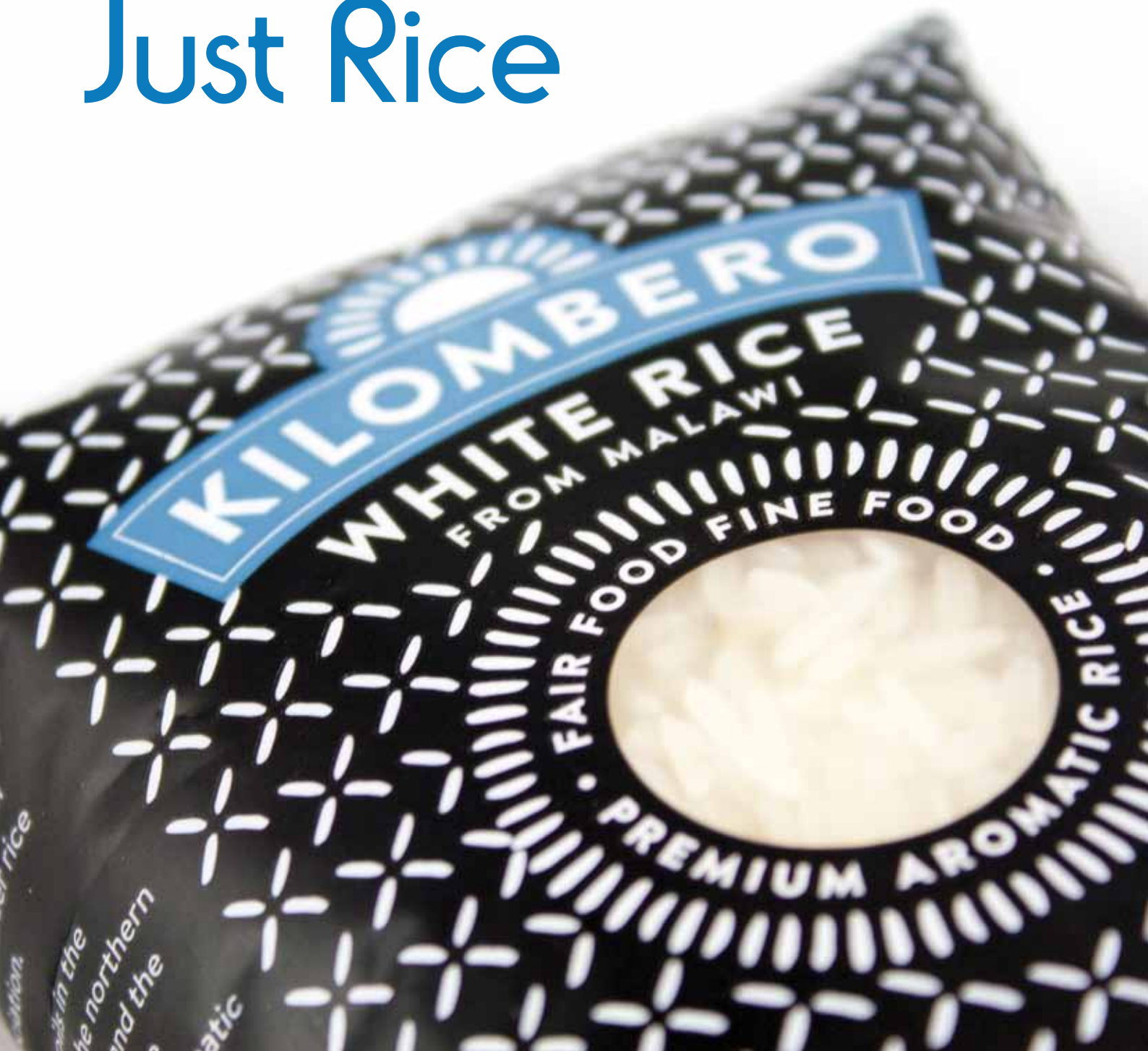


Just Rice



Improving the livelihoods of rice farmers in Karonga through seed multiplication and developing an assured market in Scotland and beyond



Summary of the final report on
Grant MW 13 of the Scottish Government's
Malawi Development Programme 2013-2016





Malawi is amongst the poorest nations on earth with little industry and few natural resources other than agriculture, fishing and some minerals. It has a young and rapidly increasing population that has limited access to secondary and tertiary education or effective healthcare and a rapidly devaluing currency. HIV/AIDS remains endemic and many children are malnourished. The viability of the country currently depends on significant international support.

