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Major drivers for rural transformation in Africa: Job creation for rural growth

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Creating Rural Employment for Economic Growth in ACP countries – Linking Small Scale Producers to Dynamic Markets

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Executive Summary

The National Smallholder Farmers' Association of Malawi (NASFAM) evolved out of greater need to support smallholder farmers ability to change from being subsistence farmers and produce for the market which is a highly complex environment. With globalization and adoption of free market policies there are opportunities and hardships which impact on any business including the farming business by smallholder farmers. In terms of opportunities, there has been greater competition and market creation especially for the specialized crops such as tobacco, groundnuts and chillies. However, challenges have been mainly high cost of inputs and uncertain produce prices from year to year.

In such an environment, smallholder farmers struggle because they go individually into farming business and, when they go up the agricultural value chain, fail to sustain themselves. In this regard, the only best way is for the smallholder farmers to work in organized groups. Such groups can leverage them to enter into value chains with confidence and have greater influence and get more sustainable benefits.

Against this background, and challenges of individualistic approach, members of NASFAM chose to work in associations that not only provide market services but also provide a strategic point of departure towards integrating into sustainable agriculture value chains. These associations were founded on principles of doing farming as business so that the attitude of farming should change from traditional subsistence to that of commercial. NASFAM is organized as a farmer-directed business system where farmers promote and market cash and food crops such as chillies, groundnuts, tobacco, cotton, rice, soya, and beans. NASFAM has mobilized and organized all associations around common crops within their geographical localities so that it is easier to find and link smallholder farmers to domestic as well as international markets for raw and value added produce.