



Cash for Inputs

PROSPER Intervention Learning Brief

Liz Venable
February 2022

EXECUTIVE SUMMARY

As part of the Building Resilience and Adapting to Climate Change (BRACC) programme funded by the Government of the United Kingdom's Foreign, Commonwealth and Development Office (FCDO), Promoting Sustainable Partnerships for Empowered Resilience (PROSPER) implemented a Cash for Inputs programme in its four target Districts – Balaka, Chikwawa, Mangochi, and Phalombe. Cash for Inputs, which replaced Input Fairs in the 2020/21 season after the emergence of COVID-19 in Malawi, provided recipients with a modest cash stipend of MKW 5,000-10,000 (about \$6-12) to be spent on agriculture inputs, which could be purchased from any qualifying agrodealer. Participants had to provide receipts showing they used the cash for inputs to be eligible for the programme in subsequent years.

As part of the evaluation of BRACC conducted by the BRACC Knowledge and Policy Hub, the effectiveness and impact of PROSPER's Cash for Inputs programme was evaluated. The evaluation methodology utilised some data from the BRACC quantitative midline survey, but drew largely from the midline qualitative data, particularly focus group discussions with male and female Cash for Inputs participants in all four PROSPER Districts.

Overall, the Cash for Inputs programme appears to have been extremely well-received among participants and was viewed as effective at contributing to agricultural investment, diversification, adoption of resilient crops and varieties, and improved yields, which in turn created transformative downstream benefits. Quantitative data support a correlation between participation in the programme and diversification and adoption of new crops and varieties; quantitative results are less conclusive with respect to other outcomes such as yield. Despite lingering challenges related to underdeveloped input supply networks, pest and climate shocks, and access to output markets, the programme design largely appears to have worked well for participants. Bundling the programme together with complementary activities, such as training on agricultural practices and support for irrigation farming, was described as enhancing the impact of both Cash for Inputs and the other activities.

Discussion with participants about different approaches to input subsidies demonstrated that most approaches entailed trade-offs. For example, many respondents appreciated the flexibility of the cash approach, but others liked aspects of the Input Fair approach, such as reduced travel and the fact that there was less temptation to spend money on other things.

Questions remain regarding how long-lasting the impacts will be following the early closure of PROSPER, and whether participants will continue to purchase the types of inputs they acquired with support from Cash for Inputs once the programme ends. However, some changes resulting from the programme are likely to be sustainable, such as willingness to invest in improved varieties when they are available and the household has the finances to do so, and earnings from businesses started with capital from income from crop sales achieved under Cash for Inputs. In addition, the programme provides valuable lessons and insights for the design of future programmes aimed at encouraging smallholders to invest in more productive and more resilient agriculture, including reforms of the Government input subsidy programmes.

-)] Lesson 1: Design input support programmes to complement the Affordable Inputs Programme (AIP);
-)] Lesson 2: Bundling input support with complementary activities can increase impact;
-)] Lesson 3: Design programmes to make it easier for households to stick with their commitments to invest in inputs;

- J Lesson 4: Input supply systems and market access remain a challenge;
- J Lesson 5: Further research is needed to understand smallholder farmer decision-making, how programmes affect decision-making, and how smallholder farmer decision-making should factor into programme design.

BACKGROUND

BRACC AND PROSPER

PROSPER is a multi-stakeholder resilience programme supporting the Government of Malawi to reduce extreme poverty and end the recurrent cycle of crises and humanitarian assistance. With funding from the UKAID under the BRACC programme, and over the period from December 2018 to March 2023, the programme will target 950,000 vulnerable people in the districts of Balaka, Chikwawa, Phalombe, and Mangochi. PROSPER aims to build household resilience and livelihoods, strengthen market and government systems, reduce the impact of climate shocks, respond to seasonal consumption needs, support the design of social safety nets, and generate evidence and knowledge to inform government policy. The programme is implemented by a joint non-governmental organisation (NGO), private sector and United Nations (UN) consortium consisting of Concern Worldwide, CUMO Microfinance, the Food and Agriculture Organization of the United Nations (FAO), GOAL, Kadale Consultants, the United Nations Resident Coordinator's Office, the United Nations Development Programme (UNDP), the United Nations Children's Fund (UNICEF), United Purpose, and the World Food Programme (WFP).

The BRACC Knowledge and Policy Hub provides knowledge management support to PROSPER and to BRACC as a whole.

