FEED THE FUTURE
The U.S. Government's Global Hunger & Food Security Initiative

Global Food Security Strategy (GFSS)

Malawi Country Plan

August 2024

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Acronyms

AIDS	Acquired Immune Deficiency Syndrome
AMS	Agriculture and Market Systems
ATI	Agricultural Transformation Initiative
BHA	Bureau for Humanitarian Assistance
CA	Conservation Agriculture
CARD	Center for Agricultural Research and Development
CBFEWS	Community-based Flood Early Warning Systems
CCIR	Crosscutting Intermediate Result
CDCS	Country Development Cooperation Strategy
CRS	Catholic Relief Services
CSO	Civil Society Organization
DODMA	Department of Disaster Management Affairs
ECDI	Early Childhood Development Index
EEY	Entrepreneurship, Employment, and Youth
EU	European Union
FAO	Food and Agriculture Organization
FAW	Fall Armyworm
FTF	Feed the Future
FMD	Foot and Mouth Disease
FY	Fiscal Year
GDP	Gross Domestic Product
GFS	Governance for Solutions
GFSA	Global Food Security Act
GFSS	Global Food Security Strategy
GIZ	German Gesellschaft für Internationale Zusammenarbeit
GoM	Government of Malawi
HDDS	Household Dietary Diversity Score
HIV	Human Immunodeficiency Virus
HPN	Health, Population and Nutrition Office
IBEE	Improved Business Enabling Environment
ICS	Integrated Country Strategies
IPC	Integrated Phase Classification
IFAD	International Fund for Agricultural Development

IFPRI	International Food Policy Research Institute
IR	Intermediate Results
LUANAR	Lilongwe University of Agriculture and Natural Resources
MCC	Millennium Challenge Corporation
MCHF	Modern Cooking, Healthy Forests
MDTF	Multi-Donor Trust Fund
MEL	Monitoring, Evaluation, and Learning
MGDS	Malawi Growth and Development Strategy
mHub	Malawi Hub (technology & innovation hub in Lilongwe and Blantyre)
MICS	Multiple Indicator Cluster Survey
MUST	Malawi University of Science and Technology
NAP	National Adaptation Plan
NGO	Non-Governmental Organization
NRS	National Resilience Strategy
PACA	Partnership for Aflatoxin Control in Africa
ppb	parts per billion
RFC	Resilience Focus Country
RHC	Resilient Households and Communities
RFS	Bureau for Resilience and Food Security
RFSA	Resilience Food Security Activities
RFZ	Resilience Focus Zone
SADC	Southern African Development Community
SDG	Sustainable Development Goals
SEG	Sustainable Economic Growth Office
SHF	Smallholder Farmer
SME	Small and Medium Enterprises
SNRM-CCA	Sustainable Natural Resource Management and Climate Change Adaptation
SUN	Scaling Up Nutrition
TA	Traditional Area
UK	United Kingdom
UN	United Nations
UNICEF	United Nations Children Fund
USAID	U.S. Agency for International Development
USDA	U.S. Department of Agriculture

USG	United States Government
VACS	Vision for Adapted Crops and Soils
VS&L	Village Savings and Loan
WASH	Water, Sanitation, and Hygiene
WB	World Bank
WFP	World Food Program
WNHC	Well-Nourished Households and Communities
WHO	World Health Organization
ZOI	Zone of Influence

Executive Summary

The Global Food Security Strategy (GFSS), published in 2022, is the overarching strategy document which guides the U.S. government's (USG) investments focused on achieving global food security as well as the Sustainable Development Goals (SDGs). The GFSS is an interagency, whole-of-government effort led by the U.S. Agency for International Development (USAID). As a recently-designated Feed the Future (FTF) target country, USAID Malawi together with the interagency at post is required to develop a GFSS Country Plan. This Country Plan documents the country context and relevant key issues, the target zone of influence (ZOI) in which the interagency team will focus its resources, and the results framework and programmatic components which the team has designed to address the key issues and achieve a significant reduction in poverty, food insecurity, and malnutrition. The interagency team will work in partnership with other like-minded donors, the Government of Malawi (GoM), the private sector, and other stakeholders to make the goals outlined in this document a reality.

Malawi is a small, youthful, densely populated, landlocked country in southeastern Africa with high female fertility and population growth rates. It is one of the poorest and least-developed countries in the world, with more than half of the population living below the domestic poverty line and very food insecure. Over 80 percent of children aged 6-23 months experience moderate or severe food poverty, and stunting in children over five is over 35 percent.

Agriculture remains the backbone of Malawi's economy. Rain-fed subsistence farming on small farms with low yields and high risk is the dominant form of agriculture in Malawi. The growing population (projected to double in the next two decades) continues to decrease the size of these small farms, which over time will make it increasingly more difficult for rural households to feed themselves.

Malawi needs to either make a rapid transition to urbanization and industrialization or stabilize the population through a substantial decline in the total female fertility rate (or preferably both). In the absence of rapid industrialization and with the current population trajectory, just to maintain current levels of poverty and food insecurity, the land will need to produce at least twice as much food and income as it currently does by 2043, and more if household food security and poverty levels are to improve.

While maize is the primary staple food for most Malawians, fish provide a high percentage of household protein and livelihoods for many people in Malawi. However, over the past two decades, fish stocks have significantly decreased, and the sector is under serious threat due to unsustainable fishing practices and overfishing. Continued depletion of fish stocks could lead to dire ecological, nutritional, and economic consequences.

High fiscal deficits have necessitated large devaluations in the currency, and inflation has been extremely high. After accounting for inflation, per capita economic output has been stagnant over the past few years, and purchasing power has declined. Economic growth below the population growth rate and declining purchasing power exacerbate Malawi's economic and food security challenges. The vast majority of all employment is informal, and only ten percent of working age Malawians have formal jobs. Most of the 400,000 youth entering the workforce each year are forced into low-wage informal employment.

Low educational attainment in Malawi is a major impediment to the country's economic growth and perpetuates poverty and malnutrition. Overall, men have a higher literacy rate than women, primarily driven by lower literacy rates among older women. Younger women and girls have higher literacy rates than men and boys, and girls' attendance is higher than boys across all education levels, although girls complete upper secondary at a lower rate than boys.

Malawi is still one of the most unequal countries in terms of women's reproductive health, empowerment, and economic status. Women have lower levels of employment, more informal employment, lower levels of decision making and weak power dynamics in the household, frequently suffer from gender-based violence, and have limited representation in Parliament and other political offices.

Other challenges facing Malawi include serious deficiencies in the electrical grid system, a heavy reliance on wood and charcoal as the primary energy sources, chronic deforestation and forest degradation, significant annual topsoil losses and declining soil fertility (due to acidic soils and low soil organic matter), high susceptibility to frequent severe weather events, increasing temperatures, shorter rainy seasons with increasing periods of drought, making rain-fed agriculture increasingly more challenging. Social and government service inadequacies include a weak health system unable to address many of the chronic household health and nutrition deficits, limited access to improved water sources and sanitation facilities, high levels of corruption and bureaucracy, low levels of government competence, and very limited policy implementation.

Malawi needs to identify new drivers of growth and foster a thriving private sector that can create economic opportunities and jobs for its rapidly growing, youthful population. New and innovative solutions designed to mobilize Malawi's private sector are required to lift people out of poverty and achieve inclusive, resilient, and sustainable wealth generation.

The GFSS Country Plan will focus USG resources on a five-district target zone of influence in the central and southern regions due to the high levels of food insecurity, stunting, and poverty in those districts combined with the presence of private sector firms with whom the programs can partner to achieve results. It features six complementary and integrated components to address the many challenges confronting Malawi: (1) Agriculture and Market Systems; (2) Well-Nourished Households and Communities; (3) Resilient Households and Communities; (4) Entrepreneurship, Employment, and Youth; (5) Sustainable Natural Resource Management and Climate Change Adaptation; and (6) Improved Business Enabling Environment. Each of these is briefly described below.

The **Agriculture and Market Systems Component** will shift smallholder farmers from subsistence agriculture to commercial agriculture, where possible, by linking smallholder farmers to larger private sector partners. The component will collaborate with companies that have shared values with USAID/Malawi; leverage and expand private sector investments in infrastructure, extension services, and market linkages; and create positive spillover effects in surrounding communities. This component will increase smallholder farmer production and marketing of a variety of agricultural crops, and develop the production and marketing systems into more formal, market-oriented systems. It will expand access to extension services and knowledge of improved production practices, encourage use of climate-smart agriculture practices, increase access to improved climate-smart inputs, expand utilization of water-smart irrigation to enable year-round production of higher-value crops, improve post-harvest crop storage practices, and expand access to finance.

The **Well-Nourished Households and Communities Component** will strengthen nutrition outcomes by implementing both nutrition-sensitive and nutrition-specific activities. Nutrition-sensitive activities include agriculture, livelihoods, and water, sanitation, and hygiene (WASH) interventions. Nutrition-specific activities include nutrition training and strategic behavior change communication with an emphasis on dietary diversification; promotion of optimal infant feeding practices; timely and age-appropriate complementary feeding; optimal maternal nutrition; nutrition cash transfers for pregnant and lactating women; micronutrient supplementation; food fortification; child growth monitoring; treatment of moderate and severe malnutrition in children under five; distribution of food commodities

to learners as an incentive for school attendance; training and deploying dietitians to all referral and district hospitals; and providing technical support to create a sustainable financing strategy for nutrition.

The **Resilient Households and Communities Component** will help households, communities, and institutions to better anticipate and manage climate and human-induced food insecurity risks and improve their ability to adapt to and recover from shocks and stresses. This component will expand the Community-based Flood Early Warning Systems (CBFEWS) to additional districts in southern Malawi that are prone to cyclones and flooding. It will also enhance riverbank flood protection, promote improved watershed management, install water harvesting technologies, and promote better management and protection of forests. Agricultural activities, such as the Vision for Adapted Crops and Soils (VACS), will contribute through promoting use of climate-smart agriculture practices; increase access to improved crop inputs such as drought- and/or flood-tolerant seed varieties; expand access to irrigation systems; reduce post-harvest losses; and increase access to crop/livestock insurance and financial services (saving, lending, money transfer). Farmers will receive weather forecasts to guide their decisions. In addition, this component will invest alongside the GoM and other donors to expand the social safety net.

The **Entrepreneurship, Employment, and Youth Component** will increase employment through expansion of partner agricultural firms' extension services and in new and expanded processing facilities. Youth will receive vocational training in marketable skills to enable them to obtain employment or start their own small businesses. Additional mentoring and training will provide incubation and business acceleration services for youth-owned startups and very small businesses, build financial literacy and entrepreneurship skills, and create linkages to financial service providers.

The **Sustainable Natural Resource Management and Climate Change Adaptation Component** will promote watershed, forest, and fisheries restoration and management. Key interventions will include implementing water harvesting technologies to increase groundwater and reduce soil erosion; enhancing flood protection in flood-vulnerable areas; facilitating improved management, protection, and regeneration of forests; promoting access to and use of improved cookstoves and alternative energy sources to reduce demand for biomass fuels; working with private sector actors to increase production of renewably-sourced charcoal; and engaging a broad array of stakeholders to improve licensing, monitoring, and enforcement of fishing regulations, and protection of fish spawning sites.

The **Improved Business Enabling Environment Component** will promote an improved policy and business enabling environment through research and advocacy. It will facilitate evidence-based dialogue with relevant GoM interlocutors and encourage the GoM to implement business-friendly policies and laws that support economic growth and international trade through a variety of multilateral and bilateral mechanisms. In addition, the component will provide strategic advice and capacity building to the private sector and the GoM with the goal of increasing trade with South Africa and the U.S.

These six programmatic components are designed to work in an integrated, complementary fashion to achieve substantial change in the underlying issues that continue to plague Malawi and keep rural Malawians poor and food insecure. Successful implementation of these components is expected to result in a transformation of agriculture and the rural economy, with more than 200,000 Malawians in the target zone of influence leaving poverty behind and becoming food secure (out of a total projected 2026 population of just over three million in the ZOI).

Introduction

The GFSS Country Plan for Malawi was written after extensive consultation with stakeholders from government ministries, private sector companies, research institutes, international and local NGOs, donors and international organizations and was given extensive review and commentary by USG interagency partners in Malawi and Washington, DC. As a living document, it is intended to be updated as needed in consultation with those parties over time.

The Malawi country plan is informed by a literature review; performance, impact, and population-based data and analysis of prior FTF and resilience activities; market analysis of the targeted agro-ecological zones and socio-economic factors impacting poverty, nutrition, and resilience; and stakeholder consultations. The key drivers of food insecurity, malnutrition, poverty, and low levels of resilience include: a high and unsustainable total fertility rate; unreliable rain-fed agriculture on small and shrinking farms; insufficient food production to meet population growth; a weak economy with very low and stagnant per capita GDP; low education rates; lack of employment opportunities, especially for women, youth, and persons with disabilities; insufficient household income to purchase food; lack of access to finance; low levels of women's empowerment; high frequency of human-made and natural shocks and disasters and limited early warning systems, limited use of high-quality drought-tolerant and flood-resilient seed varieties, sparsely utilized hazard insurance, and very meager household assets; poor natural resource management, including high levels of deforestation and soil erosion; poor household nutrition and hygiene practices, including low levels of dietary diversity and sub-optimal infant feeding practices; and poor health outcomes.

These key drivers stem from a complex set of underlying conditions that exist at the individual, household, community, and system levels. The GFSS Country Plan serves as an overarching framework for integrated food security, nutrition, and resilience programming that is designed to address these drivers. Key elements of the approach include: a fundamental, strategic emphasis on leveraging private sector resources, skills, and market facilitation; an emphasis on building household and community resilience; a shift from subsistence agriculture to commercially-oriented agriculture; improved natural resource management to sustainably address the growing threats from climate change; a targeted approach to transform harmful gender norms; an emphasis on improved dietary diversity and young child feeding practices; enhanced and broadened access to finance; improved educational outcomes and expanded access to vocational training; increased opportunities for entrepreneurship and employment among women and youth; and an improved policy and business enabling environment to facilitate greater economic growth and employment opportunities. Prior to receiving development assistance, the most vulnerable and poorest segment of the population often does not have sufficient assets, skills, and capabilities to participate in commercially-oriented agricultural operations. These populations will need to be supported through enhanced social safety net programs and, where possible, assisted to develop their capacity over time to participate in more commercial value chains so that they can become a viable livelihood option.

At the design and procurement stage of this strategy, the targeting, results framework, and program components will require further refinement to operationalize integrated and holistic approaches. In addition, on an ongoing basis, the USG Food Security team at the Mission employs a Collaborative, Learning and Adaptation (CLA) approach using real-time information and analysis, in particular real-time information on shocks and resilience outcomes, to monitor performance, adjust activities to maximize investments, and respond to emerging opportunities and challenges.

A. Country Context

A.1 Overall Country Context

Malawi is an independent, multi-party democratic republic in southeastern Africa. It is one of the poorest and least-developed countries in the world, with an average per capita gross national income (GNI) of US$380 in 2019.[1] A precarious existence is a pervasive reality for a large portion of Malawians – 51 percent of the population live below the domestic poverty line with low food security (using the International Poverty Line, the poverty prevalence is over 70 percent). This Country Plan makes the case that dramatic changes and innovative solutions are needed if Malawians are to have a more prosperous, secure future.

Malawi is a small, youthful, densely populated country with high female fertility and population growth rates. The projected doubling of the population over the next two decades is not good news for a country that chronically struggles to feed its current population. See subsection A.6 Risk and Resilience Context for additional detail on the challenges created by Malawi's high population growth rates.

Agriculture remains the backbone of Malawi's economy. The agriculture sector's direct contribution to GDP has been declining over the long term, dropping from just over 35 percent in 2000 to under 25 percent in 2020. However, analysis by the International Food Policy Research Institute (IFPRI) of Malawi's Agri-Food System revealed that the extended agricultural system (including agricultural production, processing, markets, transportation, and inputs) contributed 46% to GDP and provided 77 percent of employment in 2020, making it the largest single contributor to GDP.[2] Agriculture provides livelihoods to more than 4.5 million smallholder farming families and accounts for 80-90 percent of the country's foreign currency earnings.

Rain-fed subsistence farming on small farms is the dominant form of agriculture in Malawi; approximately 80-85 percent of the population is employed in this segment and smallholder farmers (SHF) produce over 90 percent of the country's food. Unfortunately, as the population grows, the size of these small farms continues to decrease. SHF productivity is low and unpredictable, with high risks associated with climatic and other shocks.[3] Moreover, the agricultural sector is heavily reliant on maize as the primary food crop and tobacco as the primary cash crop. Recent efforts, such as USAID's Feed the Future (FTF) Agriculture Diversification Activity, have aimed to diversify away from these two crops, but more work

[1] Krishnan, Sudha Bala, and Miles McKenna, Elena Gasol Ramos. 2021. "Creating Markets in Malawi: Country Private Sector Diagnostic." International Finance Corporation.
[2] IFPRI. 2023. "Measuring Changes in Malawi's Agri-Food System."
[3] Government of Malawi Department of Disaster Management Affairs. 2018. "Malawi National Resilience Strategy."

is needed. See subsection A.5 Primary Constraints in Agriculture and Food Systems for the primary constraints holding back Malawi's agriculture sector.

Fisheries, especially those in the three major lakes, play a crucial role in providing protein and sustaining livelihoods for many people in Malawi. However, over the past two decades, fish stocks have significantly decreased, and the sector is under serious threat due to unsustainable fishing practices and overfishing, including the use of insecticide-treated bed nets (meant to curb malaria) for fishing.[4] As fish stocks decline, fishers use small mesh nets to catch whatever is available to eat and sell. The subsequent decline in income has led to a rising public health and gender-based violence problem of demanding sex for fish, further spreading HIV/AIDs. Without significant changes, the depletion of fish stocks could lead to dire ecological, nutritional, health, and economic consequences. See subsection A.5 Primary Constraints in Agriculture and Food Systems for additional detail on the decline in Malawi's fisheries.

Current economic growth rates are not expected to solve the country's poverty-related ills. Although nominal Gross Domestic Product (GDP) has grown at an average rate of 4.35 percent from 1994 to 2022,[5] real GDP (both total and per capita) has been stagnant over the past few years, and purchasing power parity has declined. Low economic growth, declining purchasing power, and rapid population growth and densification will only exacerbate Malawi's economic and food security challenges. More rapidly bringing down fertility rates would give Malawi the opportunity to leverage the productive potential of its large youth population as they reach working age and increase the ratio of working age populace to dependent children. This should increase per capita income. See subsection A.2 Macroeconomic Challenges for greater detail on the macroeconomic challenges facing Malawi.

The persistent issue of low educational attainment in Malawi is a major impediment to the country's economic growth and perpetuates problems of poverty and malnutrition. Only six percent of Malawian children who start primary school complete their secondary education. Furthermore, approximately 85 percent of all children in Malawi reside in rural areas, where foundational reading and numeracy skills are significantly lower compared to their urban counterparts. Low educational attainment levels were significantly hurt by COVID-related school closures and then further exacerbated by Cyclone Freddy as a result of damaged schools and schools being repurposed as emergency housing for displaced persons. Learning poverty in Malawi is severe, with only 19 percent of 7- to 14-year-olds having foundational reading skills and 13 percent having foundational numeracy skills.[6] Sex-disaggregated literacy rates reveal, overall, men have a higher literacy rate than women, but that is driven by relatively low literacy rates among women ages 25+ where the literacy gap between men and women increases with age. Among the age 24 and younger population, women and girls have higher literacy rates than men and boys. As noted elsewhere in this document, girls' attendance is higher than boys across all education levels (although girls complete upper secondary at a slightly lower rate than boys) giving hope that women will increasingly enter the workforce. For women 25+, however, there is still a very real gender gap in a variety of areas including literacy, employment, power dynamics in the home and community, and representation and leadership roles in the political sphere.

Because of its youthful and expanding population, low economic growth rates, and poor educational attainment, an estimated 400,000 Malawians enter the workforce each year with bleak employment prospects. About 83 percent of all employment is in the informal sector,[7] and only ten percent of

[4] Berthe, Sara, et al. 2019. "Poverty and food security: drivers of insecticide-treated mosquito net misuse in Malawi."

[5] Trading Economics. "Malawi GDP Annual Growth". Accessed October 7, 2023.

[6] National Statistical Office. 2021. "Malawi Multiple Indicator Cluster Survey 2019-20, Survey Findings Report."

[7] Hawthorne, Ryan, and Sha'ista Goga, Nasong Park & Nicola Wills. 2020. "Malawi Financial Inclusion Refresh." UN Capital Development Fund.

working age Malawians have formal wage- or salary-paying jobs. Women face even greater challenges finding employment than men. See subsection A.2 Macroeconomic Challenges for additional details on the employment challenges facing most Malawians.

Despite recent investments in the nation's electrical grid (including by the Millennium Challenge Corporation), serious deficiencies continue to plague the system. Approximately ten percent of the population is connected to the electrical grid, with the overwhelming majority of those in urban areas; roughly one percent of rural households are connected to the grid. According to World Bank data, Malawi has the fourth lowest level of access to energy in Africa, and access among the richest 20 percent is 30 times higher than among the poorest 20 percent.[8] Furthermore, electricity supply shortfalls require frequent load shedding (blackouts), driving up costs and further hampering private sector growth. A World Bank study calculated that load shedding costs the Malawian economy about three percent of GDP.[9] As a result, wood and charcoal continue to be Malawi's primary energy sources, even in urban areas, with 90 percent relying on woody biomass for household cooking and heating.[10] This reliance on wood and charcoal, coupled with a high and growing population, is rapidly causing chronic deforestation, leading to watershed degradation, topsoil loss, siltation of river systems, and damage to critical infrastructure such as hydroelectric and water supply dams.

These negative impacts are further exacerbated by severe weather events such as droughts, high temperatures, floods, heavy rain, high wind, hail, and cyclones. On average, each district is impacted by some weather-related shock about once per year, and the frequency appears to be increasing over time as the effects of climate change impact southern Africa. Severe rapid-onset events such as Cyclone Idai in 2019, tropical storm Ana in January 2022, Cyclone Gombe in March 2022, and Cyclone Freddy in March 2023 caused loss of life, widespread destruction of houses and other infrastructure, flooded crop fields, loss of livestock, etc. The devastation especially impacted southern Malawi. In addition, long-term recurrent events such as droughts also have widespread and devastating effects on subsistence farmers. Farmers will need to incorporate conservation agriculture (CA), use shorter season drought-tolerant seed varieties, install irrigation systems, widely implement watershed management systems and forest restoration programs, and employ income diversification strategies to effectively adapt to and partially mitigate these climate-related risks that increasingly threaten food security and resilience in central and southern Malawi. See subsection A.6 Risk and Resilience Context for further information on deforestation and climate-related risks.

Food insecurity and malnutrition continue to pose a significant health challenge despite considerable investment by the government and aid organizations over the past couple of decades. In recent years, some improvement has been seen in certain nutrition statistics, such as household dietary diversity, stunting, and Vitamin A deficiencies in children. On the other hand, roughly two-thirds of households regularly face moderate to severe hunger, dietary diversity is still quite low with an overemphasis on starchy foods like maize, anemia levels among women and children are high, child food poverty is very high, and over one-third of all children under five are stunted. The country also has the fourteenth highest incidence of HIV/AIDS in the world (UNAIDS 2023 Global Report), which further exacerbates the nutrition situation. Undernutrition in children leads to losses in potential future income due to lower productivity, estimated at approximately 1.15 percent of GDP (Cost of Hunger Study, 2012). Significant improvements in household nutrition, especially among young children, are essential to

[8] Engel, Jakob, et al. 2015. "Malawi Economic Monitor - Powering Malawi's Growth: Rapidly and Sustainably Increasing Energy Access." World Bank.

[9] Ibid.

[10] The World Bank/IFC is co-funding construction of a 350MW run-of-river hydroelectric facility in the Mpatamanga Gorge on the Shire River about 50 km west of Blantyre which should bolster and stabilize the electric grid.

achieve the country's economic and education goals. Effectively addressing malnutrition in the first 1,000 is a critical investment in Malawi's future workforce which will enable Malawi to better capture the benefits of Malawi's youth dividend and avoid further expansion of its current high levels of under employment.

Malawi's poor health system does little to prevent or remediate the household health and nutrition deficits noted above. As USAID Malawi's Multi-Sectoral Nutrition Country Plan stated,"Malawi's fragile health system is stretched beyond capacity and is characterized by a health worker vacancy rate of 45 percent; persistent stock-outs of essential medicines and supplies; and inadequate and/or dilapidated health infrastructure (USAID/Malawi Health Systems Strengthening Strategy 2021-2030). Most rural areas, including health facilities, schools, and communities do not have adequate supply of safe and clean water and sanitation services."[11] See subsections A.3 Poverty, Hunger, and Malnutrition Statistics and A.4 Key Drivers of Poverty, Hunger, and Malnutrition for additional insights into Malawi's food security and nutrition context.

Although the percentage of households using improved sources of water is relatively high (88 percent), water quality is still a significant concern as testing has revealed high levels of *E. coli* in water samples. On a positive note, the majority of households have access to basic handwashing facilities (75 percent) and improved sanitation facilities (80 percent). See subsection A.4 Key Drivers of Poverty, Hunger, and Malnutrition for additional information on the water, sanitation, and hygiene context.

Women have made significant advances in gender equity in recent years. In fact, girls' attendance is higher than boys across all education levels, although girls complete upper secondary at a slightly lower rate than boys (3 percent for girls compared to 4 percent for boys). However, Malawi is still one of the most unequal countries in terms of reproductive health, empowerment, and economic status. Women have lower literacy levels (above age 25), lower levels of employment, more informal employment, lower levels of decision making and weak power dynamics in the household, frequently suffer from gender-based violence, and have limited representation in Parliament and other political offices. See subsection A.7 Gender Equality for more detail on the gender context. Closing gender gaps in the productive economic sectors will boost economic growth and poverty reduction. The country should build upon recent successes and speed up progress and continue to improve schooling rates for girls at the upper secondary level, lower maternal mortality rates, further decrease the fertility rate, and address child marriage and adolescent pregnancy.

The digital agriculture technology (DAT) landscape in Malawi is still in its early stages of development. Potential exists to leverage DATs to improve agricultural production, the functioning of agricultural markets, symmetry of information, and economic inclusion of marginalized populations. See subsection A.8 Digital Technology Landscape for additional information.

The GoM has created a reasonably thorough and robust National Agriculture Investment Plan (NAIP). However, relatively little budgetary resources have been allocated to it and implementation has been ineffective. Relevant government resources have primarily focused on the agricultural inputs subsidy program with an emphasis on production of maize across all agro-ecological zones, rather than focusing on other higher-impact investments. To date, the input subsidy and social safety net programs have not achieved their desired results to help Malawians escape poverty and become food secure, well nourished, and resilient. As mentioned in subsection A.6 Risk and Resilience Context donors have repeatedly urged the GoM to redesign the subsidy program to target more productive farmers with the aim of improving the return on investment, while simultaneously scaling up a cash transfer program targeting the ultra poor. The GoM has acknowledged the issues and made small modifications to the

[11] USAID Malawi. 2022. "Multi-Sectoral Nutrition Country Plan". Page 2.

program but never scaled up the changes and mostly backtracked from implementing them. However, the National Pathways to Food Systems Transformation committed to diversifying the Agricultural Inputs Programme and scale up investments in nutritious value chains.[12]

GoM resources are insufficient to fully implement the NAIP or to fully scale up the vital social protection programs, in part because the limited government resources are directed toward the agricultural inputs program and external debt repayment. Since the problems are multifaceted encompassing employment creation, agricultural production, agro-processing, nutrition, energy, health, natural resource management, disaster risk management, education, and women and youth empowerment, improvements in multi-sectoral governance and coordination are vital to improve implementation and coordination across many ministries and departments. Also very much needed is more effectively engaging the private sector to leverage its resources and skills. And, given the urgent need for economic growth and employment creation, an enabling environment via policy changes to support the private sector to flourish is also essential.

Malawi's ambition is to transition from a lower-income country that struggles to feed itself and ricochets from one crisis to another to an industrialized, upper-middle-income country that is stable, resilient, and prosperous. Subsection A.9 Country Priorities discusses these aspirations in greater detail. In spite of these national aspirations, it is widely recognized that the business policy environment is a significant obstacle to economic progress. High levels of corruption and bureaucracy complement low levels of government competence and very limited policy implementation. See subsection A.10 Policy Environment for more detail on the policy context.

As illustrated in the graphic titled Food Security Trends Over Time,[13] decades of interventions designed to boost agricultural productivity and diversification, restore the health of fisheries, improve nutrition practices, and provide emergency food rations have largely failed to significantly improve food security or create a more resilient, commercial agribusiness sector. The prevalence of very low household food security (green line) has increased substantially over the past decade plus, corresponding with a significant decline in the prevalence of high food security (blue line). Continued investment along the same "business as usual" pathways as in the past will not likely lead to the desired outcomes. The country needs to identify new drivers of growth and a thriving private sector that can create economic opportunities and jobs for its rapidly growing, youthful population. New and innovative multi-sector, integrated solutions designed to mobilize Malawi's private sector are required to lift people out of poverty and achieve inclusive, resilient, and sustainable wealth generation. As stated in the Mission's 2022 Country Development Cooperation Strategy (CDCS), "With annual incomes less than $400 per year, 90 percent of the population without access to electricity, stubbornly high birth rates, and declining land availability, development in Malawi needs a radical rethink and action plan across social, political, and economic sectors if it intends to make up lost ground between itself and neighboring countries."[14]

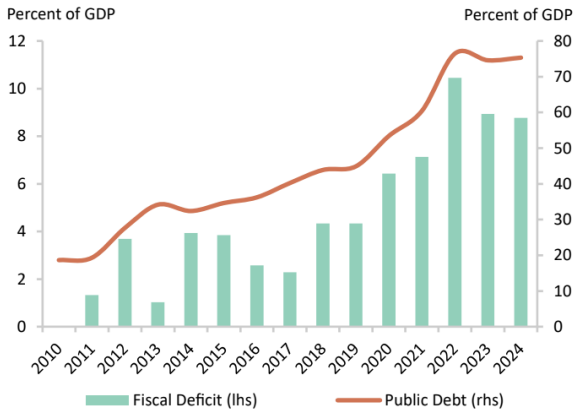
[12] Government of Malawi. 2021. "Building Healthier, Sustainable And Equitable Food Systems For A Better Malawi: National Pathways For Food Systems Transformation In Support Of The 2030 Agenda."
[13] Government of Malawi National Statistical Office. 2020. "The Fifth Integrated Household Survey (IHS5) 2020 Report". Key Summary Findings: Page i.
[14] USAID Malawi. 2022. "Country Development Cooperation Strategy". Page 7.

A.2 Macroeconomic Challenges

Malawi's economy remains weak and unstable and suffers from a broad array of challenges. The World Bank highlighted many of these challenges in a recent blog post.[15]

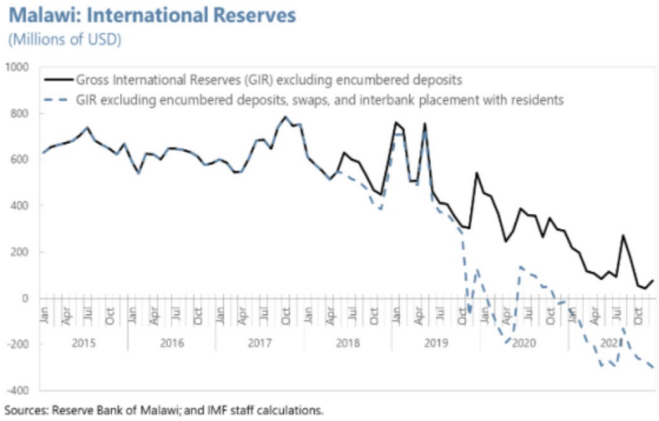
Total exports reached their peak in 2011 and declined at an average annual rate of 3.5 percent over the five years from 2015-2020. With 2020 exports at $916 million and 2020 imports at $1.91 billion, Malawi has a substantial trade deficit and serious foreign exchange shortages.[16] These severe foreign exchange shortages are highly damaging to the private sector, reducing availability of key raw materials and other inputs as well as spare parts. Foreign exchange reserves have declined by roughly 50 percent over the past four years and were running at a dangerously low level of less than one month of imports.[17] An IMF Special Audit in June 2022 reported gross official reserves of just $72 million, with negative net international reserves (see chart).[18] These foreign exchange limitations are severely damaging to the economy because needed imported items cannot be purchased. The World Bank reported that "official real imports in the year to April 2023 are approximately 65 percent below their 5-year average through 2021". Imports of some categories such as medical supplies, pharmaceuticals, machinery and parts have declined by about 75-80 percent.[19]

FIGURE 1 **Malawi** / Fiscal deficit and public debt



Sources: Ministry of Finance, Economic Planning and Development, World Bank.

External buffers are depleted.



Sources: Reserve Bank of Malawi; and IMF staff calculations.

Fiscal deficits on the order of 8-9 percent of GDP have caused Malawi's public debt to accelerate upwards from just over 30 percent of GDP in 2014 to around 77 percent of GDP in 2022.[20] As a result, interest payments now comprise roughly one-quarter of all public sector expenditures. Public sector borrowing, largely financed through the domestic banks, continues to crowd out borrowing by the

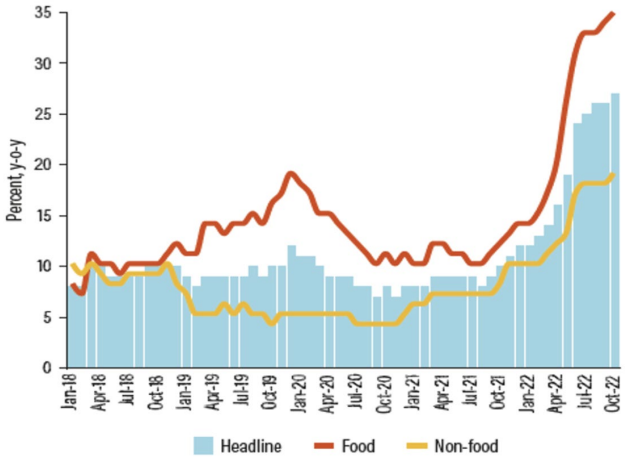
[15] Engel, Jakob, Yumeka Hirano, Hayaan Nur, and Yalenga Nyirenda. 2023. "In 7 charts: The Urgent Need for Macroeconomic Stabilization in Malawi." World Bank.
[16] Harvard Growth Lab. "Atlas of Economic Complexity –Malawi". Slide 2.
[17] World Bank. 2022. "Sub-Saharan Africa - Macro Poverty Outlook Country-by-Country Analysis and Projections for the Developing World". Page 55.
[18] IMF. 2022. "Request For Disbursement Under The Rapid Credit Facility And Request For A Staff Monitored Program With Executive Board Involvement." Page 21.
[19] Engel, Jakob, et al. 2015. "Malawi Economic Monitor - Powering Malawi's Growth: Rapidly and Sustainably Increasing Energy Access." World Bank.
[20] World Bank. 2022. "Sub-Saharan Africa - Macro Poverty Outlook Country-by-Country Analysis and Projections for the Developing World." Page 54.

private sector and driving up interest rates for those who do borrow. A joint World Bank/IMF debt sustainability study in November 2022 determined that Malawi's public debt is unsustainable with current policies and levels of public revenue. According to the IMF, the domestic banking sector is highly exposed to the public sector as a result of financing a substantial portion of Malawi's recent public deficits. At the same time, Malawi's banking sector has just barely met the central bank's prudential reserve requirements over the past few years, indicative of elevated risk.[21]

One key problem is the lack of economic growth. Real per capita GDP has been stagnant and is projected to contract in 2023. On a purchasing power parity basis per capita GDP has been declining since 2019. These low economic growth rates, which compare quite unfavorably with sub-Saharan African peers (roughly one-fourth the SSA average), make reducing poverty and increasing food security extremely challenging. See GDP growth data in Annex 7.

