

# Malawi: Green Innovation Centres for the Agriculture and Food Sector

Raising agricultural productivity and value addition in an economically, environmentally and socially sustainable way

## The challenge

In Malawi, one of the world's poorest countries, the agricultural sector accounts for approximately 30% of the Gross Domestic Product and employs roughly 80% of the population. The average plot size of smallholder households is about one hectare, the degree of commercialization is low, processing methods are rudimentary, and value addition is limited. In addition, the negative effects of climatic phenomena, such as El Niño, combined with low diversification of agricultural production, limited access to financial opportunities lead to recurrent poverty and food insecurity.

## Our approach

The objective of the global programme "Green Innovation Centres for the Agriculture and Food Sector" is to increase the income, production, and productivity of smallholder farmers, enhance employment with an emphasis on women and youth and to improve regional food supply. In accordance with the national government's priorities, the Malawi country package supports the development of three value chains, being soybean, groundnut, and cassava to sustainably diversify Malawi's agriculture sector.

The project works in four fields of actions: (1) Increasing capacities of smallholder enterprises, (2) Improving the business of up and down-stream enterprises (3) Strengthening of special interest groups and (4) Supporting the transnational knowledge exchange between value chain actors.



<b>Project name</b>	Green Innovation Centres for the Agriculture and Food Sector (GIAE)
<b>Commissioned by</b>	Federal Ministry for Economic Cooperation and Development (BMZ)
<b>Implementing organisation</b>	Deutsche Gesellschaft fuer Internationale Zusammenarbeit (GIZ) GmbH
<b>Project Region</b>	Central Region and selected districts in the Northern and Southern Region
<b>Political Partner</b>	Ministry for Industry, Trade, and Tourism (MoITT)
<b>Duration</b>	01.11.2014 –31.03.2022
<b>Financial volume</b>	18 million Euro

The project is part of the German Government 'One World-No Hunger' initiative through which the Federal Ministry for Economic Cooperation and Development (BMZ) is helping to promote rural development and agriculture. Within this context, an additional sum of more than EUR 1,5 billion has been earmarked for projects carried out by GIZ and other implementing organisations. The thematic focus is on eradicating hunger and malnutrition, realising the right to food, expanding bilateral cooperation and promoting sustainable agriculture.



Photo left: A group of workers are preparing dough at a local bakery in Balaka, Malawi © Timoeez Photography

Photo right: A worker at the local bakery is inspecting the High Quality Cassava Flour (HQQCF) © Timoeez Photography



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*Photo left: Two workers are weighing a bag of High Quality Cassava Flour © Timozee Photography*

*Photo right: A farmer is grading her soybean harvest © Timozee Photography*

## Results in figures ...

The “Green Innovation Centre for the Agriculture and Food Sector - Malawi Country Package” aims to increase income and productivity for over 45,000 smallholder enterprises. In the soybean value chain, over 11,100 farmers of which ca. 40% female and ca. 30% youth have been trained so far on improved farming practices and proper use and application of a bio-fertilizer (rhizobium inoculant). Over 7,000 smallholder farmers were trained in farming as a business for the groundnut and soybean value chain in partnership with private sector companies and an association of smallholder farmer organizations.

Seven innovation partnerships between actors from the private, public, and governmental sector for the promotion and dissemination of innovations have been established or further strengthened with GIAE’s active support. The partnership between the Department of Agricultural Research Services (DARS) and the International Institute of Tropical Agriculture (IITA) has resulted in the improved access to high-yielding and disease tolerant cassava varieties for smallholder farmers which can be either processed or sold as raw roots on local markets.

More than 60 decision makers, executives and professionals have taken part to exposure seminars together with representatives of the German agricultural scene.

The impact of the activities has resulted in an increase in income in all three value chains in the targeted smallholdings. In the cassava value chain, the Gross Margin of supported farmers increased from 24 EUR/ha to 75.5 EUR/ha and in the soybean value chain from 43 EUR/ha to 209 EUR/ha. In addition, Micro, Small, and Medium Enterprises (MSMEs) created 123 jobs and increased their average sales revenue by 34.5%. Furthermore, the Food Insecurity Experience Scale (FIES) of the FAO has decreased by 21% in the project implementation areas.

## ... and in stories

Agri-Input Suppliers Limited (AISL) is an agricultural input supplier commercializing certified seed and rhizobium inoculant, which can increase soybean yields by over 30%. However, inoculants were hardly available to smallholder farmers due to a lack of appropriate marketing strategies and distribution networks.

With the support of GIAE, AISL has managed to expand its marketing and distribution network for inoculant, through establishing an innovative distribution network and strengthening the linkages between various value chain actors.

Ever since the sale of inoculant sachets has increased from 20,000 to over 140,000. This development is beneficial for AISL as a Malawian business entity, smallholder soybean farmers, and agro-dealers who gained a new business opportunity. For example Lawrence and Esther Sabawo, of Mitundu EPA in Lilongwe have experienced an increase in yields by 53% through the use of inoculant and Good Agricultural Practices.

In the upcoming agricultural season, GIAE will support the distribution of soybean and groundnut inoculant, the latter of which will be for the first time on the market.

Mrs. Fanny Samud is a long-time cassava farmer who is part of the Tiyanjane Farmer Organisation (FO) in Balaka. Members of the FO receive trainings on good agricultural practices in order to increase yields.

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