact of climate shocks, increase food productivity, and strengthen resilience to natural disasters.
Climate risks are among the key drivers of hunger in the world. Many countries and vulnerable people do not have access to information to properly manage the climate risks they face. This information gap often leads to decisions that negatively affect people’s livelihoods and food security. With climate change intensifying the frequency and intensity of disasters such as floods and droughts, it is becoming more urgent to support people’s ability to adapt and build their resilience to these risks.

Climate services help vulnerable communities address these challenges by providing the information they need to make well-informed decisions. The emphasis is on providing ‘services’ - or advice— which are tailored to people’s specific needs by being rapid early warning, easy to access and understand, and actionable.

As the largest humanitarian agency fighting hunger worldwide, WFP understands the effects of climate change and helps food insecure communities prepare for, respond to, and recover from climate-related disasters. In this context, WFP has developed extensive experience in using climate services to support early action, stimulating quick recovery and a transition to resilience building.
GLOBAL FRAMEWORK FOR CLIMATE SERVICES

The Global Framework for Climate Services (GFCS) was established in 2011 as a global multi-stakeholder framework to support the management of climate risks for key development sectors. The programme aims to reduce vulnerability of societies to climate and related hazards, such as droughts and floods, through better provision of climate services to inform decision making. Agriculture and food security are two of GFCS' priority sectors, which are led by WFP at global level.

THE GFCS ADAPTATION PROGRAMME FOR AFRICA

The Adaptation Programme for Africa is a multi-year and country initiative under the GFCS, seeking to improve the use of climate services for food security, nutrition, health and disaster risk reduction, with funding from the Norwegian Agency for Development Cooperation (NORAD). In Malawi, WFP works alongside government to strengthen the use of climate and weather information to reduce disaster risk and improve livelihoods, food security and nutrition.

At community level, WFP focuses on climate smart activities including extension worker training, communication by radio and sending text messages to mobile phones to deliver tailored weather and climate information to farmers so that they can make climate informed decisions relating to crop, livestock and livelihood options to maximise production.

LINKAGES WITH FOOD ASSISTANCE FOR ASSETS (FFA)

The project is being implemented in Balaka and Zomba districts, some of the districts badly affected by climatic shocks and with high levels of food insecurity, as identified by WFP’s Integrated Context Analysis (ICA) undertaken with the government and partners.

The GFCS programme was expanded to a second district in 2016, reaching Food Assistance for Assets (FFA) participants in both Balaka and Zomba and provided reliable and timely climate and weather information linked to food security and agricultural advice to 12,000 smallholder farmers in Balaka district to encourage informed decision making relating to crop, livestock and livelihood options.

PARTNERSHIP WITH THE GOVERNMENT OF MALAWI AND PRIVATE SECTOR

For the Global Framework for Climate Services (GFCS) activities, the Department of Climate Change and Metrological Services (DCCMS) provided the downscaled seasonal forecasts for Balaka and Zomba districts. The agro-climatic information was disseminated to farmers in Balaka district through radio shows integrated with ICT (SMS) supported by a local partner, Farm Radio Trust (FRT).

WFP has also partnered with multiple institutions ranging from think tanks to academia to conduct evidence building studies to inform resilience programming. This included a gender inquiry with the Institute of Development Studies on gender dynamics and asset creation, along with a study on shock responsive social protection (co-commissioned by the World Bank and GIZ), conducted by the Overseas Development Institute and the Red Cross/Red Crescent Climate Centre in 2017. WFP and GIZ are also supporting the Government of Malawi’s study on best practices in public works and productive asset creation.

When people are provided with adequate information, they are able to make better decisions that empower them to build their resilience to future climate risks and food insecurity.

Contact info: lauren.webber@wfp.org
Further information: www.wfp.org/countries/Malawi
Rural Resilience Initiative (R4)
World Food Programme (WFP) Malawi

Background
Since 2014, the R4 Rural Resilience Initiative (R4) has integrated four risk management strategies — risk reduction, risk transfer, prudent risk-taking and risk reserves — to help poor households improve their food security and deal with climate variability, thereby strengthening their resilience.