Karonga District is located in the north of the country. It has a population of 195,000 which consists almost entirely of smallholder farmers and their families who cultivate the rich, red earth of the plain that lies on either side of the main road north.



The Project

The project aimed to improve the livelihoods of the rice farmers of Karonga in northern Malawi by:

- Improving the availability of high quality rice seed through seed multiplication techniques which would lead to the farmers harvesting and selling enhanced yields of better quality rice;
- Developing an export market in the UK and beyond for a portion of the farmers' crop.

The project was funded by the Scottish Government's International Development Department under Phase 2 of the Malawi Development Programme, 2013 – 2016 by means of a grant of £276,000 over the three year life-time of the project. The grant was made to Just Trading Scotland (JTS) a company based in Paisley, Scotland which collaborated with the National Association of Smallholder Farmers of Malawi (NASFAM) and the Kaporo Smallholder Farmers' Association (KASFA) to deliver the project.

The Partners

JTS, a fair trade importer wholly owned by the Balmore Trust, a Scottish charity. Its objectives are to provide developing world producers with an expanded market for their goods, while at the same time educating children and consumers in the UK about smallholder farmers in the developing world. JTS also seeks grants specifically to support development and increase quality of life in Karonga.

NASFAM, the National Smallholder Farmers' Association of Malawi, is a membership organisation of 180,000 farmers which provides training, farm inputs, marketing and business support to its members, organised into some 45 local associations. It buys from its local associations, and markets through local supermarkets and international partners. It is an NGO that is independent, membership-owned and democratically governed.

KASFA, a local association of NASFAM which has nearly 7,000 members (of which 60% are female). It is based in the north of Malawi which is a major rice growing area with some 35,000 rice farmers. KASFA exists to improve the livelihoods of its smallholder farmer members who are organised into clubs and zones from which the Board is elected.

In addition to these main players, JTS works closely with the Scotland Malawi Partnership and the Scottish Fair Trade Forum to promote the sale of fairly traded products in Scotland and the development of smallholder farmers.

The Farmers' Needs

- The farmers were struggling to meet the costs of daily living. This meant they were unable to pay for their children's secondary education forcing them into a 'poverty trap'
- This need for greater income necessitated deriving more value from the farmers' plots.
- Farmers were not able to maximise profits locally from improved rice quality which necessitated the creation of an export market to improve their situation
- The farmers' lives consisted of constant grinding manual labour. Unless the farmer was lucky enough to have access to oxen and a plough, every stage of cultivating rice and their other crops was undertaken solely by hand, from digging the plots with a hoe when the rains came, through transplanting the seedlings, reaping, drying and threshing the rice, to winnowing and transportation.
- Traditional drying methods were greatly decreasing crop quality.


As time has gone on, additional needs have become apparent such as means of further mechanising the farming processes, access to water wells and pumps to irrigate the crop, a quality control system that would continue to increase consumer confidence in the product, access to savings clubs for women and improved banking facilities generally and always more affordable credit to kick-start capital investment. Importantly, the existing mill needs to be replaced and up-graded.

In the event, it was decided to try to meet some of the farmers' most pressing needs from the 2013-16 grant, with further progress being made by attempting to access future grants.

Objectives

- Funded by the grant, five metric tons (MT) of high-quality Kilombero rice seed would be purchased from a local research station and distributed to 250 previously trained lead farmers who had been identified from the KASFA membership.
- The lead farmers would grow the crop over the 2013-14 season to produce in the region of 250 MT of certified Kilombero rice seed.
- This crop would be purchased from the lead farmers using the grant and a free distribution of seed made to KASFA members for growing in 2014-15.
- Prior to planting, KASFA members would be trained in improved cultivation techniques by KASFA field officers, so as to ensure the best possible results were obtained from the improved seed.
- When the crop was harvested in 2015, KASFA members would donate to the organisation double the amount of seed they had received as a gift in 2014 to enable KASFA to fund a further purchase of research station seed in 2016, so that another free injection of certified seed could be made in 2017, with a further improved crop of rice being harvested by KASFA members in 2018. In this way the quality and vigour of the Kilombero rice being grown in Karonga would improve consistently over time, with all costs covered by KASFA's seed bank.
- KASFA would commission the manufacture of 50 ox-carts using funding from the grant. The carts would then be sold to farmers on a hire-purchase basis and the re-couped funds used by KASFA to fund the manufacture of additional carts that would be sold in the same way, and so on until all demand had been met.
- Similarly, KASFA would acquire 300 tarpaulins and sell them to the farmers with the costs being recouped on a credit basis.
- In Scotland JTS would use the grant to employ a marketing officer to seek to increase the quantity of rice being sold in the UK. They were also to undertake a vigorous programme of dissemination of information about the grant and the farmers through various methods and links would be developed with a prestigious academic unit in Scotland by sponsoring two post-graduate students to travel to Karonga and report on how JTS and its partners could continue collaborating for the benefit of the farmers.