The PROSPER programme is characterised by several unique approaches to resilience programming, which are enabled by its consortium structure. First, it implements bundles of complementary interventions in communities, aimed at addressing different resilience risks. Second, different bundles of interventions are targeted to households of different wealth levels, based on ranking exercises conducted with each community and aligned with the National Resilience Strategy that distinguishes Stepping Out, Stepping Up and Hanging In categories. These approaches are intended to ensure that programming is robust and well suited to the households targeted for participation.

CASH FOR INPUTS

PROSPER's Cash for Inputs targeted the Stepping Up group (the middle of the three wealth groups) with the objective of improving agricultural productivity, diversification, and commercialisation for households deemed able to benefit from more intense agricultural activity. The activity was designed as an adaptation to COVID-19. Originally, the PROSPER model for supporting access to agricultural productive resources paired Input Fairs, events where agricultural input suppliers came to communities to offer their products, with vouchers that programme participants could use to make purchases from suppliers at the Input fair. However, in 2020, as COVID-19 became a growing concern in Malawi, large events like the Input Fairs were restricted. To ensure that programme participants could still receive support in this area while observing COVID-19 safety protocols, PROSPER modified its approach. Rather than giving vouchers, participants were provided with cash, which they could spend at any qualifying input supplier, and on any qualifying agricultural input, which was broadly defined to include most seed, fertilisers, and pesticides available. To incentivize compliance with the spending rules, programme participants were required to submit receipts for their purchases; those who did not submit

receipts would not be eligible for the programme in subsequent years. The activity was designed to phase out over time, with first-time participants receiving MKW 10,000 and second-year participants receiving MKW 5,000.

There was concern among some implementing staff that despite the compliance mechanism, a large share of the cash would not be used for investments in agriculture. In response to this concern, during the activity design phase, the BRACC Hub conducted a literature review looking at the relationship between cash transfers and agricultural investments. The literature review found strong evidence that cash transfers given to households in poor rural areas often result in increases in spending on agricultural inputs, although this is partly dependent on programme design factors such as the size and timing of transfers.¹ Moreover, a randomised evaluation conducted in Malawi that specifically compared giving cash and giving inputs in kind, found that both interventions resulted in similar levels of investment in agriculture.² This evidence suggested that it was likely that compliance with the intent of the Cash for Inputs programme would be high.

Understanding how programmes like Cash for Inputs that are aimed at supporting investment in agricultural inputs can be most efficiently designed, has the potential to be highly valuable in Malawi, where government support for agriculture is dominated by input subsidy programmes such as AIP and its predecessors. These input subsidy programmes take up a large share of the budget, and are plagued with perennial implementation challenges, as well as criticised for enabling rent-seeking.³ Lessons from alternative agricultural investment support models could inform policy reforms that could improve the efficiency and effectiveness of AIP.

PURPOSE OF THIS LEARNING BRIEF

This learning brief is part of a series of outputs produced as part of the BRACC Knowledge and Policy Hub's midline evaluation of the BRACC programme. It is one of four briefs focusing on specific interventions implemented under BRACC: the other intervention briefs address Crop Insurance, Livestock Pass-On, and Access to Finance.

This brief, and the analysis in it, seek to address questions related to programme effectiveness, relevance and impact, including BRACC Midline Evaluation Question 1: Which combinations of BRACC interventions contributed most to building food security and resilience? In which locations and contexts? In addressing this evaluation question, the brief specifically looks at how effective cash for inputs has been at contributing to building resilience, how the Cash for Inputs programme interacted with the government input subsidy programme, what households like or dislike about the approach, and the intra-household implications of the approach.

¹ See for example Francesca Bastagli, Jessica Hagen-Zanker, Luke Harman, Valentina Barca, Georgina Sturge, & Tanja Schmidt, with Luca Pellerano. (2016). *Cash transfers: what does the evidence say? A rigorous review of programme impact and of the role of design and implementation features*. ODI. 300p; and Silvio Daidone, Benjamin Davis, Sudhanshu Handa, & Paul Winters. (2019). The Household and Individual-Level Productive Impacts of Cash Transfer Programs in Sub-Saharan Africa. *American Journal of Agricultural Economics* 101(5), 1401-1431.

² Kate Ambler, Alan de Brauw, & Susan Godlonton. (2020). *Cash, Inputs, and Information: Direct Effects and Complementarities in Malawi*. Working paper AER submission, https://sites.williams.edu/sg5/files/2020/07/AER_Submission_April2020.pdf

³ Chinsinga, B. (2021). *The political economy of resilience and adaptation in Malawi*. BRACC Discussion Paper, 30p.

