



## **CISANET INPUT TO THE TRANSITION FROM SUBSIDY TO COMMERCIALIZATION, MESSAGE PACKAGING**

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CISANET would like to provide input on the *transition from subsidy to commercialization, message packaging* that the Ministry of Agriculture is working on.

CISANET believes that, overall, the transition from subsidy to commercialization represents a bold step towards transforming Malawi's agricultural sector, with the potential to enhance food security, reduce poverty and stimulate economic growth.

The transition from subsidy to commercialization in agriculture, as outlined by the Ministry of Agriculture in Malawi, represents a significant shift in policy and strategy aimed at promoting self-reliance, increasing productivity and driving economic growth.

The shift towards commercial farming underscores the government's commitment to empowering individuals and communities economically. CISANET believes that encouraging farmers to move away from dependency on subsidies towards commercial ventures, presents a significant recognition of the need for sustainable livelihoods and inclusive wealth creation within the agricultural sector.

The Ministry's approach involves a diverse range of support programs tailored to different segments of the population. This includes social cash transfers for vulnerable groups, public works programs for landless individuals and various financing options for aspiring commercial farmers. Such diversification acknowledges the varied needs and capacities within the farming community.

The provision of loans, grants and other financial support mechanisms is crucial in incentivizing farmers to transition to commercial agriculture. CISANET

recognises that making funds accessible for inputs, mechanization and entrepreneurial ventures, the government aims to facilitate the adoption of modern farming practices and technologies that enhance productivity and profitability.

The inclusion of specific programs targeting youth, women and people with disabilities reflects a commitment to inclusivity and equity. Providing funding and support for these groups to engage in agribusiness, the government seeks to harness the untapped potential of these demographics and foster a more inclusive and dynamic agricultural sector.

The mention of funds for mechanization and the establishment of mega-farms highlights the importance of infrastructure development in driving agricultural transformation. Access to modern farming equipment, technology, and large-scale production facilities can significantly boost productivity and competitiveness, particularly for farmers with substantial land holdings.

While the outlined programs and initiatives are ambitious, ensuring effective implementation and monitoring is crucial for success. Regular assessment of program impact, feedback mechanisms, and adaptive management strategies will be essential to address challenges, optimize resource allocation, and achieve desired outcomes.

**Potential gaps or areas for further consideration may include:**

1. Transitioning from subsistence to commercial farming requires not only financial support but also capacity building in areas such as agricultural practices, business management and access to profitable markets. Investing in training and extension services can enhance the skills and knowledge base of farmers, enabling them to effectively manage commercial ventures and adapt to market dynamics.
2. While the focus is on increasing production, equal attention should be given to market access and value chain development and innovation. Strengthening market linkages, improving storage and processing facilities and promoting market-oriented production can ensure that increased agricultural output translates into tangible economic gains for farmers and contributes to overall food and nutrition security and economic growth.
3. As agriculture intensifies under commercialization efforts, there's a need to ensure that environmental sustainability remains a priority. Encouraging

sustainable farming practices for crops and livestock production, promoting agroecology and mitigating potential negative impacts on natural resources are essential for long-term resilience and food and nutrition security.

4. Effective implementation of agricultural reforms requires coherence and coordination across different ministries, agencies and stakeholders. Ensuring alignment between agricultural policies, land tenure systems, trade regulations and social protection schemes can minimize fragmentation and maximize synergies, promoting a conducive environment for agricultural development.
5. The government should be vigilant and intentional about preventing individuals from benefiting disproportionately from various initiatives. To achieve this, robust mechanisms should be put in place to ensure precise targeting of beneficiaries at all levels. Additionally, systematic approaches must be established to provide equal opportunities for everyone, thereby preventing social inequalities driven by political factors.
6. The government should establish a comprehensive soil health improvement program tailored to the ecological context. This program would ensure precise utilization of fertilizers based on soil deficiencies. Additionally, promoting alternative methods such as composting and organic fertilizers would enhance the effectiveness of inorganic fertilizers and contribute to increased agricultural productivity.
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