Figure 3: Inflation has reached the highest levels since June 2013

(%, y-o-y)



Source: World Bank with data from National Statistical Office (NSO) of Malawi.

Like many lower income countries, the foundation of Malawi's economy is agriculture and agribusiness, and the primary sources of foreign exchange are tobacco, sugar, tea, soybeans, and groundnuts, with tobacco alone accounting for 51 percent of exports. With a product complexity index of -0.96, Malawi ranks 114th out of 133 countries. The vast majority of Malawi's economy is based on low complexity products and services, with limited value addition. Similarly, Malawi ranks 109th out of 133 countries in export product diversity and has shown very little incremental export product diversification over the recent decades, only adding four new products from 2005-2020 compared to five for Zimbabwe, 16 for Zambia, and 18 for Tanzania. The Harvard Growth Lab analysis notes that level of export complexity is positively correlated with economic growth rates, and countries typically grow by diversifying into new products of increasing complexity. Malawi has not yet started this traditional structural transformation process and is mostly stuck in a low-complexity, low-growth economy focused on production of basic commodities.[22]

Along with general economic malaise, additional reasons for the negative real per capita GDP include inflation, multiple currency devaluations, and high population growth rates. Inflation, at over 25 percent, is at its highest level in a decade and even higher than its neighbors. Food inflation is even higher, at 33-35 percent, putting food security even more out of reach for the poor. To illustrate the severe impact on food security for the poor, the IMF noted in November 2022 that "prices of bread and flour have spiked by 50 percent and 25 percent, respectively; and prices of cooking oil and margarine have increased by 55 percent and 40 percent, respectively. Furthermore, fuel prices are rapidly increasing, as

[21] IMF. 2022. "Request For Disbursement Under The Rapid Credit Facility And Request For A Staff Monitored Program With Executive Board Involvement." Page 20.
[22] Harvard Growth Lab. "Atlas of Economic Complexity –Malawi." Slides 6, 10, 13, 15, 17.

the authorities have been actively increasing domestic energy prices, including diesel, petrol and kerosene by 31, 20 and 14, respectively."[23]

Malawi has also suffered from periodic devaluations in its currency (the Kwacha). In 2012 the Reserve Bank of Malawi devalued the currency by 33 percent followed by several additional devaluations over the next 10 years. More recently, the central bank was compelled to address the currency supply-demand imbalances with a 25 percent devaluation in May 2022 and a 44 percent devaluation in November 2023. As a result, the Kwacha declined from a range of 310-320 to the USD in 2013 to around 1,700 to the USD in November 2023 (see chart).[24] Currency devaluations have been necessitated by high fiscal deficits (8-9 percent of GDP) coupled with high monetary base expansion (24-26 percent in 2022) to finance the fiscal deficits. These dramatic currency devaluations have caused local prices for imported products to soar.

Another factor constraining per capita GDP growth is the high population growth rate in excess of real GDP growth rates, causing negative per capita GDP growth rates. See subsection A.6 Risk and Resilience Context for more information on population pressures.

Official unemployment has been mostly under 6 percent since 1990, but those statistics provide a very incomplete and misleading picture of the challenges facing the youth. About 83 percent of all employment is in the informal sector,[25] with most Malawians employed in subsistence farming and fishing, temporary work, illegal charcoal production, petty trade, and other similar low-paying informal work. Only one in ten Malawians over age 15 has a formal wage- or salary-paying job, and even those with tertiary education encounter difficulties in securing such jobs, with less than two-thirds managing to land a waged job. Although the employment challenges are high for all Malawians, they are even greater for women than for men. A UN Women Assessment of Malawi National Gender Statistics revealed a number of significant gender disparities. Men are more likely to be employed than women (86 percent and 74 percent respectively); women are more likely to be employed in informal employment than men; women's labor force participation rates are lower than men's (72.6 percent versus 81.1 percent respectively in 2019); and the unemployment rate is higher for women than men (26 percent versus 14 percent respectively).[26]

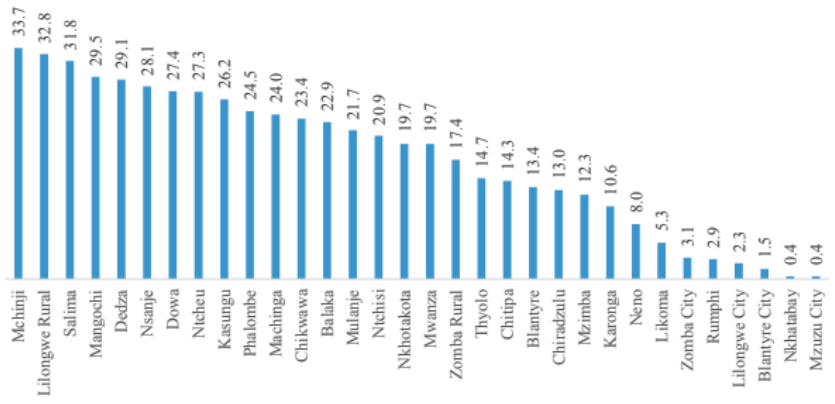
Three-quarters of Malawi's firms consist of only the proprietor, with only 3.6 percent of all nonfarm enterprises having four employees or more. The absence of formal, medium-sized growing businesses in

[23] IMF. 2022. "Request For Disbursement Under The Rapid Credit Facility And Request For A Staff Monitored Program With Executive Board Involvement." Page 34.
[24] Trading Economics. "Malawian Kwacha." Accessed November 11, 2023.
[25] Hawthorne, Ryan, and Sha'ista Goga, Nasong Park & Nicola Wills. 2020. "Malawi Financial Inclusion Refresh." UN Capital Development Fund, Making Access Possible Program.
[26] Malunga, Dr. Anthony and Milward Tobias. "Malawi National Gender Statistics Assessment". UN Women.

the private sector ecosystem creates a "missing middle." Malawi's micro, small, and medium-sized enterprises (MSMEs) are largely informal -- made up of self-employed informal traders, craftsmen, and entrepreneurs. Most MSMEs experience challenges such as lack of access to finance, high interest rates, under-investment, non-adherence to quality standards, lack of formalized linkages to large firms and markets, an unpredictable policy environment, and a lack of streamlined and coherent government license and tax systems. Consequently, the informal micro-economy is hampered in its growth and is unable to progress into medium-sized enterprises that could operate within the formal economy, generate employment opportunities, create wealth, and provide tax revenue for public investments.

As noted in subsection A.1 Overall Country Context, continued "business as usual" subsistence-oriented agricultural investment will not likely lead to the desired outcomes. The World Bank noted that, in addition to policy changes, several other changes are needed in order to create a different economic, poverty, and food security trajectory. They specifically highlighted the need for market-driven growth, improved private sector competitiveness (especially export competitiveness), agricultural commercialization, and rural job creation.[27] As will be seen later in the Country Plan, the Mission has chosen a market-driven, private sector-led approach that focuses squarely on smallholder agricultural commercialization, rural economic development, and rural job creation.

Figure 3-11: Proportion of Ultra-Poor Population (Ultra-Poverty Head Count Ratio) by District, Malawi 2020



Source: Malawi Poverty Report 2020

A.3 Poverty, Hunger, and Malnutrition Statistics

Poverty Rates and Trends

Poverty is widespread and fairly deep in Malawi. Based on GDP per capita, Malawi is the 8th poorest country in Africa, while based on Gross National Income per capita, Malawi is the eighth poorest country in Africa.[28] Roughly 50 percent of the population subsists below the poverty line, while one in every five Malawians (20 percent) is ultra poor, with incomes below the food poverty line (see the table below).[29]

Drilling down into the data reveals several important facts. First, poverty in rural areas is much higher than urban areas, both in terms of the number of poor people and the proportion of poor. There are 16-17 times as many poor people in rural areas as in urban areas; similarly, there are roughly 40 times as many ultra poor in rural areas as in urban areas. Second, male-headed households have noticeably lower

[27] Engel, Jakob, and Yumeka Hirano, Hayaan Nur, Yalenga Nyirenda. 2023. "In 7 charts: The Urgent Need for Macroeconomic Stabilization in Malawi." World Bank.
[28] World Population Review. "Poorest Countries in Africa 2023." Accessed October 7, 2023.
[29] Government of Malawi National Statistical Office. 2021. "2020 Malawi Poverty Report."

poverty rates than female-headed households, suggesting a needed focus on assisting female-headed households. Third, the Central and Southern Regions have much higher levels of poverty than the Northern Region.

Levels of ultra-poverty (consumption below the food poverty line) are also high, especially for female-headed households and rural areas in the Central and Southern Regions. Half of the districts have ultra-poverty headcount ratios ranging from 20-33 percent. Seven of the ten districts with the highest proportion of ultra poverty are in the Central Region (see the graph of ultra poverty rates by district). Ultra poverty is primarily a rural phenomenon - urban areas such as Lilongwe City, Blantyre City, Zomba City, and Mzuzu City have quite low levels of ultra poverty.

The proportion of general poverty declined somewhat between 2016/17 and 2019/20 (see Table 1). The majority of the improvement, however, was seen in the Northern Region (especially in the rural North where poverty rates declined by 24 percentage points), with some improvement in the Southern Region (a decline of five percentage points). In contrast, poverty rates in the Central Region increased by 8-9 percentage points.

Table 1. Poverty rates from 2016/17 to 2019/20 by urban/rural, sex, and region.

	2016/17		2019/20		Change	
Group Type	**Poor**	**Ultra Poor**	**Poor**	**Ultra Poor**	**Poor**	**Ultra Poor**
National	51.5%	20.1%	50.7%	20.5%	-0.8%	+0.4%
Urban	17.7%	4.1%	19.2%	3.3%	+1.5%	-0.8%
Rural	59.5%	23.8%	56.6%	23.6%	-2.9%	-0.2%
Male (HH Head)	49.3%	16.8%	48.5%	18.6%	-0.8%	+1.8%
Female (HH Head)	58.3%	21.5%	56.8%	25.3%	-1.5%	+3.8%
Northern	49.5%	N/A	32.9%	8.6%	-16.6%	N/A
Central	47.5%	N/A	55.8%	25.4%	+8.3%	N/A
Southern	56.0%	N/A	51.0%	19.1%	-5.0%	N/A
Rural North	59.9%	N/A	35.9%	N/A	-24.0%	N/A
Rural Central	53.6%	N/A	62.8%	N/A	+9.2%	N/A
Rural South	65.2%	N/A	56.7%	N/A	-8.5%	N/A

Poverty Gap

Not only does the Central Region have the highest incidence of poverty, it also has the highest poverty gap, followed by the Southern Region (see Table 2). The poverty gap indicates on average how far household consumption is below the poverty line. On average urban poor household consumption is only 4.4 percent below the poverty line, but rural poor household consumption is 19.3 percent below the poverty line. Both the Central Region and Southern Region poor have average household consumption levels that are 20.1 percent and 16.3 percent respectively below the poverty line, compared to 8.8 percent in the Northern Region. The recent devaluations of the kwacha and high food inflation have only exacerbated the already significant impacts of widespread poverty in Malawi. Clearly, in terms of poverty, there are serious challenges in rural areas of the Central and Southern Regions, while the Northern region and urban areas are relatively better off. Furthermore, economic growth in Malawi has disproportionately favored the wealthiest and contributed to greater inequality within the country, with income for the bottom 20 percent of the population decreasing from 2016-2019 while, at the same time, increasing for the wealthiest 20 percent. Between 2010 and 2019, 30 percent of people in the Central Region became poor, compared to 8 percent in the Rural North. During the same period, approximately 20 percent of the population in Rural North and Rural South moved out of poverty.[30]

Table 2. Poverty gap by urban/rural and region.

Group Type	Poverty Gap Index
National	17.0%
Urban	4.4%
Rural	19.3%
Northern	8.8%
Central	20.1%
Southern	16.3%

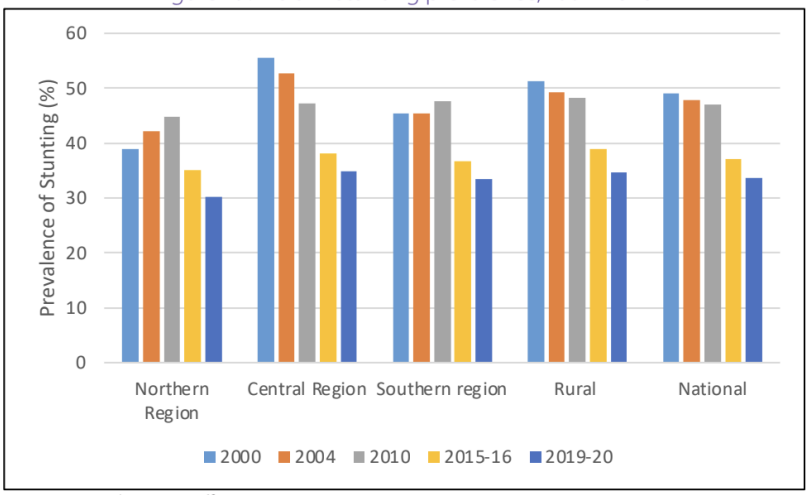
Nutrition Statistics and Trends

Malawi's nutrition statistics and trends reveal a rather mixed picture, with some statistics suggesting that Malawi has made progress and other statistics suggesting little to no progress over the past 10-20 years. For example, stunting in children under age five steadily declined from almost 50 percent in 2000 to 47 percent in 2010/11, and then to just under 36 percent in 2020 (see graph).[31] Wasting also declined from 3.8 percent to 2.6 percent, and underweight declined from 16.7 percent to 12.8 percent from 2014 to 2020.[32] The incidence of moderate or severe household hunger also declined from about 40 percent in 2014 to about 30 percent in 2021. Malawi has also made substantial progress in reducing some

[30] Caruso, German Daniel and Sosa, Lina Marcela Cardona. 2022. "Poverty Persistence in Malawi: climate shocks, low agricultural productivity and slow structural transformation." World Bank.
[31] "Malawi IPC Chronic Food Insecurity Report." 2022. Page 27.
[32] UNICEF Malawi. "Child Food Poverty Brief." Page 1.

micronutrient deficiencies such as vitamin A deficiency in under-five children, which declined from 59 percent in 2001 to less than 5 percent in 2016.[33]

Figure 19: Malawi stunting prevalence, 1992-2020



Source: National Statistics Office

On the other hand, data from the Integrated Household Survey and the FAO's Food Insecurity Experience Scale (FIES) reveal that about 65 percent of households faced moderate to severe hunger in both 2017 and in 2020.[34] There are wide variations in levels of chronic food insecurity across the districts, with Lilongwe and Mangochi having the highest levels. The latest Multiple Indicator Cluster Survey (MICS)[35] estimates the prevalence of stunting is 35.5 percent of children under age 5; underweight prevalence is 12.8 percent; and wasting prevalence is 2.6 percent (see table below). There is also still a high prevalence of anemia among children (63 percent) and women (33 percent).

From 2013 to 2019 the prevalence of exclusive breastfeeding showed an unfavorable trend, declining from 70 percent in 2013 to 64 percent in 2019 for children aged 0-5 months.[36] The prevalence of children 6-23 months with at least the minimum recommended dietary diversity declined from 27 percent to 17 percent; the prevalence of at least minimum meal frequency and minimum acceptable diets also declined over this period.[37] About 60 percent of households consume fewer than seven food groups, with Nsanje and Chikwawa Districts having the highest proportion of households with low dietary diversity. Cereals (mostly maize) make up the majority of the diet and about two-thirds of calories, with relatively low consumption levels of vegetable and animal products.[38] According to 2018 data from the World Bank, 28 percent of agricultural land is cultivated for maize production compared to only six percent for the next largest crop (groundnuts) and 20 percent for livestock.[39] Consumption of bio-fortified foods is still low in Malawi, with only ten percent of households producing and/or consuming bio-fortified foods. Likewise, just 40 percent of households consumed iron-rich or fortified foods.[40] The IPC Report noted that "overall, the country's food consumption remains poor, owing to a lack of dietary diversity and an overreliance on cereal and/or starchy foods as the primary meal. Consumption of animal-based foods and other nutrient-dense foods (such as micronutrient-dense vegetables and fruits, nuts, seeds, and legumes) is still low, owing to restricted production, limited availability, and hampered access. Furthermore, food consumption quantity has exhibited inconsistent

[33] Centers for Disease Control and Prevention (CDC), Malawi Ministry of Health, National Statistical Office of Malawi, and UNICEF. 2017. "Malawi National Micronutrient Survey 2001."; National Statistical Office (NSO) [Malawi] and ICF. 2017. "Malawi Demographic and Health Survey 2015-16."

[34] "Malawi IPC Chronic Food Insecurity Report." 2022. Page 26.

[35] National Statistical Office. 2021. "Malawi Multiple Indicator Cluster Survey 2019-20." Page 233.

[36] Ibid.

[37] UNICEF Malawi. "Child Food Poverty Brief." Page 1.

[38] Poor households tend to eat more vegetables (18.7%) than wealthy households (10.6%), while wealthy households tend to eat more meat and animal products (23.7%) compared to the poorest households (10.4%).

[39] CIAT and World Bank. 2018. "Climate-Smart Agriculture in Malawi." Page 4.

[40] "Malawi IPC Chronic Food Insecurity Report." 2022. Page 26.

outcomes throughout time and is still vulnerable to climatic and weather-related shocks, among other hazards."[41]

The table below[42] shows the percentages of children moderately or severely[43] underweight, stunted, wasted, and overweight. Across all categories, the majority of the cases are moderate. Stunting is extremely high overall but especially among males, in rural areas, and in the Central and Southern regions. Underweight children are also common, again with relatively higher prevalence in males, rural areas, and the Central and Southern regions. Wasting is not as common, but still higher than desired, with higher levels among males, in rural areas, and in the Southern region. The prevalence of overweight children is not yet a substantial public health issue in Malawi (5.4 percent nationally), although more children in urban areas (8.0 percent) are overweight than in rural areas (5.1 percent). However, overweight in women is a growing concern, as 36 percent of women in the highest income quintile are overweight or obese and 41 percent of those with the highest education level are overweight or obese.[44]

Table 3. Malnutrition indicators by region, urbanity, and sex.

Category	Underweight -2SD/-3SD/ Combined	Stunted -2SD/-3SD/ Combined	Wasted -2SD/-3SD/ Combined	Overweight +2SD/+3SD/ Combined
National	10.2%/2.6%/ 12.8%	23.2%/12.3%/ 35.5%	1.9%/0.7%/ 2.6%	3.4%/1.0%/ 4.4%
Urban	8.4%/1.3%/ 9.7%	19.3%/10.0%/ 29.3%	1.9%/0.4%/ 2.3%	3.6%/2.2% 5.8%
Rural	10.6%/2.7%/ 13.3%	23.8%/12.6%/ 36.4%	1.8%/0.8%/ 2.6%	3.3%/0.9%/ 4.2%
Male	11.3%/3.0%/ 14.3%	24.9%/14.4%/ 39.3%	1.9%/0.8%/ 2.7%	3.9%/1.1%/ 5.0%
Female	9.3%/2.1%/ 11.4%	21.5%/10.2%/ 31.7%	1.7%/0.7%/ 2.4%	2.9%/1.0%/ 3.9%
Northern	7.0%/2.1%/ 9.1%	19.6%/9.0%/ 28.6%	1.4%/0.8%/ 2.2%	4.8%/1.3%/ 6.1%
Central	10.6%/2.2%/ 12.8%	24.4%/12.6%/ 37.0%	1.5%/0.6%/ 2.1%	3.4%/0.9%/ 4.3%
Southern	10.8%/3.0%/ 13.8%	22.7%/12.8%/ 35.5%	2.2%/0.9%/ 3.1%	3.1%/1.1% 4.2%

[41] Ibid. Page 27.

[42] National Statistical Office. 2021. "Malawi Multiple Indicator Cluster Survey 2019-20." Page 233.

[43] Moderate is defined as more than two standard deviations from the mean; Severe is defined as more than three standard deviations from the mean.

[44] USAID Malawi. 2018. "Malawi: Nutrition Profile." Page 2.

As noted above, dietary diversity is low. Based on a UNICEF analysis of 2019-20 MICS data, 25.5 percent of all children suffer from severe food poverty (maximum of two food groups per day) (see charts below). There is no significant difference between male and female children, and only relatively small differences between urban and rural households.[45] Child food poverty is high in all regions, but both the Central and Southern Regions have higher food poverty than the Northern Region. Although child food poverty is positively correlated with poverty and negatively correlated with household wealth, even in the richest quintile almost 70 percent of children suffer from food poverty, suggesting there are widespread factors causing this phenomenon. Key reasons include lack of skills among caregivers to prepare age-appropriate foods and household economic challenges. In terms of food groups, the largest gaps in feeding practices between food-poor and non-food-poor children are (in descending order, see chart) eggs, dairy products, other fruits and vegetables, legumes and nuts, flesh foods, and Vitamin A-rich fruits and vegetables.[46]

FIGURE 1
Prevalence of child food poverty among children 6-23months

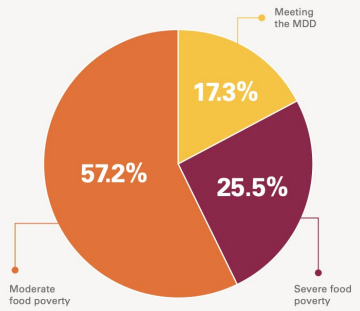
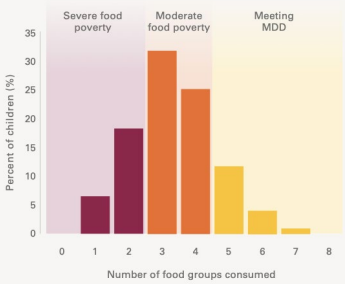


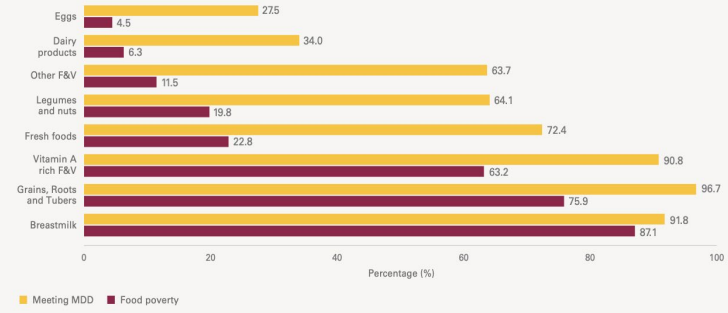
FIGURE 2
Distribution of children by number of food groups consumed



Food Safety

Food safety is generally weak in Malawi, as is hygiene in many rural households. On a scale of 0-100, Malawi's Food Systems Safety Index score is 66.7 compared to a world average of 75.3. Malawi's food system, especially in rural local markets suffers from very limited local processing, storage and transportation infrastructure for perishable fruits, vegetables, fish and meats, resulting in high levels of food loss and reduced availability in local markets.[47] Weak knowledge and application of food safety and good hygiene practices decrease the quality and safety of foods throughout the food system. Very few companies are certified in food safety systems such as ISO 22000 and Food Safety System Certification (FSSC) 22000 or even the local Malawi Bureau of Standards certifications due to cost and lack of skills. To address this issue, over the past three years, USAID Malawi has funded an activity to provide training and technical assistance on food safety to small and medium-sized enterprises.

FIGURE 4
Consumption of the 8 food groups by food poverty status



[45] UNICEF Malawi. "Child Food Poverty Brief". Page 3.
[46] UNICEF Malawi. "Child Food Poverty Brief." Pages 4-5.
[47] The Rockefeller Foundation. 2021. "Accelerating Malawi's Food System Transformation." Page 11.

Weak regulatory frameworks, inadequate infrastructure, and limited resources for inspections and enforcement make it difficult for the GoM to monitor and control the safety of food sold in markets and restaurants, which is a deterrent for private sector investment and a barrier to increasing exports and diversifying products contributing to GDP. This can result in the sale of food that is adulterated, contaminated, or otherwise unsafe for human consumption, leading to outbreaks of foodborne illness. Food safety incidents in markets and restaurants are common, with outbreaks of illnesses such as cholera and typhoid fever occurring regularly. However, the Ministry of Health, Environmental Health section developed a food safety policy which is aimed at protecting the consumers against unsafe, impure and fraudulently presented food that may cause harm or loss of lives. This will be complemented by the draft food and nutrition bill, which is currently with the Ministry of Justice pending cabinet and parliament endorsement.

Cholera (caused by consuming contaminated food or water) has been endemic in Malawi since 1998 with seasonal outbreaks reported during the rainy season. Currently Malawi is experiencing the deadliest outbreak of cholera in its history impacting all 29 districts, with 58,6516 cases, 1,756 deaths and a case fatality rate of 3.0 percent.[48] The current outbreak started in March 2022 in the Machinga district following tropical storm Ana (January 2022) and Cyclone Gombe (March 2022) which caused floods, uprooting of sanitary latrines, and large-scale displacement of the population lacking access to safe water, sanitation, and hygiene. Initially the outbreak was limited to flood-affected areas in the southern region until August 2022 when it began to spread throughout the entire country with all regions and cities affected. The cholera epidemic worsened following Cyclone Freddy and is now stabilizing with decreasing cases.

Like cholera, typhoid fever (caused by *Salmonella Typhi*) is endemic in Malawi with an annual caseload of more than 16,000 cases nationwide. Since 2011, a high percentage of the cases have been multidrug resistant, with a large upswing in cases starting in 2013. Approximately two-thirds of Malawi's typhoid cases and deaths occur in children under 15 years of age.[49]

Aflatoxin contamination (a common mycotoxin produced by a soil-based fungus) is also prevalent in multiple crops[50] in Malawi and of considerable concern for health, nutrition, and the economy. Chronic exposure to aflatoxin results in higher risks of stunting and liver cancer. High aflatoxin levels have resulted in export restrictions by the EU and other countries on groundnuts. Various studies have shown aflatoxin levels are highest in hotter, lower altitude areas, especially in Central and Southern Malawi.

The Partnership for Aflatoxin Control in Africa (PACA) reported on analyses of groundnut, maize, and sorghum samples from homesteads and markets in various districts around Malawi from 2009-2016. Those analyses showed 57 percent of the groundnut samples exceeded the EU limit of 4 ppb; 38.6 percent of maize samples exceeded the EU limit; and 86 percent of sorghum samples exceeded the EU limit. Highest groundnut contamination levels reached 7,745 ppb, and highest maize contamination levels reached 877 ppb.[51] The aflatoxin problem is a widespread regional problem. A recent three-year study tested eight peanut butter brands from Malawi, South Africa, Zambia, and Zimbabwe and found that

[48] Government of Malawi. "Malawi Cholera Surveillance Dashboard."
[49] Typhoid Vaccine Acceleration Consortium. 2018. "Together We can Take on Typhoid: Burden of Typhoid in Malawi."
[50] Crops such as maize, groundnut/peanut, cottonseed, and sunflower, sorghum, rice, paprika are susceptible to aflatoxin contamination.
[51] Partnership for Aflatoxin Control in Africa. "Strengthening Aflatoxin Control In Malawi: Policy Recommendations."

none of them had contamination levels consistently less than 20 parts per billion (the EU limit is 4 ppb).[52]

Other Related Statistics

Early childhood mortality rates and patterns tend to mirror the patterns seen in the nutrition data. Infant and child mortality rates are high, with rural rates higher than urban, Central and Southern rates higher than Northern, and male rates higher than female rates. Fortunately, child and infant mortality rates have declined substantially in the last 30 years. According to a UNICEF Malawi Health Factsheet, neonatal mortality is often caused by complications from premature birth (37 percent), severe infections (28 percent), and birth asphyxia (24 percent),[53] while under-five mortality is mostly caused by malaria, diarrhea, and pneumonia.[54] See Annex 4 for early childhood mortality data.

Early childhood development patterns for children ages 3-4 years old also mimic the nutrition patterns seen above. The Early Childhood Development Index (ECDI) is a composite of literacy, numeracy, physical, social-emotional, and learning skills. Overall age-appropriate development is low, with the key area of deficiency being literacy-numeracy skills. Males lag behind females, rural lags behind urban, and the Central region lags behind the Northern and Southern regions. See Annex 5 for ECDI data. Nutrition deficits play a part in this developmental deficiency, but much of the reason for the deficiency can likely be attributed to the relatively low levels of attendance at early childhood education centers - only 33.6 percent of children ages 36-59 months attend early childhood education.[55] Early childhood education attendance patterns mirror patterns in ECDI deficiencies noted above: males lag behind females, rural lags behind urban, and the Central region lags behind the Northern and Southern regions.

A consistent pattern emerges from the poverty, nutrition, child mortality, and early childhood development data: drivers of poverty, hunger and malnutrition are very strong in rural areas in the Central and Southern Regions.

A.4 Key Drivers of Poverty, Hunger, and Malnutrition

Food insecurity is multi-faceted with diverse causes, including unsustainable population growth, economic and climate volatility, recurring shocks, low and widely fluctuating agricultural yields and production, widespread poverty, intergenerational impacts of malnutrition and early childbearing, poor agricultural and natural resource management, and a private sector struggling with poor profitability, low facility utilization, and a policy environment that heightens investment risk.

Many of the factors driving poverty, hunger, and malnutrition are recurring, cyclical challenges. Each year during the lean season in the couple of months leading up to the rain-fed agriculture harvest, hundreds of thousands of households which failed to produce sufficient food in the preceding season struggle to source adequate food, leading to negative coping strategies. These households are in chronic need of humanitarian assistance. Periodically recurring shocks such as droughts, floods, cyclones, pests, and diseases can greatly expand the number of households struggling to put food on the table and in need of humanitarian assistance. More than half of the districts experienced an average of at least one shock per

[52] Gichohi-Wainaina, Wanjiku N. and et al. 2022. *Aflatoxin in cereals and groundnut from smallholder farming households in Malawi.*
[53] UNICEF. 2018. The Health Programme in Malawi.
[54] Ibid.
[55] UNICEF. 2021. "2019-20 Malawi Multiple Indicator Cluster Survey." Page 245.

year from 2000-2013.[56] The outcomes experienced by these households would be far worse in the absence of humanitarian assistance and social safety protection programs.

High poverty rates are driven by factors related to education, the macro economy, subsistence agriculture, very small farms, and frequent shocks. Low education and literacy levels combined with limited skills (70 percent of those 15 and older do not have any qualifications[57]) are barriers to skilled jobs, leading to low and erratic earning power.[58] Poverty rates among female-headed households are much higher than among male-headed households for a combination of reasons including lower education and literacy levels (above age 25), less access to land, less access to credit, greater competition for their time due to household chores and family responsibilities, and a greater emphasis on subsistence food crops rather than more lucrative cash crops. At the same time, the macro economy is not growing rapidly enough to provide formal employment even for some who do have skills. Informal income sources include subsistence agriculture, illegal charcoal production, ganyu (casual) farm labor, and petty trade.

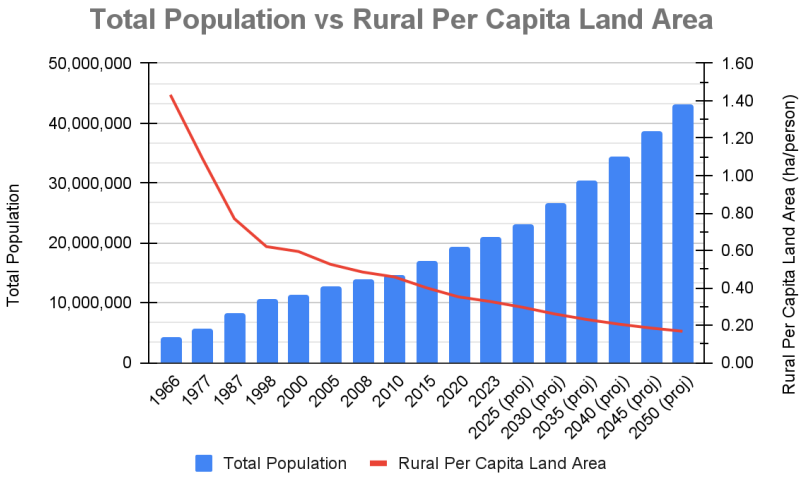
The vast majority of the population (over 80 percent overall, higher in rural areas) derives most of their income from rain-fed agriculture on small farms (averaging less than a half hectare) that are steadily shrinking over time due to population growth (see graph below showing per capita rural land area over time - rural land area excludes urban areas, wetlands, steep terrain, and protected areas).[59] Smallholders typically produce lower-value crops (mostly maize) on degraded soil with erratic rainfall and low yields (estimated as low as 20 percent of potential yields).[60] Very few smallholders produce higher-value crops and only 40 percent own livestock (33 percent own chickens, 18 percent have goats, eight percent have pigs, and only four percent own cattle).[61]

Given the low and erratic rainfall that characterizes the Central and Southern Regions, climate-smart agriculture can help adapt to negative impacts. CA incorporates several common themes: minimum soil disturbance, cover crops or mulching with crop residues, crop diversification through intercropping and/or crop rotation, soil and water conservation techniques and structures, adoption of improved seeds, and agroforestry. Minimum soil disturbance and cover crops/mulching provide a number of benefits including reduced rainwater runoff and soil erosion, increased capacity for water to infiltrate the soil, increased soil organic carbon, decreased soil compaction and improved weed control without use of chemicals or manual/mechanical weeding. Soil and water conservation structures reduce soil erosion

[56] Government of Malawi Department of Disaster Management Affairs. 2018. "Malawi National Resilience Strategy." Page 10.
[57] Hawthorne, Ryan, and Sha'ista Goga, Nasong Park & Nicola Wills. 2020. "Malawi Financial Inclusion Refresh." UN Capital Development Fund, Making Access Possible Program.
[58] "Malawi IPC Chronic Food Insecurity Report." Published May 20, 2022. Pages 13-14.
[59] Worldometers World Population. "Malawi Population."; FAO. "Malawi Gender and Land Rights Database."
[60] The Rockefeller Foundation. 2021. "Accelerating Malawi's Food System Transformation." Page 11.
[61] "Malawi IPC Chronic Food Insecurity Report." 2022. Page 22.

and increase groundwater. Improved seeds enhance crop tolerance to drought and/or flooding while also increasing yields. Agroforestry using leguminous trees reduces soil erosion, reduces evapotranspiration, and enhances soil nitrogen content. Studies of CA in sub-Saharan Africa and Asia demonstrate that CA can improve yields and reduce water requirements, both important for improving food security and climate resilience in central and southern Malawi SHFs.

However, an FAO study on the costs and benefits of implementing CA in Malawi showed that while CA reliably improves farm profitability and resilience to weather shocks, implementation of climate-smart agricultural practices among SHFs is limited due to several factors including high up-front implementation cost (monetary and labor costs that are 40-100 percent higher than traditional approaches), multi-year delay in obtaining benefits, and uncertainty regarding the extent of benefits farmers will derive from CA.[62] Another study conducted in Zimbabwe showed that farmers often only partially or temporarily implemented CA. There were multiple reasons for limited adoption of CA including the need for farmers to change their land preparation and cultivation practices; it was also seen as labor-intensive which was a significant stumbling block for many farmers, especially those without much available household labor; farmers often lacked the crop residues needed for mulching under certain CA approaches because they were often used for livestock feed; and finally, there was a time lag of multiple years between implementation and reaping the benefits. In the absence of available household labor, farmers are often reluctant to hire outside labor to implement CA because of its negative impact on profitability. Because of the high upfront costs and delay in obtaining benefits, farmers often see CA as presenting negative tradeoffs.



The FAO study on the costs and benefits of climate-smart agriculture in Malawi proposed several potential solutions. For example, the authors proposed making social protection programs conditional on adoption of CA, bundling social protection assistance with extension advice on CA, donor support for community nurseries for production of leguminous tree seedlings, and implementation of risk-sharing and other mechanisms to facilitate access to longer-term loans for implementation of CA by SHFs.[63] These recommendations are supported by the findings of a multi-year study of participants in Malawi's largest social protection program which showed that participants had a much higher probability of adopting water conservation structures, maize-legume intercropping, and use of organic fertilizers, and sustaining their implementation of those practices, compared to non-participants.

