



World Food Programme

SAVING LIVES
CHANGING LIVES

Smallholder Agriculture Market Support (SAMS)

Background

Despite agriculture being the backbone of Malawi, limited market opportunities exist for smallholder farmers. In **2014, only 4 percent of cropland (104,000 ha) was irrigated**, and only about **3.3 percent of smallholders have access to irrigation**. According to the Integrated Household Surveys (IHS) 2016, **around 50% of farmers in the Southern region have less than 1 hectare of land**.

Weak farmer organisation capacity, a fragmented land tenure system and lack of entrepreneurial mindset are key bottlenecks for farm investment and market-oriented agriculture. Additionally, evidence shows that smallholder farmers (SHF) in Malawi typically lose between 10-20% of maize produced during the post-harvest handling and storage phase. Based on maize production estimates for the 2020/21 season, up to 895,809 MT of maize – equivalent to 170 million USD or **roughly 3% of 2021 GDP—could be lost due to improper storage along the maize value chain alone**.

WFP vision and approach

WFP works with the government of Malawi, private sector, and development partners to strengthen the livelihoods and formal market opportunities of smallholder farmers. Through Smallholder Agriculture Market Support (SAMS), WFP addresses the constraints faced by smallholder farmers (SHF) such as postharvest losses, financial management and market access. The initiative provides them with market information, facilitates training on cooperative governance and agribusiness, and creates market access.

34,000 farmers trained in post-harvest handling and farming as a business

18,000 hermetic bags distributed to farmers for improved storage

33,258 members (49% women) in 30 FOs supported with different BDS and WRS systems ,

16% fewer farmers selling commodities immediately after harvest and selling later for higher prices

4,400 metric tonnes worth **USD 1 million** sold by targeted smallholder farmers through WFP-supported farmer aggregation systems in 2019.

SAMS activities follow four impact pathways

1. Creating stable demand (buyers): Creating stable demand from WFP and other quality-oriented buyers, other institutional buyers and private companies encourages smallholder farmers to invest in agriculture.

2. Inclusive aggregation systems (aggregators): Strengthening inclusive aggregation systems such as farmer organizations (FOs) and cooperatives that empowers farmers to work together to build collective businesses, increasing their bargaining power and access quality-oriented markets.

3. Household-level support (farmers): Support at the household level helps farmers produce more high-quality crops, reduce post-harvest losses, improve gender equality, and strengthens household nutrition.

4. Conducive enabling environment (market system): Investments in strengthening market systems for smallholder farmers and the government's food based programmes can potentially create a vibrant and inclusive agricultural trade in rural areas.

Where we work

SAMS activities focus in **eight districts in the Southern region** where most SHF are located. SAMS prioritizes Traditional Authorities (TAs) with higher potential for surplus production for both Home-Grown School Feeding (HGFSF) programmes and private markets. Where the potential for surplus is still low, SAMS work with farmers to reduce post-harvest losses. SAMS also works in **refugee hosting settings**, supporting income-generating opportunities for both refugee and host communities.

Target Beneficiaries

- **Individual SHFs** who benefit from WFP's integrated package of services and have the potential and/or are ready to transition to surplus production (25,000 SHF reached in 2020).
- **Existing Farmer Organisations (FOs)** that have the potential to supply/aggregate food to different public and private markets (30 FOs supported with Business Development Services (BDS), improved quality and bulking and warehouse receipt systems (WRS)).
- **SMEs** – Rural retailers, family business and women/ youth-led Village Saving Loan Associations (VSLA) with the potential for value addition, digitalisation and income-generating of farm activities.



Main Areas of Technical Support

Promote agriculture diversification and increase of sustainable production: Through the Ministry of Agriculture at National and District levels, farmer organisations and cooperatives are identified, trained and linked to schools to supply diversified, locally produced food commodities for Home Grown School Feeding through a competitive process. School feeding activities are integrated with WFP's livelihood interventions to enhance production and productivity capacities.

Reduce Post Harvest Losses and improve quality standards across value chains: Increasing demand for effective, affordable and profitable storage and processing solutions trainings and private sector open days to increase awareness and dissemination of best practices and knowledge; building strategic partnerships to develop business ventures and investments in post-harvest handling and storage through WFP's support to market/value chain analysis.

Strengthen governance and business management of FOs for better access to markets : Supporting FOs with a package of BDS for strengthening the governance, supply and incomes of FOs and aggregators to meet quality and safety standards of national buyers and potential premium ones for regional and global market.

Supporting entrepreneurship, innovation and access to inclusive finance by "scaling-up" existing Village Saving Loan Groups (VSLAs) which have interest and potential to start-up micro and small-scale business for better nutrition: in line with the Government of Malawi strategy on SME and entrepreneurship development, supporting the rollout-out of platforms/events (e.g. bootcamps) that boost a positive competitive rural environment for women and youth to put forward small-scale business-sound investment proposals relevant to the local context; providing mentorship, BDS, technical expertise and seed fund.

Integrated Resilience Approach

Since 2017, SAMS activities have been incorporated under WFP's Integrated Resilience Approach. Progressively, smallholder farmers benefiting from Food Assistance for Assets (FFA) activities are assisted with knowledge and skill on post-harvest loss reduction, group dynamics and supported to strengthen management capacity of their groups.

Through a graduation pathway, food insecure households are expected to become self-reliant in the medium to long-run. Participants are also introduced to other integrated-resilience activities such as climate services, village savings and loan (VSL) groups and weather-index insurance.

VOICES FROM THE FIELD



Rabson's story of becoming an entrepreneur shows how farmers on the graduation pathway from WFP's SAMS activities in his community. [Read more here.](#)