RESULTS

METHODOLOGY

The BRACC programme was evaluated using mixed methods, including both quantitative and qualitative data. The quantitative evaluation methods included a randomised control trial designed to measure the impact of PROSPER interventions, which was implemented in two Districts and utilised household survey data in a wide range of resilience and welfare outcomes. The same survey data were also collected for a sample of participant households in the two PROSPER Districts excluded from the impact evaluation. The qualitative methods included key informant interviews, case studies, and focus group discussions that collected data on intervention level outcomes and impact.

The findings in this brief draw primarily on the focus group discussion data related to the Cash for Inputs programme. Participants in Cash for Inputs were selected for inclusion in the focus group discussions. Questions posed included how the programme worked, what inputs they bought with the cash and how they made the decision, how Cash for Inputs compared with the Input Fair approach, and how Cash for Inputs interacted with, and compared with, government input subsidy programmes.

FINDINGS

Cash for Inputs Implementation in Communities

In general, focus group participants had a clear and precise understanding of the Cash for Inputs programme, and for the most part described the programme as running smoothly. Groups described receiving the intended amounts and described receiving MKW 10,000 in the first year of the programme, and MKW 5,000 in the second year. Many respondents also articulated the logic behind this approach, including the idea that farmers would be able to keep seed or cash from their previous harvest to sustainably increase their access to inputs. In some communities, respondents described receiving Cash for Inputs for both the rainy season growing period, and the winter/dry season growing period.

Even in 2020, when the Cash for Inputs model had replaced the Input Fair and voucher model, many communities described the programme arranging for input suppliers to come to their community. In most cases, buying from these input suppliers was optional; participants were told they could also travel to agrodealers of their choice to buy inputs.

Overall, not many respondents cited challenges with the mechanics of receiving the cash benefits, but a few reported challenges with receiving cash or receiving cash late.

Sometimes the number of beneficiaries that were meant to receive did not receive the cash for inputs because the GOAL staff used to leave earlier than they were done with the work. – Male Cash for Inputs participant, Chikwawa

In the growing season of 2020/2021, there were instances where some beneficiaries were late, and they did not get a chance to receive their cash even when their names were there on the list of beneficiaries. We wonder where that money went if it was not given to the beneficiaries it was meant for. – Male Cash for Inputs participant, Chikwawa

We received the cash for inputs in mid-December, yet the rainfall started in early November. We had already planted some of the other seeds by the time we were

buying the hybrid seeds. – Male Cash for Inputs participant, Chikwawa

Most respondents said they received their money in the form of cash. However, some also mentioned receiving money through mobile money. The use of mobile money was described as causing problems, as some intended beneficiaries never received their funds.

The only challenge that we had was that some people did not get the money through the mobile phones because of some discrepancies with phone numbers. This caused some farmers not to proceed with the irrigation farming as they did not have the inputs to do irrigation farming. – Male Cash for Inputs participant, Balaka

Compliance with the requirement to use the money to buy inputs was enforced through the collection of receipts; some respondents described being given receipt forms to facilitate this. No issues were reported with receipt submission. A couple of respondents reported that they bought their input as part of a farmer group, and the group then submitted the receipts, making the process very easy for the farmers.

Some people were buying the seed at a group level, where they would bring the cash together and buy seed equivalent to the total amount. Everyone would take a share of seed equivalent to the amount of money they contributed. This way it was easier to keep the receipt because the whole group would have a single receipt to show as proof that they bought the seed. – Male Cash for Inputs participant, Chikwawa

In addition to the collection of receipts, one focus group reported that in their community, recipients of the cash who failed to use it for inputs were asked to return the money.

People that used the cash to buy other things than the farm inputs were asked to pay back the money so that it could be given to other beneficiaries. This caused some tension in the programme. – Male Cash for Inputs participant, Chikwawa

Lead farmers were described as playing a key role in managing the programme, including producing the lists of households who would receive benefits, arranging logistics, and facilitating the collection of receipts. There were a few instances where participants reported issues with miscommunication regarding the number of people receiving benefits.

One of the challenges that we faced as lead farmers was that, when they first communicated to us that they will be providing cash for inputs, they said every lead farmer should have 30 farmers/households and promised to provide cash to those 30 households. Unfortunately when they came, they only provided to 13 households, which resulted in conflicts and lack of participation in the programme. –Female Cash for Inputs participant, Phalombe

Inputs Purchased

Seed was by far the input respondents most commonly reported purchasing. Respondents also reported buying pesticides or herbicides, as well as fertiliser. Some respondents reported buying durable good inputs such as hoes or sprayers, but others said they did not buy these because they did not qualify under the rules of the programme.