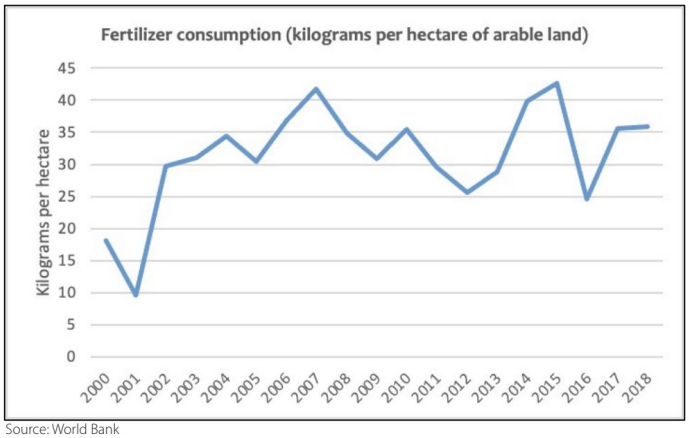
In light of the frequency of drought events and high temperatures prevalent in southern Malawi, farmers could also benefit from use of drought- and heat-tolerant seed varieties. However, the use of high-

[62] Ignaciuk, A., Maggio, G. & Sitko, N.J. 2021. *Assessing the profitability and feasibility of climate-smart agriculture investment in Southern Malawi. Understanding the costs and benefits in a volatile and changing climate.* FAO Agricultural Development Economics Working Paper.
[63] Ibid. Page 19.

quality improved seed varieties is limited, with farmers frequently using retained grain as seed for their next season rather than purchasing higher-quality hybrid seeds with enhanced attributes. Feed the Future Innovation Labs, LUANAR, and others have developed improved varieties in Malawi which are expected to contribute to improved food security and household income over the coming years. FTF and its commercial partners are facilitating farmer uptake of these new varieties through irrigated multiplication and publicizing their benefits to thousands of SHFs.

Fertilizer use, supported through the GoM's perennial agricultural input subsidy programs, has tended to fluctuate between 25-40 kg/hectare over the past 20 years (see graph), well short of the SADC Regional Indicative Strategic Development Plan target of 65 kg/hectare and even short of the lower Abuja Declaration target of 50 kg/hectare. High levels of soil erosion (the national average in 2014 was estimated to be 29 MT per hectare[64]), combined with low soil pH, low soil organic matter, and limited fertilizer use, reduce soil fertility and nutrient availability, and thus reduce yields.

Figure 10: Malawi fertilizer consumption (kgs/hectare of arable land) 2000-2018



Source: World Bank

Poor governance inhibits Malawians from escaping poverty and exacerbates inequality. Agricultural extension services and other enablers of greater productivity are chronically underfunded and mismanaged. Law enforcement, intended to protect lands and waters, are compromised by cartels, resulting in deforestation, soil degradation, and depletion of fisheries. Theft and mismanagement of agricultural inputs, as well as government food purchases, reduce the impact of programs intended to address food insecurity.

Erratic rainfall, frequent dry spells (longer than 14 days), droughts, heavy rains, flooding, and waterlogging cause crop failure and reduce yields. Extremely limited irrigation infrastructure means most farms have high risk from dry spells and droughts (only 66,000 hectares of smallholder farmland is irrigated).[65] Pests such as FAW and diseases such as Foot and Mouth Disease (FMD) further contribute to the volatility of agricultural production and income. With all these factors combining to limit agricultural yields and income, it is unsurprising that a high percentage of rural households have consumption below the poverty line.

Studies have shown that market participation is positively correlated with household dietary diversity. One article states, "Comparing own food production with purchases, they [the studies] show stronger income effects on dietary diversity, with incomes enabling households to have a wider choice, subject to availability, in food varieties."[66] Most households in Malawi rely on food markets for some portion of their food throughout the year, but several factors constrain household purchasing power. Food purchases are naturally limited by available income. Consequently, poverty is one of the key factors driving hunger and malnutrition due to its impact on access to food (both quantity and diversity). Price shocks (both seasonal and from episodic exogenous causes such as the Russian war on Ukraine and

[64] Gustafson, Sarah. 2017. "Soil Loss in Malawi." Food Security Portal; Other studies have estimated the national average soil loss rate at 33 MT/ha/year.

[65] "Malawi IPC Chronic Food Insecurity Report." 2022. Pages 18-19.

[66] Matita, Mirriam, Ephraim Chirwa, Deborah Johnston, Jacob Mazalale, Richard Smith, and Helen Walls. 2021. "Does household participation in food markets increase dietary diversity? Evidence from rural Malawi."

cyclones) cause food prices to soar and exacerbate the effects of poverty by reducing poor households' ability to purchase food. Larger household sizes and higher rural dependency ratios decrease per capita incomes, further limiting households' ability to purchase sufficient food. Inhibiting policies, including export bans and restrictions inter-district commodities movement, reduce commercial farmer incentives to produce more and decrease availability and accessibility of food commodities through normal market channels.[67]

Rural households tend to have limited availability of, and access to, diverse, safe, and nutritious food. Diets are tied closely to subsistence agriculture, and fluctuate with seasonal rainfall patterns. General household understanding and implementation of nutritional best practices is low, including the importance of incorporating diverse foods into the diet. According to USAID's Malawi Nutrition Profile, "only 9 percent of children 6–23 months receive a minimum acceptable diet (NSO and ICF 2017)."[68] Breastfeeding is practiced by 99 percent of all mothers in Malawi, although the duration of exclusive breastfeeding is fairly short for most babies. The median duration of exclusive breastfeeding is only three months, with many mothers believing that infants need additional liquids from an early age. The median duration for any breastfeeding is 23 months.[69] As noted above, key reasons that seem to be driving child food poverty include lack of skills among caregivers to prepare age-appropriate foods and household economic challenges. Parental income and education levels have important links to nutrition outcomes as both are correlated with children receiving a minimum acceptable diet and inversely correlated with stunting levels.[70]

Household water, sanitation, and hygiene conditions also contribute to health and nutrition status. Nationally, most Malawi households have improved water sources (88 percent), handwashing stations (75 percent), and improved sanitation facilities (80 percent). However, among rural households, approximately 14 percent obtain their drinking water from unimproved sources,[71] about 27 percent have no handwashing facility[72] (only 24 percent have handwashing facilities where both water and soap are present[73]), and 22 percent have no access to improved sanitation services.[74] As noted earlier, the quality of household water is low. Nationally, over 60 percent of water tested had *E. coli*, with 34.9 percent of samples having high or very high levels of *E. coli* (in rural areas, the prevalence of high/very high levels of *E. coli* is 65 percent).[75] Hygiene practices essential for good health, such as handwashing at key moments, proper food handling, and proper livestock management, are also low in many households. These hygiene and sanitation weaknesses manifest in high rates of diarrhea (the rate of diarrhea among children 0-59 months was 25% in the two weeks prior to the MICS survey[76]) as well as cholera and typhoid fever epidemics and environmental enteropathy, all of which impact nutritional outcomes.

Malawi's fragile and under-resourced health system is another important driver of malnutrition and low resilience capacity. The GoM's budget allocation to healthcare is wholly inadequate, with donors, including the USG, providing more than 70 percent of all health system funding in Malawi. The health

[67] "Malawi IPC Chronic Food Insecurity Report." 2022. Page 19.
[68] USAID Malawi. 2018. "Malawi: Nutrition Profile." Page 1.
[69] UNICEF. "2019-20 Malawi Multiple Indicator Cluster Survey." Page xvii.
[70] USAID Malawi. 2018. "Malawi: Nutrition Profile."
[71] UNICEF. 2021. "2019-20 Malawi Multiple Indicator Cluster Survey." Page 346.
[72] Ibid. Pages 360-361.
[73] Ibi.
[74] Ibid. Page 364.
[75] Ibid. Page 353.
[76] Ibid. Page xvii.

system struggles with chronic staff shortages and has a health worker vacancy rate of 45 percent (especially in rural, hard-to-reach areas). Clinical practices are substandard. Poorly managed supply chains result in frequent stock-outs of essential medicines and supplies. Much of the health infrastructure is inadequate and dilapidated. Data collection, reporting and analysis are quite weak. Overall, Malawi's health system is handicapped by poor governance, fragmented coordination, weak accountability, and a lack of resources.[77] These problems are even more pronounced in rural areas and among the poorer quintiles of the population. As a result, disease burdens and nutritional deficits are often not effectively addressed by health workers in a timely manner.

In addition to the factors mentioned above, an International Food Policy Research Institute (IFPRI) Policy Brief on the Determinants of Food Insecurity in Rural Malawi[78] studied 8,350 rural farm households and found that a lack of access to market infrastructure to buy and sell agriculture commodities (whether commercial markets or the parastatal ADMARC depots), low agricultural yields, and high and fluctuating market prices are highly correlated with food insecurity. Longer distances from markets lead to higher food insecurity, but the study identified that paving rural roads would reduce food insecurity by as much as 18-20 percent. Low agricultural yields were linked to a variety of causes, including lack of irrigation infrastructure, limited application of modern farm inputs and technologies, and weak extension services providing minimal technical assistance to farmers. The study found that just one annual farm visit by an extension officer would reduce food insecurity by five to seven percent. Unfortunately, government extension services are unable to provide this level of extension service to most farmers, heightening the importance of private sector extension services. High food prices limit household ability to purchase food and high input prices limit the household's ability to purchase adequate fertilizer or high quality seeds to boost farm yields. The study estimated that a 25 percent increase in maize prices would increase food insecurity from two to 12 percent depending on the region. Similarly, a 25 percent increase in the price of fertilizer was estimated to increase food insecurity by 30 percent in the central region and 18 percent in the southern region.

Poor education that tends to end in primary school was also identified by IFPRI's Policy Brief, noting extended education, including vocational training for the rural population, would significantly reduce food insecurity. The predicted impact of ensuring that all rural students complete secondary school was a reduction in food insecurity of eight to twelve percent. Finally, the study noted agricultural subsidy policies do influence food security, but suggested that redesigning the social safety net could result in noticeable gains while improving budgetary efficiency. The study recommended redesigning the agricultural input subsidy package to focus on those farmers most likely to benefit from it while utilizing a social cash transfer program for those lacking the ability to effectively farm (primarily lacking land and labor resources) would also reduce rural food insecurity.

A.5 Primary Constraints In Agriculture and Food Systems

Malawi smallholder farm productivity and income are constrained by myriad factors. First, small farm sizes (averaging less than half a hectare) limit total production of food and the ability to produce a diverse range of crops and livestock. Second, farmers frequently use poor quality retained seed rather than improved climate-smart hybrids, resulting in low germination rates and yields. Policies restricting the use of improved seed and creating an anti-competitive environment for seed suppliers exacerbate this problem.

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[77] USAID/Malawi. "Health Systems Strengthening Strategy 2021-2030." Page 5.

[78] Makombe, Tsitsi, and Paul Lewin, Monica Fisher. 2010. "The Determinants of Food Insecurity in Rural Malawi: Implications for Agricultural Policy." The International Food Policy Research Institute.

Land ownership, access to collateral, and economic decision making are all greatly biased in favor of males, even in areas which have a matriarchal system. Though women are less likely than men to have an account at a formal financial institution (38.1 percent vs. 47.8 percent), equal numbers of both men and women borrowed from a formal financial institution,[79] but the amounts borrowed by women are smaller than men.[80] As a result, women have less access to credit. There is an estimated 31 percent gender gap in agricultural productivity due to fewer women farming cash crops (28 percent less cultivation of high-value crops than men), women having 45 percent less access to male family labor, and 18 percent less access to agricultural tools and implements. In addition, women struggle with competition for their time from housework and childcare in addition to food production and income-generating activities.

Third, analysis of soil samples from hundreds of farm plots has revealed poor soil health as a major impediment to productivity improvement. More than 80 percent of farmers have severely low soil pH and a dearth in soil organic matter which hampers the uptake of nutrients and requires more comprehensive and integrated soil recovery management. Very few farmers incorporate soil amendments to improve the soil pH and organic matter. SHFs have limited ability to buy adequate quantities of fertilizer to offset the poor soil quality. As noted above, average fertilizer usage is well below recommended levels. GoM input subsidies do help boost fertilizer and hybrid seed use, although not to the levels needed, and not consistently appropriate to all agro-ecological zones and soil conditions in Malawi. Recurring public scandals and criminal investigations have revealed rampant corruption and waste in agricultural input programs, severely curtailing their impact.

Fourth, erratic rainfall coupled with extremely limited use of irrigation result in crops frequently not getting sufficient moisture at key points in the crop cycle. Less than one percent of total arable land is irrigated.[81] The World Bank is currently funding a project to boost irrigation in the Shire River Valley which should increase the number of hectares irrigated; however, there are millions of smallholder farmers outside the Shire River Valley who will not benefit from that investment.

Conservation agriculture (incorporating minimum tillage, cover crops, and crop rotation) is a highly effective tool to address both the soil fertility issues and the erratic rainfall. Given farmer reluctance to embrace CA due to its perceived labor intensity, investments in the development and dissemination of low-cost tools to reduce the labor requirement for land preparation and planting could pay large dividends down the road.

Fifth, there is weak knowledge and application of agricultural best practices among smallholders. Currently the Department of Agricultural Extension Services has approximately 900 open positions,[82] and a ratio of 3,000 SHF household to every agriculture extension office. Based on data comparing extension ratios across 17 African countries, Malawi ranked fourth from the bottom. The top five countries average 318 farmers per extension office, and the top 10 countries average 596 farmers per extension office.[83] Malawi would need to double the number of public extension officers to break into the ranks of the top 10 countries. This low staffing level is further compounded by poor roads and a lack of transportation, virtually assuring infrequent visits by extension officers and limiting uptake of improved agricultural practices by smallholder farmers. Private sector firms that provide extension

[79] World Bank. 2024. "Gender Data Portal." Accessed September 23, 2024.

[80] Ebiyamu, Elisa & Kaudza Masina, George. 2023. *Effect of Gender on Access to Loans in Malawi.* Asian Journal of Economics, Business and Accounting.

[81] "Malawi IPC Chronic Food Insecurity Report." 2022. Page 18.

[82] Communication with the Director of the Department of Agriculture Extension Services in 2023 indicated that they have plans to fill 500 of the open positions in the next year.

[83] The African Seed Access Index. "TASAI DashBoard - Cross-Country Dashboard." Accessed October 7, 2023.

services to outgrowers have much lower ratios and provide greater levels of service to their affiliated producers.

Sixth, due to a lack of collateral and low, erratic incomes, SHFs have difficulty accessing credit and other financial services which inhibits purchases of improved crop inputs (seed, fertilizer, crop chemicals, soil amendments) and irrigation equipment. A small percent of SHFs benefit from contract farming relationships with commercial off-takers which are another source of inputs on credit. Most farmers continue to operate largely as independent smallholders rather than in organized groups, such as cooperatives or as contract farmers, thus failing to benefit from economies of scale through group purchasing of crop inputs and through marketing of farm outputs. As a result, Malawi farm yields and profits are far lower than for their counterparts in developed countries and far below potential yields.

Seventh, post-harvest crop losses further increase food insecurity and poverty, although the estimated levels of losses vary considerably. One estimate placed the post-harvest losses at up to 50 percent,[84] while others estimate around 30 percent post-harvest losses; a study conducted in 2017 calculated the conditional post-harvest losses at five percent for maize, eight percent for soya, and 12 percent for groundnuts.[85] Whatever the number, post-harvest losses have a negative effect on food availability.

Eighth, wild fisheries in Lake Malawi, Lake Malombe, and Lake Chilwa are a critical source of protein in Malawi's food system (28 percent of animal protein intake) and economy (fisheries supports livelihoods for 10 percent of population),[86] but are declining due to overfishing, unsustainable fishing practices, and weak enforcement of existing laws and policies. For example, one document reported fish stocks in Lake Malawi declined by over 90 percent from 1990 to 2020.[87] Another 2018 document revealed the fisheries sector produced five times the profit that would be sustainable; over 90 percent of all nets used have mesh sizes that are too small, capturing fish before they reach maturity; and there are far too many fishermen competing for the declining resource. Dramatic steps are required to avoid collapse of the fish stocks and loss of a critical protein source. The study suggested the most cost-effective solution to ensure sustainability of the fisheries would be to reduce the number of active fishing boats by approximately 86 percent, from 18,000 currently to 2,475 boats per day (using a rotational fishing scheme).[88]

A.6 Risk and Resilience Context

There are many multivariate shocks and risks, both cyclical and non-cyclical, that interact and compound to create poverty, food insecurity and low resilience. Among the array of risks facing Malawi, several primary risks threaten household food security and economic well-being in Malawi: population growth, climate-related shocks, and a lack of livelihood diversification.

Population Pressures

[84] The Rockefeller Foundation. 2021. "Accelerating Malawi's Food System Transformation." Page 15; The Rockefeller Foundation noted that "farmers lose up to half of their hard-earned yields to rodents, weevils and rotting in the months after harvest."

[85] Ambler, Kate, Alan de Brauw, Susan Godlonton. 2018. "Measuring postharvest losses at the farm level in Malawi." The Australian Journal of Agricultural and Resource Economics.

[86] USAID. 2017. "Climate Change Risk in Malawi: Country Risk Profile". Climate Change Adaptation, Thought Leadership and Assessments (ATLAS)." Page 3.

[87] ReliefWeb. 2014. "Lake Malawi's dwindling fish stocks threaten livelihoods." The New Humanitarian.

[88] Copenhagen Consensus Center. 2021. "Malawi Priorities: Fisheries Technical Report." The Malawi Priorities Project Policy Brief.

Population growth has and continues to accelerate demand for food and natural resources. Malawi is the tenth most densely populated African country (eight times more densely populated than Zambia and five times more dense than Zimbabwe) due to its small geographic size and high population growth rates.[89] From a population of 3.6 million in 1960, Malawi's population grew rapidly and is now over 20 million. Fortunately, female fertility rates declined from 5.7 children per woman in 2010 to 4.4 children per woman in 2015/16,[90] and is currently around 4.3 children per woman according to the 2020 MICS report. But with close to half of the population (46 percent) under the age of 15, and 75 percent under 35, the population is still projected to double in just over two decades. Because of relatively slow rates of urbanization, roughly 85 percent of the population is still in rural areas competing for the same limited land area in which to grow crops and with limited access to education, health, extension, and other services and infrastructure. The high fertility and birth rates have many causes including a high incidence of early marriage, limited women's empowerment, minimal birth spacing, and low education levels among girls and their sexual partners. High levels of poverty and an emphasis on subsistence agriculture also lead families to have more children, given the children's roles in providing farm labor, helping with household chores such as fetching water and firewood, as well as being a social safety net for the parents in their old age. In addition, children have a social value that may supersede potential negative economic impacts of having more children than a household can afford.

Rural population per capita land area (rural land area divided by rural population) has declined from 2.36 hectares in 1965 to 0.60 hectares in 2020. Total population per capita land area (total rural land area divided by total population) has declined from 2.25 hectares to 0.49 hectares. The land now has to produce roughly five times as much food per hectare as it did in 1960, which was accomplished largely through expansion of cultivated area plus some yield improvements. Unfortunately, in the Central and Southern regions very little arable land exists for further agricultural expansion, strongly linking any future improvements in food security to yield and/or income improvements.

A study by MwaPata Institute states, "Agricultural intensification is found to rise with population density up to about 500 persons/km2; beyond this threshold, rising population density is associated with sharp declines in output per unit of land. These unsustainable agricultural productivity trends are being attributed to factors such as land fragmentation, continuous cultivation without fallowing leading to deterioration in soil quality." This deterioration in soil quality is "a result of dwindling soil organic carbon and critical soil micronutrients as well as increased soil acidity due to continued use of inorganic fertilizers on tiny pieces of land."[91] The MwaPata study analyzed population densities compared to arable land at the Traditional Authority level and discovered that (as of 2018) about 34 percent of the land area (and 63 percent of the rural population) had already reached this point of diminishing land productivity due to high population densities. They estimated that by 2048 about 90 percent of the rural population would be living in areas with population densities exceeding 500 persons/km2 (roughly 87 percent of the total arable land).[92] There are, however, dramatic differences between the North and Central/South regions, with the North much less densely populated. MwaPata estimated only 6.2 percent of the North population will need to leave rural areas by 2048 to maintain a population density less than or equal to 500/km2, compared to 35.8 percent for the Central and 22.5 percent for the South.

Malawi needs to either make a dramatic and rapid transition to urbanization and industrialization or stabilize the population through a substantial decline in the total female fertility rate (or preferably both). In the absence of rapid industrialization and with the current population trajectory, just to maintain

[89] Wikipedia. "List of African countries by population density."

[90] USAID Malawi. 2018. "Malawi: Nutrition Profile."P age 1.

[91] Muyanga, Milu and Zephania Nyirenda, Yanjanani Lifeyo & William J. Burke. 2020. "The Future of Smallholder Farming in Malawi." MwAPATA Institute Working Paper 20/03. Page 5.

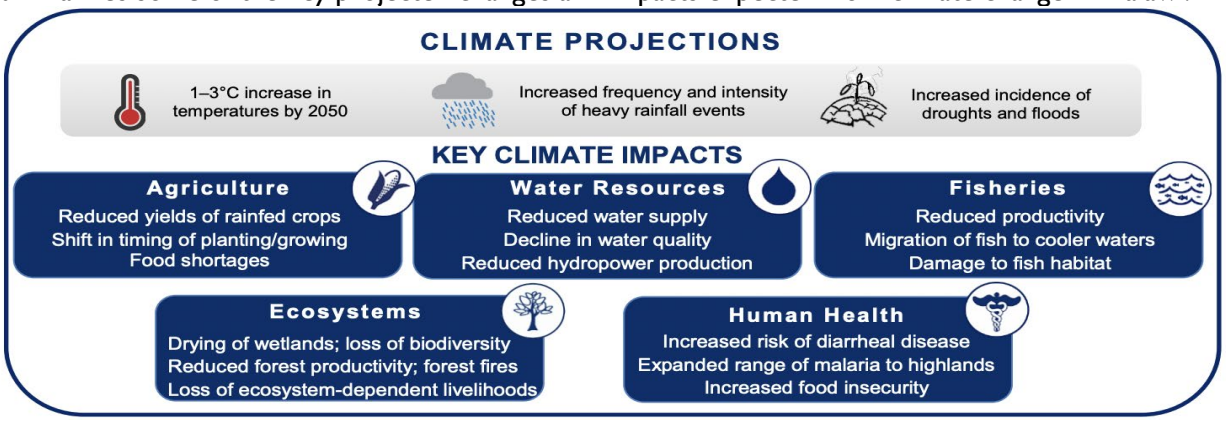
[92] Ibid. Page 7.

current levels of poverty and food insecurity, the land will need to produce at least twice as much food and income as it currently does by 2043, and more if household food security and poverty levels are to improve.

The increasing population is also placing serious demands and pressures on natural resources. There is extensive land degradation due to loss of forest coverage in Malawi, especially in the south, which is highly degraded and impacted by both droughts and floods. Agricultural expansion and fuel wood harvesting are the main causes of deforestation and land clearance. Malawi's Digest of Malawi Energy Statistics for 2020 revealed that 86 percent of national energy consumption uses biomass (mostly fuelwood and charcoal), and it represents almost 99 percent of household energy consumption due to lack of cheaper alternatives.[93] This is true even in urban areas, where more than 75 percent of households rely on charcoal for their cooking needs.[94] According to Malawi's Forestry Factsheet, Malawi experienced an average annual deforestation rate of approximately 14,500 hectares per year from 2006 - 2016, but that understates the magnitude of the problem. The Factsheet noted Malawi uses about two and a half times more biomass from degradation of forest land than it does from outright clear cut deforestation; roughly an additional 36,000 hectares are degraded annually due to tree harvesting.[95] The impact on Malawi is devastating, as deforestation is causing reduced carbon capture and increased carbon emissions, soil erosion, flooding, dam siltation, loss of wildlife habitat, increasing temperatures and soil moisture evaporation. All of these consequences heighten vulnerability to climate-related shocks (including large, but normal rainfall events) and weaken the resilience of adjacent communities that rely on forest ecosystem services, including wild foods which complement rain-fed production. As noted above, fish stocks in the three main lakes have also suffered dramatic declines due to overfishing. A collapse in the fish stocks will not only threaten the livelihoods of many thousands of fishermen and other value chain participants, but also dramatically reduce household protein consumption across Malawi.

Climate-related Shocks

Climate change and climate-related shocks are another primary risk to food security, with expected impacts likely to be severe. The following graphic from the 2017 Malawi Climate Change Risk Profile summarizes some of the key projected changes and impacts expected from climate change in Malawi.[96]



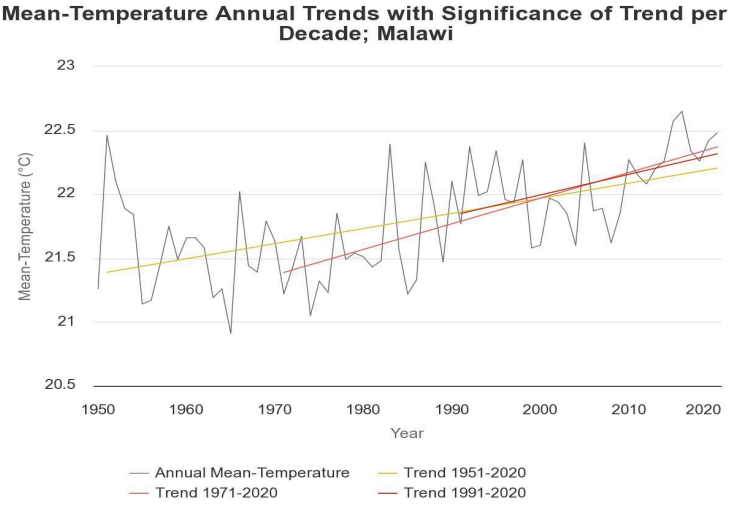
[93] Government of Malawi Ministry of Energy. 2023. "Digest of Malawi Energy Statistics."

[94] Government of Malawi National Statistics Office. 2019. "Malawi Population and Housing Census Report 2018." Page 222.

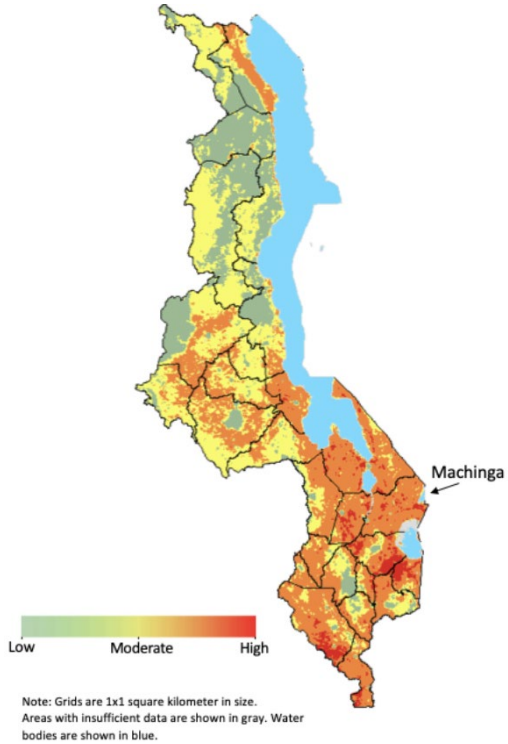
[95] Government of Malawi. 2022. "Forestry Factsheet."

[96] USAID. 2017. "Climate Change Risk in Malawi: Country Risk Profile." Page 1.

Severe climate-related shocks (primarily droughts and floods) have increased in frequency and severity over the past two decades, exacerbated by environmental degradation. Some reports noted 25 percent of the population has experienced drought seven or more times during the past decade, with similar trends in flood-affected populations.[97] Malawi is already experiencing shorter rainy seasons, more periods of drought, with more rain falling on single day events and rising temperatures. The graph below shows that average temperatures have increased almost a full degree celsius since 1980.[98]



Climate change is both a world-wide phenomenon and at the same time a local phenomenon. As noted above, locally-driven climate change is caused by the severe deforestation and other natural resource degradation that Malawi has experienced over the past 50-plus years. Deforestation increases soil temperatures and evaporation, reduces soil moisture, and leads to rapid rainwater runoff, flooding, and erosion of the topsoil. While Malawi cannot do much to prevent global climate change, it can take steps to prevent the more localized causes and to adapt to and mitigate the effects of global climate change through afforestation, forest restoration, improved watershed management, riverbank protection, disaster risk management systems, enhanced weather prediction systems and low-cost systems to disseminate weather and risk information, use of drought- and heat-tolerant and short-season seed varieties, and more widespread implementation of CA. Given farmer reluctance to embrace CA due to its perceived labor intensity, investments in the development and dissemination of low-cost tools to reduce the labor requirement for land preparation and planting could pay large dividends down the road.



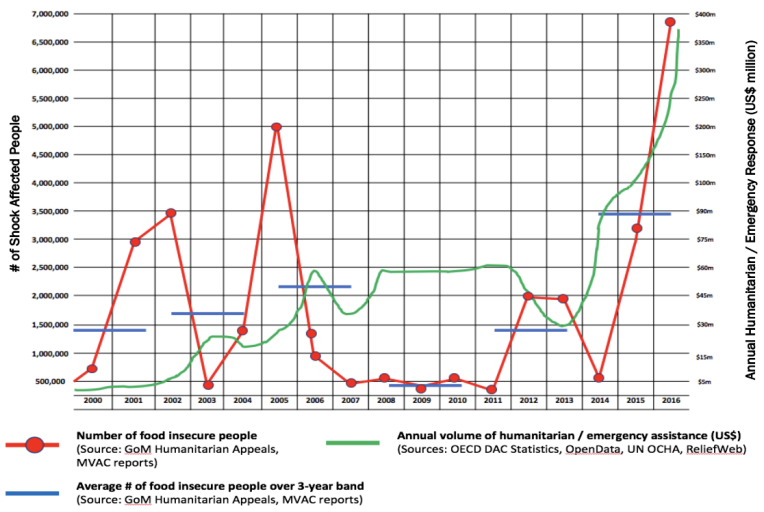
Climate models project Malawi's temperature will increase between 0.5 - 1.5 ◦C by 2040. The models also suggest the rainy season will start later and the number of rainy days will decline while the amount of rainfall on those rainy days will increase. There will likely be an "increase in

[97] Government of Malawi Department of Disaster Management Affairs. 2018. "Malawi National Resilience Strategy."
[98] World Bank Climate Knowledge Portal. "Malawi - Trends and Significant Change against Natural Variability." Accessed October 7, 2023.

average monthly rainfall from Dec– Jan and a decrease from Feb–April", and an increase in the proportion of rainfall experienced during extreme weather events.[99] Maize, the country's primary staple food, is particularly sensitive to changes in temperature and soil moisture. Significant crop yield impacts are already being felt at 0.8°C warming. As temperatures rise and the rainy season becomes more erratic and extreme, these factors will reduce rainfed crop and fisheries yields, increase risk of aflatoxin contamination in groundnuts and other crops, and add further pressure on Malawi's agricultural and food systems, nutrition, services delivery, migration patterns, and infrastructure in urban and rural areas.[100] Other negative effects are likely to include decreased forest productivity, more frequent and intense forest fires, increased wildlife mortality, reduced water levels in lakes and rivers, decline of wetlands, increased incidence and range of malaria in higher altitude areas, increased incidence of cholera and other diarrheal diseases, increased malnutrition, and increased health stress on populations with compromised immune systems and chronic diseases.[101]

Data from the Malawi Department of Disaster Management Affairs shows that these shocks are occuring with the greatest frequency in central and southern districts.[102] Central and Southern Malawi have the most severe environmental degradation in the country and models suggest southern Malawi will be most impacted by climate change. The colored map illustrates the variations in these projected impacts from climate change across the different districts and regions. Districts colored red (primarily in the south) have highest projected climate change impacts, yellow districts (primarily in the center and north) have moderate projected impacts, while green districts (primarily in the north) have low projected impacts.

Figure 2: Trends in Humanitarian Responses to Shock-Affected Populations in Malawi (2000-2016)



In spite of the frequently recurring nature of the shocks and high level of disaster risk that Malawi faces, the country has historically underinvested in disaster risk management and early warning systems which could reduce the number of fatalities and loss of assets seen regularly from flooding and landslides. Better and more widely disseminated climate predictions could enable farmers to make better choices about which crops and which varieties to plant which could better withstand droughts and shorter growing seasons. Finally, the GoM needs to do a better job in creating an annual funding plan to more proactively deal with the shocks that occur with unfortunate regularity (rather than reactively requesting support from donors after a disaster has occurred). Donors are working with the GoM as part of the

[99] USAID. 2017. "Climate Change Risk in Malawi: Country Risk Profile." Page 2.
[100] Ibid.
[101] Ibid. Pages 3-4.
[102] Government of Malawi Department of Disaster Management Affairs. 2018. "Malawi National Resilience Strategy." Page 10.

Malawi National Social Support Programme (MNSSP) II to develop a better financing plan (see Social Safety Protection subsection below).

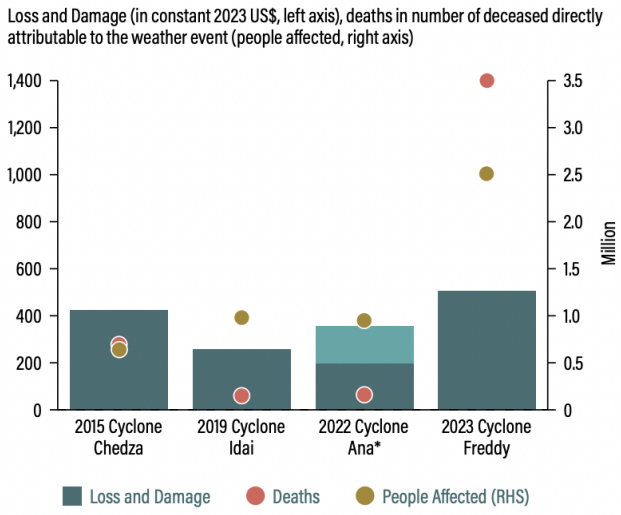
In addition to climate-related shocks, Malawians also routinely suffer from price shocks, pests (e.g., FAW), livestock diseases (e.g., FMD), cholera outbreaks (caused by floods and poor water and sanitation conditions), and death or illness of someone in the household. These shocks increase poverty and reduce food availability and accessibility for the rural poor.

At a national and district level, Malawi is unprepared to adapt to and mitigate shocks. In its latest index, the Notre Dame Global Adaptation Initiative ranks Malawi 167 out of 182 countries for both vulnerability to climate change and overall readiness to adapt to it.[103]

Households are also mostly unprepared to adapt to shocks. Household resilience in Malawi, as evidenced by the Household Livelihoods Resilience Score (HLRS),[104] is generally very low, with weighted averages ranging from 1.29 to 1.6. Where households have low HLRS they are more susceptible to shocks, have limited ability to recover from shocks, and are at higher risk of falling into and remaining in severe poverty. Based on 2015 data for various agricultural livelihood zones, a majority of households have very limited buffers and are at great risk of falling into severe poverty when they are beset by shocks.[105] Moreover, when agriculture-related shocks occur, the demand for agricultural labor decreases, reducing the key casual labor opportunity for the already marginalized rural poor.

