



National Smallholder Farmers' Association of Malawi (NASFAM)

Partnerships for Social and Economic Development of Malawi

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Background to Smallholder Farming in Malawi



- Agriculture in Malawi accounts for 80% of export earnings and ca. 40% of GDP
- Smallholder agriculture has been the main driver for growth following the repeal of the Special Crops Act in 1994.
- The current Malawi Growth and Development Strategy aims to build on this by supporting smallholder commercialisation and competitiveness in international markets;
- Malawi's landlocked position, high marketing costs and reliance on rain-fed agriculture with a single rainy season and variability of the weather are some of the key challenges to any attempts to alleviate poverty within the smallholder farmer community;

Background to Smallholders...

- The main commercial crop grown by smallholders, burley tobacco, is currently under threat following the UN FCTC which forbids the use of additives and flavourants in cigarettes;
- Organisations such as NASFAM are supporting diversification in the smallholder sector into crops such as groundnuts.
- Research has shown that women in Malawi are involved throughout the groundnut value chain (and so benefit from the resulting income) more than in most other smallholder crops.



Capacity Building to Meet Quality Specifications

- The majority of groundnut cultivation is undertaken using traditional methods;
- Through their long-standing relationship with NASFAM, the smallholders are trained in the importance of implementing Good Agricultural Practice (GAP) to help ensure the marketability of their produce;
- Key challenges exist pre- and post harvest.
 - In the case of the former, these include the availability of good quality seed, and the adequacy both of field drying, and of farm storage.
- NASFAM works with ICRISAT to help farmers to produce certified seed for own use and sale;
- Post-harvest, the challenge lies in the quality of storage, and the efficacy of hand-shelling methods.

Partnership with ICRISAT to Meet Standards

- NASFAM has partnered with ICRISAT for the following:
- Production research and development;
- Agronomic and post harvest training;
- Testing for Aflatoxin contamination from field samples and warehouse samples;
- Further sampling and testing of products before containerisation and shipment.



Partnership with Twin & Twin Trading Fairtrade Nuts Development

- NASFAM has partnered with Twin in the following:
- Fairtrade standards for smallholder nuts were published in 2004
- 1st NASFAM Association certified in 2004
- 1st NASFAM exports of peanuts to UK were in early 2005
- 1st Fairtrade peanuts into the UK retail sector with Co-op in 2006 then Tesco.
- Between 2007 to date, Twin Trading has been the major buyer of Fairtrade peanuts into Co-op, Tesco, Sainsbury's as well as the own label *Liberation* (www.chooseliberation.com)



Partnership with other Chain Players for Quality Management

- **Machine Shelling** – Aflatoxin Management (AMT, Yellow Flower Trust and Comic Relief)
- **Grading Tables** MASFA warehouse so that the hand graders do not have to sit on the floor {British Government's Department for International Development (DfID)}.
- **Training in Quality Management Systems** for staff and members of the Board -(Comic Relief).
- **Publicity and Marketing activities** for Liberation, Shareholder International Nut Producers Cooperative – INPC).

Abating Wet Shelling of groundnuts
5 shelling machines – minimise hand shelling



Partnership with Twin & Twin Trading for Processing - Afri-Nut

- Afri-Nut Company Ltd ('Afri-Nut') is a transformative initiative of NASFAM and Twin.
- Afri-Nut's mission is *“to be a profitable and sustainable groundnut processing and distribution business and an exemplary social enterprise contributing to health and economic development in Malawi and southern Africa.”*
- **Shareholders**
 - Waterloo Foundation
 - NASCOMEX
 - NASFAM Trust
 - Twin
 - Ex Agris
 - Cordaid

Strong Commercial Foundations

- Diverse product portfolio including raw, blanched, paste, butter, and roasted groundnuts responding to emerging international and domestic market opportunities;
- Third party certified modern processing facility and best practice production techniques will counter the threat from Aflatoxin contamination,
 - allowing European markets to be served
 - reducing Aflatoxin-related health issues for domestic and regional consumers;
- Builds on proven successful groundwork by NASFAM and Twin, co-owners of Liberation Foods CIC, and now Afri-Nut to consolidate the integration of smallholder peanut supply chains.

Keys to Success

- Commitment to work only with self-motivated farmers
- Careful research before geographic expansion
- Only areas with strong economic and human potential selected
- Partnerships with service providers made rather than trying to provide all services



- **Award**

- ✓ **Yara Award for African Green Revolution 2009**

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