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The Malawi Strategic Analysis and Knowledge Support System

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The Malawi Strategic Analysis and Knowledge Support System (SAKSS-Malawi) was established in 2009 to strengthen and institutionalize evidence-based decision making in Malawi's agricultural sector. SAKSS-Malawi is implemented by the International Food Policy Research Institute's (IFPRI) Malawi Strategy Support Program (MaSSP). The project is housed in the Ministry of Agriculture and Food Security (MoAFS), and supports implementation of the Agricultural Sector-Wide Approach (ASWAp) by engaging in strategic collaborative research, capacity strengthening. The aim is to promote the production of policy research by national researchers, and policy dialogue to improve the level of policy influence of research produced.

This first newsletter gives a broad overview of the services delivered by SAKSS. The newsletter will be a quarterly, informal publication that informs readers of our activities and upcoming activities. We also envisage future newsletters tackling selected topics in depth.

SAKSS-Malawi Team

Klaus Droppelmann, Program Leader
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The SAKSS-Malawi Team with Mr. George Zimalirana, Director of Agric. Planning Services in the Ministry of Agric & Food Security" (from left YN, HP, KP, KD, GZ, MF and CC)

POLICY RESEARCH

Completed Activities

Agricultural Growth and Investment Options for Poverty Reduction in Malawi: IFPRI supported the design of the ASWAp through the CAADP process with economy-wide modeling to estimate the investments required to meet the 6 percent agricultural growth target of CAADP and the potential effects of this growth rate on the Malawian economy. The aim was to help policymakers and other stakeholders make informed long-term decisions to stimulate the Malawian economy and meet the first Millennium Development Goal (MDG1) of halving poverty by 2015. Study findings indicate that by directing more resources to the agricultural sector through CAADP implementation, Malawi will be able to significantly improve the well-being of its population. (This paper is available online <http://www.ifpri.org/publication/agricultural-growth-and-investment-options-poverty-reduction-malawi-0>)

The Determinants of Food Insecurity in Rural Malawi: A recent study by IFPRI Research Fellow Monica Fisher and Oregon State University collaborator Paul Lewin applied a regression model to Integrated Household Survey (2004/05) data to examine how household socio-economic characteristics, local conditions, and current agricultural policies influence the likelihood that a farm household in rural Malawi is food insecure. Study results suggest that households are less likely to be food insecure if they are headed by an individual with a secondary school education or higher; use modern agricultural inputs; practice irrigated agriculture; have regular contact with agricultural extension officers; are located in proximity to agricultural markets; and have access to social safety net programs, such as cash transfers. (This paper is available online <http://www.ifpri.org/publication/determinants-food-insecurity-rural-malawi>)

The Nutritional Impacts of Policies in Malawi: IFPRI Postdoctoral Fellow Olivier Ecker used Integrated Household Survey (2004/05) data and a food demand system model to examine the nutritional impacts of income and price policies in Malawi. Income policies, which directly target household income, include direct cash transfers, food voucher programs, employment programs, and policies that stimulate economic growth. Price policies include agricultural

input subsidies, food subsidies, and price controls. Study results show that policies targeting household income are more effective at reducing micronutrient deficiencies than policies targeting food prices. Policies which reduce maize prices involve nutritional tradeoffs: calorie and mineral deficiencies decrease, but vitamin deficiencies increase. The predicted impact of income policies is more favorable: increasing household budgets reduces nutritional deficiencies across the board, although modestly in some cases. (This paper is available on IFPRI's website <http://www.ifpri.org/publication/analyzing-nutritional-impacts-policies>).

Land Allocation Effects of Malawi's Farm Input Subsidy Program (FISP): In a recent paper, Chris Chibwana (IFPRI Intern), Monica Fisher (IFPRI Research Fellow), and Gerald Shively (Professor, Purdue University, USA) investigated the effects on farm households' land allocation of Malawi's FISP, using data that Chris Chibwana and colleagues collected in Kasungu and Machinga districts in 2009. Regression results indicate that farmers who received coupons for maize seed and fertilizer allocated 45 percent more land to improved maize. Given that hybrid varieties outperform traditional varieties in terms of yield, the FISP appears to have been successful in moving rural households toward the goal of food self-sufficiency. The study also found an increase in land allocation to tobacco in households that received coupons for tobacco fertilizer, which likely brought about an increase in the incomes of farmers, another FISP goal. The FISP-induced increase in acreage allocated to maize and tobacco was associated with a decrease in acreage allocated to other crops (groundnut, soybean, cassava, and sweet potatoes). Study findings thus appear to indicate that agricultural input subsidies encourage farmers to concentrate on a smaller number of crops. Crop simplification is not necessarily detrimental to economic well-being, but if it is viewed in this way, government policies might have to be redesigned to avoid this unintended effect.