The result is a chronic need for humanitarian assistance. Malawi's National Resilience Strategy noted "these annual climatic shocks coupled with fluctuating market prices and a large baseline of the population already affected by chronic food and nutrition insecurity led to increasing annual humanitarian responses, from 8 percent of the country requiring assistance during the 2014/5 lean season, increasing to 18 percent in 2015/e 20166, culminating with approximately 40 percent of the population in need of emergency assistance to survive th/7 lean season."[106] The dramatic increase in need for humanitarian assistance in 2016/17 was due to severe droughts and floods, which were the worst in 50 years. The FAW infestations in 2016 and 2017 also damaged crops, reducing yields and causing complete crop failure in some areas. This was followed by Cyclone Idai in 2019, which destroyed the crops of 300,000 households. The health and economic impacts of the COVID-19 pandemic also took a toll in Malawi, and resulted in more people falling into poverty, including an additional 500,000 people in urban areas

FIGURE 1.7 Cyclones are becoming more frequent and destructive



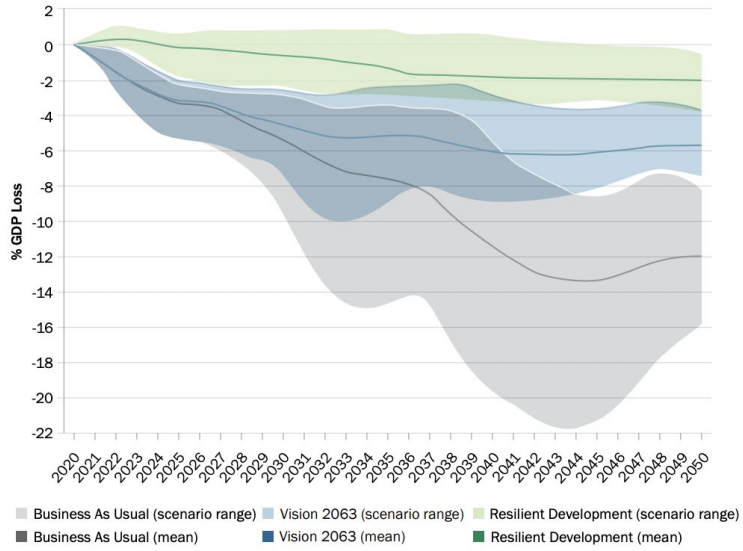
Source: World Bank staff calculations based on PDNA (Government of Malawi 2023).
Note: * Range of estimates based on Global Rapid Damage Estimation (World Bank 2022d).

[103] Notre Dame Global Adaptation Initiative Country Index Rankings. Accessed October 3, 2024.
[104] The HLRS is computed based on the ratio of household income to the total costs to sustain local livelihoods (survival costs).
[105] "Malawi IPC Chronic Food Insecurity Report." 2022. Page 12.
[106] Government of Malawi Department of Disaster Management Affairs. 2018. "Malawi National Resilience Strategy." Page 4.

due to bottlenecks in food systems and economic slowdowns in Malawi and neighboring countries.[107] More recently, in March 2023, Cyclone Freddy dumped months of rain in just a few days in southern Malawi, resulting in devastation to affected areas. The devastation included flooded farmland, lost livestock, destructive landslides, collapsed roads, and damage to houses, schools, and other buildings. The GOM's Post Disaster Needs Assessment estimated that 2.3 million people were affected, more than 659,278 people were displaced, 679 people lost their lives and 537 people were missing, 2,186 people injured, and over $500 million in damage to physical structures and loss of assets. The World Bank pegs production losses at about 0.5 percent of GDP.[108] As a result, food prices tripled or quadrupled in hard-hit areas leading to even further economic misery and food insecurity.[109] Maize prices in March 2023 were 3.76 times higher than in March 2022, but in May 2023 they had fallen to 2.56 times the price in March 2022.[110]

The impacts of climate change, and reductions in agricultural resilience and human capital most severely affect asset- and income-poor, food insecure, nutritionally vulnerable, and socially excluded groups, whose capacity to adapt to both rapid- and slow-onset climate change impacts is more limited. These especially include women, children, older people, persons with disabilities, as well as those who are HIV-positive. These vulnerabilities illustrate the critical need to build rural populations' capacities to mitigate, adapt to, and recover from shocks and stresses to achieve and sustain economic recovery and transformation.

Figure E1: Climate change will impose large economic costs; development will strengthen resilience but will require doing different things.



The World Bank's 2022 Malawi Country Climate and Development Report states that, under the current status quo low-growth development trajectory, "climate change could reduce GDP by 3-9 percent in 2030, 6-20 percent in 2040, and 8-16 percent by 2050…." The report goes on to state that the largest impacts are likely to come in the form of damage to physical infrastructure such as roads, bridges, and dams, but heat impacts on productivity will also be significant with large effects on poor and vulnerable households. The report goes on to make a rather bleak forecast that "over the next 10 years, climate shocks on the economy could push another 2 million people into poverty (an increase in poverty rate by 8 percentage points), increasing to 4 million additional poor by 2040." But on a more hopeful note, the World Bank indicated that shifting to a higher growth development trajectory would significantly dampen the negative effects of climate change. "By supporting higher-quality infrastructure and a more diversified economy, economic development is found to be one of the most powerful forms of adaptation. A push to achieve development objectives also protects the vulnerable from the impacts of climate change, in some cases reducing the household

[107] Ibid.

[108] Disaster Information Hub. 2023. "Malawi 2023 Tropical Cyclone Freddy Post-Disaster Needs Assessment."

[109] World Food Programme. 2023. "Food prices skyrocket as cost of cyclone Freddy becomes evident in Malawi."

[110] Engel, Jakob, et al. 2023. "Malawi Economic Monitor - Powering Malawi's Growth: Rapidly and Sustainably Increasing Energy Access." Work Bank.

that would otherwise fall into poverty by as much as three-quarters."[111] The World Bank identified three priority areas for investment: (1) build (or rebuild) resilient infrastructure that can withstand shocks; (2) stop land degradation and restore existing degraded land through reforestation, agroforestry, natural land regeneration, improved watershed management and restoration, improved cookstoves, and sustainable charcoal production; (3) reduce impact of climate shocks on labor and household livelihoods through diversifying the economy away from agriculture into other sectors, and through scaling up and enhancing social protection schemes.[112]

Adaptation to Climate Change

Climate change is happening faster than predicted decades ago, but several strategies can assist SHFs to adapt to the risks imposed by a changing climate. These include widespread use of conservation agriculture; adoption of shorter season drought-tolerant seed varieties; increased access to irrigation; significantly increased protection, natural regeneration, and reforestation of forested areas; improved watershed management; enhanced riverbank flood control; increased use of hazard insurance for crops and livestock; development of robust disaster risk reduction and management plans; improved early warning systems; and expanded social protection systems. The VACS activity will be one tool to support conservation agriculture. Stimulating macro-economic growth, industrialization, and employment creation equal to or greater than population growth is also essential to diversify income streams away from rain-fed subsistence agriculture and effectively deal with the effects of population growth, declining per capita agricultural land area, and the risks associated with climate change.

Some progress has been made in promoting short-season seed varieties and drought-tolerant crops such as small grains. The challenge with small grains is Malawian households prefer to eat maize, and small grains tend to have relatively low yields and low profitability. Efforts have also been made to implement watershed management systems and forest restoration programs with some success, although to date the scale has been inadequate to truly address the magnitude of the challenge. Unfortunately, there has been relatively little progress in expanding implementation of conservation agriculture and access to irrigation for a variety of reasons. Although it clearly works, conservation agriculture is seen as labor-intensive in the first couple of years with benefits delayed for several years. It also requires a perceived significant shift from traditional farming practices. Irrigation also works well to ensure more reliable agricultural production and significantly increase yields and income, but the infrastructure is expensive and donors have not come forward with adequate funding to make that a reality for more than a relative handful of SHFs. Thus, most SHFs that do irrigate do so by hand using buckets. The Mission's previous FTF Agriculture Diversification Activity assisted several hundred SHFs to get drip irrigation (mostly small-scale systems for backyard gardens) and the new Growth Poles Activity will include a greater emphasis on expanding access to irrigation.

Development of disaster risk reduction and risk management strategies is a part of USAID and other donor programs. USAID and other donors and NGOs such as the One Acre Fund are promoting and facilitating access to hazard insurance such as crop, livestock, and other hazard insurance mechanisms. A number of donors, including USAID, are also assisting the GoM to develop a more robust, expanded shock-responsive social protection scheme to prevent households from falling deeper and deeper into poverty as a result of shocks.

Lack of Livelihood Diversification

[111] World Bank Group. 2022. "Country Climate and Development Report: Malawi." Page 2.
[112] Ibid. Pages 4-6.

Various studies have demonstrated that diversified, uncorrelated income streams significantly increase household resilience. Unfortunately, the vast majority of rural households in Malawi derive virtually all of their income and most of their food from their own relatively undiversified farming efforts. While they may raise multiple crops, most if not all is rain-fed (subject to drought risk) and maize is the dominant crop that is grown on typically at least 50 percent of their land holdings. Relatively few households (particularly in the south) own significant quantities of livestock which could help to diversify income streams and act as a bank account or safety net (see subsection A.4 Key Drivers of Poverty, Hunger, and Malnutrition for additional statistics on livestock ownership). The primary income diversifier in rural areas is *ganju* (informal) labor on other people's farms, but *ganju* labor is highly correlated to the same risks that affect the laborer's own household agriculture - droughts and floods. Thus, it is an important income supplement for many poor households but a very weak income diversifier.

Although urbanization rates have been low, those rural households that have children or spouses living and employed in urban areas tend to have better food security and resilience due to remittances. Malawi needs to urbanize faster to leverage this phenomenon as well as to reduce the pressure on rural natural resources and provide diversified economic opportunities. But economic growth and job creation needs to be an integral part of any push toward increased urbanization, as currently very few people moving from the farm to the city can find formal employment. As noted in subsection A.1 Overall Country Context, only about 10 percent of the working age population has a formal job.

Higher Levels of Food Security and Resilience in the North

Although all regions have high levels of poverty and malnutrition, the north is generally more food secure and has better resilience than the central and southern regions for multiple reasons. First, as mentioned above, the north has a lower population density and larger farm sizes, meaning that each hectare of land has to support fewer people. Second, the north has slightly higher rainfall and lower temperatures than the south, resulting in greater soil moisture, less evaporation, and higher yields. Third, people in the north tend to own more livestock (61 percent own livestock in the north compared to 45 percent in the central and 40 percent in the south). Livestock ownership promotes resilience by diversifying income sources and acting as an informal bank or investment account households can draw upon in times of need. People in the north also have higher levels of bank account ownership (18.7 percent in the north compared with 12.5 percent in the central and 13 percent in the south), mobile phone ownership (68.5 percent in the north compared with 51.3 percent in the central and 54 percent in the south),[113] higher levels of literacy, especially for women (73.6 percent in the north compared to 60.5 in the central and 62.7 percent in the south),[114] and experience fewer shocks such as droughts, floods, heavy rain, and cyclones compared to the south (average of 12.6 from 2000-2013 in northern districts compared to 9.9 in central and 16.6 in southern districts). In combination, these factors add up to a substantial relative advantage for people living in the north.

Social Safety Protection

Social safety protection systems provide vitally important assistance to vulnerable households, with an especially important impact on women and youth. Unfortunately, Malawi's social safety net is limited in scale and has been dominated by the politically-motivated agricultural input scheme which is heavily oriented towards maize. These agricultural input subsidy programs (which have evolved somewhat over the past 25 years) boosted agricultural yields in the early years but have failed to further increase yields over the past 10-15 years. In addition to poor targeting of the subsidies and a lack of return on the investment, the subsidy programs consume a high percentage of the Ministry of Agriculture's budget

[113] National Statistics Office and UNICEF. 2021. "2019-20 Malawi Multiple Indicator Cluster Survey." Page 29.
[114] Ibid. Page 39.

each year and divert government budget resources from other critically important functions such as agricultural extension services and irrigation development. Rural Malawi is not better off now than it was 15 years ago and remains highly dependent on government and humanitarian aid even during normal or better than average agricultural seasons.

USAID and other donors have funded a number of studies on the effectiveness of the GoM's agricultural subsidy programs. In addition, the USG sponsored a GoM representative to attend a conference on input subsidy programs in Uganda in 2018. The World Bank, IFPRI, and the DCAFS donor committee have made a number of recommendations over the past 8-10 years based on these studies and pressed the GoM to implement reforms to the subsidy programs. One key recommendation was for the GOM to use the subsidies to assist more productive farmers while scaling up investments in an adaptive and shock-responsive social protection program. However, because of the highly political nature of the subsidy program (it is seen by many as a vote buying scheme), most of these recommendations have not been realized. Relatively small changes have been made, but these changes have not been scaled up and have frequently been reversed after a season or two.

With assistance from the World Bank and several other donors (including USAID), the GoM has developed a social protection program (MNSSP II) that seeks to proactively address climate-related shocks. a two-pronged social safety net program that incorporates both unconditional cash transfers to the ultra poor (about 25 percent of the ultra poor population) and conditional cash transfers to the poor who experience shocks. The program provides supplemental shock-responsive payments when drought conditions occur (based on predefined triggers) during the agricultural season. Affected households receive timely electronic cash transfers of about US$24/month for three months to enable them to bounce back from shocks without resorting to negative coping mechanisms. The program also includes conditional cash transfers linked to the climate-smart public works programs. Beyond cash transfers, the program includes VSLAs and access finance. Although the program design is good, there is a need to scale up and effectively implement the program. The goal is to expand conditional cash transfers beyond drought coverage to also include floods and major storm damage across all 28 districts over the next couple of years. Donors are also working with the GoM to develop a more comprehensive, stable financing plan, including regular budgetary outlays complemented by donor grants and a relatively large-scale disaster risk insurance policy.

A.7 Gender Equality

The World Bank (WB) states that "With more than 12 laws, 10 policies, and nine international or regional treaty obligations related to the regulation of women's issues, Malawi has a relatively progressive framework anchored on a progressive constitution and relevant pieces of legislation."[115] Although the constitution and various laws grant equal status to men and women, cultural norms, beliefs, and practices have limited economic and social progress for women and girls. Malawi has one of the highest disparities between female and male achievements in reproductive health, empowerment, and economic status, ranking 142 out of 170 countries on the UN's Gender Inequality Index.[116] In 2022, females held 19 percent of parliamentary seats and very few political offices outside of parliament. Early marriage is fairly common among young women, with almost 38 percent of women currently aged 20-24 having been married before age 18 and 7.5 percent before the age of 15.[117] Early childbearing is also common, with almost 60 percent of young women beginning childbearing by age 19 as of 2015/16.[118]

[115] World Bank. 2022. "Breaking the Cycle of Reduced Economic Opportunities for Malawi's Women and Girls."
[116] UNDP Human Development Reports. "2021 Gender Inequality Index." Accessed October 7, 2023.
[117] UNICEF. 2021. "2019-20 Malawi Multiple Indicator Cluster Survey." Page 22.
[118] USAID Malawi. 2018. "Malawi: Nutrition Profile." Page 2.

Research has shown that young mothering substantially increases the risk of malnutrition, stunting, and poor cognitive development for the baby. Low birth weight, small weight-for-gestational age, and undernutrition in the first two years of life has a direct inverse relationship with GDP. Gender-based violence continues to cast a heavy pall over Malawian women. According to the 2015-16 Malawi Demographic and Health Survey, 34 percent of women aged 15-49 years experienced physical violence by age 15 and 20 percent experienced sexual violence. Spousal and intimate partner violence declined somewhat but was still a staggering 42 percent in 2016.[119]

Relative to men, women have far lower access to productive resources, fewer opportunities to enhance their skills, and earn lower incomes. Land ownership, access to collateral, and economic decision making are all greatly biased in favor of males, even in areas which have a matriarchal system. Women are also less likely than men to have an account at a formal financial institution. In 2021, 38 percent of women owned an account at a financial institution or with a mobile money provider compared to 48 percent of men. [120] Only three percent of Malawians have access to formal credit and 26 have access to informal credit.[121] As a result, women have less access to credit. There is an estimated 31 percent gender gap in agricultural productivity due to fewer women farming cash crops (28 percent less cultivation of high-value crops than men), women having 45 percent less access to male family labor, and 18 percent less access to agricultural tools and implements. In addition, women struggle with competition for their time from housework and childcare in addition to food production and income-generating activities. Poverty rates among female-headed households are much higher than among male-headed households. A UN study estimated that closing the gender gap in agriculture could lift as many as 238,000 Malawians out of poverty each year.[122]

Despite the persistent gender inequalities, great strides have been made in the past two decades in women's access to finance and gender parity in education. Women with at least one formal financial services product increased from 29 percent in 2015 to 36 percent in 2018. In 2017, 16 percent of women had bank accounts (including mobile money accounts) with formal financial institutions compared to 18 percent of men (up from 7 percent and 11 percent, respectively, in 2014).[123] A 2021 WB news article lauded this progress saying, "The proportion of women that are formally banked increased from 17 percent in 2011 to 38.5 percent in 2018."[124] Outside the formal financial system, women have high levels of participation in Village Savings and Loan Associations (VSLAs), comprising 72 percent of members.[125]

As mentioned earlier, men have a higher literacy rate than women, but that is primarily due to lower literacy rates among women ages 25+ where literacy gaps between men and women increase with age. Among the 24 and younger population women/girls actually have higher literacy rates than men/boys. Due to historical cultural biases, only 5 percent of adult women and 9 percent of adult men have completed secondary school or gone beyond secondary school. Fortunately this has begun to change. Currently, at a national level girls start school, continue in school, and achieve literacy rates roughly comparable with boys. In fact, more girls continue to secondary school than boys. Per the 2019-20 MICS, the primary school gender parity index is 1.02, the lower secondary school gender parity index is

[119] National Statistical Office (NSO) [Malawi] and ICF. 2017. "Malawi Demographic and Health Survey 2015-16."
[120] World Bank. "Gender Data Portal." Accessed October 4, 2024.
[121] National Statistical Office (NSO) [Malawi] and ICF. 2017. "Malawi Demographic and Health Survey 2015-16."
[122] Buehren, Niklas, et al. 2015. "The Cost of The Gender Gap in Agricultural Productivity in Malawi, Tanzania, and Uganda." UN Women, UNDP, UNEP, and the World Bank Group. Page 10.
[123] UN Capital Development Fund Making Access Possible Program. 2020. "Malawi Financial Inclusion Refresh." Page 26
[124] World Bank. 2021. "Banking the Unbanked in Malawi."
[125] UN Capital Development Fund, Making Access Possible Program: 7"Malawi Financial Inclusion Refresh."

1.38, and the upper secondary school gender parity index is 1.49, indicating that there is parity at primary school but more girls are enrolled than boys at lower and upper secondary school levels.[126] These gender parity levels hold true for urban/rural and regional breakdowns, as well as across the different wealth quintiles.

A.8 Digital Technology Landscape

A recent study on the digital agriculture technology (DAT) landscape in Malawi revealed that it is still in its early stages of development, with significant evolution over the last decade - about 86 percent of the DATs mapped in the study were established between 2011 and 2021.[127] Only 37 percent of the DATs are developed and headquartered in Malawi, with the majority headquartered in other countries, most notably Kenya and Ghana.[128]

Malawi has underdeveloped digital infrastructure, low digital literacy levels and low smartphone penetration, especially in rural areas. Radio (41 percent) and basic feature phones (32 percent) are the most common digital devices accessible to the rural population. Only 21 percent of the rural population has access to mobile phones capable of browsing the internet compared to 51 percent in urban areas. Rural men have much greater access to digital devices and services (47 percent) compared to rural women (26 percent).[129] In general, digital technology ownership and digital literacy in Malawi is well below the average of other African countries. A recent survey of 34 African country by Afrobarometer ranked Malawi number 27 in technology infrastructure,[130] number 33 in technology ownership,[131] and number 31 in digital literacy.[132]

Because of this low level of infrastructure development and technology ownership, agricultural technology services have largely leveraged basic technologies such as short message services (SMS) and Unstructured Supplementary Service Data (USSD), and most service platforms enable users to access information offline to reduce dependency on unreliable cellular networks, spotty network coverage in rural areas, and expensive internet connection charges.

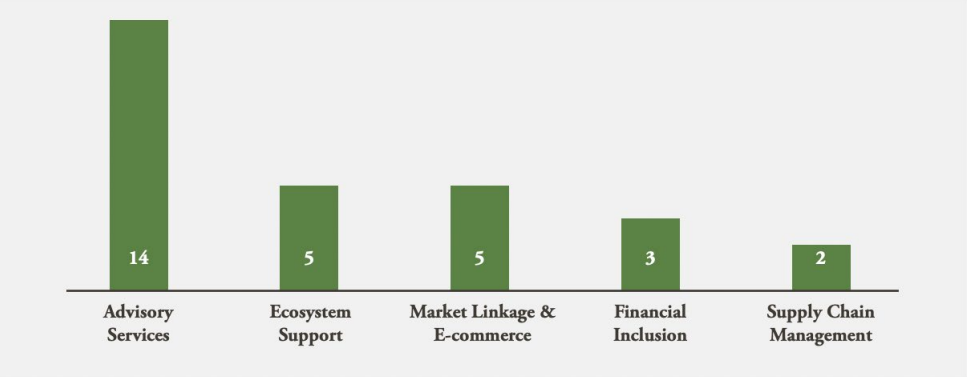
The government of Malawi has played a pivotal role in adopting and using DATs to enhance service delivery. For instance, the government has been using the Esoko and Airtel M'chikumbe platforms to improve the delivery of extension and market information services. The GoM's Digital Economy Strategy (DES) (2021-2026) seeks to enhance the performance of critical sectors (such as agriculture) by

[126] National Statistics Office and UNICEF. 2021. "2019-20 Malawi Multiple Indicator Cluster Survey." Page 274.
[127] USAID Malawi. Dweck, Talia, and Araba Sapara-Grant, Karnika Yadav, Racheal Wangari, Justin Miatu, Allan Obilo, Dennis K. Kigen, Frank Mkumba, Mathias Timothy. 2022. "Malawi Digital Agriculture Ecosystem Assessment." Development Alternatives International, Intellicap, and Umodzi Consulting. Page 23.
[128] Ibid. Page 25.
[129] Ibid. Page 34.
[130] Kronke, Matthias. 2020. "Africa's Digital Divide and the Promise of E-learning." Afrobarometer Policy Paper No. 66. Page 9.
[131] Ibid. Page 3.
[132] Ibid. Page 7.

adopting digital innovations. The DES highlights the importance of digital solutions to improve competitiveness and create new employment opportunities in the agriculture sector.

In recent years donors' and development institutions' programs and interventions have supported development and uptake of digital agricultural services. Around 20 donor-funded projects have various components supporting the development and use of digital technologies.[133] Donor-funded projects, private sector tech companies, startup incubators, and accelerators are supporting the growth of the country's entrepreneurship and innovation ecosystem, including development of mobile and web applications. These organizations have been supporting the growth of DATs through capacity building, investment readiness, fundraising, mentoring, and networking services.

Figure 9: Number of DATs in Malawi by use cases (primary), N=29



Source: Intellecap analysis

Five key use cases were identified by the study: advisory services, ecosystem support, market linkages and e-commerce, financial inclusion, and supply chain management. Of these, advisory services are most commonly supported through DATs.[134] These DATs hold significant promise to improve the operational efficiency of the agrifood system.

However, the digital technology assessment noted several barriers to sustainability and scale up of the DATs. These include "donor reliant revenue models, limited access to commercial funding, inadequate value chain partnerships, underdeveloped digital infrastructure, and low-income levels of smallholder farmers discouraging uptake". Because of the donor funding that supported the launch of many of these DATs, most offer subsidized or free services. Of concern is when donor support ends, customers frequently discontinue use of the DATs because they cannot afford the subscription fees.[135]

A.9 Country Priorities

Malawi has a number of vision and policy documents outlining its priorities and aspirations including Malawi 2063, the Malawi Growth and Development Strategy III (MGDS), the National Resilience Strategy (NRS), the Malawi National Adaptation Plan (NAP), the Malawi Multi-Sector National Nutrition Policy 2018-2022, the Malawi National Nutrition Strategic Plan 2018-2022, and the Malawi National Pathways to Food System Transformation in Support of the 2030 Agenda. Malawi 2063 articulates a vision of an "inclusively wealthy and self-reliant nation" that is an "industrialized upper-middle-income country by the year 2063."[136] Malawi 2063 is based on three key pillars: (1) Agricultural Productivity and

[133] USAID Malawi. Dweck, Talia, and Araba Sapara-Grant, Karnika Yadav, Racheal Wangari, Justin Miatu, Allan Obilo, Dennis K. Kigen, Frank Mkumba, Mathias Timothy. 2022. "Malawi Digital Agriculture Ecosystem Assessment." Development Alternatives International, Intellicap, and Umodzi Consulting. Page 24.
[134] Ibid. Page 25.
[135] Ibid. Page 30.
[136] Government of Malawi National Planning Commission. 2020. "Malawi 2063." Page i.

Commercialization, (2) Industrialization, and (3) Urbanization. These pillars, in turn, are based on several enablers that are particularly noteworthy and relevant to this GFSS Country Plan: Mindset Change; Effective Governance Systems and Institutions; Private Sector Dynamism; and Environmental Sustainability. Malawi 2063's call for a "mindset change" is strongly reminiscent of USAID's CDCS insistence for a "radical rethink".

Malawi 2063 mentions that Malawi's transformation "will require a shift from low productivity and subsistence-oriented agriculture to a highly productive and commercialized agriculture system with manufacturing linkages."[137] It encourages moving beyond lower-value food security crops to strategic crops and livestock that will produce higher incomes, as well as the use of improved technologies, climate-smart agricultural practices, agricultural diversification, sustainable land-use practices, and improved access to affordable finance and agricultural insurance. Malawi 2063 sees the private sector as a critically important segment that can bring economic development, wealth creation, job creation, and is one of the principal contributors to the domestic tax base. The fundamental need for enhanced human capital development is also recognized as the bedrock foundation for forward progress and improved resilience, though Malawi 2063 acknowledges several current challenges including nutritional deficits that hinder cognitive development, poor access to quality education at all levels, vulnerability to shocks and crises, and mismatches between skills typically developed by youth and the skills needed by employers.

Similarly, the MGDS seeks to build a competitive, productive, and resilient nation. MGDS describes five priority investment areas: (1) Agriculture and Climate Change Management to contribute to food security, nutrition, environmental management, value addition, rural development, manufacturing, and trade; (2) Education and Skill Development to increase productivity and promote youth employment and technology adoption; (3) Energy, Industry, and Tourism Development to increase employment, productivity, and exports; (4) Transport and ICT Infrastructure Development to augment and support commercial and industrial development; and (5) Health to enhance productivity and reduce gender inequality.

Focusing on the country's widespread poverty, food insecurity, vulnerability and lack of resilience to shocks, the NRS lays out a vision of "a country free of chronic vulnerability and food and nutrition insecurity, where sustainable economic growth creates opportunities for everyone, and where people are resilient to economic and environmental shocks that affect their lives and livelihoods." To achieve this vision, the NRS includes four pillars[138] focusing on (1) resilient agriculture; (2) risk reduction; (3) social protection and nutrition; and (4) sustainable use of natural resources.

The Malawi NAP (still in development) will address climate change risk through a number of core components. These include:

- Improve community resilience to climate change through enhanced agricultural production, infrastructure development and disaster risk management;
- Enhance sustainable utilization of natural resources especially forest, water, fisheries and wildlife resources through reduced deforestation, afforestation, reduced production of charcoal, reduced clearance of forests for new agricultural development, and better management of fisheries;
- Improve environmental management with a special focus on improving soil health, reducing soil erosion, and implementing conservation agriculture practices such as minimum tillage and retaining crop residues;

[137] Ibid. Page 13.

[138] See Annex 6 for a diagram of the NRS Strategic Framework

- Enhance conservation and/ or restoration of biodiversity and ecosystems, including forests, botanical resources, wildlife, and fisheries.

The Malawi National Multi-Sector Nutrition Policy 2018–2022 provides a guiding framework for the implementation of national nutrition investments. The Policy is operationalised through the National Nutrition Strategic Plan 2018–2022. The National Multi-Sector Nutrition Policy emphasizes eight priority areas: i) Prevention of undernutrition; ii) Gender equality, equity, protection, participation, and empowerment for improved nutrition; iii) Treatment and control of acute malnutrition; iv) Prevention and management of overweight and nutrition-related non-communicable diseases; v) Nutrition education, social mobilization, and positive behavior change; vi) Nutrition response during emergency situations; vii) Creating an enabling environment for nutrition; and viii) Nutrition monitoring, evaluation, research, and surveillance.[139]

Based on dialogs with many stakeholders, the Malawi National Pathways for Food Systems Transformation made a number of commitments which are very consistent with the themes discussed throughout this Country Plan. These commitments include diversifying the Agricultural Inputs Programme; scaling up investments in production of nutritious value chains; increasing household consumption of nutrient-rich foods; scaling up frontline nutrition workers to help households improve the quality of their diets; introducing farmer-friendly financing; scaling up natural resource management practices such as land restoration, natural regeneration, agro-ecology, permaculture, conservation agriculture, and catchment conservation measures; scaling up ICT infrastructure to digitize the economy and food systems functions; invest in local digital early warning systems; construction of disaster preparedness infrastructure; scaling up climate insurance products such as crop and livestock insurance; and implementing a food price stabilization mechanism.[140]

Fairly consistent with GoM priorities, the World Bank recommended three urgent priority actions in its Malawi Economic Monitor:[141]

- Restoring macroeconomic stability, rebuilding foreign reserves, implementing and enforcing budgetary discipline, better managing public finances, and renegotiating and achieving debt sustainability.
- Increasing private sector production and exports, diversifying the economy, and encouraging more foreign investment.
- Building resilience and protecting the poor including better disaster risk management, expanding social protection programs, etc.

Several key themes consistently emerge from these documents, including economic growth; agricultural productivity, commercialization, and diversification; human capital development supported by improved nutrition; wealth building; self-reliance and resilience; and environmental sustainability. This GFSS Country Plan supports each of these GoM priorities and aspirations.

A.10 Policy Environment

Consultations with the private sector indicated the business policy environment is a significant obstacle to Malawi's economic growth (see Annex 2 for a summary of key themes from stakeholder

[139] USAID Malawi. 2022. "Multi-Sectoral Nutrition Country Plan." Pages 2-3.
[140] Government of Malawi. 2021. "Building Healthier, Sustainable And Equitable Food Systems For A Better Malawi: National Pathways For Food Systems Transformation In Support Of The 2030 Agenda."
[141] Jakob Engel, et al. World Bank. 2015. "Malawi Economic Monitor - Powering Malawi's Growth: Rapidly and Sustainably Increasing Energy Access."

consultations). Government policies tend to distort agricultural markets, disincentivizing private sector investment. During the last two years, a series of legislation focused on the agriculture and land sector (six land amendment acts passed, crop bill, tobacco bill, sugar bill, fertilizer bill, trade mandate) demonstrate a trend towards over regulation of key sectors, making them more costly and bureaucratic. For example, these bills and mandates all include new licenses, new regulatory processes, and new boards and bodies, making costs and bureaucratic hurdles higher, and business processes more onerous for large and small companies. In addition, legislation also concentrates power in the hands of Ministers which opens up opportunities for corrupt practices.

Policy processes in Malawi are plagued by significant weaknesses in problem identification, policy formulation, policy adoption, policy implementation, and policy evaluation. These weaknesses create opportunities for political interference and non-transparent practices, which can undermine the integrity of policy and legislation.

Policy formulation in Malawi is typically characterized by limited stakeholder consultation. When stakeholders are consulted, it is often pro-forma, with predetermined outcomes and feedback from outside the line ministry frequently ignored. Key ministries often fail to communicate with impacted parties during drafting, and there is often inadequate analysis of relevant data. This results in policies that are not evidence-based and are vulnerable to political influence or meet specific pecuniary goals of influential politicians and their business allies. Additionally, there is no clear process to ensure strategy alignment and overall coherence across different policies and regulations. In some cases the policies are not aligned with Malawi's long-term strategies and goals, leading to unintended consequences and a lack of predictability, coherence, and successful implementation.

At times, policy drafting organizations develop policies without analysis of the government's capacity to implement them, resulting in ineffective and inefficient implementation due to insufficient budget and human resources. Systematic feedback loops and continued engagement with stakeholders is lacking, as is good evidence on the impact of policies and laws. As a result, policies are not evaluated and adjusted accordingly. Legislation is developed in Ministries, and introduced in Parliament with little notice or time for Parliamentary committees to analyze legislation or propose amendments. Further, Parliamentary committees often lack knowledge and expertise to provide substantive contributions to legislation, undermining their law-making prerogative and minimizing checks and balances.

In an effort to tackle some of these issues, donors, including USAID, have provided support to various policy research organizations in Malawi including the International Food Policy Research Institute (IFPRI), the Center for Agriculture Research and Development (CARD) at Lilongwe University of Agriculture and Natural Resources (LUANAR), and MwAPATA, an independent agricultural policy think tank in Malawi. These policy and research institutions have conducted numerous studies, research, analyses, and policy briefs, and continue to encourage the GoM to shift toward evidence-based policies and good policy-making practices. There has been some positive response from the government in incorporating this research and analysis into its decision-making processes, although more progress is necessary, as outlined earlier. USAID also supports the Malawi parliament in more effectively carrying out their legislative and oversight roles through selected committees. However, without adequate time and funding for committees to deliberate, these efforts will not make a significant difference.

A.11 Partnership Landscape

The U.S. Government (USG) is one of Malawi's most important development partners. USAID, with its broad range of development programs, including agriculture, food security, humanitarian assistance, environment, energy, health, nutrition, education, democracy and governance has been a leader among

development partners in supporting Malawi's progress toward food security. In 2022, USAID and the Government of Malawi signed a five year Development Objective Grant Agreement, valued at $1.2 billion, that directly supports Malawi 2063 goals. The Millennium Challenge Corporation (MCC)'s first $350.7 million compact with Malawi (2013-2018) invested in the power sector and created a sustainable foundation for private sector investment. MCC has signed a second $350 million compact with Malawi (2024-2029) that is focusing on improving road transport in targeted areas of agricultural potential, improving delivery of land administration services through increased land-based revenues, and boosting private sector investment through a blended finance partnership with the U.S. Development Finance Corporation, all of which complement USAID/Malawi's Feed the Future program initiatives and especially the new Commercializing Smallholder Agriculture through Growth Poles Development activity.

The U.S. Department of Agriculture (USDA)'s 2016-2020 Food for Progress horticulture development project[142] targeted agricultural and marketplace improvements in the horticulture value chain. A new 5-year (2022-2027) USDA Food for Progress development program, Market Transitions to Enable New Growth Opportunities (MTENGO), will help 35,000 medium-sized farms (approximately 2–6 acres) to accelerate their transition to commercial agriculture, with a focus on soy, coffee, honey, chili peppers, and bananas. In addition, a new, 5-year $10-$30 million USDA McGovern-Dole Food for Education school feeding program is expected to begin October 2024. Peace Corps volunteers focused on Environment and Health sectors work in host communities, schools, and other organizations to encourage environmental conservation, establish communal gardens, promote sustainable agriculture techniques,[143] and work with pregnant women and parents to improve the health and nutrition of pregnant and lactating women and young children. The US Department of State/PolEcon team focuses primarily on promoting an attractive investment environment and good fiscal and monetary policies. PolEcon has partnered with USAID and other donors to encourage the GoM to make positive changes to the Seed Act, the Land Act, the Tobacco Act, and the Export Mandate.

The Malawi GFSS Country Plan aligns with the African Union's Comprehensive Africa Agriculture Development Program (CAADP) and will contribute to addressing Malawi's areas of weaknesses highlighted by CAADP's fourth biennial review report. To address the weaknesses, the GFSS will continue to increase the proportion of youth engaged in new job opportunities in agriculture value chains, increase the number of both men and women with access to financial services, intentionally engage women in agriculture value chains, increase trade, and support improving nutrition, linkages between value chains and smallholder farmers. Under GFSS, Malawi will also improve post-harvest management and productivity-enhancing technologies.

Other development partners also contribute meaningfully to Malawi's efforts to improve food security. The EU, UK, Irish Aid, German Gesellschaft für Internationale Zusammenarbeit (GIZ), Norway, and Belgium's Flemish Government, along with several UN agencies (WB, FAO, WFP, UNICEF, WHO), all have important long-term agriculture and nutrition programs, and also contribute to periodic disaster-related food assistance programs. Beyond the typical large donors, the Foundation for a Smoke-Free World, through its Agricultural Transformation Initiative (ATI), has become an important donor in this space, investing meaningful amounts in a variety of efforts to help Malawi diversify away from tobacco and transform its agriculture sector.