In terms of types of seed, maize was dominant. Many respondents reported buying seed for additional crops as well, such as groundnut, soybean, millet, sorghum, sesame, beans, and horticulture vegetables such as tomatoes, onions, or greens. Crop choices appeared to be particularly diverse for irrigated winter farming. Among those buying maize seed, many mentioned buying hybrid seed. In

some cases, farmers would have liked to diversify more, but the inputs they wanted were not available. Other groups noted that everyone was able to get the inputs they wanted.

Some seed inputs like groundnuts were in short supply and as such we failed to buy any and most of us opted for hybrid maize only. – Female respondent, Chikwawa

In my case I bought maize, pigeon peas and groundnut seed. Others used it to buy millet and rice seed, however all of us managed to get seed of our choice. – Female respondent, Phalombe

The quantities of input purchased were typically quite small. For maize seed, respondents generally bought around 2 kilograms of seed, enough for about one-fifth of an acre. Several respondents described what they were able to purchase as a “starter pack”. A few respondents topped up their Cash for Inputs money with their own cash to buy larger quantities of inputs, but not all could do this, and the co-investment was generally modest.

Compliance with Input Purchase Requirement

Among respondents, self-reported compliance with the requirement that the cash be used for input purchases was very high – no interviewed individuals described using the cash for anything but inputs. However, the respondents did occasionally describe other participants in their community using all or some of the money for other purposes, but this did not seem to be the norm.

Some did not completely fail to buy farm inputs but what they did was use some of the money for farm inputs and the other money for food. – Male Cash for Inputs participant, Chikwawa

Some ran away with the money and did not buy the farm inputs. – Female Cash for Inputs participant, Phalombe

In this area, no one did not buy the farm inputs using the cash received from the programme. – Female Cash for Inputs participant, Chikwawa

The majority of respondents said that purchasing agricultural inputs would have been a priority even without the compliance mechanism. Respondents described inputs as critical for long-run food security; some mentioned the timing of the programme as a factor that facilitated spending on inputs.

It is better to buy farm inputs than buying food to feed the family, which is short term and we wanted long term. – Female Cash for Inputs participant, Chikwawa

I still would have bought farm inputs because the money came in October, a month before we started planting and there was a need to buy the farm inputs because it was close to planting season. – Male Cash for Inputs participant, Phalombe

Although agricultural inputs are a clear priority for most farmers, many also noted they would have spent the money differently without the requirement that it be spent on inputs. In most cases, respondents mentioned wanting to spend the money on immediate, pressing needs such as food and clothing. Several respondents noted that, had they done this, they would have planted using recycled seeds rather than hybrid seeds or seeds for new crops or varieties. Respondents noted that planting time is also the beginning of “lean season” in their areas when food insecurity becomes more prevalent. A few respondents would have preferred to be able to spend the money on livestock or agricultural investments not available through the agrodealers in the programme. Some respondents described

other participants as using the money on temptation goods such as beer, and a couple of respondents admitted that they themselves might have spent on temptation goods such as trendy styles of “chitenje” cloth wrappers or treats.

Given the chance, I would have bought food for my household because this time my family was starving with hunger. – Male Cash for Inputs participant, Phalombe

I would have bought fish to consume with my family. We would then have planted the local seed which we normally plant. – Male Cash for Inputs participant, Mangochi

From the MKW 5,000 that I received, I would have bought a pig because it’s my strongest desire to be a pig farmer. – Female Cash for Inputs participant, Chikwawa

If they didn’t tell me to use the money for this purpose, maybe I could have bought sugar for tea. – Male Cash for Inputs participant, Mangochi

Many respondents referenced the programme’s enforcement mechanism, which mandated that the participants turn in receipts showing that they had spent the cash on inputs, or else be removed from the programme in subsequent years. A few respondents also described complying with the requirement due to social pressures related to the programme, such as not wanting their lead farmers to get into trouble. Some respondents acknowledged that the compliance mechanism was imperfect, and those who were highly motivated to spend the money in other ways could have done so while complying with the requirement to turn in receipts.

