Country Strategy and Programme Evaluation

Republic of Malawi

2 September 2022
Main objectives:

To assess the results and performance of ongoing Country Strategic Opportunity Programme (COSOP 2016)

To generate findings and recommendations for new COSOP in 2022

Scope:

IFAD-supported loans (2011-2020):
USD 437.3 million (IFAD USD 271.6 million)

- 4 ongoing loan projects (SAPP, PRIDE, FARMSE, TRADE)
- 3 closed loan projects (RLSP, IRLAP, RLEEP)

“Non-lending activities”: knowledge management, partnership building and policy engagement, and 65 grants (USD 160.2 million, including USD 51.3 million from IFAD).
Malawi CSPE Process

- Desk review, portfolio data analysis
- E-Survey: 123 respondents

**Country Mission** (September 2022)
  - Field visits (7 districts; 40 beneficiary groups)
  - Virtual meetings with farmers groups (9 districts, 11 beneficiary groups)
  - Virtual focus group discussions focusing on selected themes (11 groups with 63 participants)
  - Bilateral interviews with development partners

- **Final report;** including comments from Government and IFAD Management

*Districts visited during CSPE and programme coverage*
Total project costs

Source: CSPE analysis based on Oracle Business Intelligence data
✓ COSOP (2011, 2016) aligned with Government’s development frameworks
  ▪ Growing emphasis on commercial agriculture and value chains

✓ Climate Change Adaptation (CCA) practices, additional grant funding for CCA

✓ Poverty and gender focus adequate
  ▪ Targeting ultra-poor, vulnerable and food-insecure households
  ▪ Gender-transformative approaches

○ Analysis of existing government capacities not adequate, particularly at district and lower level

○ Increased size and complexity of projects overstretched existing implementation capacities
  ▪ Service providers ensure outreach to IFAD’s target groups

○ Long-term resilience to climate change requires maintenance and scaling up of support
Coherence

- Harmonization and coordination with other development partners limited at district level
- Coordination within IFAD programme improved under COSOP 2016-2020
- Projects designs complementary, but limited overlap and coordination at district level
- Grants: significant; well used to enhance loan interventions.
- Knowledge management and partnership building supported achievement of project results
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<th>COSOP objectives</th>
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| **Strategic objective 1:** Smallholder households become resilient to shocks and enhance food and nutrition security | Environmentally and economically **sustainable agricultural production** systems | ✓ Improved productivity  
 ✓ Promotion of good agricultural practices (GAPs) and nutrition mainstreaming |
| | Climate-resilient land and water management systems | • Delays in irrigation schemes  
 • Water user associations still informal |
| | Smallholder farmers in rural areas accessing **financial services** | ✓ Remote farmers linked through bank agents  
 ✓ High share of women in savings groups  
 • Insufficient liquidity of microfinance institutions |
| | Improved **access to markets** by smallholder producers | • Dependence on traders  
 • Low sales prices  
 • Regulatory and institutional framework |
Poverty Impact

- **Productivity gains** eroded as soon as farmers stopped receiving inputs (fertilizer, improved seeds) and services

- Limited impact
  - Diversifying production systems and securing reliable market access for smallholder farmers
  - Food security
  - Market access and incomes from crop production was insignificant

- Farmer groups and WUAs; but they lack formal registration and are insufficiently empowered
Conclusions

Positive trajectory:
- Continuity and progression of country strategy
- Larger and more complex projects
- Multitude of initiatives and practices
- Many positive practices; they need to be sustained and scaled up

Challenges:
- Comprehensive approaches required to address smallholder farmers’ multiple challenges and trade-offs
- Food security and climate change resilience are paramount challenges
- Government’s insufficient engagement and capacities in knowledge management, including M&E
- Institutional capacities main bottleneck undermining efficiency and effectiveness
Recommendations

Recommendation 1

- Adopt an explicit approach to addressing chronic food insecurity and malnutrition through diversified and sustainable production system as COSOP objective.

Recommendation 2

- Develop a strategic approach for enhancing the impact and scale of successful practices and initiatives.

Recommendation 3

- Address implementation bottlenecks through targeting specific capacity constraints at various levels.