The U.S. is a key partner and donor co-convenor along with Irish Aid in the Scaling Up Nutrition (SUN) Movement Donor Group, supporting the GoM to coordinate and align donors and other stakeholders' nutrition plans, programs, and resources through a multi-stakeholder platform. In addition, USAID is an

[142] Malawi Strengthening Inclusive Markets for Agriculture (MSIKA) implemented by Land O'Lakes Venture37

[143] Such as composting, intercropping, bio-intensive planting, and organic pest management

active member and previous chair of the Donor Nutrition Security Committee (DONUTS). The DONUTS group seeks to enhance donor coordination, facilitate alignment and promote effectiveness of donor-funded nutrition activities in support of national, multi-sectoral nutrition policies and actions. Members of DONUTS participate in extensive consultations at the design phase of new activities, joint monitoring visits, and general information sharing on a regular basis.

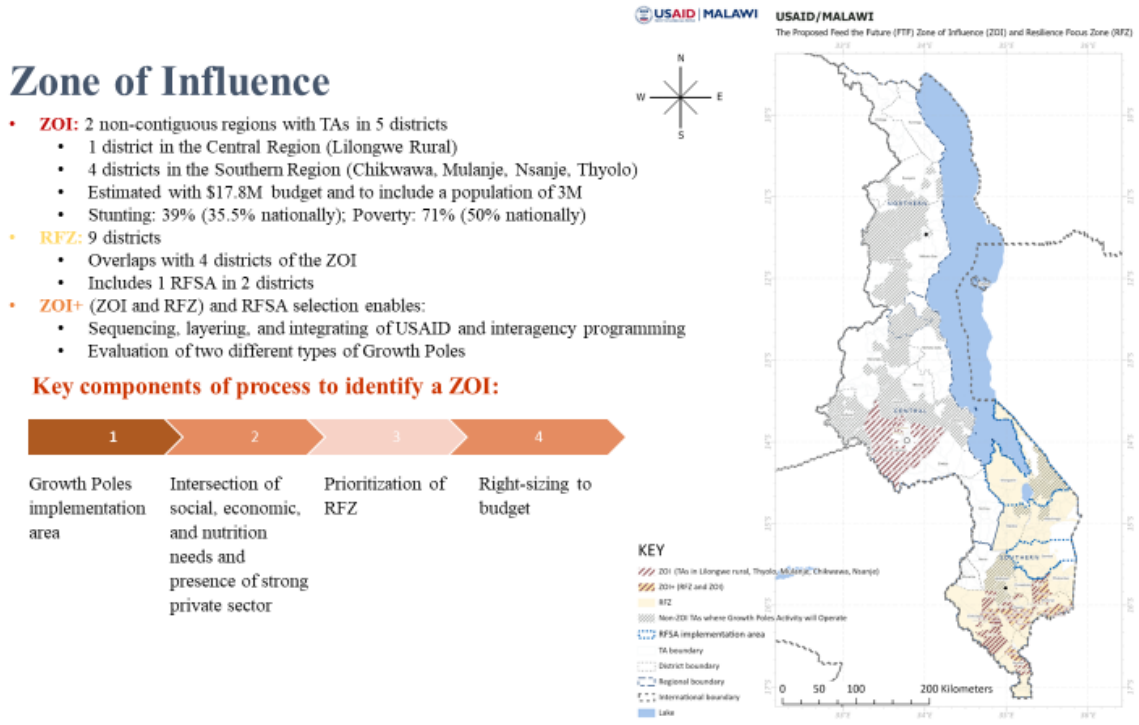
The U.S. is also an active leader in the Donor Committee on Agriculture and Food Security (DCAFS), having chaired the group multiple times since 2016. DCAFS seeks to promote a unified donor voice on issues surrounding agriculture and food security, with a special focus on relevant policies. Through DCAFS, USAID and other donors have contributed to a Multi-donor Trust Fund to co-invest in various initiatives. DCAFS also collects data on all relevant donor projects and seeks to promote collaboration and reduce redundant efforts. In addition, USAID is currently the chair of the Donor Committee on Trade, Industry, and Private Sector Development (TIPDeP). TIPDeP works with the Ministry of Trade and Industry as well as the Presidential Delivery Unit within the Office of the President and Cabinet to help unlock policy bottlenecks, with a primary focus on investments, trade facilitation, industrial development and SME development.

Finally, USAID is also an active member of the Malawi Vulnerability Assessment Committee which regularly assesses the state of food security in Malawi and provides early warnings for crises. The USG will continue to use these fora as entry points to leverage co-funding opportunities and influence investment choices that support the transformation of agriculture.

B. Targeting

B.1 Map of Zone of Influence Plus

The following map shows the Zone of Influence (ZOI - see red hash marks), the Resilience Focus Zone (RFZ - see yellow shaded area), and the ZOI+ which is the combination of the ZOI and RFZ. In addition, the map shows areas in which the FTF flagship Growth Poles activity will operate outside of the ZOI (see black hash marks).



B.2 Description of Zone of Influence Plus

The Mission has defined a Zone of Influence Plus that comprises both the ZOI and the RFZ. Both the ZOI and the RFZ are clearly delineated in the maps above. The ZOI, which overlaps with and includes four districts in the RFZ, as well as a fifth district outside of the ZOI, is an area of higher ambition in which the Mission will measure its progress against targets at a population level and report to Washington. BHA RFSA and other humanitarian activities currently operate in the RFZ in districts outside the ZOI and future RFSA/humanitarian activities will likely focus on the RFZ, although these districts are yet to be determined. Because full resources of the USG across all GFSS agencies and departments will not be focused on districts outside of the ZOI, progress will likely be a bit slower in those districts.

As noted above in Section A, Country Context, status quo, traditional agricultural development and food security investments over the past several decades have not resulted in significant improvements in food security or poverty and are not likely to achieve the Global Food Security Strategy objectives over the next five to ten years. A different approach is needed. Thus, for its flagship FTF activity, the Mission has chosen to take a distinct approach to addressing the poverty-food insecurity-malnutrition nexus through an economic growth pole, or core geographic industry, approach to strengthening a resilient food system through robust private sector engagement. This approach emphasizes partnering with interested private sector firms that will invest alongside USAID where they already have operations to spur local economic growth and drive tangible progress among smallholder farmers in the surrounding areas. Growth Poles partners must have an ESG focus and scalability aligned with USAID values. The exact footprint of each of the surrounding areas will be determined by each private sector partner based on the number and location of SHFs that it wishes to link to its value chain activities. Thus, these specific geographic areas surrounding the partners will be determined in the first 1-2 years of the GFSS Plan and may change depending on relationships and shared goals.

Co-investments by USAID and the private sector partners will have spillover effects which will ripple through the local and regional economies for the benefit of thousands of other households that are not direct beneficiaries of the Growth Poles Activity. By creating economic opportunities and diversified local economies, as well as inclusive access to markets and finance for women and youth, a household gender transformative approach, and leveraging multi-sectoral investments within USAID and from the GOM and other donors, the investments in the ZOI will reduce poverty, improve food security, and build household, community, and systems-level resilience capacity and outcomes that are sustainable beyond USAID funding cycles.

The new FTF flagship Growth Poles activity was designed and contracted prior to developing the GFSS Country Plan. Hence the Growth Poles Activity was influential in shaping the ZOI. In its process of identifying and selecting an appropriate ZOI, the Mission first considered where Feed the Future funds were programmed for the Growth Poles activity (i.e., where the Mission had private sector partners collaborating with the Growth Poles activity and willing to partner with USAID to achieve economic growth, poverty reduction, improved nutrition, enhanced resilience, and greater social and economic equality). Within the Growth Poles implementation area, the Mission then considered levels of poverty, food insecurity, resilience, need for humanitarian assistance, and areas suffering from frequent shocks. The intersection of high levels of social/economic/nutrition needs and a concentration of strong private sector partners was used to identify focal areas where USAID and its partners can make the greatest contributions to measurable and sustainable improvements in food security, poverty reduction, nutrition, and resilience. Priority was then given to districts included in the RFZ.

As a result of that analysis, USAID/Malawi has defined a Zone of Influence that includes one district in the Central Region (Lilongwe Rural) and four districts in the Southern Region (Mulanje, Thyolo, Chikwawa, and Nsanje). Sub-district administrative units in Malawi are called Traditional Authorities, or TAs. Because of the Mission's intent to partner with larger private sector companies in areas where they are already operating, Malawi's ZOI does not cover the entirety of the five included districts. The map shown above highlights the Mission's target ZOI for the GFSS Country Plan. The red-hashed areas are TAs in the ZOI where the Mission will have Growth Poles partners and a variety of GFSS interventions. The black-hashed areas are TAs outside the ZOI where the Mission will have Growth Poles partners but more limited GFSS interventions with a lower concentration of beneficiaries; thus they have not been included in the ZOI for population-based measurement. The yellow shaded area represents the RFZ; the black outlined areas with yellow shading indicate current RFSA operational areas. Finally, the yellow shaded areas with red-hashed lines represent the ZOI+ where the ZOI and RFZ overlap.

Based on an estimated annual budget of $17,800,000, the ZeaCreST tool estimated that the ZOI should be right-sized to have a maximum 2026 population of 3,350,000. In this selected zone, the estimated population in 2026 will be about 3,010,000 which is about 10 percent under the maximum population size recommended by ZeaCreST. According to USAID's ZeaCreST tool, poverty and stunting in the ZOI are both noticeably above the national and regional averages. The stunting rate in the ZOI is currently about 39 percent, compared to 35.5 percent nationally and 37.0 percent and 35.5 percent in the central and southern regions, respectively. The poverty rate in the ZOI is approximately 71 percent, compared to 50 percent nationally and 55.8 percent and 51.0 percent in the central and southern regions, respectively. To reduce poverty by 10 percent, 213,747 fewer people would need to be experiencing poverty. See Annex 8 for a list of the administrative units (districts and TAs) that are included in the target ZOI.

The areas selected for the ZOI have been characterized by Michigan State University as mid-altitude plateau with good market access (less than two hours travel time to major markets) and relatively high

population densities (see dark green areas in the map to the right).[144] Elevation in most of the ZOI is over 650 meters above sea level. Lilongwe District receives approximately 900 mm of rainfall annually, with temperatures averaging around 24-25 degrees celsius (with high temperatures around 28-30 degrees celsius). Mulanje, Chikwawa, Nsanje, and Thyolo receive anywhere from 800-1,000 mm at the lower end of the range to 1,200-1,400 mm at the higher end of the range depending on the specific location. Average annual temperatures also vary in those four districts, ranging from 18 degrees celsius in the Mount Mulanje area to 26-28 degrees celsius in other areas (with high temperatures frequently exceeding 40 degrees C in lower altitude areas).

The Resilience Focus Zone includes Mangochi, Balaka, Machinga, Zomba, Chiradzulu, Mulanje, Thyolo, Chikwawa, and Nsanje districts. The GFSS ZOI overlaps with the RFZ in four of those districts: Mulanje, Thyolo, Chikwawa, and Nsanje. Although the ZOI will not overlap with the current BHA Resilient Food Security Activity (RFSA) Titukulane (ending in 2024), which is in two other districts in the RFZ, it may overlap with a future RFSA activity once the new RFSA target area has been identified. The reason Feed the Future has only included four districts from the RFZ in the ZOI is because of the core Growth Poles strategy and the lack of a large private sector partner footprint in the other RFZ districts..

FTF interventions in the ZOI will benefit from substantial investments being made by other USAID offices, MCC, and other donors. MCC has two planned road corridors in the central region that will increase access to markets in Lilongwe for producers in the surrounding areas. Once established, these road corridors will fill a key infrastructure gap that will strengthen the market system and provide more access for marginalized populations, including women and youth, to contribute to and benefit from the market system.

Governance for Solutions (GFS), a flagship program in USAID Malawi's DRG office (co-funded by all of the Mission's technical offices), focuses on identifying service delivery bottlenecks at the local level and developing solutions through participatory processes with district and other stakeholders. GFS also works to strengthen the enabling environment for the private sector at the local level by liaising between companies and district authorities to solve challenges identified by the private sector to conduct business and diversify the local economy. GFS is implemented in a total of eight districts, including three districts (Lilongwe, Chikwawa, and Mulanje) in the ZOI. By overlapping with GFS in three of the five ZOI districts, USAID builds on Mission Malawi's integrated programming approach to leverage investments and maximize and sustain resilience outcomes.

The Mission's Health, Population, and Nutrition (HPN) Office plans to expand their Government to Government (G2G) program to two ZOI districts, Chikwawa and Mulanje. The G2G support is strengthening health service delivery and the health and governance systems at the district level, and also receives targeted support from Governance for Solutions. The HPN Office's MOMENTUM activity supports family planning and reproductive health in Lilongwe and Chikwawa. The activity is currently collaborating with one of the Growth Poles private sector partners to identify how to improve local health service delivery through private and public providers and reduce dependency on local industry to provide for their employees. Additionally, Akule ndi Thanzi ("Let Them Grow Healthy" - focused on nutrition in the first 1,000 days - Lilongwe), Momentum Tiyeni (provides direct service delivery - Lilongwe, Chikwawa), and HIV-related programming are active in some ZOI districts.

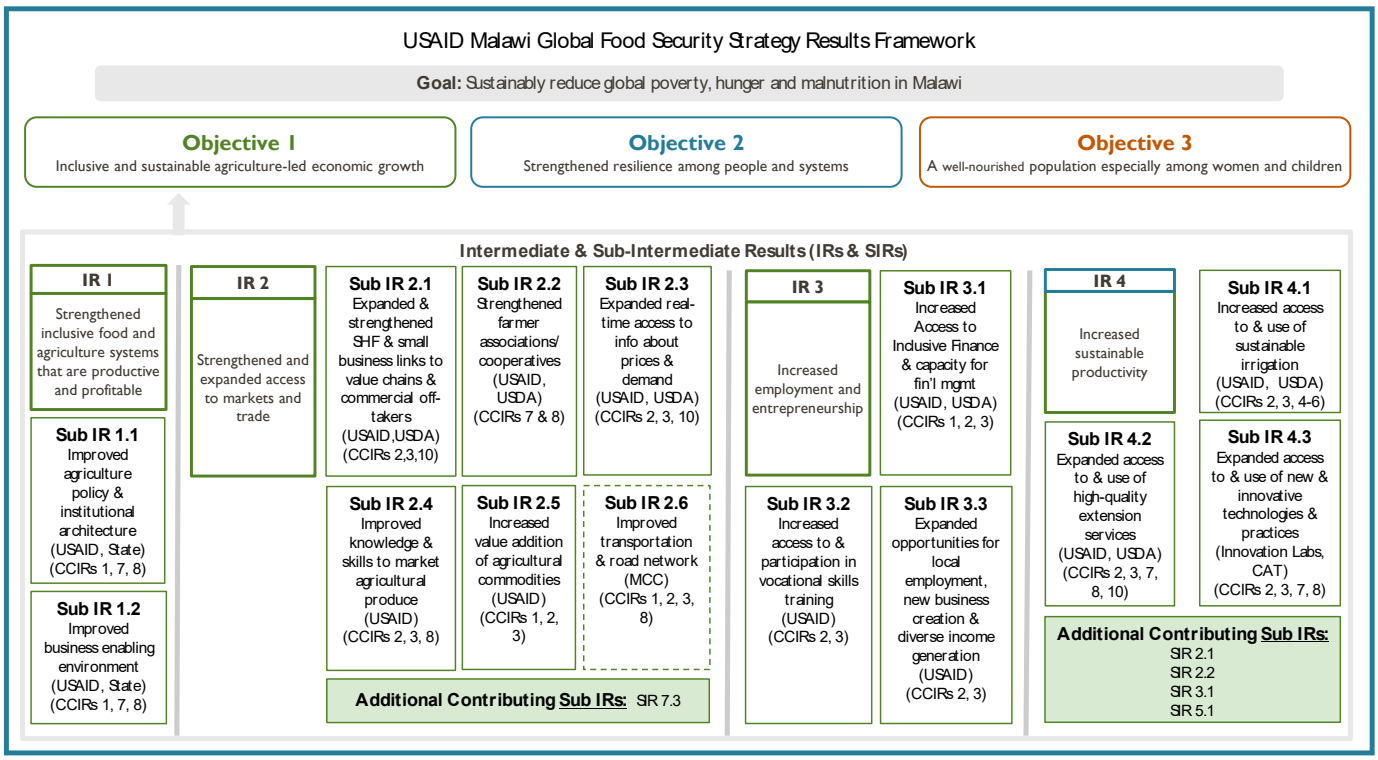
By establishing the ZOI in Lilongwe Rural, USAID/Malawi will have an opportunity to evaluate the effectiveness and impact of the Growth Poles approach partnering with two large companies, overlapping with a governance activity, aligned with MCC road corridors, and near to a large market and

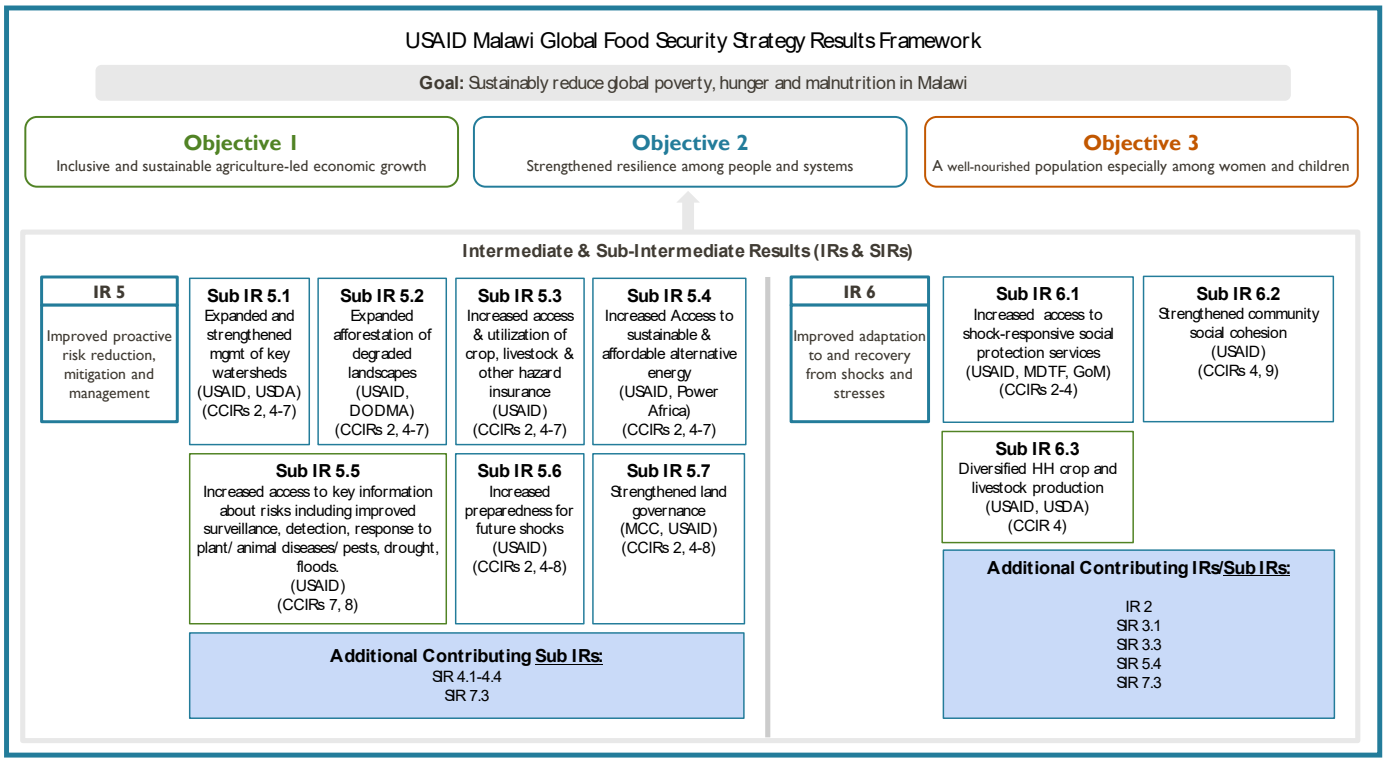
[144] Benson, Todd, and Athur Mabiso, Flora Nankhuni. 2016. "A Spatial Examination of Agricultural Land Use Potential in Malawi."

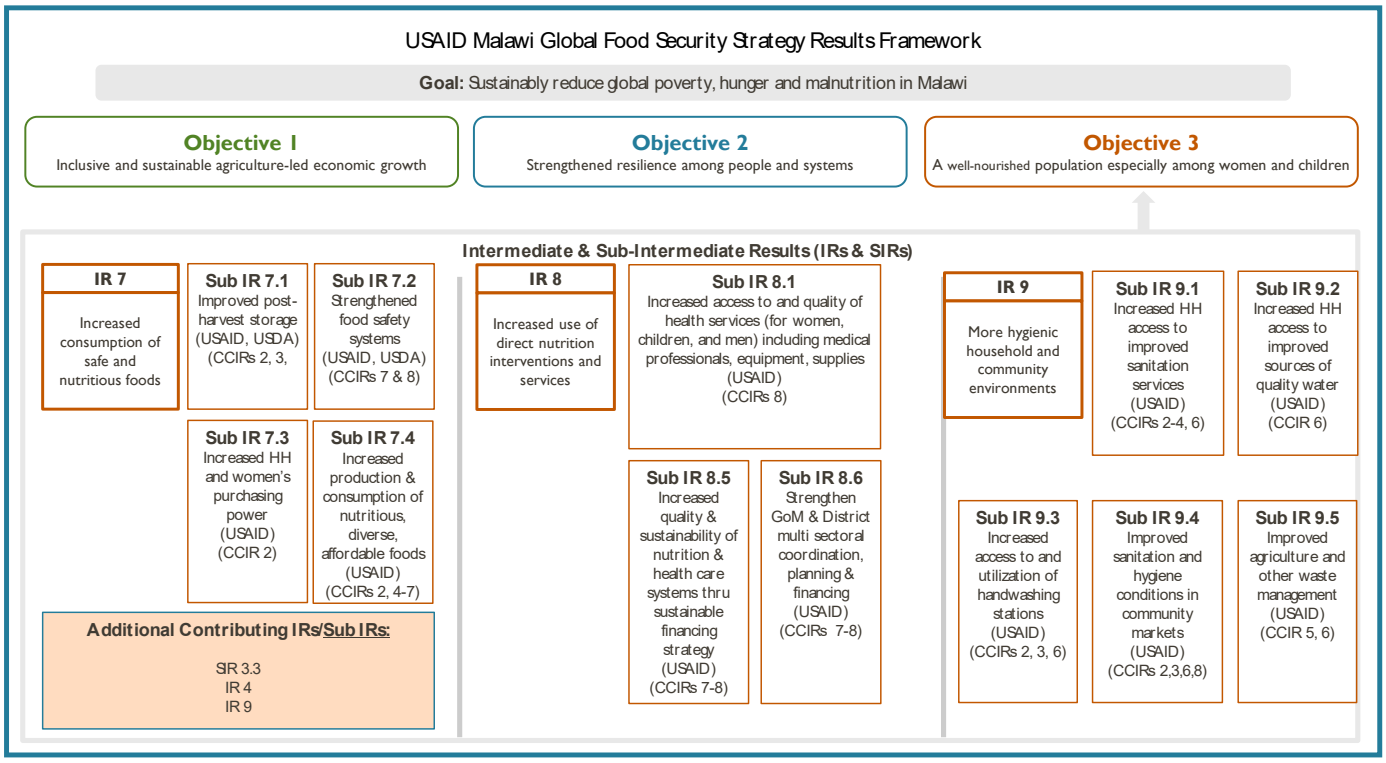
infrastructure in Lilongwe City. This area does not suffer from cyclones, but may experience drought in the upcoming El Nino cycle, as well as erratic rainfall. In contrast, the four southern districts included in the ZOI overlap with the Resilience Focus Zone, are near a planned large irrigation project expected to bring migration to the area and potentially transform the landscape (the World Bank's Shire Valley Transformation Project), have been badly affected by multiple cyclones over the past few years, include diverse value chains in the Growth Poles activity, and have more limited infrastructure connectivity compared to the central portion of the ZOI. These two ZOI areas, with quite different attributes, will enable USAID/Malawi to assess the ability of the Growth Poles approach to strengthen market systems and stimulate agriculture-led economic growth for a more resilient food system in two different contexts.

C. Results Framework

C.1 Results Framework Figure




USAID Malawi Global Food Security Strategy Results Framework
Goal: Sustainably reduce global poverty, hunger and malnutrition in Malawi
Objective 1
Inclusive and sustainable agriculture-led economic growth
Objective 2
Strengthened resilience among people and systems
Objective 3
A well-nourished population especially among women and children
Intermediate & Sub-Intermediate Results (IRs & SIRs)
IR 5
Improved proactive risk reduction, mitigation and management
Sub IR 5.1
Expanded and strengthened mgmt of key watersheds (USAID, USDA) (CCIRs 2, 4-7)
Sub IR 5.2
Expanded afforestation of degraded landscapes (USAID, DODMA) (CCIRs 2, 4-7)
Sub IR 5.3
Increased access & utilization of crop, livestock & other hazard insurance (USAID) (CCIRs 2, 4-7)
Sub IR 5.4
Increased Access to sustainable & affordable alternative energy (USAID, Power Africa) (CCIRs 2, 4-7)
Sub IR 5.5
Increased access to key information about risks including improved surveillance, detection, response to plant/ animal diseases/ pests, drought, floods. (USAID) (CCIRs 7, 8)
Sub IR 5.6
Increased preparedness for future shocks (USAID) (CCIRs 2, 4-8)
Sub IR 5.7
Strengthened land governance (MCC, USAID) (CCIRs 2, 4-8)
Additional Contributing Sub IRs:
SIR 4.1-4.4
SIR 7.3
IR 6
Improved adaptation to and recovery from shocks and stresses
Sub IR 6.1
Increased access to shock-responsive social protection services (USAID, MDTF, GoM) (CCIRs 2-4)
Sub IR 6.2
Strengthened community social cohesion (USAID) (CCIRs 4, 9)
Sub IR 6.3
Diversified HH crop and livestock production (USAID, USDA) (CCIR 4)
Additional Contributing IRs/Sub IRs:
IR 2
SIR 3.1
SIR 3.3
SIR 5.4
SIR 7.3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Objective 2
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Objective 3
A well-nourished population especially among women and children
Intermediate & Sub-Intermediate Results (IRs & SIRs)
IR 7
Increased consumption of safe and nutritious foods
Sub IR 7.1
Improved post-harvest storage (USAID, USDA) (CCIRs 2, 3,
Sub IR 7.2
Strengthened food safety systems (USAID, USDA) (CCIRs 7 & 8)
Sub IR 7.3
Increased HH and women's purchasing power (USAID) (CCIR 2)
Sub IR 7.4
Increased production & consumption of nutritious, diverse, affordable foods (USAID) (CCIRs 2, 4-7)
Additional Contributing IRs/Sub IRs:
SIR 3.3
IR 4
IR 9
IR 8
Increased use of direct nutrition interventions and services
Sub IR 8.1
Increased access to and quality of health services (for women, children, and men) including medical professionals, equipment, supplies (USAID) (CCIRs 8)
Sub IR 8.5
Increased quality & sustainability of nutrition & health care systems thru sustainable financing strategy (USAID) (CCIRs 7-8)
Sub IR 8.6
Strengthen GoM & District multi sectoral coordination, planning & financing (USAID) (CCIRs 7-8)
IR 9
More hygienic household and community environments
Sub IR 9.1
Increased HH access to improved sanitation services (USAID) (CCIRs 2-4, 6)
Sub IR 9.2
Increased HH access to improved sources of quality water (USAID) (CCIR 6)
Sub IR 9.3
Increased access to and utilization of handwashing stations (USAID) (CCIRs 2, 3, 6)
Sub IR 9.4
Improved sanitation and hygiene conditions in community markets (USAID) (CCIRs 2,3,6,8)
Sub IR 9.5
Improved agriculture and other waste management (USAID) (CCIR 5, 6)

C.2 Results Framework Summary

The Results Framework (RF) illustrated in Subsection C.1 represents the Mission's comprehensive approach to achieving the GFSS objectives and priorities. Interventions are designed to holistically address the key risks and constraints to food security, resilience, and poverty reduction in Malawi and achieve significant impact in the ZOI. The Mission believes the nine IRs in the GFSS Global Results Framework are necessary to achieve the three GFSS key objectives in Malawi and, therefore, all global IRs have been retained in the Mission's Results Framework.

In designing the impact pathways and selecting sub-IRs to achieve impact, the Mission carefully considered the contributions that will be made by other USAID Mission teams, interagencies, and other donors in addition to those made by the FTF Team. Within USAID Malawi, the Bureau for Humanitarian Assistance (BHA) team, the Environment team, and the HPN Office are important contributors to GFSS objectives and outcomes. In addition, the USDA, MCC, DFC, GoM, and other entities will make important contributions to achieve the desired impacts. These non-USAID entities are noted in the Results Framework for each Sub-IR where relevant.

Objective 1: Inclusive and sustainable agricultural-led economic growth

Malawian smallholder farmers (SHF) currently obtain very low yields relative to potential yields. SHFs, especially women and youth, often struggle to access finance and markets and, therefore, typically use substandard seeds and inadequate quantities of fertilizer, and rarely use crop chemicals or climate-smart practices. In addition, because of a lack of capital, very few SHFs have access to irrigation. Furthermore, most SHFs rely on the public extension system which is severely overstretched, resulting in SHFs having limited contact with extension agents and limited access to information. Facilitating greater access to high-quality public and private extension advice, as well as improved seed varieties, adequate fertilizer, and adopting appropriate climate-smart, water-smart, cultural, soil, and pest management practices, could greatly increase yields and support year-round production. Greater access to improved labor-saving tools will improve yields and returns to labor and especially help women to better manage all of the competing priorities for their time (household chores, child and elder care, agricultural labor, buying and selling in the market, social requirements, etc.). Linking farmers to reliable markets with formal contracts through commercial private sector entities and/or participation in farmer cooperatives will facilitate access to finance, which is vitally important to their ability to access the improved inputs. Access to market information systems reduces information asymmetries prevalent in markets and enhances the ability of SHFs to select more profitable crops and negotiate better prices for their output. Access to irrigation can multiply SHF incomes by 2-10 times due to a combination of higher crop yields, year-round production, and production of higher-value crops. In addition, irrigation ensures much more reliable crop production (particularly important in light of higher temperatures and more erratic rainfall expected from climate change) which is important both for household resilience and for commercial buyers, particularly of higher-value crops.

As noted above, the core of the Mission's approach is to address the poverty-food insecurity-malnutrition nexus through an economic growth pole approach with robust private sector engagement. Under this approach, FTF will partner with private sector firms with shared development values. Firms will co-invest with USAID to spur local economic growth in the geographic areas where they already have operations and drive tangible progress among smallholder farmers in the surrounding areas. USAID/Malawi will partner with medium and large private sector companies (some of which are large scale farming enterprises) across the country to support smaller enterprises and smallholder farmers and help them formally link to a variety of value chains. Through these enhanced market linkages as well as other interventions, USAID and partner companies will strengthen and improve the functioning of markets, making them more inclusive to women and youth in the process. Through the private sector

partners and farmer cooperatives, SHFs (especially women and youth) will gain access to improved inputs, receive training and technical advice in good agricultural practices including climate-smart agriculture, participate in credit and savings schemes with revolving funds, and achieve greater economies of scale through aggregating their input purchases and output sales. This approach is consistent with the GOM's support of mega farms to shift the country from rain-fed subsistence agriculture to commercial production, providing on- and off-farm economic opportunities for SHFs and their surrounding communities. Use of improved inputs, good agricultural practices, and appropriate storage, processing, and packaging will improve food safety by reducing aflatoxin levels and ensuring minimal residual levels of harmful pesticides and herbicides. Good storage practices will also shrink post-harvest losses due to insects and mold, enabling farmers to sell more produce at higher prices or have more produce available for household consumption. USAID will also advise partner companies on ways to improve food safety practices within their operations.

A high percentage of smallholder farmer homesteads are long distances from markets requiring travel over unpaved roads which significantly reduces access to markets. The current MCC compact will develop over 300 kilometers of upgraded rural roads which will increase access to markets, increase economic activity and growth, and contribute to the reduction of food insecurity. In addition, most SHFs suffer from information and skill asymmetries when they try to market their produce. GFSS will provide SHFs with market information and the knowledge and skills to more effectively market their produce and gain higher prices.

GFSS will also train young women and men in vocational skills to enable them to develop their own small businesses or gain employment working in a trade. This will lead to economic growth, higher household incomes, and greater household resilience as a consequence of new, diversified income streams.

Agribusinesses operating in Malawi often struggle with policy and practical bottlenecks at both the national and local levels. These bottlenecks raise costs, hinder operations, and reduce competitiveness. USAID will identify service delivery bottlenecks at the local level and develop solutions through participatory processes with district and other stakeholders. These initiatives will help the private sector to more efficiently conduct business, enabling them to grow and diversify the local economy, providing jobs as well as valuable markets for SHF production. USAID will also work with local think tanks and others to conduct research and lobby Parliament as well as GoM ministries to implement more business-friendly domestic and trade policies, reduce corruption, and facilitate improved land tenure rights for SHFs.

Participating SHF households will become more resilient by more reliably producing crops and livestock, earning higher incomes, reducing poverty, improving access to their own crops and purchased food, building and diversifying their asset base, and increasing social capital. Beyond the participating households, however, these investments will have spillover effects which will ripple through the local and regional economies for the benefit of thousands of other households that are not direct beneficiaries.

Objective 2: Strengthened resilience among people and systems

GFSS will build household and community resilience and adaptation to climate change and other shocks through several different types of interventions. Interventions under Objective 1 will result in more diversified, less-correlated agricultural production and household income streams. These household income streams will include production of a variety of crops, livestock, casual labor, non-farm employment at partner company operations, and small enterprises such as production and sale of soy milk, land preparation services, crop spraying services, and various other entrepreneurial activities.

Having several non-correlated, diversified income streams improves household resilience by reducing risk. GFSS will also improve the reliability of smallholder agricultural production systems using drought-tolerant and flood-resilient crop and seed varieties, improved soil health, increased access to irrigation to enable year-round production of crops, utilization of climate-smart agricultural technologies such as minimum tillage and cover crops. Improved post-harvest handling and storage of crops will minimize post-harvest losses and enable households to increase their available produce for home consumption or sale over a longer period of time, thereby enhancing resilience during the lean season.

Risk management will be further strengthened through increased access to and use of crop, livestock, and other hazard insurance facilities. USAID, along with other donors, will also invest in and assist the GoM to develop a more robust, expanded shock-responsive social protection scheme (MNSSP II) that will prevent households from falling deeper and deeper into poverty as a result of the shocks and stresses that so frequently afflict rural households, and are likely to increase due to the negative effects of climate change. This scheme is designed to help households mitigate, respond to, and better recover from shocks and includes a graduation approach, a productive safety net designed to invest in the environment, build skills, and special emphasis on women and youth. Resilience will also be strengthened through facilitating wider, more inclusive access to credit and savings facilities (especially among women and youth). Greater access to finance has been demonstrated in a variety of contexts to improve household resilience. Interventions will encourage greater participation in (and improved governance of) farmer associations and cooperatives as well as community-based savings and loan groups, boosting social and financial capital and enhancing members' resilience.

Enhanced ecosystem services from improved watershed management and protection, water harvesting, and restoration and afforestation of degraded forests will make important contributions to community resilience through a variety of ecosystem services. These include raising the groundwater level; reducing water runoff, soil erosion, river siltation, and flooding; lowering local temperatures; and providing a variety of non-timber forest products such as edible leaves, mushrooms, and fruits. In addition, households will be given greater access to weather information to help them make more informed choices about what crops to grow, as well as provide earlier warning of impending disasters such as drought, flooding, or high winds. Communities will be assisted to develop disaster risk reduction and disaster risk management strategies. Improved natural resource management, early warning systems and disaster risk management strategies will be increasingly important as Malawi faces the heightened risks from climate change. Layering with other USG investments, interventions under GFSS will also increase access to improved health, nutrition, and other services. Collectively, these interventions will help rural communities and households to improve their adaptation to and recovery from shocks and stresses.