The initiative is implemented across the districts of Balaka, Zomba, and Blantyre, benefiting over 10,000 households, with the vision to reach over 40,000 households by 2020 through social safety net programmes.

The four components

Risk Reduction activities are conducted as part of WFP’s Food Assistance for Assets programme (FFA), with participating households receiving food or cash transfers to cover their immediate food needs, in addition to a micro-insurance policy (the Insurance-for-Asset (IFA) mechanism), or participation in skills trainings.

The risk reduction component is intended to enhance the quantity and productivity of natural resources vulnerable farming households have access to in the face of a changing climate, thereby contributing to the mitigation of disaster risk and livelihood adaptation, encompassing activity and income diversification.

Risk Transfer is offered via weather index micro-insurance with the goal of providing timely compensation following seasons of significant rainfall deficit, thereby, limiting the need for negative coping strategies.

The index of the insurance has been based on historic rainfall patterns, given that the principal weather-related shock that participating households face include drought, and dry spells. Insurance is targeted to cash-constrained households while they create or rehabilitate new assets (IFA), while graduating throughout the time to introduce and progressively increase cash-payments, as their food and income security improves.

Prudent Risk Taking (Credit) and Risk Reserve (Savings) facilitate participants’ access to credit and promotes savings through both microfinance institutions and Village Savings and Loan (VSL) groups. The savings act as a buffer for smaller, individual shocks, and act as foundation for making investments in more resilient livelihoods by enabling loan uptake.
In 2017, 10,327 farmers got insured, for a total sum insured of over USD 990,000. In the face of a challenging season, the insurance triggered a payout for the dry spells experienced valued at about USD 500,000.

R4 achievements

**Insurance works.** In 2017, in the face of a challenging season, 10,327 farmers got insured, for a total sum insured of over USD 990,000. The value of the premium paid to the local insurer Nico was over USD 190,000. In this context, the insurance triggered a payout for the dry spells experienced at the beginning of the season valued at about USD 500,000.

**Great confidence in insurance.** R4 has paid out before in 2015 in the context of the El Niño drought event. This has stimulated farmer confidence in the product, as it has proven its effectiveness. This confidence is demonstrated by the farmers’ willingness to pay in cash for the insurance, which took place for the first time this past season in Balaka, with households contributing the equivalent of two days of work toward the premium payment.

**Income sources have grown and stabilized,** supporting average expenditure increases by 31 percent, with female headed households experiencing a larger gain of 33 percent. Non-food expenditure has grown simultaneously, showing increases in disposable income. Gains are being used to create household buffers to shocks and pockets for investment, with savings increasing, especially for women who increased the amount saved by 274 percent between 2015 and 2017.

**Overall resilience gains are considerable.** Evidence shows that the percentage of households using crisis and emergency coping strategies has decreased from 40 percent to 9 percent between 2015 and 2017. Resilience is looked at more comprehensively, making use of RIMA II tool (Resilience Index Measurement and Analysis II). From 2015 to 2017, the resilience index grew from 30 to 56.2 for households under R4.

**Food security increases reflect these improvements in livelihoods and economic wellbeing.** Acceptable food consumption score (FCS) increased from 58 percent to 89 percent between 2015 and 2017, with poor FCS virtually disappearing at 1percent. In addition, overall dietary diversity of R4 participants has improved since the baseline, with the average diet diversity score (DDS) increasing from 4.79 to 5.34.

Perspectives

Building on these positive outcomes, R4 will expand to 40,000 participating households by 2021 across five of the most shock-prone districts of Malawi.

R4 Malawi focuses on national capacity and systems strengthening, thereby, contributing to the achievement of national objectives on social protection and resilience, as well as to the development of pro-poor financial markets.

As the initiative plans its scale up, a graduation and national handover strategy has been developed, supporting the integration of the approach in national social protection systems and financial markets.

