



ssnup

Smallholder Sustainability
Upscaling Programme

SUPPORTING FINANCIAL INCLUSION OF SMALLHOLDER FARMERS IN MALAWI



Africa



Latin America



Asia



Financial services delivery



Capacity building for end beneficiaries



Market access and product development



Management systems improvement

CONTEXT

Agriculture accounts for 30% of Malawi's Gross Domestic Product (GDP) in 2023 and is important to the livelihoods of more than 90% of the population providing direct and indirect employment, economic growth, export earnings, poverty reduction, food security, and nutrition. While maize is the major food crop and is the focus of Malawi's policy agenda, tobacco continues to be the dominant cash crop. Key additional cash crops include dried legumes, sugarcane, tea, cotton, and nuts. Despite the presence of numerous financial institutions in Malawi, access to finance for smallholder producers is poor. Two major obstacles in accessing finance for agriculture in Malawi are the high cost of finance from the private sector with interest rates far higher than other countries in the region and the asymmetry of information on access to alternative financing for agriculture.

CURRENT STATUS OF THE BENEFICIARY ORGANISATION

Founded in 2000, VisionFund Malawi (VFM) is a Christian owner-operated mission-driven microfinance network working with caregivers in hard to reach and impoverished locations. The institution serves low-income clients living in vulnerable and rural communities by offering financial and livelihood solutions, delivered through its network and partners. VisionFund Malawi provides services targeting population in rural Malawi who would otherwise have little or no access to credit. Additionally, microloans, savings programmes, microinsurance, training and education.

OBJECTIVE OF THE PROJECT

The objective of the project is to increase VisionFund Malawi's capacity to develop suitable loan products to the target clients active agricultural value chains.

The expected results of the project are:

- Conduct a market assessment and analysis of existing and potential new value chains to enhance and develop three agricultural loan products.
- Train 4,000 farmers on financial education, of which 50% are women.
- Disburse 3,000 loans to smallholder farmers active in recommended value chains.

PRIORITY TOPICS

Environment and climate change



Food security and improved nutrition



Gender equality



Fair agrifood systems



IMPACT INVESTOR



BENEFICIARY ORGANISATION

VisionFund (MFI) - Malawi

TARGET

4,000 smallholder farmers

AGRICULTURAL VALUE CHAIN

Soybeans, peanuts, rice

STARTING DATE

May 2025

DURATION

18 months

TOTAL TA BUDGET

€154,300
Including €125,121 (81%)
contribution from SSNUP