Objective 3: A well-nourished population, especially among women and children

GFSS will assist households to improve their own nutrition through several nutrition-specific and nutrition-sensitive approaches. GFSS agricultural interventions will help SHF households to increase production and consumption of safe, nutritious, diversified crops, livestock, and fish. GFSS is also supporting women to increase their household incomes through various health-focused activities.[145] Increased household income is also a critically important pathway to improved food security, given the fact that virtually all households purchase some food from markets over the course of the year. Over the past decade, studies have demonstrated that increasing women's incomes, and control over that income, has a significantly greater positive effect on child nutrition and household food security than increasing men's incomes. Thus, nutrition-sensitive agricultural interventions will also emphasize increasing overall household income, and especially women's income and their control over resources.

[145] These activities include DREAMS and Orphans and Vulnerable Children activities

Households will engage in gender transformative activities to shift socio-cultural perceptions on women's paid and unpaid contributions and strengthen gender equity.

GFSS agricultural, humanitarian, and health interventions will collectively encourage improvements in diets among women and children, especially in the critical 1,000 day window when cognitive development is at its peak, through dietary diversification, supplementation where needed, and improved infant and young child feeding practices including exclusive breastfeeding until six months of age. This will include both direct training as well as carefully crafted strategic behavior change messaging initiatives.

USAID will complement these nutrition-sensitive agriculture efforts with nutrition education and responsive counseling delivered through mothers' care groups and teen clubs that aim to improve adolescent health, especially for girls. Through mothers' care groups, USAID will deliver messages to highlight the importance of exclusive breastfeeding, appropriate complementary feeding, dietary diversity for maternal nutrition, and child growth monitoring and promotion. GFSS will also improve the delivery of health and nutrition services through health systems strengthening as well as training health practitioners including nutritionists so that women, men, and children will be able to access high-quality community-based medical care, nutrition counseling, and more effective and timely management of acute and chronic malnutrition. USAID will expand access to maternal health and nutrition services through implementation of a health benefits package, focused primarily on reaching the most vulnerable mothers living in the 2,550 areas designated as "hard-to-reach". USAID will also support the Ministry of Health to strengthen community-based maternal and neonatal care services to reduce maternal morbidity and mortality.

GFSS continues to build the institutional capacity of the Lilongwe University of Agriculture and Natural Resources (LUANAR) with the goal of accelerated progress in addressing Malawi's high burden of nutritional disorders, such as stunting, wasting, underweight, and micronutrient deficiencies. Through scholarships, thirty-six Malawians (19 males, 17 females) are working toward post-graduate diplomas in dietetics and postgraduate studies in human nutrition, food science, and technology. Three are pursuing PhDs in nutrition and dietetics. Further, GFSS is also enhancing the research skills of 35 LUANAR faculty members through an online training program. Ongoing advocacy work continues to emphasize the importance of prioritizing nutrition in policy and strategic plan documents. GFSS technical assistance has led to revisions in the Malawi food composition table, which provides accurate nutrient profiles of foods commonly prepared and consumed in Malawi, particularly those that are fed to infants and young children. Among other uses, these revised Malawi-specific food composition tables provide more accurate dietary advice and improve management of nutrition-related disorders.

In addition, GFSS will encourage improved hygiene and sanitation behaviors and increase access to clean water through community, school, and household construction and maintenance of latrines, boreholes, hand washing stations, and water filtration systems. Strategic behavior change messaging will also be an integral component of the package of interventions designed to improve hygiene and sanitation behaviors. Enhanced hygiene within the home will improve household food safety and reduce disease transmission. Improved hygiene and food safety practices within SHF marketed agricultural products and within food trading and processing companies' operations will be coupled with enhanced food safety capacity, testing and regulatory enforcement within the GoM to strengthen the overall safety of food that is sold within Malawi. Use of improved storage will shrink post-harvest losses due to insects and mold, and improve food safety by reducing aflatoxin levels and ensuring minimal residual levels of harmful pesticides and herbicides. These practices will improve food safety, both for household consumption as well as the agricultural products sold within the community.

By creating economic opportunities and diversified local economies, inclusive access to markets and finance for women and youth, and leveraging multi-sectoral investments in health, nutrition, environment, and governance within USAID, other donors, and the GOM, the investments will reduce poverty, improve food security, reduce malnutrition, and build household, community, and systems-level resilience capacity and outcomes that are sustainable beyond USAID funding cycles.

C.3 Connections to the Mission's CDCS and other relevant strategy documents

This Results Framework aligns with the Mission's 2020-2025 CDCS, the Integrated Country Strategy, the USAID Malawi Multi-Sectoral Nutrition Country Plan, and the Global Water Strategy Malawi Country Plan, as well as the current MCC compact with the GoM. One of the Strategic Approaches highlighted in the Mission's CDCS is the importance of broader partnerships, with a vitally important focus on engaging the private sector. In fact, the CDCS states the following: "USAID's strategic investments under DO3 will apply market principles and a private sector lens to increase the adoption of resilient livelihoods and systems, increase economic competitiveness among Malawian businesses, and improve the enabling environment for wealth creation." It adds "USAID support will help mobilize Malawi's private sector to lift people out of poverty and accelerate Malawi's journey to self-reliance."[146] This Country Plan emphasizes "market principles", a "private sector lens", and "mobilizing the private sector" via partnerships with the private sector through its core Growth Poles-oriented approach. The Plan also seeks to remove obstacles to private sector-led growth by working with the GoM and local governments to improve the business-enabling environment and create more business-friendly policies, which are specifically mentioned in the CDCS.[147] In addition, the Country Plan and Growth Poles approach seeks to directly engage the private sector in building community resilience.

CCIR 7 in the Country Plan is well aligned with the Mission's CDCS Development Objective 1: Public Sector Is More Accountable And Effective At National And Decentralized Levels, which among other things, calls for improved accountable governance, as well as increased public sector capacity to deliver goods and services. The Country Plan's focus on facilitating an improved business enabling environment through policy changes and elimination of obstacles to private sector growth, as well as activities to generate policy evidence and recommendations, support Parliament and local governance, and improve service delivery, fit squarely within the CDCS IR 1.3: Enabling Environment for Evidence-Based Policies and Reforms Improved.

Another area of alignment is with the Mission's Development Objective 2: Youth Lead Healthy, Informed, Productive Lives, particularly in the area of improved nutrition (IRs 7, 8, and 9) which is highly focused on early childhood nutrition and the first 1,000 days. In addition to improved child nutrition, the education-focused investments under CDCS DO2 will help to foster a better educated, more capable workforce as well as entrepreneurs able to start and grow businesses, which are especially relevant to IR 3. Furthermore, the Growth Poles approach will create more jobs for youth.

Under the Mission's Development Objective 3: Private Sector Increases Inclusive And Sustainable Wealth Generation key areas of alignment with the GFSS Country Plan include an emphasis on building the resilience of communities and households, crop and income diversification, increased agricultural productivity, leveraging the private sector to help build community and household wealth, workforce skill development and employment creation, facilitating entrepreneurship, and improving the business enabling environment

[146] USAID Malawi. "Country Development Cooperation Strategy April 2020 - 2025." Page 24.
[147] Ibid. Page 9.

Throughout the Mission's CDCS there is a strong emphasis on youth, gender equality and reducing the gender gaps that persist in Malawi. This GFSS Country Plan also has a similar emphasis on youth and gender equality that is reflected throughout all IRs.

With regard to the Mission's Multi-Sectoral Nutrition Country Plan, many of the objectives, strategies, and planned activities described in that plan are reflected in IRs 8 and 9 and their respective Sub IRs. HPN Office-managed activities will contribute the majority of the expected results leading to IRs 8 and 9.

Malawi's GFSS Country Plan also aligns with the Global Water Strategy Malawi High Priority Country Plan, which includes improving access to safe drinking water, promoting sustainable sanitation practices, and building the capacity of local institutions and communities to manage water resources in a resilient and sustainable manner. WASH activities incorporated into this Country Plan will improve sanitation and hygiene facilities and practices, and build local water resource management capacity to increase access to clean drinking water, hand washing, and improved sanitation.

This RF is also aligned with MCC's compact with the GoM regarding two key issues: road infrastructure to increase access to markets and trade and land administration and delivery of land services through improved collection and management of land-based revenue. The MCC compact will make significant contributions to the GFSS IR 2 (Strengthened and Expanded Access to Markets and Trade) via its investments in roads, and will also make important contributions to GFSS IR 4 (Increased Sustainable Productivity) and GFSS IR 5 (Improved Proactive Risk Reduction, Mitigation, and Management) via its investments in enhanced land administration which will facilitate greater access to finance to improve investments in land services. In addition, the MCC strategy revolves around developing road corridors, which are similar to and consistent with the GFSS emphasis on developing growth poles in partnership with private sector firms.

C.4 Key Assumptions and Risks

As with any plan, achievement of the expected results described in this Country Plan is subject to a number of assumptions and risks. These are outlined in the table below.

Table 4. Key assumptions and risks

Key Assumptions	Key Risks
Political will and commitment to GOM-initiated decentralization and public service reforms continue.	Citizen discontent spreads; trust between government and citizens deteriorates; significant closure of civil society space. The Mission will continue to monitor public sentiment and the civil society space for signs of closure, and work with other donors and State to advocate for more conducive public policies. The Mission is collaborating with State on an approach to engage civil society, especially youth.
Civil society space remains open and conducive to citizen and civil society efforts to increase transparency and accountability.	Malawi's female fertility rate remains high, resulting in population growth that outstrips economic growth, reducing opportunities for

Key Assumptions	Key Risks
	youth employment and placing even greater strain on natural resources. The Mission's HPN Office funds initiatives to encourage reduced female fertility, delayed first pregnancies, and increased spacing between babies. These family planning initiatives emphasize the importance of women's and girls' agency in controlling their own reproductive health.
GOM continues to prioritize youth-friendly budgets and services and remains generally supportive of market-based solutions to expand social service delivery and access.	Macro-economic stability deteriorates, reducing opportunities for new business creation and weakening existing businesses. The Mission will continue to monitor economic stability for signs of deterioration, and work with other donors and State to advocate for more conducive economic policies. As of September 2023, with extremely low foreign exchange reserves, high inflation, and a grain deficit, Malawi is experiencing a significant grain shortage and a high percentage of the population is in IPC Phase 3 likely moving into IPC Phase 4. With the upcoming El Nino, it is anticipated that a famine situation is a likely outcome. The Mission is working with multiple partners and donors to use existing data and create potential scenarios to stabilize food access in the immediate term and in the long term livelihood support and development programming.
Youth, particularly women, do not experience negative consequences (e.g., political repression and cultural backlash) for actively seeking advancement.	Increasingly frequent and severe weather shocks continue to erode HH and community resilience, reduce agricultural potential, and divert GoM and donor resources from investing in longer-term solutions. Mission environment and resilience programming including climate-smart agriculture and watershed management interventions and efforts to reduce deforestation and promote afforestation will reduce (but not eliminate) the negative effects of severe weather shocks.

Key Assumptions	Key Risks
GOM political will exists to sustain or improve the enabling environment for businesses, including implementation of business-friendly policy reforms.	Women experience negative consequences (e.g., gender-based violence) for being included in the market system with high-value crops and having their own income and assets. Feed the Future includes a household gender transformative approach in the Growth Poles activity and will be evaluating the effectiveness of this intervention on mitigating negative impacts, such as intimate partner violence.
Use of GoM and donor resources to benefit a few well-connected individuals does not frustrate efforts to facilitate greater entrepreneurship and growth of small businesses.	

D. Program Components

D.1 Programmatic Approach

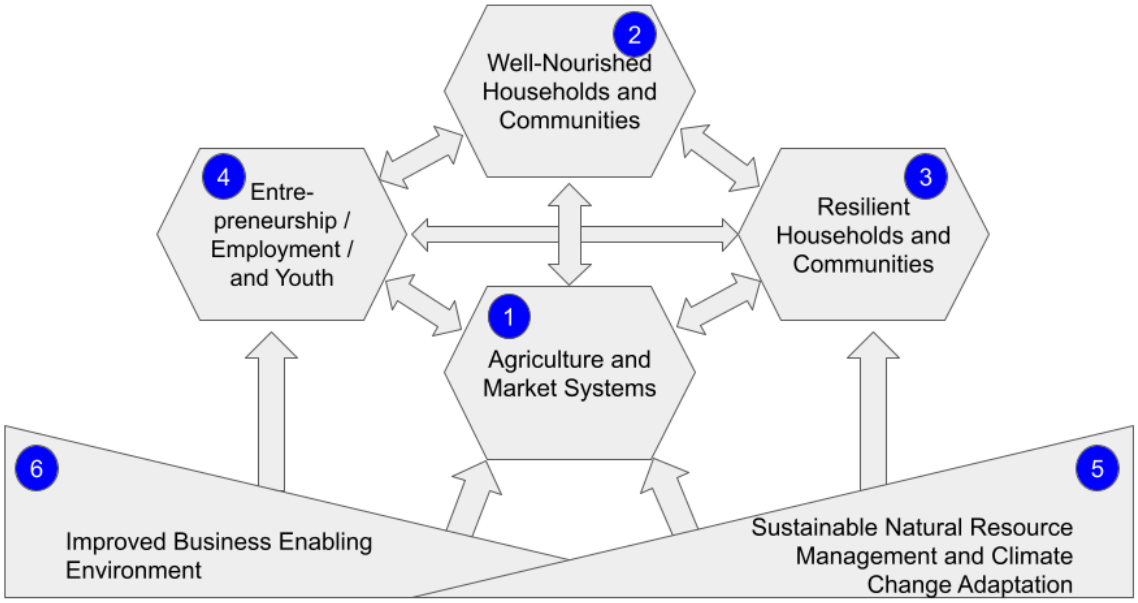
USAID Malawi's GFSS Country Plan is aligned with the GoM's policy priorities and is informed by the evidence and themes highlighted by a wide variety of stakeholders as described in the Country Context section above. The Country Plan features six overarching, complementary, symbiotic, and integrated components to address the range of challenges confronting Malawi:

1. Agriculture and Market Systems;
2. Well-Nourished Households and Communities;
3. Resilient Households and Communities;
4. Entrepreneurship, Employment, and Youth;
5. Sustainable Natural Resource Management and Climate Change Adaptation; and
6. Improved Business Enabling Environment.

These six components are designed to holistically address the key risks and constraints to food security, resilience, and poverty reduction in Malawi and achieve the objectives and intermediate results outlined in the Results Framework. In addition, the components and activities will address the cross-cutting IRs by fostering women and youth empowerment and livelihoods, improved governance, and reduced risk from climate change.

Interventions will be implemented via mechanisms managed by the FTF Team, the Bureau for Humanitarian Assistance team, the Environment Team, the Health Office, and the USDA. To maximize effectiveness and efficiency, activities will coordinate efforts, layering with complementary investments, sequencing interventions, and integrating cross-cutting issues throughout. This coordination will be spearheaded and facilitated by the new FTF flagship activity (FTF Growth Poles) which has an explicit mandate to facilitate coordination, layering, sequencing, and integration across all relevant activities. In addition, the Mission has three Strategic Integration Advisors for Private Sector, Public Sector, and Youth placed in the Program Office, as well as an Economic Growth Integration Advisor situated in the Democracy, Rights, and Governance Office who is also responsible, along with the FTF Coordinator, for facilitating improved coordination and integration of the GFSS Country Plan for Malawi.

The diagram below illustrates how the components are complementary, mutually supportive, and fit together to support food security, poverty reduction, and resilience at the household and community levels. Each of these six components is described in more detail below.



D.2 Agriculture and Market Systems Component (IRs 1-4, 6, 7, and CCIRs 1, 2, 3, 4, 5, 6, 8)

The Agriculture and Market Systems Component (AMS) seeks to reduce rain-fed subsistence agriculture and increase commercial agriculture, where possible, by linking smallholder farmers to larger private sector partners in dynamic and inclusive growth poles or economic corridors and providing them with increased access to climate-smart inputs, extension services, and knowledge of improved production practices. The FTF Growth Poles activity will leverage and expand private sector investments through collaboration with companies that have shared values with USAID/Malawi and create positive spillover effects in the surrounding communities (e.g., agriculture extension, health, diversified economic opportunities, gender equity, inclusive access to finance for women and youth, community resilience, improved natural resource management). The AMS component will increase production and marketing of a variety of agricultural value chains, and seek to develop the value chains into more formal, well-functioning, market-oriented systems. It will provide training in and promotion of climate-smart agriculture practices and expand utilization of water-smart irrigation to enable year-round production of higher-value crops, promote utilization of improved seeds and other inputs, such as fertilizer and legume inoculants, promote improved post-harvest crop storage practices, facilitate access to formal markets including contract farming and other off-take agreements, and expand access to finance through impact-oriented credit programs. Increased utilization of improved inputs will be encouraged and facilitated via a variety of market-friendly approaches which may include smart subsidies, last mile sales, provision of inputs via contract farming arrangements, and facilitated access to finance. Through the AMS component, marginalized farmers, women, and youth will be introduced to and/or obtain expanded access to these otherwise unattainable resources.

This component is expected to contribute to the three GFSS objectives through multiple impact pathways. First, AMS will diversify and increase smallholder farmer agricultural production for sales and consumption, thereby diversifying income streams and providing household access to income to spend on diverse, nutritious foods. Second, this component will increase availability of food commodities at the household, community, and national levels via increased and more reliable production, contributing to

enhanced food security. Nutrition training and strategic behavior change communication will encourage caregivers to utilize the increased food production and increased income to diversify household diets.

Third, household poverty will be reduced through significantly increased yields, incomes, assets, access to commercial markets, and access to inclusive financial services. Fourth, this component will bolster household resilience through diversification and expansion of income streams, increased and diversified assets, expanded access to savings and credit facilities, improved nutrition, and heightened food security. AMS will also contribute to enhanced market and food system resilience by commercializing more than 100,000 smallholder farmers, including women and youth, and linking them to formal markets. USAID and its partners will help Malawian people, companies, and institutions build the requisite skills, resources, knowledge, and incentives to foster resilient, self-sustaining, growing markets. By shifting from subsistence agriculture to commercial agriculture, farmers can move beyond rain-fed basic food production to diversified economic opportunities and increased household resilience capacity. Fifth, AMS will boost local and national economic growth through increased incomes and purchasing power as well as much-needed value addition and high-value exports.

AMS will target smallholder farmers with a special emphasis on gender equality, women's empowerment, and youth empowerment. Beyond merely ensuring that women and youth comprise a significant proportion of participants, this component will actively promote a gender transformative approach to intentionally garner spousal support for women to not only earn income, but maintain decision-making and control over that income. The goal is to mitigate the potential negative effects of women's economic empowerment, such as household economic violence. Women and youth will be incorporated into commercial value chains, whether as farmers, employees, or business service providers along the value chain and link them to relevant markets. It will work to steadily reduce cultural and financial barriers to enable women and youth to have equal participation and equal opportunities for employment and access to finance in an inclusive market system. Some of these actions include de-risking credit from banks and microfinance institutes. The Growth Poles activity is continuing to support a local microfinance institute to build a smallholder credit program with a revolving fund geared toward women. The AMS component will also facilitate access to labor-saving tools to reduce time required by women to do their agricultural field work, thereby enabling them to have more time for their other tasks. Labor-saving tools include use of drip irrigation rather than hand watering with buckets, use of legume inoculant and proper plant spacing resulting in increased vegetative density and reduced need for weeding, and improved cookstoves reduce use of wood fuel by 40-60 percent resulting in significantly less time required to collect firewood. Under this strategy, USAID will advocate with private sector companies to offer childcare and collaborate with community groups to identify acceptable childcare options, recognizing this is one of the greatest barriers to women's participation in the workforce.

Partnering with and working through private sector companies is key to the strategy behind this component. Larger private sector firms, such as Agricane, Pyxus Agriculture Malawi, Illovo Sugar, Satemwa Tea Estates, and Gala Macs, have significant agricultural expertise, teams of well-trained extension officers, relationships with key commercial and government entities, financial muscle to leverage USAID funds to achieve expanded results, and incentives to ensure sustainability of results long after USAID activities have ended. As such, AMS will work in multiple locations across the ZOI and across value chains centered around partners' commercial farms and processing plants. Other USAID activities, including the Michigan State University and MwAPATA Economic Policy activity, Parliamentary Support Program, and Governance for Solutions, will actively advocate and collaborate on solutions with government, private sector, and civil society (including at local levels) to foster an enabling environment for the private sector to lead economic growth.

Fruitful and robust partnerships with several FTF Innovation Labs were a hallmark of USAID Malawi's FTF program over the past seven years. They were instrumental in increasing smallholder farmer awareness and adoption of innovative and up-to-date agricultural practices, as well as identification, testing, selection, multiplication, and introduction of new, higher-yielding crop varieties. Depending on the needs identified across the various commercial partners and smallholder farmer sites, USAID/Malawi will continue to partner with and leverage the expertise of relevant FTF Innovation Labs, including labs for Soybean Value Chain Research, Peanut, Food Processing and Post-Harvest Handling, Reduction of Post-Harvest Loss, Small-Scale Irrigation, Horticulture, and Food Systems and Nutrition.

D.3 Well-Nourished Households and Communities Component (IRs 7-9, and CCIRs 2, 3, 7 and 8)

The Well-Nourished Households and Communities Component (WNHC), supported by FTF and other USAID activities (e.g., health, nutrition, and WASH using HL.9, HL.8, and other funds; governance; and education), will strengthen nutrition outcomes by implementing several complementary nutrition-specific and nutrition-sensitive programmatic interventions, including nutrition-sensitive agriculture, livelihoods, and WASH activities. These interventions will work to strengthen and build more robust food systems in Malawi, at both the macro and micro levels. Nutrition-specific activities include nutrition training and strategic behavior change communication with an emphasis on dietary diversification; promotion of optimal infant feeding practices with an emphasis on exclusive breastfeeding under six months; timely and age-appropriate complementary feeding; optimal maternal nutrition, supported by nutrition cash transfers for pregnant and lactating women as well as small livestock transfers; micronutrient supplementation with an emphasis on Vitamin A and zinc; food fortification, including universal salt iodization and micronutrient fortification of sugar, oil, and maize flour; child growth monitoring; treatment of moderate and severe malnutrition in children under five; distribution of food commodities to learners as an incentive for school attendance in grades 1-8; improved access to quality dietetic services by training and deploying dietitians to all referral and district hospitals in Malawi; and providing technical support to create a sustainable financing strategy for nutrition in Malawi. Global Health and Partnerships for Democratic Development funds will support a Government to Government initiative in two of the ZOI districts, as well as other geographic areas with FTF programming, to increase functionality of existing health service delivery platforms, increasing access to quality health services and governance for sustaining functionality.

USAID will expand access to and quality of maternal health and nutrition services within the health benefits package, focused primarily on reaching the most vulnerable mothers living in the 2,550 areas designated as "hard-to-reach". USAID will also support the Ministry of Health to strengthen community-based maternal and neonatal care services to reduce maternal morbidity and mortality. Activities will include: building the capacity of Disease Control Surveillance Assistants to track pregnant women; providing antenatal counseling; promoting facility antenatal care; supporting emergency referrals and timely post-natal checks; and managing conditions of children under five at village clinics, such as screening for malnutrition, management of fever, fast breathing, and diarrhea.

Nutrition-sensitive agriculture approaches aim to increase the availability, access, and consumption of diverse and nutritious foods for households, especially women and children in the critical 1,000 day window, with increased incomes enabling greater expenditures on food and non-food items. Nutrition-sensitive activities (described above in the AMS Component) include agriculture interventions to diversify and bolster reliable production of fruits, vegetables, animal products, and nutritionally-fortified varieties of grains, legumes, and orange-fleshed sweet potatoes; expand access to water-smart irrigation to increase year-round access to food; and increase and enhance reliability of income streams that will facilitate improved access to food commodities through market channels. Agricultural development

activities will incorporate appropriate nutrition messaging so that agricultural growth and increased incomes translate to improved dietary diversity and nutrition outcomes.

Poor hygiene and sanitation have well-known detrimental impacts on human health and nutrition. Improved hygiene and sanitation practices can reduce disease transmission, reduce the risk of environmental enteropathy, and facilitate improved intestinal absorption of vital nutrients. WASH activities incorporated into both nutrition-sensitive agricultural development and nutrition-specific/health activities as part of this Country Plan will improve household, community, and school sanitation and hygiene facilities and practices, and build resource management capacity of community and district level departments and committees overseeing water resources to increase access to clean drinking water, hand washing, and improved sanitation. In addition to capacity strengthening, WASH interventions will include training and social behavior change communication on the importance of hand washing at critical moments throughout the day; work toward elimination of open defecation; encourage each household, schools, and health facilities to have their own properly maintained latrine; encourage households, schools, and markets to establish handwashing stations near food preparation and sales stations and latrines, as well as placing dish drying racks near cooking stations; and rehabilitation of boreholes. Watershed and forest management activities as part of FTF, Biodiversity, BHA, and other activities will enhance watershed restoration through nature-based solutions in an effort to increase water security and sustainable access to water.

Food safety is also an important driver of health and nutrition outcomes. Over the past couple of years the USG has invested in food safety by training small and medium sized food and beverage enterprises in food safety practices. Households also receive food safety training through the nutrition messaging that is incorporated into nutrition-sensitive agricultural and other development activities. The USG will continue to invest in improved food safety to address *e. Coli*, aflatoxin, and other contaminants through the Farmer to Farmer, and innovation labs activities. GFSS will also encourage improved hygiene and sanitation behaviors and increase access to clean water through community and household construction of latrines, hand washing stations, and water filtration systems. Strategic behavior change messaging will also be an integral component of the package of interventions designed to improve hygiene and sanitation behaviors. Enhanced hygiene within the home will improve household food safety and reduce disease transmission. Improved hygiene and food safety practices within SHF marketed agricultural products and within food trading and processing companies' operations will be coupled with enhanced food safety testing and regulatory enforcement within the GoM, particularly the Malawi Bureau of Standards to strengthen the overall safety of food that is sold within Malawi. This will take several forms including helping SMEs to register with the Malawi Bureau of Standards. Technical support will also be provided to decision makers to strengthen the biosafety policy and regulatory framework, develop genetically-modified food and feed safety guidelines, review the Biosafety Act, develop capacity in risk assessment protocols within local Malawi entities, and develop commodity import procedures. Finally, training and capacity building will develop expertise within border inspection staff and institutional biosafety committees. SHF use of improved storage will shrink post-harvest losses due to insects and mold, and improve food safety by reducing aflatoxin levels and ensuring minimal residual levels of harmful pesticides and herbicides. These practices will improve food safety, both for household consumption as well as the agricultural products sold within the community.

Nutrition-specific, nutrition-sensitive, and WASH programming will be aligned and coordinated to deepen impact through leveraging interagency and other development partner efforts to systematically and holistically improve nutrition. WNHC will primarily target pregnant and lactating women, other caregivers, infants and young children, and school-aged children, as well as facilities and communal gathering points, such as food markets. WNHC will deliver nutrition-specific interventions by working through health facilities and community-based care groups, as well as systems strengthening work with

relevant GoM ministries and departments. Nutrition-sensitive interventions will be delivered through implementing partners, NGOs, private sector partners, agricultural input shops, business development service providers, financial service providers, and GoM agricultural extension services.

D.4 Resilient Households and Communities Component (IRs 1-6, and CCIRs 2-6)

Employing a multi-faceted, layered, and integrated approach, the Resilient Households and Communities Component (RHC) will build the resilience capacity of vulnerable households, communities, and key local institutions (public, private, and civil society) throughout the ZOI and other Mission programming areas. RHC (in tandem with the AMS and WNHC components described above) will help households, communities, and institutions to better anticipate and manage climate and human-induced food insecurity risks and improve their ability to adapt to and recover from shocks and stresses. Agricultural activities will promote use of climate-smart agriculture practices; increase access to improved crop inputs such as new, higher-performing, drought- and/or flood-tolerant seed varieties; expand access to irrigation systems including small drip kits to facilitate year-round access to food as well as increased income; and reduce post-harvest losses through improved crop storage (e.g., use of PICS bags and other techniques). These practices and technologies will improve crop yields and the reliability of crop production in the face of erratic rainfall, high temperatures, and pests, mitigate against crop failure, increase year-round food availability and the resilience of local and national food systems, and boost household income streams.

Resilience-building activities will increase access to crop/livestock insurance and financial services (saving, lending, money transfer) through a combination of contract farming, credit and savings accounts from formal financial institutions, and participation in informal village savings and lending (VSL) groups which are primarily composed of women.[148] In its work to strengthen VSL groups, RHC will incorporate a capital injection revolving fund in collaboration with a formal financial institution to increase loan sizes and encourage greater inclusion into the formal financial sector. Activities will also enable households to increase asset creation and accumulation of assets such as livestock and irrigation equipment. In addition, RHC will invest alongside the GoM and other donors to expand the social safety net for the ultra poor and those suffering from the effects of droughts, floods, and major storms. Cash transfers will also be used to alleviate the food insecurity needs of refugees, an extremely poor and very vulnerable group in Malawi. Insurance, access to finance, increased household asset accumulation, and the social safety net, combined with increased access to health services, and inclusion in the market system will enable households to survive and more effectively bounce back from shocks. Furthermore, the social capital developed through participation in farmer associations and cooperatives, VSLs, Village Care Groups, and other community formal and informal organizations is a source of resilience for participating households and individuals.

Improving human capital through investments in health, nutrition, and education will enable ZOI populations to lead healthier and more productive lives. Household resilience will be bolstered through improved nutrition practices, livestock transfer programs (primarily chickens and goats), as well as school feeding programs and improved health service delivery. These are described above in subsection D.3 Well-Nourished Households and Communities.

As discussed in the A. Country Context Section, ongoing severe degradation of forests and water supplies, combined with the changing global and regional climate, is putting increasing pressure on Malawi's agricultural systems and rural economy, and threatening roads, bridges, buildings, crops, livestock, and human lives. More frequent climate disasters and increasingly erratic rainfall patterns have

[148] GFSS also supports VSL groups through a program focused on nutrition during the first 1,000 days (Akule ndi Thanzi - Let Them Grow Healthy) and via HIV-related programming.

not only led to decreased food security, but disproportionately impact women, especially female-headed households. Improved natural resource management and disaster risk management are, therefore, key to enhanced community resilience. Partnering with the GoM Department of Disaster Management Affairs (DoDMA), local communities, village civil protection committees (VCPCs), and other stakeholders, the Country Plan will improve early warning systems' quality, breadth, and depth of coverage. Community-based flood early warning systems have been installed at various points along rivers and farmers receive warnings in advance of likely flood events. Farmers also receive short-term and seasonal weather forecasts to assist them in making more informed decisions about what crop species to plant, best timing for planting and harvesting, and appropriate varieties to plant (e.g., early maturity, drought-tolerance, waterlogging tolerance). This component will expand the CBFEWS to additional districts in southern Malawi that are prone to cyclones and flooding and deliberately focus on information dissemination to women. RHC will also enhance riverbank flood protection through planting trees and grasses along riverbanks. In addition, the Country Plan will promote improved watershed management, installation of water harvesting technologies, and promote better management and protection of forests. Promotion of the production, collection, consumption, and sale of non-timber forest products such as honey, fruits, leaves, and nuts will enhance household nutrition, increase and diversify household income streams, and encourage communities to protect their local forest resources. See subsection D.6 Sustainable Natural Resource Management and Climate Change for more information.

Finally, individual and household resilience will be enhanced by creating employment opportunities within value chains such as in processing plants, providing vocational skills training, and assisting youth to start and grow businesses which will provide income to entrepreneurs and their employees.[149] This will enable households to increase and diversify their income streams, thereby increasing their resilience. See subsection D.5 Entrepreneurship, Employment, and Youth Component below for additional detail.

This component will primarily work with rural smallholder farmers and communities with a special emphasis on women and youth. It will partner with larger agribusinesses, financial institutions, and service providers, as well as GoM ministries, extension departments, local governments, and other donors to implement the interventions.

D.5 Entrepreneurship, Employment, and Youth Component (IR 3 and CC IR 3)

The Entrepreneurship, Employment, and Youth Component (EEY) seeks to increase employment (particularly for young women and men) through expanded production, processing, and export of agricultural value chains such as groundnuts, soy, and macadamia nuts. Employment will be created via expansion of partner agricultural firms' extension services, jobs created in new and expanded processing facilities, and other jobs created along value chains. Examples of new processing facilities include Pyxus' new groundnut shelling plant and charcoal briquette plant (using agricultural waste products), Malawi Mangos' expanded processing capabilities, and Moringa Miracle's new moringa processing plant.

In addition, the Mission's FTF, Education, HPN, DRG, and BHA programs will support young women and men to receive vocational training in a variety of marketable skills to enable them to obtain employment or start their own small businesses. These include skills such as carpentry, tailoring, mechanics, computer technology, hair dressing, among others, which have been proven through research and empirical evidence to be in demand and provide a decent income to skilled practitioners, either through employment or through starting their own small businesses. Additional training will further build the

[149] A variety of Mission offices, funding streams, and activities are contributing to vocational skills training including FTF, BHA/RFSA, Education, DRG and HIV-related programming.

capacity of youth in Village Savings and Loans (VSLA) methodology, financial literacy & entrepreneurship, and build linkages to financial service providers.

Through Business Development Services Providers such as MHub, Mzuzu Hub, LUANAR Hub, and MUST this component will provide incubation and business acceleration services for youth-owned startups and very small businesses. Participating startup entrepreneurs will receive training in entrepreneurship, business planning, and business management; ongoing mentorship; and grants to help finance business startups. As these new businesses grow, they will be linked with financial services firms to facilitate access to larger sums of capital.

In addition, as noted in section C.2 Results Framework Summary above, through the World Bank's Multi-Donor Trust Fund USAID will invest in and assist the GoM to develop a more robust, expanded shock-responsive social protection scheme (MNSSP II). Part of that scheme is specifically designed to assist youth to earn income and build skills through a climate-smart public works program.

EEY will primarily target young women and men in both rural and urban areas. By increasing employment and fostering successful business startups, as well as increasing on- and off-farm employment opportunities, EEY will diversify and increase household incomes, resulting in reduced poverty, increased access to food in markets, and greater resilience capacity at household and community levels. Through increased household incomes, expanded purchasing power will lead to economic growth with beneficial spillover effects for others in the local community.

D.6 Sustainable Natural Resource Management and Climate Change Adaptation Component (IRs 1, 3, 5-7, and CCIRs 4, 5, and 6)

The Sustainable Natural Resource Management and Climate Change Adaptation Component (SNRM-CCA) will work in rural communities throughout the ZOI to promote watershed and forest restoration and management. SNRM-CCA will implement water harvesting technologies such as ridges, swales, bunds, check dams, and water absorption trenches to increase groundwater recharge and reduce soil erosion; enhance flood protection in flood-vulnerable areas by planting trees and vetiver grass along riverbanks; and facilitate improved management and protection of forests combined with afforestation and natural regeneration programs in selected areas. Promotion of the production, collection, consumption, and sale of non-timber forest products such as honey, fruits, leaves, and nuts will also encourage communities to protect their local forest resources. Collectively, these measures will reduce risks and increase availability of environmental services provided by the natural ecosystem.

Demand for biomass (wood, charcoal) is one of the primary drivers of deforestation in Malawi. In partnership with private sector companies, SNRM-CCA will promote women's access to and use of improved cookstoves (primarily among rural households) and alternative energy sources (primarily among urban households) to reduce demand for charcoal and other biomass fuels. In rural areas this component will work with communities to develop reusable biomass fuel sources by establishing local tree nurseries and creating community woodlots. SNRM-CCA will also work with private sector actors to increase production of renewably-sourced charcoal and market it to urban charcoal buyers. In addition, the component will fund a consultant to provide strategic advice, support, and capacity building to the private sector, USAID Malawi, and the GoM on climate finance mechanisms such as carbon credits and other payments for ecosystem services which will be used to support community-based natural resource management programs. These interventions will mitigate climate change by reducing and/or capturing greenhouse gas emissions.