A youngster enjoys a nutritious snack. (Source: IFPRI)

Droughts and Floods in Malawi: Assessing the Economy wide Effects. During 2009/10 IFPRI teamed up with RMSI and the World Bank to estimate the likely economy wide effects of droughts and floods in Malawi. This study was conducted by IFPRI Postdoctoral Fellow Karl Pauw, Research Fellow James Thurlow, Murthy Bachu of RMSI and Dirk Van Seventer (freelance economist). They used a general equilibrium model to estimate the economywide impacts of drought and flood related crop production losses in Malawi. The simulations were based on production loss estimates from stochastic drought and flood models. The study results indicate that the economic losses due to extreme climate events are significant in Malawi. About 1.7 percent of gross domestic product is lost on average every year due to the combined effects of droughts and floods. Losses are equivalent to US\$22 million (2005 prices). Given the crop choices for the country, smaller-scale farmers and those in the flood-prone southern regions of the country are worst affected. However, urban and nonfarm households are not spared. Food shortages lead to sharp price increases that reduce urban households' disposable incomes. (This paper is available online <http://www.ifpri.org/publication/droughts-and-floods-malawi>).

Ongoing Activities

SAKSS-Malawi researchers and their colleagues are currently engaged in research covering the following topics: the determinants of rural-urban migration, the effects of Malawi's FISP on maize yields and fertilizer use, the factors influencing participation in weather insurance among tobacco farmers, the agricultural strategies employed by farm households to cope with climate variability, and the impacts of the Greenbelt Irrigation Scheme on poverty and food security.

CAPACITY BUILDING

Completed Activities

The main capacity building activity of SAKSS-Malawi have been a series of training workshops on Stata statistical software (June 2009, January 2010), Computable General Equilibrium modeling (November 2009), Social Accounting Matrix multiplier models (May 2010), and ArcGIS software (September 2010). Workshops participants were from the MoAFS, Bunda College, and the Millennium Challenge Corporation.



Group Work at ArcGIS training course

Ongoing Activities

IFPRI Intern and Bunda College PhD Candidate, Horace Phiri, is developing a digital library of grey literature. Numerous research papers on Malawi agriculture have been produced, but most remain unpublished. Access to these papers has thus been limited, but this will change when the first version of the digital library is will be released in October/November 2010. The digital library is expected to be continuously up-dated and expanded. For that purpose the SAKSS-Malawi will work with the Planning Department to build the necessary capacity.

Another current capacity building activity is the mentoring of and financial support for several Malawian graduate students.

POLICY COMMUNICATION

Completed Activities

In an effort to improve policy dialogue, SAKSS-Malawi disseminates its research findings in the form of regular policy briefs. Policy seminars that highlight the key policy implications of its research are also hosted from time to time. Four policy briefs have been produced and distributed to MoAFS staff, and three policy seminars have been held in the MoAFS conference room. The seminars have motivated lively discussions and covered the following topics: the effects of climate variability on forests in Malawi (March 2010); the nutritional impacts of policies in Malawi (May 2010); and the land allocation effects of Malawi's FISP (August 2010).

Ongoing Activities

Policy briefs and policy seminars will continue to be produced and presented on a quarterly basis, and more frequently when possible.

SAKSS-Malawi has formed a team of researchers to study the policy landscape in Malawi. A key output of this work will be a guide for policy researchers that illuminates the complexity of the whole policy cycle and provides guidance on how researchers can more effectively insert their research findings into the policy process.

TECHNICAL CONTRIBUTIONS AND STRATEGIC SUPPORT

Support to CAADP/ASWAp implementation. In collaboration with the Regional-Strategic Knowledge Support System in Southern Africa (RESAKSS-SA) network, SAKSS-Malawi is supporting the MoAFS in tracking ASWAp/CAADP implementation. The aim is to work towards effective and continuous tracking of future growth and poverty outcomes by providing analysis and knowledge support for planning, review and policy dialogue for agricultural growth and poverty reduction.

In order to anchor CAADP related tracking activities in local partner institutions MoAFS assigned Mr. Kumbukani Ng'ambi, an officer from the planning Department, in July 2010 to work collaboratively with SAKSS-Malawi on CAADP related issues. In September, Mr. Ng'ambi and Dr. Droppelmann attended an introductory meeting with colleagues from IFPRI's Mozambique program and the

RESAKSS-SA node in Pretoria, South Africa to discuss future collaborations and foster cross country learning experiences. It was agreed to work towards the following:

- Establish a multi-stakeholder ASWAp / CAADP monitoring and evaluation working group as the SAKSS country node in Malawi.
- Appoint a SAKSS node coordinator from a national institution, preferably Ministry of Agriculture and Food Security.
- Harmonize CAADP indicator framework with ASWAp results framework.
- Support country level data collection, analysis and publication of reports through two new staff members.
- Malawi SAKSS to link up with the FANRPAN node in Malawi to coordinate policy dialogue and policy research activities.

UPCOMING EVENTS AND ANNOUNCEMENTS

October 2010

The fourth SAKSS-Malawi policy seminar will be held in the MoAFS conference room. Horace Phiri will give a presentation on the development of a digital library. He will also give a demonstration of how to use the library.

November 2010.

In response to demand within the MoAFS, SAKSS-Malawi will conduct a 10-day, intensive training workshop on scientific writing. Announcements for the workshop will be distributed within the MoAFS in October.

A French PhD student, Mathilde Douillet, will join us to develop a new Malawi Social Accounting Matrix in collaboration with MoAFS and NSO. Mathilde will also present a policy seminar on her recent work on Malawian agriculture trade agreements and regional integration.

December 2010.

Chris Chibwana will present findings from his research on the impacts of Malawi's FISP on maize yields and fertilizer use for maize as part of the policy seminar series.