WFP is working with the Ministry of Finance and Economic Planning, specifically the Department of Poverty Reduction and Social Protection, and on the other hand, the Insurance Association of Malawi and the Reserve Bank. WFP is also engaging with the ministries of Agriculture and Trade as R4 is leveraged to strengthen the development of value chains in collaboration with P4P.

By embedding this approach onto existing safety nets, or programs, as well as financial markets, R4 aims to be scaled up through national systems and increase their capacity to protect and promote the wellbeing of the most vulnerable.
Purchase for Progress (P4P) is an initiative which leverages WFP’s purchasing power and expertise in food quality and logistics to link smallholder farmers to agricultural markets.

WFP Malawi uses a two-track approach, working both directly with smallholder farmers’ organisations (FOs) and through the Agricultural Commodity Exchange for Africa (ACE), which engages various stakeholders to build smallholder friendly markets, using the online, public commodity exchange as a marketing platform.

WFP and local partners work with FOs to help smallholder farmers develop business and harvesting skills to meet WFP’s high quality standards. Having acquired these skills, smallholder farmers are able to sell their crop production to WFP and other buyers, and become competitive players in the formal markets.

P4P is making notable progress in improving the lives of smallholder farmers by increasing their income and providing them with the tools to develop into profitable and sustainable organisations.

As a result, not only have FOs been selling more directly to WFP, but they are also beginning to sell to other buyers on the formal market, using the production and marketing skills gained through WFP training.

**Background**

In numbers

- **59** participating farmers’ organisations
- **61,000** members, 49 percent of whom are women
- **16%** of farmers are selling their commodities immediately after harvest, selling later for higher prices and increasing their income
- **180,000 mt** of cereals and pulses procured by WFP since 2010 through smallholder friendly and pro-market structures
3,370
Smallholder farmers attended demonstrations on labour saving stoves and conservation methods

1,502
Smallholder farmers attended trainings on improved cooking stoves, afforestation, and improved farming practices

LINKAGES WITH THE HOME GROWN SCHOOL MEALS (HGSM) PROGRAMME

WFP’s partnerships with Malawi Lake Basin Programme/We Effect, NASFAM, AFAP, TLC and CADECOM provide agricultural expertise and technical assistant to farmers, supporting them to mobilise themselves into farmer organisations (FOs) effectively.

WFP’s partnership with FAO and the Ministries of Education and Agriculture, continued under Norwegian support for the UN Joint Programme on Girls Education (JPGE), which supports the HGSM model by procuring foods to schools directly from smallholder farmers.

Each school implementing the HGSM model is linked to at least one FO via formal contracts. This has helped to improve school feeding, smallholder farmers’ livelihoods, and local food markets, with the goal of eventually eradicating hunger.

GENDER

WFP’s activities under all operations are supported by innovation in gender through a continued partnership with the Institute of Development Studies, which as initially formed to establish best practices for gender mainstreaming.

By promoting gender-specific, labour-saving technologies under the P4P programme, the labour burden—activities such as food preparation and firewood collection, which can detract from time spent in the field—has been reduced among female farmers.

In 2016, 239 smallholder farmers—more than half of whom were women—were trained on gender, leadership and negotiation skills, allowing them to develop a competitive edge within both their FOs and their wider communities.

WFP has worked with two main partners, TLC and Network for Youth Development, to provide participatory trainings to 41 FOs.

More than 3,000 smallholder farmers have attended demonstrations on constructing fuel-efficient stoves and conservation agriculture methods, while a further 1,500 have been trained on constructing stoves, afforestation, and improved farming practices. More than 60 percent of training participants were women.

MOVING FORWARD

Moving forward, activities will focus on integrating components of P4P into the resilience activities through a systematic graduation strategy.

Indicative activities will include strengthening the institutional capacity of participating FOs HGSM programmes, promoting standards and standardisation and, where possible, building the capacity of farmers currently participating in the Food Assistance for Assets (FFA) programme to become self-reliant.

P4P will also engage in policy advocacy to improve the functioning of Malawi’s grain markets and the performance of the Warehouse Receipt System.

Contact info: lauren.webber@wfp.org
Further information: www.wfp.org/countries/Malawi
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