Finally, SNRM-CCA seeks to address the drivers of critical threats to Lake Malawi's fishery resources, conserve the freshwater biodiversity of Lake Malawi, and restore natural fisheries productivity in eight

lakeshore districts (Karonga, Rumphi, Likoma, Nkhata Bay, Nkhotakota, Salima, Dedza and Mangochi). Though these districts are not in the ZOI, several are included in FTF programming and others in Biodiversity programming. The goal is to ensure that targeted Lake Malawi aquatic habitats are healthy and well-managed, that endemic fish populations are self-sustaining, and that Lake Malawi fisheries are managed sustainably. SNRM-CCA will engage a broad array of actors (especially the GoM Department of Fisheries, police, prosecutors, judiciary; district councils; civil society organizations such as Local Fisheries Management Associations and Commercial Fishers Association; and media) to promote accountability by monitoring licensing, enforcement, protection of fish spawning sites, and other issues related to fisheries management.

Preservation and restoration of forests and natural fisheries will ensure sustainable access to non-timber forest products and fish, as well as the livelihoods associated with those value chains. In addition, preservation/restoration of forests will increase the services that communities obtain from forests, and reduce soil erosion and the impacts of climate change including drought and flooding. These benefits will likely lead to increased resilience and income for women and girls in the surrounding communities.

As noted in Section A.9 Country Priorities, Malawi is in the process of developing its National Adaptation Plan to address climate change. That plan will focus on several core components that are highly consistent with the interventions described in this section such as implementation of climate-smart agriculture practices, improved soil and watershed management, enhanced disaster risk management, reduced deforestation and expanded afforestation, reduced production and consumption of charcoal, better fisheries management, etc. Thus, there are clear and direct links to the strategies that will be incorporated into Malawi's NAP.

D.7 Improved Business Enabling Environment Component (IR 2 and CC IR 7)

The Improved Business Enabling Environment Component (IBEE) seeks to promote an improved policy and business enabling environment through research and advocacy, and encouraging the private sector and civil society to advocate for their interests. IBEE is specifically targeting the seed and fertilizer sectors, land policies and laws, crops policies and laws, and the export mandate.

Beyond policy and legislative initiatives, the Mission conducted a multi-year study on the prevalence of fake seed. Based on results from that study, this component will train the police and judiciary on how to investigate and prosecute purveyors of fake seed and fertilizer.

In addition, IBEE seeks to facilitate increased trade with South Africa and the U.S., funding a consultant to provide strategic advice, support, and capacity building to the private sector, USAID Malawi, and the GoM. Additionally, to support more effective market function, this component provides capacity building to the Malawi Bureau of Standards to enable it to fulfill its essential role in certifying products and ensuring that domestic and export buyers can purchase products with the appropriate quality.

IBEE also seeks to facilitate evidence-based dialogue with relevant GoM interlocutors through annual joint sector reviews of Malawi's National Agriculture Investment Plan, National Resilience Strategy, National Multi-Sector Nutrition Strategic Plan and through periodic sector donor group meetings with relevant ministries and Parliament. In addition, bilateral diplomatic efforts seek to encourage the GoM to implement business-friendly policies and laws that support economic growth and international trade. These bilateral and multilateral strategic dialogs with the GoM are supported by extensive research and advocacy efforts conducted by Michigan State University, several local agricultural policy think tanks, and consultants.

Through expanded international trade and economic growth, IBEE will contribute to increased employment, reduced poverty, economic stability, greater food security and enhanced resilience at the national, community, and household levels.

E. Stakeholder Engagement

Broad stakeholder engagement has been an integral part of USAID Malawi's modus operandi for many years. The Mission engaged in robust consultations with a variety of stakeholders during the design of the new FTF flagship Growth Poles activity and the development of this GFSS Country Plan (see Annex 1). Going forward, the Malawi GFSS country team will continue to support and build on an extensive range of existing country stakeholder engagement platforms such as donor technical working groups, GoM consultative groups, and thematic coordination groups.

The U.S. is a key partner and donor co-convenor along with Irish Aid in the Scaling Up Nutrition (SUN) Movement Donor Group, supporting the GoM to coordinate and align donors and other stakeholders' nutrition plans, programs, and resources through a multi-stakeholder platform. In addition, USAID is an active member and previous chair of the Donor Nutrition Security Committee (DONUTS). The DONUTS group seeks to enhance donor coordination, facilitate alignment and promote effectiveness of donor-funded nutrition activities in support of national, multi-sectoral nutrition policies and actions. Members of DONUTS participate in extensive consultations at the design phase of new activities, joint monitoring visits, and general information sharing on a regular basis. USAID also regularly participates throughout the year on the Malawi Vulnerability Assessment Committee (MVAC) which assesses the state of food security in Malawi and provides early warnings for crises. MVAC uses the Integrated Food Security Phase Classification (IPC) for food insecurity assessments and the numbers generated are used by key stakeholders in planning and implementing a humanitarian response program during the lean months of each year.

The U.S. is an active leader in the Donor Committee on Agriculture and Food Security (DCAFS), having chaired the group multiple times since 2016. DCAFS seeks to promote a unified donor voice on issues related to agriculture and food security, with a special focus on relevant policies. DCAFS also collects data on all relevant donor projects which it shares with the GoM and uses to promote collaboration and reduce redundant efforts. Under the DCAFS umbrella, a Multi-donor Trust Fund (MDTF) was created to co-invest in various initiatives. USAID has contributed and will continue to contribute to this MDTF as well as influence its design and direction. Through DCAFS, the USG will continue to support mutual accountability via stakeholder engagement efforts such as the joint sectoral review of the implementation of the National Agricultural Investment Plan. The USG will continue to play an active role in supporting policies critical for food security, such as land tenure, property rights, and availability of quality agriculture inputs.

Another important and relevant donor group is the Donor Committee on Trade, Industry, and Private Sector Development (TIPDeP), of which USAID is currently the chair. TIPDeP works with the Ministry of Trade and Industry as well as the Presidential Delivery Unit within the Office of the President and Cabinet to help unlock policy bottlenecks, with a primary focus on investments, trade facilitation, industrial development, and SME development.

USAID also participates in the Social Protection Donor Partners Coordination Group (SPDPCG). The Group aims to foster inter-agency collaboration on policy dialogue, sector coordination and technical support to the Government to effectively implement the Malawi National Social Support Program (MNSSP II) and its vision for social protection in Malawi. The MNSSP II primarily anchors the Social Cash Transfer Program in addition to other social protection projects like the food insecurity lean response

and public works programs, The SPDPCG will also support the new Malawi Social Protection Strategy and its implementation structure that replaces the MNSSP II.

Finally, the USG has strategic partnerships and close, regular interactions and consultations with non-governmental organizations and think tanks operating in food security and rural development sectors such as MwAPATA Institute.

Under the leadership of the Feed the Future Coordinator, the USG will continue to use all of these fora as entry points to encourage positive policy changes, leverage co-funding opportunities, and influence investment choices that support the transformation of agriculture and the rural economy. The FTF Coordinator will periodically meet with USG interagency partners in-country (such as U.S. Department of State, USDA, and MCC) on a regular basis to share information and situation reviews, and ensure that all relevant interagency activities are coordinated. Feed the Future implementing partners (led by the new FTF flagship Growth Poles Activity) will also join stakeholder platforms relevant to their activities to share information and coordinate their activities.

F. Annexes

Annex 1: Stakeholders Consulted

To inform the development of this Country Plan, extensive consultations were conducted at national and regional levels in April 2023. The consultations focused on their vision for their communities, ongoing efforts, successes achieved, lessons learned, constraints and gaps analysis, priorities for future interventions, and identifying areas of synergy for potential collaboration and strategic partnerships. Stakeholders were consulted via individual meetings and two multi-day stakeholder workshops on April 12-14, 2023 in Lilongwe (for the central region) and April 18-20, 2023 in Blantyre (for the southern region). A broad array of stakeholders involved in agriculture, nutrition, and youth were consulted including: GoM institutions and agencies; Blantyre District leaders; donors; universities and education centers; non-governmental organizations; civil society groups; implementing partners; private sector actors; and rural communities.

The following table provides the full list of stakeholders consulted during the development of this Country Plan. Annex 2 contains a summary of key themes emerging from the stakeholder consultations .

Category	Organization	Position/Title	Location
GoM	Ministry of Agriculture	Economist	Lilongwe
GoM	Ministry of Agriculture	Principal Economist	Lilongwe
GoM	Ministry of Agriculture	Knowledge Management and communication	Lilongwe
GoM	Ministry of Education	DD SHNHA	Lilongwe
GoM	Ministry of Gender	Director of Community Services	Lilongwe
GoM	Department of Nutrition, HIV, and AIDS	Deputy Director	Lilongwe
GoM	Sustainable Agriculture Production Programme	Knowledge Management Officer	Lilongwe
Blantyre District Council	Blantyre District Council (DC)	Nutrition Officer	Blantyre
Blantyre District Council	Blantyre DC	Rehabilitation Officer	Blantyre
Blantyre	Blantyre DC	Chief Planning Officer	Blantyre

Category	Organization	Position/Title	Location
District Council			
Blantyre District Council	Blantyre DC	DEC Member/CPO	Blantyre
Blantyre District Council	Blantyre DC	DEC Member_DRMO	Blantyre
Blantyre District Council	Blantyre DC	PGSO	Blantyre
Blantyre District Council	Blantyre DC	BYDC_DCDO	Blantyre
Blantyre District Council	Blantyre DC	CAO	Blantyre
UN/ NGO/ CSO	Center for Agricultural Transformation - Venture 37	Executive Director	Lilongwe
UN/ NGO/ CSO	Technoserve	Country Manager	Lilongwe
UN/ NGO/ CSO	WFP	VAM Officer	Lilongwe
UN/ NGO/ CSO	Catholic Relief Services (CRS)	Technical Advisor	Lilongwe
UN/ NGO/ CSO	Development Alternatives International (DAI)	Gender and Social Inclusion	Lilongwe
UN/ NGO/ CSO	World Agroforestry Center (ICRAF)	Research Associate	Lilongwe
UN/ NGO/ CSO	Foundation for a Smoke Free World	Country Representative	Lilongwe
UN/ NGO/ CSO	MwaPATA	Executive Director	Lilongwe
UN/ NGO/ CSO	IFPRI	Senior Research Fellow	Lilongwe

Category	Organization	Position/Title	Location
UN/ NGO/ CSO	USAID FTF Agriculture Diversification Activity	Economist	Lilongwe
UN/ NGO/ CSO	Pact - REFRESH Project	REFRESH Chief of Party	Lilongwe
UN/ NGO/ CSO	World Vision	Program Manager	Lilongwe
UN/ NGO/ CSO	Hands of Hope	Executive Director	Blantyre
UN/ NGO/ CSO	Environmental Concerned Youth Association	Executive Director	Blantyre
UN/ NGO/ CSO	Chitani Community Sustainable Development Organization	PO	Blantyre
UN/ NGO/ CSO	Women for Fair Development	Executive Director	Blantyre
UN/ NGO/ CSO	CARE	DCOP	Blantyre
UN/ NGO/ CSO	Fountain of Hope	Executive Director	Blantyre
UN/ NGO/ CSO	Business Agriculture Malawi	Director	Blantyre
UN/ NGO/ CSO	Business Agriculture Malawi	Treasurer	Blantyre
UN/ NGO/ CSO	Gender Support Programme	Coordinator	Blantyre
UN/ NGO/ CSO	Bangwe HIV/AIDS Self Help Initiative	Secretary	Blantyre
UN/ NGO/ CSO	People Serving Girls at Risk	Youth coordinator	Blantyre
UN/ NGO/ CSO	Centre for Environmental Policy and Advocacy	Program Officer	Blantyre
Development Partners	DCAFS Coordination Office	Policy Analysist	Lilongwe
Development	Delegation of the European	Programme Officer –	Lilongwe

Category	Organization	Position/Title	Location
Partners	Union	Sustainable Agriculture	
Development Partners	Embassy of Ireland	Agriculture Advisor	Lilongwe
Development Partners	Embassy of Japan	Researcher	Lilongwe
Development Partners	GIZ	Team Leader	Lilongwe
Development Partners	International Fund for Agricultural Development (IFAD)	Country Program Analyst	Lilongwe
Development Partners	Embassy of Norway		Lilongwe
Development Partners	Embassy of Norway		Lilongwe
Private Sector	Press Agriculture	CEO	Lilongwe
Private Sector	Malawi Mangoes		Lilongwe
Private Sector	Limbe Leaf		Lilongwe
Private Sector	Universal	Manager	Lilongwe
Private Sector	TradeLine	Business Consultant	Lilongwe
Private Sector	NASFAM	Quality Control	Lilongwe
Private Sector	Chibuku	Production Manager	Lilongwe
Private Sector	Japan Tobacco International	Manager	Lilongwe
Private Sector	Pyxus Agriculture	Agronomist	Lilongwe
Private	Modern Cooking, Healthy	Honey and Beekeeping	Lilongwe

Category	Organization	Position/Title	Location
Sector	Forests (MCHF)	Equipment	
Private Sector	Malasha Briquettes		Lilongwe
Private Sector	Kawandama Hill Plantations		Lilongwe
Private Sector	Dziwani Investment		Lilongwe
Private Sector	African Honey and Food Products		Lilongwe
Private Sector	EcoGen		Lilongwe
Private Sector	Moringa Value Chain Enterprise Development Activity (MOVED)	Project Director	Lilongwe
Private Sector	Supply Chisi	Secretary General	Lilongwe
Private Sector	Mtalimanja Holdings	Founder/Managing Director	Lilongwe
Private Sector	Bankers Association of Malawi	Chief Executive Officer	Lilongwe
Private Sector	Shire Basin Environmental Support Trust (Shire BEST)	Chief Executive Officer	Blantyre
Private Sector	Sustainable Ventures	Agro business adviser	Blantyre
Private Sector	MALDECO	Finance and Administration Manager	Blantyre
Private Sector	MALDECO	General Manager	Blantyre
Private Sector	Press Corporation Limited	Specialist	Blantyre
Private Sector	TAC-Maz-Sustainable Ventures	Director	Blantyre
Private	Project Innovation Centre	CEO	Blantyre

Category	Organization	Position/Title	Location
Sector			
Private Sector	Tea Association of Malawi Tea Research Foundation	Chief Executive Officer	Blantyre
Private Sector	Mach Milk	Factory Manager	Blantyre
Community	Community Leader	Group Village Headman	Lilongwe & Dedza
Community	Community Leader	Senior Group Village Headman	Lilongwe & Dedza
Community	VSL	VSL Chair	Lilongwe & Dedza
Community	Bee Keeping Group	member	Lilongwe & Dedza
Community	Youth		Lilongwe & Dedza
Community	VSL		Lilongwe & Dedza
Community	Youth		Lilongwe & Dedza
Community	Beekeeping Group		Lilongwe & Dedza
Community	Promoter		Lilongwe & Dedza
Community	CBO	Chairman	Lilongwe & Dedza
Community	CBO	Chairman	Lilongwe & Dedza
Community	Youth		Lilongwe & Dedza
Community	VSL		Lilongwe & Dedza
Community	VSL	Chairman	Lilongwe & Dedza
Community	VCPC	Secretary	Lilongwe & Dedza
Community		Councillor	Lilongwe & Dedza
Community		Village Development Committee Chair	Lilongwe & Dedza
Community	School Management	PTA Chairman	Lilongwe & Dedza
Community	Chief	Village Headman	Lilongwe & Dedza
Community	Chief	Group Village Headman	Lilongwe & Dedza

Category	Organization	Position/Title	Location
Community	Heath Worker	HAS	Lilongwe & Dedza
Community	VSL	Member	Lilongwe & Dedza
Community	VSL		Lilongwe & Dedza
Community	VDC	member	Lilongwe & Dedza
Community	VDC	Member	Lilongwe & Dedza
Community	VDC Member	Youth Representative	Chikwawa
Community	Women Group		Chikwawa
Community	VSL		Chikwawa
Community	VDC Member	Chairperson	Chikwawa
Community	VCPC	Chairperson	Chikwawa
Community	SMC	Chairperson	Chikwawa
Community	Disability	President	Chikwawa
Community	CBO	Chairperson	Chikwawa
Community	ADC		Chikwawa
Community	VDC Member		Chikwawa
Community	CBO	Chairperson	Chikwawa
Community		GVH	Chikwawa
Community		GVH	Chikwawa
Community		GVH	Chikwawa
Community	Extension worker	SDCA	Chikwawa
Community	Lead Farmer		Chikwawa
Community	MOH	DCSA	Chikwawa
Community	Women Group		Chikwawa
Community	ADC	Chairperson	Chikwawa
Community		Village Agent	Chikwawa

Category	Organization	Position/Title	Location
Community	CBO	Chairperson	Chikwawa
Community	Youth Representative	Chairperson	Chikwawa
Community	Tomali Market	Chairperson	Chikwawa
Community	PTA	Chairperson	Chikwawa
Community	ACPC Member	member	Chikwawa
Community		GVH	Chikwawa
Community		GVH	Chikwawa
Community	Cooperative	member	Chikwawa
Community		GVH	Chikwawa

Annex 2: Stakeholder Consultations - Key Themes

The following is a summary of the key themes identified during the various stakeholder consultations conducted in Lilongwe and Blantyre (see Annex 1 for a list of stakeholders consulted).

- **Education & Behavior Change:**
    - **Behavior Change, and Mindset Change:** Need for significant behavior change and mindset change related to dietary diversity, environmental protection, climate change, etc.
    - **Education:** Need for improved education on nutrition, finance, and general education
    - **Vocational Training:** Need to increase vocational training to improve likelihood of employment or creation of small-scale enterprises by youth
- **Farming Practices:**
    - **Commercialization:** Need a shift from subsistence production to commercial production
    - **Extension Services:** Need improved extension services, including utilization of private sector extension officers, and training of tobacco extension officers in other crops
    - **Modern farming methods:** Need to increase access to and use of mechanization, improved crop inputs, and irrigation to increase efficiency, boost crop yields, enable year-round production, and increase total production
    - **Soil Fertility:** Need to address low soil fertility using low cost technologies to boost crop yields
    - **Post-harvest Management:** Need improved, low-cost post-harvest management to reduce crop loss and food wastage; PICS bags are too expensive for many smallholder farmers
- **Local Production and Value Addition:**
    - **Local Production:** Need to shift from imported commodities to local production
    - **Cold Chain:** Need a cold chain for higher-value crops, meat, fish, etc.
    - **Value Addition:** Need to increase in-country value addition of products, not just sell basic commodities and then import value-added goods
    - **Packaging:** Need improved local packaging industry
    - **Transport:** Need to improve road, rail, and air transport to facilitate import and export of products
- **Finance:**
    - **Credit:** Need improved access to capital, lower interest rates
    - **Savings:** Need increased household savings for both resilience and investments
    - **Payments:** Need shorter cash payment cycles from buyers
    - **Insurance:** Need better designed, lower-cost crop insurance, possibly package crop insurance with all seed packages when buying commercial seed
- **Cooperatives/Associations:** Need for farmer associations, cooperatives or other structures to aggregate volumes, gain economies of scale, add value, etc. Historically cooperatives have not worked in Malawi due to leadership challenges, but associations have worked better.
- **Environment:**
    - **Environmental Rehabilitation:**
        - Need to promote improved watershed management including riparian protection
        - Need to promote reforestation/afforestation
        - Promote planting of native fruit trees, not just exotic trees

    - **Flood control:** Need to better control flooding through riverbank protection, building dykes, removing sand siltation, enforcement of zoning provisions to eliminate farming and construction in flood-prone areas
- **Markets:**
    - Need for improved access to market information including buyers, sellers, pricing
    - Need better structured markets for more crops (like tobacco, tea, sugar)
    - Need to increase number of buyers to create a more competitive market and reduce monopolistic and abusive behavior by traders
    - Need to regulate and enforce pricing through minimum farmgate prices for more commodities
- **Energy**: Need improved, reliable, diversified energy infrastructure
- **Food Fortification:** Need to implement regulations and fortify foods to increase consumption of micronutrients
- **Food Safety and Quality:** Need to create better standards, enforce food safety and quality standards, improve testing services, etc.
- **Innovation:** Need more innovation, including mechanization, exposure to other business models, new product expos, publicity around the USAID FTF Innovation Labs and their innovations, and competitions within the private sector to spur innovations
- **Policy Environment:**
    - Business enabling environment is a serious impediment to the private sector.
    - Need improved policy environment, more evidence-based, less red tape, promoting industrialization and economic empowerment
- **Jobs:**
    - Very few jobs are available, even for educated people.
    - Need to find ways to boost job creation through economic growth.
    - Non-agricultural solutions to poverty and food insecurity are not likely on a large scale because of poor business enabling environment.
- **Donor Coordination & Collaboration:** Need to find better ways to improve coordination and collaboration among donors, including expanding use of multi-donor funding mechanisms rather than each individual donor implementing separate projects with sometimes conflicting messages to farmers. Coordination on thematic areas through cluster/sector groups has shown some success, especially following a disaster.

Annex 3: Key Nutrition Donor Investments[150]

DONOR	PRIORITY AREA	FUNDING ESTIMATES (2018-2022)
Irish Aid	-Maternal, infant, and young child nutrition, -national nutrition governance, -Treatment and prevention of undernutrition	$3,700,000
European Union	-Maternal, infant, and young child nutrition -National nutrition governance -Training of nutrition professionals	$70,000,000
World Bank	-Maternal, infant, and young child nutrition -Micronutrient powders -Iron/folate supplements for adolescents -production, consumption of nutritious foods among adolescents and their families -Early childhood development	$63,000,000
Germany/ KFW	-Maternal, infant, and young child nutrition	$25,000,000
Germany/ GIZ	-Maternal, infant, and young child nutrition -Resilience building	$18,000,000
Canada	Vitamin A supplementation	$1,500,500 +
UNICEF	-Maternal, infant, and young child nutrition -treatment of severe acute malnutrition -food fortification	-
WFP	-Maternal, infant, and young child nutrition, -treatment of moderate acute malnutrition -school feeding -livelihoods -SUN Business network	$4,000,000
FAO		-

[150] USAID Malawi. 2022. "Multi-Sectoral Nutrition Country Plan." Annex 1.

Annex 4: Early Childhood Mortality Data

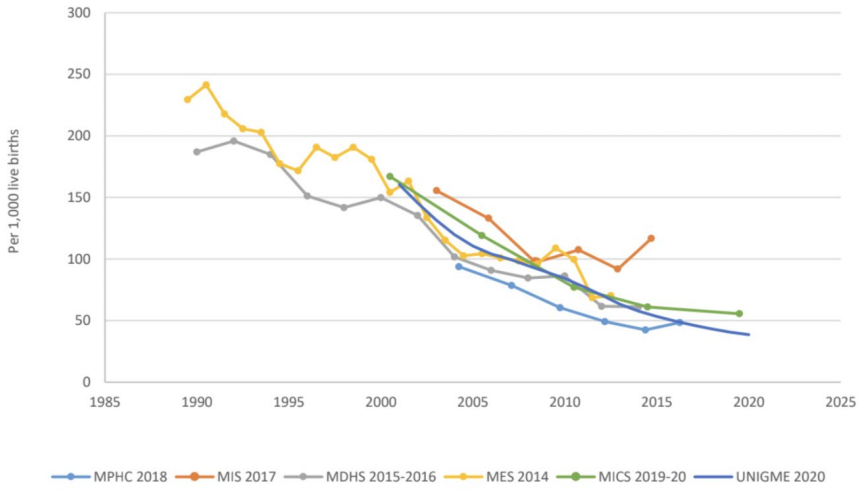
Early Childhood Mortality Rates (2015-2020)[151]

As can be seen from the table below, infant and child mortality rates are high, with Rural rates higher than Urban, Central and Southern higher than Northern, and Male higher than Female rates. However, child and infant mortality rates have declined substantially in the last 30 years (see graph below table).

	Neonatal Mortality Rate	Post-Neonatal Mortality Rate	Infant Mortality Rate	Child Mortality Rate	Under-Five Mortality Rate
National	26%	14%	40%	17%	56%
Urban	22%	7%	30%	13%	42%
Rural	26%	15%	42%	17%	58%
Male	29%	14%	43%	19%	62%
Female	22%	15%	37%	14%	50%
North	23%	6%	29%	10%	39%
Central	26%	14%	40%	18%	57%
South	26%	16%	42%	17%	59%

The graphic to the right shows trends in child mortality rates over the past 30 years (since 1990) across multiple datasets. All the datasets show substantial progress in reducing child mortality, although Malawi still falls far short of the Sustainable Development Goal targets.

Figure CS.1: Trends in under-5 mortality rates, Malawi MICS 2019/20, MPHC 2018, MIS 2017, MDHS 2015/16, MES 2014, UNIGME estimates



[151] UNICEF. 2021. "2019-20 Malawi Multiple Indicator Cluster Survey". Pages 79-80.

Annex 5: Early Childhood Development Data

Early Childhood Development Index[152]

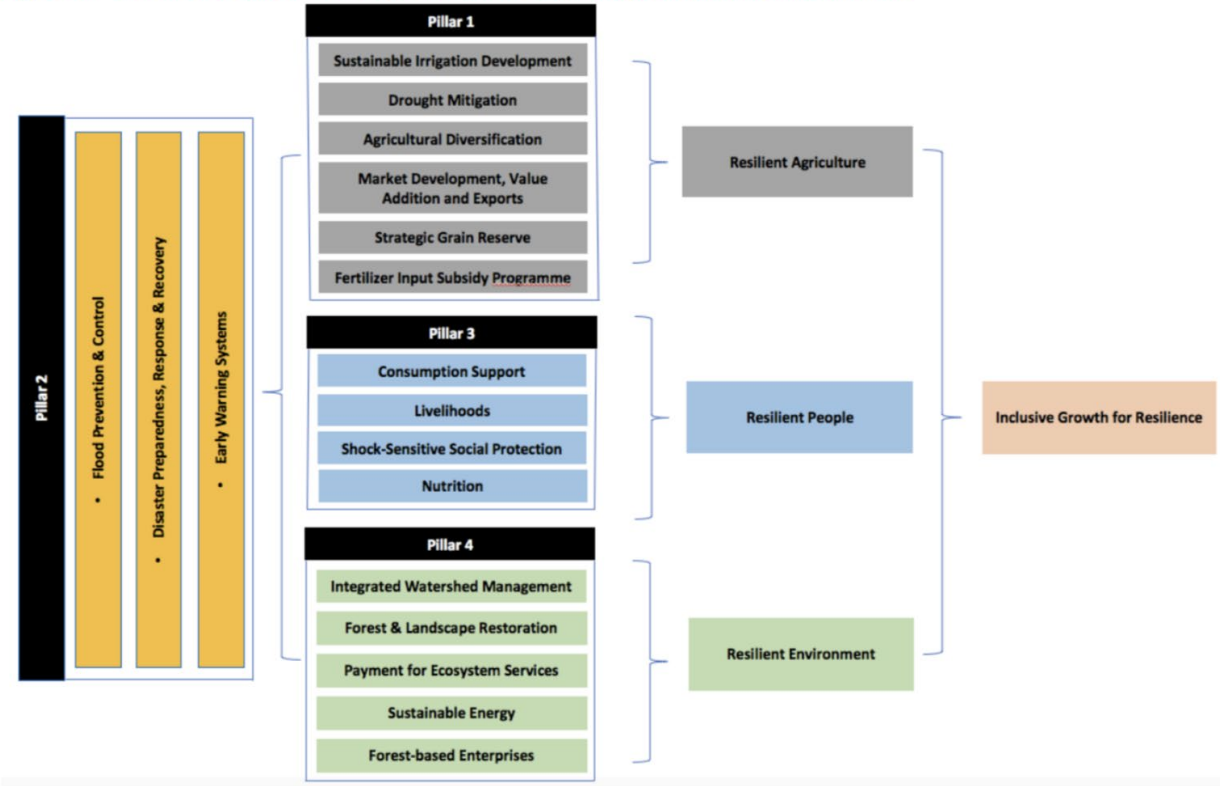
The MICS analyzed the percentage of children ages 3-4 years old who are developmentally on track. The Early Childhood Development Index (ECDI) is a composite of literacy, numeracy, physical, social-emotional, and learning skills. The table below shows the data which reveals fairly low levels of age-appropriate development. Reflecting similar patterns as the data above, males lag behind females, Rural lags behind Urban, and the Central region lags behind the Northern and Southern regions. The key area of deficiency is in the literacy-numeracy skill category. Much of the reason for this deficiency (beyond nutrition and other deficits) may be attributed to the relatively low levels of attendance at early childhood education centers. Based on the 2019-20 MICS (page 245), only 33.6 percent of children ages 36-59 months are attending early childhood education. Males lag behind females, rural lags behind urban, and the Central region lags behind the Northern and Southern regions in early childhood education attendance.

	Literacy-Numeracy	Physical	Social - Emotional	Learning	ECDI Score	Early Child Ed. Attendance
National	16.8%	88.7%	77.9%	74.2	58.6%	33.6%
Urban	33.6%	93.2%	80.9%	78.0%	69.9%	51.1%
Rural	14.3%	88.0%	77.5%	73.6%	56.9%	31.0%
Male	13.4%	87.8%	74.0%	74.5%	55.5%	30.5%
Female	20.0%	89.5%	81.6%	73.9%	61.5%	36.5%
North	18.5%	93.5%	76.2%	80.5%	64.4%	35.0%
Central	13.3%	85.0%	78.1%	68.7%	51.5%	26.7%
South	20.0%	91.4%	78.2%	78.5%	64.6%	40.5%

[152] UNICEF. 2021. "2019-20 Malawi Multiple Indicator Cluster Survey." Page 242.

Annex 6: National Resilience Strategy Strategic Framework

Figure 9: National Resilience Strategy: Resilient People, Agriculture, and Environment



Annex 7: Malawi GDP Statistics and Trends[153]

	2019	2020	2021	2022
Real GDP (US$ Billions, 2010)	$7	$8	$8	$8
Real GDP per capita (US$, 2010)	$396	$389	$389	$399
Real GDP PPP[154] (int$ Billions, 2017)	$29	$29	$30	$30
Real GDP per capita PPP (int$, 2017)	$1,537	$1,509	$1,510	$1,483

[153] World Economics. "Malawi GDP: $8 Billion". Accessed October 7, 2023.
[154] PPP = Purchasing Power Parity

Annex 8: List of Administrative Areas In ZOI

Below is a list of the administrative units (districts and TAs) that are included in the target ZOI.

Region	District	Administrative Area
Central	Lilongwe	SC Chitekwele
Central	Lilongwe	SC Njewa
Central	Lilongwe	TA Chadza
Central	Lilongwe	TA Chimutu
Central	Lilongwe	TA Chiseka
Central	Lilongwe	TA Kabutula
Central	Lilongwe	TA Kalolo
Central	Lilongwe	TA Kalumba
Central	Lilongwe	TA Kalumbu
Central	Lilongwe	TA Khongoni
Central	Lilongwe	TA Maliti
Central	Lilongwe	TA Mazengera
Southern	Chikwawa	TA Katunga
Southern	Chikwawa	TA Lundu
Southern	Chikwawa	TA Maseya
Southern	Mulanje	Mulanje Mountain Reserve
Southern	Mulanje	SC Laston Njema
Southern	Mulanje	TA Mabuka
Southern	Mulanje	TA Nkarda
Southern	Nsanje	SC Mberje
Southern	Thyolo	SC Kwethemule
Southern	Thyolo	SC Mbawela
Southern	Thyolo	SC Mphuka
Southern	Thyolo	TA Kapichi

Region	District	Administrative Area
Southern	Thyolo	TA Nchilamwela

Annex 9: Activity Descriptions

Agriculture and Market Systems Component Activities

Commercializing Smallholder Farmers through Growth Pole Development: This is a five-year, $40 million activity that will work nationally in geographies and value chains centered around approximately 15-20 partner commercial agriculture companies. Seeking to commercialize smallholder agriculture and link them to larger private sector partners in dynamic growth poles or corridors, this new Growth Pole Activity directly supports Vision 2063 aspiration for "a shift from low productivity and subsistence-oriented agriculture to a highly productive and commercialized agriculture system with manufacturing linkages."[155] The Growth Poles Activity will advance a more inclusive, diversified, and resilient private sector to drive sustainable wealth creation and address persistent economic and environmental challenges. The activity will address five strategic objectives: 1) Develop and/or strengthen growth poles that leverage and expand private sector investments; 2) Strengthen systems resilience through improved climate and natural resource management; 3) Expand inclusive development so that smallholders, youth, and women increase incomes, assets, and jobs, strengthening household and community resilience; 4) Mobilize innovative, impact-oriented credit and finance, and 5) Play a networking, facilitating, coordination, and adaptive role based on evidence and data within Malawi. This Activity contributes to all three Objectives via IRs 1, 2, 4-7, 9, and CCIRs 2, 3, 4, 5 and 6.

Pyxus Agriculture Malawi Global Development Alliance (GDA): The $14.5 million, five-year Pyxus GDA aims to expand and accelerate inclusive and climate-resilient development through seed systems, groundnut, and forestry value chain development. This activity is expected to diversify smallholder farmer agricultural production, improve smallholder yields and incomes, increase value addition and high-value exports, and improve the supply of commercial agroforestry products to commercial users and urban households. It will also integrate strategies to accelerate climate change adaptations and mitigate environmental degradation. Expected results include 10 new legume seed varieties released and fully scaled, 30,000 smallholder farmers contracted, with a focus on women and youth, $7 million credit extended to farmers, an increase of $20 million in exports, and 7,000 hectares of forests sustainably managed. Pyxus's strong experience in Malawian agriculture and links to regional and international markets will allow these opportunities to be addressed in a holistic way ensuring sustainable, long-term efficient, and comprehensive delivery of results. This Activity contributes to all three Objectives via IRs 1, 2, 4, 5, 7 and CCIRs 2, 3, 5 and 6.

Moringa Value Chain Enterprise Development (MOVED): This $500,000 two-year activity is fostering the development of green enterprises and increasing incomes and reducing the vulnerability of rural people in the Salima District through the development of the moringa value chain. The value chain development initiative includes establishing a factory in Salima to process moringa into powder, oil, and cake for export to South Africa. This Activity contributes to all three Objectives via IRs 1-4, and CCIRs 2 and 3.

Titukulane: BHA's $75 million, five-year (2019–2024) USAID-funded Resilience Food Security Activity (RFSA) supports implementation and learning agenda of the Malawi National Resilience Strategy (NRS). The activity intends to increase income through diversified livelihoods on-farm and off-farm; improve nutrition status of children under five, adolescent girls, women of reproductive age through nutrition cash transfers, knowledge and skills sharing and; increase institutional and local capacities to reduce risk

[155] Government of Malawi National Planning Commission. 2020. "Malawi 2063." Page 13.

and increase resilience through implementation of disaster risk reduction, natural resources management and capacity building of local structures.. It is being implemented by CARE in partnership with Emmanuel International, IFPRI, National Smallholder Farmers Association of Malawi (NASFAM), Save the Children, and WaterAid. This Activity contributes to all three Objectives via IRs 1-7, and CCIRs 2, 3, 4, 5, and 6.

Market Transitions to Enable New Growth Opportunities (MTENGO): MTENGO is a five-year, $24 million USDA-funded project that will work in the Northern and Central Regions. It will assist roughly 35,000 medium-sized farms (approximately 2–6 acres) to accelerate their transition to commercial agriculture. These mid-sized farms can help make inputs, technologies, and markets more accessible for nearby smallholder farmers. MTENGO will work with market-ready farmer organizations, agro-enterprises, entrepreneurs, and traders in these regions to ensure farms produce efficiently and reliably, supplying the domestic and international markets with staple and higher-value cash crops (soy, coffee, honey, chili peppers, and banana). MTENGO will promote the adoption of climate-smart agricultural practices, diversified farm production models, improved soil and water management, expanded access to irrigation, and increased access to finance. The project will be implemented by Winrock International in partnership with the local NGO Total LandCare.