We made sure we kept the receipts safe because we knew that once we lose the receipt then we would be treated like we did not buy the inputs and get removed from the programme. – Male Cash for Inputs participant, Chikwawa

When someone giving you the money has told you to buy shoes for example, if you do not buy shoes will the person give you money again? – Female Cash for Inputs participant, Phalombe

We were informed that if we run away without buying the farm inputs, the lead farmer will be the one answerable to GOAL Malawi. This encouraged many people to use the cash to buy farm inputs because we did not want to cause trouble for the lead farmers since we were the ones benefiting, not the lead farmers. – Female Cash for Inputs participant, Chikwawa

Some people might have sold the seed after buying it, using the cash for inputs. – Male Cash for Inputs participant, Chikwawa

There were also other aspects of programme design that respondents credited with encouraging spending on agricultural inputs. First, training from lead farmers was credited with raising awareness of the benefits of hybrid seeds or new varieties. Second, bringing agrodealers to communities immediately after the cash was distributed was seen as help to reduce the temptation to spend on other needs by reducing the time the household had to save the money.

If PROSPER only gave us the cash without the Input Fair, maybe we would have spent the money on something else, like food or clothes. – Female Cash for Inputs participant, Mangochi

The struggle to prioritise saving for investment in agriculture in the face of immediate, pressing, basic

household needs, was a common theme in the discussions of how money would have been spent without a compliance mechanism. Some respondents described those who did not spend the money on inputs as regretting it later, and many appreciated the fact that the Cash for Inputs compliance mechanism helped them adhere to their own goals of allocating investment to longer-term food security, even if it meant forgoing basic needs in the short term.

There were other people who chose to buy other things – not farm inputs – and they are regretting their choice. – Female Cash for Inputs participant, Balaka

One aspect of the programme mentioned by respondents as a barrier to spending all of the cash on inputs, was the inability to buy combinations of inputs that add up to exactly the value of the Cash for Inputs benefit. Many households had no cash of their own to add to the money received from Cash for Inputs, and therefore could not buy inputs totalling more than their benefit amount. As a result, some participants were left with change, which was spent on food or other household needs.

After buying some farm inputs and remaining with some change, some farmers were not able to add other money and buy other inputs because they are poor. Instead, they would take the remaining money and use it to buy food. – Male Cash for Inputs participant, Chikwawa

Challenges and Barriers

Agrodealers and Availability of Quality Inputs

Unsurprisingly, given the low level of development of agricultural markets in rural Malawi, access to a good selection of inputs from a competitive group of agrodealers was cited as a common challenge. Limited options in terms of crop and variety types were cited as a problem both for the Input Fair approach and when using Cash for Inputs money at local agrodealers. Lack of choice in inputs may have contributed to lower levels of crop diversification. For agrodealers travelling to communities, some respondents complained of higher prices; in some cases, agrodealers came late or stayed only a few hours, limiting opportunities to make purchases. A few respondents also reported agrodealers refusing to give change, using improperly calibrated scales, or generally treating community members poorly. One respondent reported poor germination of seeds acquired through the programme.

The sellers (agrodealers) that came to sell the farm inputs were only two and they did not have a lot of farm inputs; for example, one seller only had maize to choose from, and the other one had soya, maize, groundnuts and fertiliser. – Female Cash for Inputs participant, Phalombe

The second phase of the Cash for Inputs programme did not go well because agrodealers came late (around 15:00 hours) and they were few, which limited our choices. – Female Cash for Inputs participant, Chikwawa

The fertiliser that we were buying through the Cash for Inputs programme was expensive and we believe their scales were not working properly, because they would tell us it is 1 kilogram, only to go home and find out that it was less. – Female Cash for Inputs participant, Phalombe

Shocks

Shocks, particularly pests, drought and dry spells, were cited by numerous respondents as limiting the success of the programme. These shocks did not affect everyone equally. While chance played a large

role in who was exposed to these shocks, households who could not afford to buy pesticides with their own money, and households who did not implement conservation agriculture practices, were described as suffering greater negative effects from these shocks.

During the rainy season, some people planted up to three times because the crops were just drying up due to prolonged dry spells. – Male Cash for Inputs participant, Balaka

The 2020/21 growing season was not a success because of fall armyworms which attacked our crops, and we also experienced a dry spell for a month during the growing season which affected our crops. The most affected areas were those where we did not implement the improved farming practices like reducing ridges. – Female Cash for Inputs participant, Balaka

Some farms were worst hit by the armyworms while others were better off; some managed the armyworms well, while others could not afford the pesticides. – Male Cash for Inputs participant, Phalombe

Sufficiency of Subsidy and Affording Complementary Inputs

Many respondents saw the size of the cash subsidy as a key limitation of the programme. The amount provided was enough only to buy seed for a small area and was generally insufficient to buy a meaningful quantity of fertiliser. Participants often did not have their own cash on hand to buy inputs that would have complemented those purchases with Cash for Inputs money.