There were a number of understood principles that were not explicitly defined in the application but which became important themes as the project progressed. These included the need for women to benefit as well as men, for the ultra-poor members of the community to be included in the benefits, for the gains to be sustainable, for all costs incurred in Malawi to be covered by the grant and for in-kind contributions to be a part of the project's success.



One significant although unintended consequence was the increase in KASFA membership from 3,000 to over 6,000 in the lifetime of the project, as farmers became aware of the significant benefits to be realised by becoming members. This increase in membership exemplifies that the benefits being reaped by members of the scheme lead to a desire of other farmers to engage in what was happening.

Achievements

Seed improved and multiplied

This aspect of the project was a complete success. KASFA was able to secure 5 MT of seed from the research station in 2013 and distribute it to the 250 lead farmers. This was then grown on with KASFA buying back from them 105 MT of excellent quality certified seed, funded by the grant in mid-2014. Each of 5,000 KASFA members then received, free of cost, 20 Kg of certified Kilombero rice seed for planting in late 2014 and harvesting in 2015.

Farmers' skills improved

KASFA's field officers led a training programme for the 5,000 KASFA members about the importance of using certified seed, how to take care of their crops efficiently, and the importance of storing reserves of their harvest.



Farmers planting certified seeds had a 30% to 40% increase in yield compared with neighbours using non-certified seeds.



Farmers reported that the tarpaulins worked exactly as intended, reducing wastage at threshing, enabling the rice to be sun-dried hygienically while reducing manual labour.

Increased yields

Although poor weather conditions in 2015 meant that average yields in Karonga were reported to be around 15% lower than in 2014, farmers planting certified seeds had a 30% to 40% increase in yield compared with their neighbours' results.

A sustainable cycle

After the 2015 harvest each farmer who had received 20 kg of seed returned 40 kg to KASFA. This meant an increase in the total amount from 105 MT to 210 MT. Every farmer involved in the scheme honoured the terms of the loan.

Improved quality

NASFAM bought and distributed 300 tarpaulins to KASFA members who repaid the cost of the tarpaulins enabling KASFA to buy another 91.



The ox carts have improved the quality of life for participating farmers, however there are still multiple technologies such as irrigation schemes, ploughs, rotovators and threshing machines which would help to further reduce labour input.

Greater income for farmers

The major hoped-for benefit of the project was that improvements in techniques, yields and rice quality would lead to increased income for farmers enabling many to move beyond subsisting on USD1 per day or less. Unfortunately, despite the success of so many of the project elements, this was not yet achieved in 2015.

This was due to a number of factors including the poor rains in 2014, the inability of NASFAM to purchase more than 30% of the harvest, which led to the farmers selling at knock-down prices, and Malawi's currency devaluation, which resulted in rising living costs. It is hoped that the harvest in 2016 will begin to realise the kind of yield increases that can be expected from the use of certified seed and this will increase further as a greater proportion of the seed sown is "pure" Kilombero. Malawi continues to face severe economic and environmental difficulties which make life difficult for its citizens. However this project has helped to greatly improve the capacity of participating farmers to succeed in this environment.

Less manual labour

As a result of a change in currency exchange rate it was possible to finance the manufacture of 56 ox-carts (instead of 50). These were distributed to members on a hire-purchase basis with the proceeds enabling another 41 to be financed.

Women supported

60% of the KASFA membership is female with the women often being the heads of the household.

Ultra-poor supported

KASFA made 12 tarpaulins available for free distribution to ultra-poor families. In addition these families can often get free access to ox-carts and tarpaulins as a result of the generosity of the community. Certified seed was issued free to a number of poor families with no need to donate seed back to KASFA. A donation of 600 kg of rice was made to local schools in the poorest areas.