Peace Corps Environmental Education and Food Security Project: Working in the Lilongwe Rural District, Peace Corps volunteers will work with local communities to promote climate-resilient gardening, use of small-scale irrigation, use of PICS bags to minimize post-harvest crop loss, and other interventions. This Activity contributes to all three Objectives via IRs 1, 4, 5, 7-9, and CCIRs 2, 3, 4, 5, and 6.

Resilient Households and Communities Component Activities

Employing a multi-faceted and integrated approach, several agriculture activities (**Commercializing Smallholder Farmers through Grow Poles**; **Pyxus GDA**; and **Titukulane** described above in Subsection D2) will build the resilience capacity of vulnerable households, communities, and key local institutions (public, private, and civil society) throughout the ZOI. In addition to the agriculture-focused activities mentioned above, several other activities seek to build resilience in individuals, households, communities, and institutions. These are described below.

The **Youth Business Acceleration and Investment Facility (YBAIF)** entrepreneurship activity (described in the subsection Entrepreneurship, Employment, and Youth Component Activities below) contributes to individual and household resilience by assisting youth to start and grow businesses which provide income to the entrepreneur and his/her employees. This income will enable many households to increase and diversify their income streams, thereby increasing their resilience. This Activity contributes to all three Objectives via IR 3, and CCIR 3.

WFP Emergency Programs: WFP is implementing an integrated package of resilience activities that include asset creation (through a cash-for-assets modality), promotion of climate-smart agriculture such as solar power or gravity fed irrigation systems , increased access to finance, crop insurance, management of post-harvest losses, and linking smallholder farmers to markets. These activities help households to mitigate against crop failure and transition from subsistence farming to having surplus crops they can sell. This Activity contributes to all three Objectives via IRs 1, 2, 4-7, and CCIRs 2, 3, 5, and 6.

UNICEF Emergency Program: The UNICEF Emergency Program aims to contribute to the improvement of child health and survival rates and the achievement of Sustainable Development Goal 6

(ensure access to safe water, sanitation, and hygiene for all). UNICEF is doing this through provision of lifesaving WASH services, safe water, and emergency WASH supplies directly to affected populations. This Activity contributes to Objectives 2 and 3 via IRs 5-7, 9 and CCIR 6.

CRS Emergency Programs: The CRS Emergency Program is providing robust transitional shelters for the most vulnerable households that were displaced or lost their homes to Cyclones Ana (and to a limited extent Freddy). This activity works in two districts that were hit hard by the Cyclone Ana: Chikwawa and Nsanje Districts. It contributes to Objective 2 via IR 6.

IFRC (International Federation of the Red Cross/Red Crescent) Global Award: This is a new global award which includes Malawi. The focus of the activity is on disaster risk reduction, but they have not yet defined where they will work or specifically what they will do. This Activity contributes to Objective 2 via IR 5, and possibly CCIRs 4, 5, 6, and 8.

Peace Corps Environmental Education and Food Security Project: Working in the Lilongwe Rural District, Peace Corps Volunteers will work with local communities to promote climate-resilient gardening and implementation of disaster risk reduction practices. This Activity contributes to all three Objectives via IRs 1, 4, 5, 7-9, and CCIRs 2, 3, 4, 5, and 6.

Well-Nourished Households and Communities Component Activities

Nutrition-specific activities managed by USAID Malawi's Health Office are described below. Agriculture and Resilience Component activities described above will also contribute to the Nutrition Component via nutrition-sensitive agriculture, increased income, and some nutrition-specific interventions such as backyard gardens and training/strategic behavior change communication focused on nutrition knowledge and behaviors.

McGovern-Dole International Food for Education and Child Nutrition Project: This five-year USDA-funded project is implemented by Nascent Solutions in the Central and Southern Regions. To complement government efforts, Nascent is implementing the following interventions for teachers and students in years 1-8:

- Prepare and serve a daily school breakfast;
- Distribute attendance-based take home rations;
- Promote health, hygiene, and nutrition behavior change
- Provide local food production training;
- Promote improved post-harvest storage and food safety
- Increase the capacity of key government agencies to support and sustain the national school-meals program;
- Increase teacher attendance by collaborating with the government to institutionalize an attendance-based incentive program;
- Train early grade teachers and administrators in improved teaching methods; and
- Procure and distribute quality literacy teaching and learning materials (TLMs) to teachers and students, and establish community reading centers.

This Activity contributes to Objective 1, IR 1 and Objective 3, IRs 7 and 9.

Momentum components Tiyeni: USAID's MOMENTUM/Tiyeni will support the Government of Malawi's effort to reduce maternal, newborn, and child mortality through improved access and quality of health service delivery in seven districts. The activities will focus on maternal, neonatal, and child health; family planning/reproductive health; nutrition; water, sanitation, and hygiene; and malaria prevention and

treatment in seven districts of Malawi. It will deploy integrated and age-appropriate interventions through facility and community-based approaches. Specific nutrition interventions will include growth monitoring and promotion, treatment of moderate and severe acute malnutrition, vitamin A supplementation, zinc for the treatment of diarrhea, and implementation of the baby-friendly hospital initiative. These interventions will be complemented by nutrition-sensitive health areas, namely maternal and child health, family planning, malaria, and WASH. This Activity contributes to Objective 3, IR 7, 8, and 9.

Let them Grow Healthy (GDA):This activity will finance community-level efforts to consult with mothers and caregivers on care and feeding practices for infants and young children. Using the Care Group Model approach, the Activity will: 1) conduct nutrition education to improve knowledge and practices; 2) strengthen community referral and support systems for pregnant women and children under the age of five; 3) promote adequate women's nutrition, exclusive breastfeeding, and complementary feeding through social behavior change; 4) construct boreholes and rehabilitate non-functional ones; 5) facilitate the creation of open defecation-free communities; 6) promote access to improved water and sanitation services, and increase the adoption of improved hygiene practices; and 7) promote bed-net usage to prevent malaria. This Activity contributes to Objective 3, IR 7, 8, and 9.

Leveraging Local Capacity to Strengthen Health Service Delivery Project (LLCAP) - Human Resources for Health (HRH 1 and 2): USAID's Leveraging Local Capacity to Strengthen Health Service Delivery Project-Human Resources for Health (HRH 1 and HRH 2) are integrated health activities designed to improve the number and availability of well-trained, highly skilled, and equitably distributed healthcare workers. This activity will support the delivery of quality health services as outlined in the Government of Malawi's National Health Sector Strategic Plan and will advance the government's universal health coverage to improve the health status of Malawians. The targeted health care categories are nurse midwife technicians; community midwife assistants; pharmacy assistants; nurses and midwives; assistant environmental health officers; and medical assistants. Implementation of LLCAP activities contributes to the development of youths by building their skills necessary for the job market in the health sector. LLCAP/HRH 1 is implemented by the Global Aids Interfaith Alliance and the Malawi College of Health Sciences, respectively. Both are local organizations. This Activity contributes to Objective 3, IR 8.

Leveraging Local Capacity to Strengthen Health Service Delivery Project (LLCAP)- Human Resources for Health (HRH 3)/ Nutrition 4 Health: Specifically, this activity seeks to 1) train and deploy a critical mass of dietitians for all referral and district hospitals in Malawi; 2) establish an association of dietitians in Malawi to govern the dietetic profession and practice; 3) update the food composition database and tables containing no less than 600 foods that are commonly consumed in Malawi;4) strengthen research, outreach, and teaching capacity in nutrition, dietetics, and food science at Lilongwe University of Agriculture and Natural Sciences; and 5) train staff at MSc and PhD levels in Nutrition and Dietetics, and undertake and publish ethically-sound research. This Activity contributes to Objective 3, IR 8.

Government to Government awards: USAID/Malawi entered into three direct three-year Government-to-Government agreements to strengthen health systems and promote greater sustainability and resilience. These three integrated health activities support the implementation of maternal and child health; family planning and reproductive health; nutrition; tuberculosis and social welfare services. The three awards enable the U.S. and Malawi governments to 1) implement the family health package of services through integrated outreach visits; 2) procure essential equipment; 3) provide supportive supervision; 4) fortification of essential commodities such as salt, sugar, oil, and maize flour; 5) strengthen on-the-job mentoring to promote quality of care at both facility and community levels; and

6) provide salary payment for health care workers and support staff recruited by Zomba and Mangochi District Councils. This Activity contributes to Objective 3, IR 8.

PROPEL: This Activity will strengthen the Government of Malawi policy, planning, and coordination functions and its ability to effectively manage Malawi's population dynamics and promote health. The activity will support national-level multisectoral engagement and coordination for Nutrition, and scale up the baby-friendly hospital initiative to promote early and exclusive breastfeeding. PROPEL will also support interventions for the adherence to the Code of Marketing Breast Milk Substitutes. In addition, PROPEL will support fortification of essential commodities such as salt, sugar, oil, and maize flour. This Activity contributes to Objective 3, IR 8 and CC IR 7 and CC IR 8.

USAID Advancing Nutrition: Using core Global Health funds, USAID Advancing Nutrition will provide technical support on sustainable financing for nutrition to create a financing strategy for Nutrition in Malawi. This work complements the ongoing USAID Advancing Nutrition support to the SUN Donor Network to galvanize more and higher quality financing for nutrition, and to provide guidance for USAID Missions and partners on transitioning nutrition financing to domestic resources. The goal of this activity is to apply learning from Bill & Melinda Gates Foundation-funded, and USAID Advancing Nutrition work that increases access to methods, tools, and recommendations that assist government stakeholders in developing clear, actionable, trackable, and sustainable nutrition financing strategies within the health and agriculture sectors in one country. This Activity contributes to Objective 3, IR 8 and CC IR 7 and CC IR 8.

Peace Corps Environmental Education and Food Security Project: Working in the Lilongwe Rural District, Peace Corps volunteers will work with local communities to promote nutrition-sensitive agriculture, improved WASH facilities and practices, provide nutrition education, promote dietary diversity, promote drip irrigation to facilitate year-round production of nutritious foods, and enhance the availability, access to, and consumption of nutritious foods. This Activity contributes to all three Objectives via IRs 1, 4, 5, 7-9, and CCIRs 2, 3, 4, 5, and 6.

Entrepreneurship, Employment, and Youth Component Activities

Youth Business Acceleration and Investment Facility (YBAIF): This is a $7.5 million, five-year (2021-2026) activity that is providing incubation and business acceleration services for youth-owned startups and Micro- Small and Medium Enterprises YBAIF provides training to participating entrepreneurs in entrepreneurship, business planning, and business management; ongoing mentorship; and grants to facilitate business startups, acceleration and financing As the new businesses grow, YBAIF links them with financial services firms to facilitate access to larger sums of capital. YBAIF is funded with Resilience Challenge Funding and runs 2021-2026. This Activity contributes to Objective 2, IR 3 and CC IR 3.

Titukulane: This $75 million, five-year (2019-2024), BHA-funded activity provides vocational training and micro-enterprise development to youth to increase incomes. The Activity also implements village saving and loan associations (VSLA), which provide opportunities for investing in various livelihoods. The focus of this activity is on the ultra poor and chronically vulnerable households in Mangochi and Zomba Districts. It is being implemented by CARE in partnership with Emmanuel International, International Food Policy Research Institute (IFPRI), National Smallholder Farmers Association of Malawi (NASFAM), Save the Children, and WaterAid. This Activity contributes to Objective 2, IR 3 and CC IR 3.

Strengthening Higher Education Access in Malawi Activity (SHEAMA) - This is a five-year (2018-2023), $12.5 million activity that partners with all 5 public universities to improve access to higher

education for vulnerable youth in order to expand Malawi's skilled and employable workforce. The project specifically targets adolescent girls and young women, persons with disabilities, and Malawians from ultra poor households. USAID's SHEAMA project provides targeted scholarships to these disadvantaged youth to enable them to access tertiary education at public universities. The project also fosters collaboration between public universities and industry to design and deliver market-relevant courses through Open, Distance, and e-Learning and prepare students through an internship program.

Transforming Higher Education Systems - This is a five-year (2022-2027), $17 million activity that aims to strengthen capacities of the Malawian Higher Education system and institutions to design and deliver high quality, market-relevant programs, improve matriculation, retention, and completion rates of students in STEM and targeted fields, particularly students from marginalized and vulnerable backgrounds, and increase research outputs from Higher Education Institutions.

Youth Prosperity Through Agriculture Pathways in Higher Education: The Education Office is currently in the process of designing a new five-year activity. The draft objectives, subject to change during the remaining design process, are to: 1) increase access to higher education agriculture programs, 2) improve the quality, governance and relevance of agricultural training institutions' systems, and 3) increase opportunities for secondary school graduates to contribute to the formal economy.

Youth Learning and Landscape Platform (YLLP): YLLP is implemented as a set of activities designed to support the implementation of DO2, including: (1) Youth Landscape analyses, (2) facilitating the Learning Agenda, Feedback Loops, and Capacity-Building, and (3) measuring and reporting on Progress Achievement.

Sustainable Natural Resource Management and Climate Change Mitigation & Adaptation Component Activities

Modern Cooking, Healthy Forests (MCHF): This $X million, five-year Activity is co-funded with the UK's Foreign, Commonwealth and Development Office. It is designed to promote sustainable forest management and alternative energy options in urban demand centers to maintain forest cover and reduce land-based emissions. By increasing the demand for alternative fuels, energy-efficient cooking technologies, and the supply of sustainable wood fuels from well-managed forest resources, the activity is helping Malawi reduce deforestation, improve forest cover, and conserve associated watersheds. MCHF is working across multiple land use types, including urban and peri-urban areas, forest reserves, plantations, customary land, and smallholder farms, to address wood fuel supply and demand dynamics. The Activity also seeks to integrate policies across sectors in order to harmonize development and conservation objectives. To facilitate supply and demand for alternative cooking technologies and fuel sources, MCHF launched the Malawi Clean Cooking Fund, a $1.1 million performance-based grant fund. The goals of the activity are to significantly increase the percent of urban households using alternative fuels or fuel-efficient cooking technologies, increase the conviction of those involved in illegal charcoal and other forestry crimes, and mobilize $10 million of investment for sustainable landscapes. MCHF contributes to Objective 2 via IRs 5 and 6 and CCIRs 4, 5, and 7.

Wildlife Law Enforcement (TBD): The Wildlife Law Enforcement project will seek to reduce illegal wildlife trade in Malawi. USAID envisages to strengthen enforcement, community engagement and coordination across GOM wildlife agencies, the Department of National Parks and Wildlife (DPNW), Department of Forestry, Department of Fisheries, Department of Mines. The project will improve connections between field and national level enforcement officers, promoting improved collaboration, training, protocols. An expansion of investigation units geographically will enable the Wildlife Crime Investigation Unit to improve the efficiency of their response to field-level reports to ensure timely and

thorough investigation of wildlife crime. The DNPW is expected to be the principal GOM partner. This enhanced law enforcement initiative is meant to benefit wildlife and other natural resources across the Malawi landscape. The Project envisages supporting the GOM to reduce IWT and crimes which are impacting wildlife biodiversity conservation in Malawi. The Illegal Wildlife Trade Review (2015) observed that Malawi was a transit hub for IWT and considering the porosity of the Malawi borders, the Project seeks to implement law enforcement interventions at the national level and park level for selected protected areas with a high risk of poaching.

Restoring Fisheries for Sustainable Livelihoods in Lake Malawi (REFRESH): This $12 million, five-year Activity is focusing primarily on addressing the drivers of critical threats to Lake Malawi's fishery resources. REFRESH is conserving the freshwater biodiversity of Lake Malawi by restoring natural fisheries productivity in eight lakeshore districts[156]. By bolstering community-based natural resource management, REFRESH is working to ensure that targeted Lake Malawi aquatic habitats are healthy and well-managed, that endemic fish populations are self-sustaining, and that Lake Malawi fisheries are managed sustainably. This component will engage a broad array of actors (especially the GoM Department of Fisheries, police, prosecutors, judiciary; district councils; civil society organizations such as Local Fisheries Management Associations and Commercial Fishers Association; and media) to promote accountability by monitoring licensing, enforcement, protection of fish spawning sites, and other issues related to fisheries management. REFRESH builds on communities' successes under the previous USAID FISH project. It is implemented by University of Rhode Island (URI) and TechnoServe in partnership with local organizations, Community Initiative for Self Reliance - CISER, Find Your Feet and African Parks. REFRESH contributes to all three Objectives via IRs 1, 4-7, and CCIRs 2, 3, and 5.

Africa Trade and Investment Facility: This is a $1.325 million buy-in focusing on facilitating access to climate finance and to promote trade with South Africa and the U.S. The Activity has hired two consultants to provide strategic advice, support, and capacity building to the private sector, USAID Malawi, and the GoM. The activity is also working to promote an improved business enabling environment, with a focus on policies affecting trade, and is providing capacity building to the Malawi Bureau of Standards. This Activity contributes to CC IR 4 and CC IR 5.

Titukulane: This BHA-funded activity (described above) is promoting watershed restoration, forest recovery, improved forest management, and flood protection through a cash-for-work program. This Activity contributes to Objective 2, IR 5 and IR 6, and CC IR 4, CC IR 5, and CC IR 6.

Peace Corps Environmental Education and Food Security Project: Working in the Lilongwe Rural District, Peace Corps Volunteers will work with local communities to establish tree nurseries; create community woodlots; implement water harvesting practices; promote natural regeneration of forests; and promote construction and use of improved cook stoves. This Activity contributes to all three Objectives via IRs 1, 4, 5, 7-9, and CCIRs 2, 3, 4, 5, and 6.

Improved Business Enabling Environment Component Activities

Africa Trade and Investment Facility: One component of this Activity (described above) promotes an improved business enabling environment, with a focus on policies affecting trade, and is also providing capacity building to the Malawi Bureau of Standards. This Activity contributes to Objective 1, IR 2 and CC IR 7.

[156] Karonga, Rumphi, Likoma, Nkhata Bay, Nkhotakota, **Salima, Dedza and Mangochi**. Districts in the target ZOI are highlighted in bold type.

PIATA: This Activity is a $1.2 million three-year buy-in to a pan-African program. Although USAID Malawi's investment will end in September 2023, USAID Washington has extended the mechanism and funded it for another five years; thus the Activity will continue its work in Malawi. The focus in Malawi is on promoting an improved seed sector enabling environment through research, lobbying, and advocacy. The Activity conducted a multi-year study on the prevalence of fake seed. It also trained the police and judiciary on how to investigate and prosecute purveyors of fake seed and fertilizer. This Activity contributes to Objective 1, IR 2 and CC IR 7.

Agricultural Policy Initiative: This is a new five-year policy Activity implemented by Michigan State University and the local MwaPata agricultural policy think tank to analyze evidence and provide analysis and recommendations to the GoM to support agriculture policy. This Activity contributes to Objective 1, IR 2, and CC IR 7.

Peri-Urban Land Governance Activity (PULG): PULG is a four-year (2023-2027) DRG activity that is co-managed with SEG. This activity is supporting land holders in select peri-urban areas to secure their tenure rights, supporting a research study and implementing interventions in select peri-urban areas to improve land management, strengthen accountability and increase access to information.

Governance for Solutions (GFS) A DRG-managed activity with co-funding from SEG, GFS is an investment to strengthen public sector performance in service delivery through increased accountability and effectiveness thereby making service delivery responsive to local needs. The activity advocates for local solutions to local problems and promotes experimentation and positive deviance as a basis for evidence driven feedback to inform interventions and enable adaptation. It specifically provides a platform for learning and building on successful approaches to improving service delivery in Malawi's Natural Resources, Agriculture, Education and Health sectors. USAID/Malawi proposes to support an integrated governance activity to facilitate mobilization and collaboration of local coalitions of stakeholders committed to addressing specific problems in their localities. Applicants should therefore outline approaches that will best facilitate productive coalitions, well equipped to identify solutions f or specific problems while building on things that are already working well in particular local contexts.

Parliamentary Support Program (PSP): This $11,695,268 five year project contributes to Malawi's democratic governance by supporting the Parliament of Malawi to better fulfill its legislative, oversight, and representative functions. The project provides technical support to selected committees and caucuses, provides cross-institutional coordination between parliament and statutory oversight institutions, and facilitates collaboration and coordination between the Parliament, civil society organizations, and the media around issues of public integrity, oversight and legislation. The project integrates social and behavioral science research and insights to identify key behaviors and psychological, social, and situational barriers that prevent stakeholders from leading reform.

Tackling Serious and Organized Corruption (TSOC): In partnership with the UK's Foreign, Commonwealth and Development Office, the $15.2 million five-year Tackling Serious Organized Corruption project supports Malawi's key law enforcement agencies in their efforts to investigate, prosecute, and sanction perpetrators of financial crimes. The project trains and mentors law enforcement in state-of-the-art methods to detect, investigate, and prosecute high profile corruption cases and recover stolen assets. It also partners with journalists, civil society organizations, and the private sector to prevent and expose corrupt acts. The activity has further supported the Government of Malawi to unmask shell companies and protect the Malawi financial system from abuse by money launderers, drug traffickers, and other criminals.

G. Glossary of Key Terms

Adaptation
Adaptation in the context of resilience is the ability of people, households, and systems to learn and adopt new approaches, technologies, and livelihoods in the face of shocks, which results in maintaining or improving well-being.

Agriculture
The science and practice of activities related to production, processing, packaging, transporting, trade, marketing, consumption, and use of food, feed, fiber, and other outputs, including aquaculture, farming, wild fisheries, forestry, and pastoralism.

Agriculture and food systems
The intact or whole unit made up of interrelated components of people, behaviors, relationships, and resources that interact in the production, processing, packaging, transporting, trade, marketing, consumption, and use of food, feed, fiber, and other outputs through aquaculture, farming, wild fisheries, forestry, and pastoralism. The food and agriculture system operates within and is influenced by social, political, economic, and environmental contexts.

Animal-sourced foods
Includes milk, dairy, poultry, eggs, meat, and fish.

Basic sanitation service
The technical term for a sanitation facility that hygienically separates human excreta from human contact. This is an SDG indicator. A safely managed sanitation service also ensures that fecal waste is removed for treatment or safely disposed of in situ.

Climate-smart agriculture
An integrative approach to address the interlinked challenges of food security and climate change that explicitly aims for three objectives: (1) sustainably increasing agricultural productivity to support equitable increases in farm incomes, food security and development; (2) adapting and building resilience of agricultural and food security systems to climate change at multiple levels; and (3) mitigating climate change by increasing carbon sequestration or reducing GHG emissions associated with agriculture (including crops, livestock, and fisheries), either in absolute terms or by reducing emissions intensity in the context of Low Emissions Development. U.S. Government Global Food Security Strategy 85

Digital technology
Digital technology refers to both the type of technology as well as to the platforms, processes, and range of technologies that underpin modern information and communications technologies, including the internet and mobile-phone platforms, as well as advanced data infrastructure and analytic approaches.

Ecosystem services
The benefits that flow from nature to people; for example, nature's contributions to the production of food and timber; life-support processes, such as water purification and coastal protection; and life-fulfilling benefits, such as places to recreate. These services may require people to sustainably manage or conserve them to deliver benefits.

Evaluation
The systematic collection and analysis of information about the characteristics and outcomes of strategies, projects, and activities conducted as a basis for judgments to improve effectiveness and cost-

effectiveness and timed to inform decisions about current and future programming. Evaluation is distinct from assessment or an informal review of projects.

Extreme poverty
The inability to meet basic consumption needs on a sustainable basis. People who live in extreme poverty lack both income and assets and typically suffer from interrelated, chronic deprivations, including hunger and malnutrition, poor health, limited education and marginalization, discrimination, or exclusion. The extreme poor often lack the resilience to cope with economic setbacks, natural disasters, or illnesses.

Feed the Future Innovation Labs
Research programs led by U.S. universities in collaboration with target country research institutions that advance science-based solutions to reduce global hunger, poverty, and malnutrition. These programs were formerly known as the Collaborative Research Support Programs (or CRSPs).

Food security and nutrition
Access to—and availability, utilization, and stability of—sufficient food to meet caloric and nutritional needs for an active and healthy life. U.S. Government Global Food Security Strategy 86

Gender
The socially defined set of roles, rights, responsibilities, entitlements, and obligations of females and males in societies. The social definitions of what it means to be female or male vary among cultures and change over time.

Gender analysis
An analytic, social science tool that is used to identify, understand, and explain gaps between males and females that exist in households, communities, and countries, and the relevance of gender norms and power relations in a specific context. Such analysis typically involves examining differences in the status of women and men and their differential access to assets, resources, opportunities, and services; the influence of gender roles and norms on the division of time between paid employment, unpaid work (including subsistence production and care for family members), and volunteer activities; the influence of gender roles and norms on leadership roles and decision-making; constraints, opportunities, and entry points for narrowing gender gaps and empowering females; and potential differential impacts of development policies and programs on males and females, including unintended or negative consequences.

Gender equality
Concerns fundamental social transformation, working with men and boys, women and girls, to bring about changes in attitudes, behaviors, roles, and responsibilities at home, in the workplace, and in the community. It means expanding freedoms and improving overall quality of life so that equality is achieved without sacrificing gains for males or females.

Healthy diets
Diets that are of adequate quantity and quality to achieve optimal growth and development of all individuals and support functioning and physical, mental, and social well-being at all life stages and physiological needs. Healthy diets are safe, diverse, balanced, and based on nutritious foods[157] and help to protect against malnutrition in all its forms, including undernutrition, micronutrient deficiencies, and overweight and obesity, and lower the risk of diet-related non-communicable diseases. The exact

[157] FAO. 2021. "CFS Voluntary Guidelines on Food Systems and Nutrition."

makeup of healthy diets varies depending on an individual's characteristics (e.g., age, gender, lifestyle, and degree of physical activity); geographical, demographical, and cultural patterns and contexts; food preferences; availability of foods from local, regional, and international sources; and dietary customs.

Hygienic
Conducive to maintaining health and preventing disease, especially by being clean; sanitary.

Inclusion
Refers to supporting programs that engage people across societies and benefit whole communities and countries.

Inclusive development
The concept that every person, regardless of identity, is instrumental in the transformation of their own societies and their inclusion throughout the development process leads to better outcomes.

Interagency community
Refers to the U.S. government agencies and departments identified in the GFSA to implement the GFSS and the whole-of-government FTF initiative. In certain cases, this community includes agencies and departments not identified in the GFSA when their participation can further the goals and objectives of the GFSS.

Key stakeholders
Actors engaged in efforts to advance global food-security programs and objectives, including relevant federal departments and agencies; national and local governments in developing countries; other bilateral donors; international and regional organizations; international, regional, and local financial institutions; international, regional, and local private voluntary, nongovernmental, faith-based, and civil-society organizations; the private sector, including agribusinesses and relevant commodities groups; agricultural producers, including producer organizations, cooperatives, small-scale producers, and women; and agricultural research and academic institutions, including land-grant universities and extension services.

Land, freshwater and marine, and resource tenure
The political, economic, social, and legal structures that determine how individuals and groups access, use, and benefit from land, freshwater and marine, and other resources—including trees, minerals, fish, aquatic resources, and pastures. Tenure rules, which can be defined by legislation, case law, or customary rules and principles, define how rights to access, use, control, and transfer land and resources are allocated within societies or communities.

Malnutrition
Poor nutritional status caused by nutritional deficiency or excess. Malnutrition is a condition resulting when a person's diet does not provide adequate nutrients for growth and maintenance or if a person is unable to fully utilize the food eaten due to illness; this consists of both undernutrition and overweight or obesity.

Marginalized groups
People who are typically denied full access to legal protection or social and economic participation and programs (such as police protection, political participation, access to health care, education, employment, etc.), whether in practice or in principle, for either historical, cultural, political, or other contextual reasons. Such groups may include but are not limited to women and girls; persons with disabilities; LGBTQI+ persons; displaced persons; economic migrants; Indigenous individuals and communities; youth and older persons; religious minorities; ethnic minorities; people suffering lower

status in a caste system; and people of diverse economic classes and political opinions. These groups often suffer from discrimination in the application of laws and policy and/or access to resources, services, and social protection, and may be subject to persecution, harassment, and/or violence. They may also be described as "underrepresented," "at-risk," or "in vulnerable situations."

Market system
A dynamic space—incorporating resources, roles, relationships, rules, and results—in which private and public actors collaborate, coordinate, and compete for the production, distribution, and consumption of goods and services.

Mitigation
Mitigation in the context of climate change refers specifically to reducing anthropogenic greenhouse gas emissions causing climate change or preventing the destruction or degradation of natural systems that regulate, store or sequester carbon.

Monitoring
The ongoing and systematic tracking of data or information relevant to U.S. government strategies, projects, and activities. Relevant data and informational needs are identified during planning and design and may include output and outcome measures that are directly attributable to or affected by U.S. government interventions, as well as measures of the operating context and programmatic assumptions.

Multiplier(s)
The rate at which direct agricultural (or other) income or employment outcomes result in additional indirect income or employment outcomes in the overall economy. In general, small-scale producer agricultural investments have been documented to have significantly higher multipliers than investments in other sectors. One job in agriculture often results in the creation of additional jobs and income through producer purchase of farm inputs, jobs in downstream processing, and producer expenditure on other locally supplied goods and services.

Performance indicator
A means to monitor expected outputs and outcomes of strategies, projects, or activities based on a Results Framework or a project's or activity's logic model. Performance indicators are those for which we hold ourselves accountable and are the basis for observing progress and measuring actual results compared to expected results. They help answer the extent to which an activity is progressing toward its objective(s), but alone cannot explain why such progress is or is not being made. Performance indicators are also sometimes known as performance metrics.

Protected area
A clearly defined geographical space, recognized, dedicated, and managed, through legal or other effective means, to achieve the long-term conservation of nature with associated ecosystem services and cultural values. This includes wildlife areas, national parks, water recharge zones, and marine protected areas, among other examples.

Relevant federal departments and agencies
According to the Global Food Security Act, "relevant" federal departments and agencies include: the United States Agency for International Development; U.S. Departments of Agriculture, Commerce, State, and the Treasury; Millennium Challenge Corporation; Overseas Private Investment Corporation (now the U.S. International Development Finance Corporation); Peace Corps; Office of the United States Trade Representative; United States African Development Foundation; United States Geological

Survey; and U.S. Government Global Food Security Strategy 90 any other department or agency specified by the President.

Resilience
The ability of people, households, communities, countries, and systems to reduce, mitigate, adapt to, and recover from shocks and stresses to food security in a manner that reduces chronic vulnerability and facilitates inclusive growth.

Risk mitigation
Risk mitigation in the context of resilience refers to a broad range of strategies to reduce vulnerability and exposure to shocks based on an assessment of the risk environment. For example, these could include developing disaster-risk management; early warning and response plans; accessing insurance; increasing emergency savings; increasing sustainable productive assets, sustainable natural resource management, and landscape design; diversifying livelihoods; and maintaining optimal health and nutrition.

Shock(s)
An acute, short- to medium-term episode or event that has substantial, negative effects on people's current state of well-being, level of assets, livelihoods, or their abilities to withstand future shocks. A shock's onset may be slow or rapid and may affect select households (idiosyncratic shocks) or a large number or class of households (covariate shocks) at the same time.

Shock-responsive systems
Approaches and mechanisms that enable system-level actors, households, or individuals to plan for shocks and stresses and proactively use disaster management, early warning, and flexible response mechanisms in a rapid and more efficient and effective way. Shock-responsive systems enable actors at all levels to mitigate, adapt to, and recover from shocks, while also reducing losses, preventing a downward spiral of divestment, enabling faster recovery, and protecting hard-won development gains.

Small and medium enterprises / Micro, small, and medium enterprises
Non-subsidiary independent firms, which can include farmers, pastoralists, and fishers. Under FTF, micro enterprises are those that employed fewer than 10 people in the previous year, small enterprises employed 10 to 49 people in the previous year, and medium enterprises employed 50 to 249 people in the previous year.

Small-scale producer
Farmers, pastoralists, foresters, and fishers that typically hold five hectares of land or fewer or equivalent units of livestock or fisheries. These farmers, pastoralists, foresters, and fishers tend to have limited resources, including land, capital, skills, and labor.

Social protection
A set of policies and programs aimed at preventing, reducing, and eliminating economic and social vulnerabilities to poverty and deprivation. Social protection can be integrated into sector-specific and multi-sectoral approaches and can be sequenced, layered, and integrated with national social protection systems.

Stress(es)
A longer-term pressure that undermines current or future vulnerability and well-being, including—but not U.S. Government Global Food Security Strategy 91 limited to—climate variability and change, population pressure, and environmental degradation.

Stunting
Being short relative to one's age—a height more than two standard deviations below the World Health Organization Child Growth Standards median. Stunting is generally associated with socioeconomic factors. Stunting in early life, especially during the 1,000-day window from pregnancy to a child's second birthday, is associated with long-term future health and development.

Sustainability
Refers to the ability of a local system to produce desired outcomes over time.

Target country
A developing country that is selected to participate in agriculture and nutrition programs under the GFSS pursuant to the selection criteria described in the "Targeting Approach" section of this document. Activities under this strategy will not be limited to target countries.

Undernourishment
When a person is not able to acquire enough food to meet the daily minimum dietary energy requirements, over a period of one year. Chronic undernourishment is an indicator for hunger.

Undernutrition
The various forms of poor nutrition caused by a complex array of factors including dietary inadequacy, infections, and sociocultural factors. Underweight, stunting, wasting, and micronutrient deficiencies are manifestations of undernutrition.

Value chain
The set of actors and activities required to bring products from production to consumption, including processing, storage, transportation, marketing, distribution, and retail. As a product moves through a value chain, each step adds monetary value to the product.

Wasting
Low weight-for-height, defined as more than two standard deviations below the median of the World Health Organization Child Growth Standards and/or mid-upper arm circumference (MUAC) of <125mm. Wasting is usually the result of a recent, acute deprivation and/or illness and is strongly linked to mortality. Wasting is also referred to as acute malnutrition, and is classified as moderate or severe.

Water security
The capacities to access the quantity and quality of water supplies to meet basic human needs, support economic growth, enhance food security, and maintain ecosystems and daily life.

Youth
For the purposes of this strategy, youth means a life stage that starts in adolescence and continues through young adulthood. The specific age range associated with those stages may vary by the sociocultural context, programmatic context, and the organization funding or implementing the program.

H. Notes and References

Notes

[10]The World Bank/IFC is co-funding construction of a 350MW run-of-river hydroelectric facility in the Mpatamanga Gorge on the Shire River about 50 km west of Blantyre which should bolster and stabilize the electric grid.

[38]Poor households tend to eat more vegetables (18.7%) than wealthy households (10.6%), while wealthy households tend to eat more meat and animal products (23.7%) compared to the poorest households (10.4%).

[43]Moderate is defined as more than two standard deviations from the mean; Severe is defined as more than three standard deviations from the mean.

[50]Crops such as maize, groundnut/peanut, cottonseed, and sunflower, sorghum, rice, paprika are susceptible to aflatoxin contamination.

[82]Communication with the Director of the Department of Agriculture Extension Services in 2023 indicated that they have plans to fill 500 of the open positions in the next year.

[104]The HLRS is computed based on the ratio of household income to the total costs to sustain local livelihoods (survival costs).

[138]See Annex 6 for a diagram of the NRS Strategic Framework

[142]Malawi Strengthening Inclusive Markets for Agriculture (MSIKA) implemented by Land O'Lakes Venture37

[143]Such as composting, intercropping, bio-intensive planting, and organic pest management

[145]These activities include DREAMS and Orphans and Vulnerable Children activities

[148]GFSS also supports VSL groups through a program focused on nutrition during the first 1,000 days (Akule ndi Thanzi - Let Them Grow Healthy) and via HIV-related programming.

[149]A variety of Mission offices, funding streams, and activities are contributing to vocational skills training including FTF, BHA/RFSA, Education, DRG and HIV-related programming.

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