Cash for inputs didn't cater for most of the inputs we needed such as fertilisers, a variety of crop seed and others because the value of the money wasn't sufficient. – Female Cash for Inputs participant, Chikwawa

We were buying fertiliser of less than 5 kilogram, which is also difficult to store. – Male Cash for Inputs participant, Phalombe

Access to Markets

Access to markets was often described as a key barrier. This was usually in a more general context, rather than specifically in reference to the Cash for Inputs programme, but respondents noted that low prices for crops and lack of reliable markets limit the impact of diversification and yield gains achieved with PROSPER support on downstream outcomes such as higher or more stable income.

Lack of good output markets has limited our profitability. Markets for crops like soybean are very poor in this area. Even with the rise of soybean prices this year, vendors here were still buying at K100 per kilogram. So even if the programme can help us to produce more, if we don't have proper output markets, we will remain at the same level. – Male Cash for Inputs participant, Mangochi

Sustained Access to Inputs

Whether the benefits of Cash for Inputs will be sustained following the close out of the PROSPER programme is a key question. The intention is that access to inputs allows greater production which, in turn, generates more money that can be used to continue investment in inputs. While some respondents described the hope that saved seed or cash from crop sales would support future investment, others expressed concern about affording improved inputs going forward, particularly in

light of rising prices for inputs such as fertiliser. In some cases, the unexpected early closure of PROSPER was seen as contributing to this concern.

We are worried that prices of things have gone up; we are buying inputs at higher prices and yet we are selling our crops to vendors at very cheap prices. – Female Cash for Inputs participant, Mangochi

At the moment we don't even know how we are going to get the seed and other inputs which we used to get through the Cash for Inputs intervention, since we thought this growing season, we will have some benefits again from the PROSPER programme. – Female Cash for Inputs participant, Phalombe

Enablers

As described previously, participants for the most part described the Cash for Inputs programme as clear and well-run, which was partly attributed to support from lead farmers. In addition to the core elements of the programme being well-managed, the other factor that emerged as an enabler of programme success was complementary interventions that resulted in better outcomes than Cash for Inputs alone would have achieved. One such intervention was good training and extension support related to deciding what crops and varieties are best suited to different geographic areas in Malawi. Respondents described information from lead farmers and extension officers as playing an important role in choosing which inputs to purchase.

Through the training that GOAL Malawi was conducting through the lead farmers and government extension workers, they helped us to know the type of seed required for our land. We are able to know that if I buy this type of this, it will not do well in my crop field. – Male Cash for Inputs participant, Chikwawa

Many respondents also mentioned that training and support for improved farming practices, notably the Sasakawa planting method and conservation agriculture, helped maximise the yield obtained from the high-potential inputs bought under the Cash for Inputs programme. Making Mbeya fertilizer, which combines inorganic fertiliser and manure, was also mentioned as a complementary activity supported by PROSPER. This fertiliser practice may have in part mitigated some of the limitations of the small size of the Cash for Inputs benefit, as it allows farmers to “stretch” their inorganic fertiliser by combining it with organic inputs available locally.

To ensure that we are benefiting more from planting hybrid seeds, we also had to change the way we do our farming. We adopted modern farming methods which were being taught to us by extension workers and lead farmers through demonstration farms. These included mulching, which conserved soil moisture, low tillage, which conserved soil fertility, and reduced ridge spacing to increase the number of ridges. We applied all these methods in our individual farms, and it increased our crop productivity, which enhanced the high yield of the hybrid seed. – Male Cash for Inputs participant, Balaka

Conversely, Cash for Inputs was also described as addressing barriers to the success of other activities. For example, Cash for Inputs was credited with helping irrigation beneficiaries procure inputs for irrigated farming. Access to hybrid seed was also noted as being critical for the success of the Sasakawa method, which prescribes using one seed per hole, a practice that is less beneficial for local varieties that may have lower germination and lower nutrient requirements than hybrid maize varieties. Implementing bundles of interventions with shared monitoring may also have served as an incentive

for farmers to adopt new, beneficial farming practices.