A key issue for the future is to work with KASFA to ensure the women farmers have control of the proceeds of their efforts. This is an important issue as it has been shown that development indicators increase across the board when women are able to control their resources.

“In terms of livelihood indicators, it was found that members, relative to non-members, have higher overall expenditure, better food security, own more durable goods, have better housing quality and invest more in the education of their children. The positive impact findings suggest as a result of more stable and secure income, farmers are able to make better long term investments.”

M. Guenther, Masters’ dissertation, Adam Smith Business School, University of Glasgow, 2014



KASFA membership increased from 3,000 to over 6,000 in the lifetime of the project.

Increasing the market for Kilombero rice

JTS employed a marketing officer for three years who developed the market for Kilombero rice in Scotland and beyond. Activities included:

- Re-branding Kilombero rice;
- Winning a 2015 Gold Great Taste Award;
- Signing of contracts in 2016 to supply Kilombero rice to two major commercial chains;
- Significant ongoing promotion of the 90kg Rice Challenge;
- Commitment by JTS to purchase at least 60 MT of Kilombero rice a year.

Disseminating information

JTS took part in numerous events, including Christian Aid roadshows, to disseminate news of the project.

It created an education pack based on the rice farmers of Karonga which explained how the purchasing decisions we make in Scotland can help to improve the livelihoods of those in Malawi.

In partnership with other funders JTS supported visits to Scotland by farmers from Karonga who inspired audiences with their unique accounts of farming in northern Malawi.

Links with the Academic World

Two MA students from Glasgow University’s Business School visited Karonga in 2014 and 2015. They both earned high marks for their research and analysis. This aspect of the project had multiple benefits, to the students, to JTS, to the farmers and to the Business School.



The newly re-branded Kilombero Brown Rice won a 2015 Gold Great Taste Award.

Lessons learned

It is remarkable how much can be achieved when

- a project is designed to be directly relevant to the needs of the beneficiaries, and
- both donor and recipient partners commit wholeheartedly to ensuring its success.

Contrary to the reputation Africa has as a continent where it can be difficult to implement plans, the representatives of NASFAM and KASFA and the rice farmers of Karonga were professional and highly competent. They all ensured that the project's objectives were achieved, whenever possible.

What has been most impressive has been the willingness of farmers in Malawi to embrace major change in their farming practices, as demonstrated by the rapid increase in KASFA membership.

Farmers need to see that there is a market for a particular crop and that they will achieve good prices and a fair return on their investment of money and labour. They also need to be confident that they will receive support, training and the appropriate inputs and technical support to enable them to achieve good quality and yields. Then they will change.

Growing sales of Kilombero rice in Scotland and the UK has convinced farmers that they can grow their businesses if they make the necessary changes. The strength of the partnership between JTS and KASFA and between Scotland and Malawi has generated the trust that they will receive the necessary training and on-going support to make the changes. The outcome is that there is now a real opportunity for major agricultural development in the Karonga District.

The Future

The farmers, KASFA, NASFAM and JTS are all clear that many needs remain to be met. The farmers need to continue to introduce simple technology that will remove more of the strain of manual labour. They are especially keen to see more ox-ploughs in use in Karonga and JTS has a grant to develop a simple threshing machine to assist with the harvest. It is important to mitigate the threat to the crop from poor rains at crucial periods and all parties were insistent that some form of low-cost irrigation technology needs to be available in the area. There is an urgent need to increase training and technologies which counter the potentially disastrous effects of climate change.

The success of the seed multiplication process has led to calls for the scheme to be funded to reach a greater proportion of the farmers in Karonga. The farmers want to establish ownership of all the processes of milling, polishing and bagging their rice with all these operations being undertaken in Karonga. At the heart of all these needs is access to affordable capital, the lack of which accounts for so much of the under-development of Malawi's huge potential.

More needs to be done to empower women farmers. A recent FAO report on KASFA has recognised the work that KASFA has been doing in this area and made recommendations for further progress.

In Scotland it is vital that there is a continued effort to increase the market for Kilombero rice. Malawi's lack of natural resources makes it imperative for the country to establish export quality products. The re-branding process which has led to orders from major retailers shows that there is the potential to establish Karonga as a major international export market for quality rice.

JTS is committed to continuing to work to support the development of this needy but worthy population of self-reliant families and communities, using whatever opportunities arise.