I never used to plant using a single seed per pit (Sasakawa), but after receiving the cash I implemented Sasakawa. We normally cultivate local maize, but last year we were able to afford hybrid seeds that are resistant to drought, plus the local maize does not do well when you plant a single seed per pit. – Female Cash for Inputs participant, Phalombe

We would normally be lazy about farming, but the K10,000 Cash for Inputs gave us an incentive to work hard, because we were also afraid that when the people who gave us the K10,000 came to monitor our lands and found we were not following the modern farming practices, they would not be happy with us. – Male Cash for Inputs participant, Phalombe

Decision-Making around Investment in Inputs

Understanding how households make decisions about agricultural investment is critical for designing programmes that can effectively support better outcomes for households and for agricultural systems. Respondents described sophisticated approaches to deciding what crops to grow and what inputs to purchase, taking into account a wide range of factors, and working within their constraints. As well as drawing on all available sources of knowledge (such as family members), there was strong evidence that demonstration effects influenced choices.

My children went to agriculture college and therefore advised me on the type of seed to buy. – Male Cash for Inputs participant, Chikwawa

The decision on which seed to buy was influenced by other farmers' experience with a certain seed. If a fellow farmer has produced a high yield after planting a certain seed, then I would buy the same seed the next season so that I can also harvest high yields. I would just inform my wife about the type of seed I would buy. – Male Cash for Inputs participant, Chikwawa

While some respondents reported making unilateral decisions about what to buy with their Cash for Inputs money, most – both male and female – described collaborative household decision-making processes. In the case of female-headed households, or communities where men traditionally engage in fishing, decision-making was led by women. Many respondents also consulted with experienced neighbours or local experts such as lead farmers to make informed decisions. Where farmers bought seeds collectively as a farmer group, the group decided what inputs to purchase together.

We decided which seeds to buy after comparing the productivity and the benefits of different maize seeds from the demonstration farms as well as from other farmers who were already planting hybrid seeds. We discussed with our wives what seeds to buy and came to a decision as a family. – Male Cash for Inputs participant, Balaka

Since I am the only one to make decisions in my family, I only consulted our local extension worker and the lead farmer to clarify potential cash crops, as my interest grew rapidly in cultivating some cash crops in addition to the maize which I usually grow. – Female Cash for Inputs participant, Phalombe

It was the wife/woman who made the decision, because we are the ones mostly involved in farming, while our husbands go to the lake to play. – Female Cash for Inputs participant, Mangochi

Uncertainty about the types of inputs that would be available, or the prices of different inputs, was sometimes mentioned as a barrier to collaborative decision-making within the household. However, the opportunity to use the funds immediately may have prevented some female participants from having their decision-making power co-opted by their spouses.

Basically, we just made the decision on the spot. After receiving the money we bought the inputs. – Female Cash for Inputs participant, Mangochi

It was possible that you planned to buy soya but after looking at the prices, some would change their minds and buy something else. – Female Cash for Inputs participant, Phalombe

If we had gone home with the money, men would have said “give me the money, I want to use it for something else – I will refund it when I do some piecework”. – Female Cash for Inputs participant, Mangochi

Factors those respondents considered in making their decisions about what types of inputs to buy, included crop suitability for the location and growing season, traits of household plots such as soil type and risk of flooding or waterlogging, what types of complementary inputs the household was likely to have access to, potential markets for crops, reducing expenses or labour burden, and whether the household’s primary objective was food production, cash crops, or both.

Family participated in decision-making, especially the spouse and children... We discussed and agreed to buy inputs like maize seed varieties, for example DeKalb, and farm equipment such as a sprayer, because we used to hire a sprayer for MKW 500. – Male Cash for Inputs participant, Chikwawa

I discussed with my family the crops which I should buy during the seed fair, in order to increase the crop production to alleviate hunger. – Female Cash for Inputs participant, Chikwawa

I realised that it can be easy for me to find seeds but difficult to access fertiliser, so I bought less seeds and more fertiliser. – Female Cash for Inputs participant, Phalombe

I decided to buy cabbage seed because everyone was buying tomato seed. This meant that the tomato market would be saturated. When one crop product saturates the market, it fetches very low prices. – Male Cash for Inputs participant, Balaka

The final decision on which seed or crop to buy depended on a number of reasons. Firstly we were looking at improving food security at household level and secondly, we were considering improvement of livelihoods in terms of income. So, we reached a point to say we will grow some crops such as maize for food and pigeon peas for cash. This kind of decision was made as a consensus after having a thorough discussion in our households with our husbands as well as our children. – Female Cash for Inputs participant, Phalombe

Interaction with Government Agricultural Input Subsidies

In the 2020/21 season, the Government of Malawi implemented the Affordable Inputs Programme, or AIP, the latest iteration of government input subsidy programmes. AIP was intended to be a “universal” subsidy, available to all farming households. The subsidy covered a 50-kilogram bag of urea fertiliser, a 50-kilogram bag of NPK (nitrogen, phosphorus, and potassium) fertiliser, and a 5-7-kilogram bag of

grain seed (hybrid or open-pollinated variety [OPV] maize, rice or sorghum). Farmers were required to make a co-payment of MKW 4,495 per bag of fertiliser, and MKW 2,000 per bag of grain seed. A key learning question for the Cash for Inputs programme was how its implementation alongside AIP might affect household behaviour and investment decisions.

The influence of AIP on the impact of Cash for Inputs was limited in part because not all Cash for Inputs participants received AIP (which may have also explained why some beneficiaries bemoaned the access to fertiliser, or fact they could not spend their cash for inputs on fertiliser). Although AIP was meant to be universal, many respondents reported that they were not eligible for the programme. In one group in Chikwawa, only one out of eight women reported that her household received AIP benefits; in other groups, no one received AIP. For these respondents, Cash for Inputs was the only support they received for procuring improved inputs.

We did not receive subsidies from AIP, in fact none of us got included in AIP beneficiaries this season, all we used was what we benefited from the PROSPER programme. – Male Cash for Inputs participant, Phalombe

Where respondents reported receiving both AIP and Cash for Inputs, the programmes were seen as being largely complementary. Cash for Inputs, which was flexible but low value, largely enabled investments in seed for new crops or varieties, or purchases of pesticide. AIP, which had a defined input package but was more generous, especially in the subsidy for fertiliser, was seen as enabling investment in fertiliser that made the seeds acquired through Cash for Inputs more productive. Cash for Inputs was also seen as being complementary to AIP because while AIP benefits were received late, Cash for Inputs generally had timely delivery. This allowed households to begin purchasing inputs and planting with the Cash for Inputs benefits, while waiting to receive fertiliser from AIP.

I was able to plant on a large piece of land because the AIP also comes with seed, so after combining with the seed from GOAL Malawi and applying the fertiliser from AIP, the yield was very good. – Male Cash for Inputs participant, Chikwawa

The cash for inputs is provided in good time compared to the AIP and this gives us an opportunity to prepare well in advance for the growing season. The good thing with the AIP is that the fertiliser is more compared to the amount of input we buy with the cash for inputs. – Female Cash for Inputs participant, Mangochi

In terms of behaviour, many respondents reported that AIP did not influence how they chose to use Cash for Inputs, because AIP was seen as too uncertain, and came too late. However, a few respondents noted that they did consider AIP when choosing what to purchase under Cash for Inputs; generally, they chose to purchase seed with the expectation that they would be able to get fertiliser through AIP. Only one respondent thought that certainty around receiving AIP might result in households using less of the Cash for Inputs money on agricultural inputs.

I received subsidies from AIP, but it did not make a difference because the cash for inputs came first, before the coupons, and nobody knew whether they would receive coupons or not. – Female Cash for Inputs participant, Phalombe

The subsidies for AIP had no influence on how we used the cash for inputs because by the time we were receiving the subsidies, we had already bought maize seeds using cash for inputs since it was distributed early. – Male Cash for Inputs participant, Balaka

The cash for inputs made me buy less fertiliser and more seeds, because I also benefited from the fertiliser subsidies. – Male Cash for Inputs participant, Phalombe

Some of us, we would have used the money to solve our immediate household needs like buying food as we wait for the AIP inputs. – Male Cash for Inputs participant, Balaka

Comparison of Approaches

Respondents were asked about their preferences with respect to input subsidy programme design, including comparisons between Cash for Inputs and the Input Fair and voucher model. Respondents acknowledged pros and cons to each approach.

The Cash for Inputs approach was appreciated for the flexibility it offered. Respondents saw that approach as giving more options to farmers if there were inputs they wanted to buy that were not offered by agrodealers visiting the Input Fairs, and it allows farmers to shop around for favourable prices. Households can also make decisions about what to purchase at their leisure. A few respondents also felt that agrodealers treat farmers better when they have cash than when they are using vouchers, and noted that with cash, they were less likely to have trouble getting change back from agrodealers. Some noted that cash is particularly preferred over vouchers for specific inputs that require a co-payment, as in AIP, because if the farmer does not have the co-payment, their only option may be to sell their voucher.

When using cash for inputs you buy seed of your choice which is suited to the environment, while with vouchers you just get seed that is readily available, not necessarily seed of your choice. – Male Cash for Inputs participant, Balaka

Cash also gives you bargaining power, unlike a voucher, which seems like you're begging for the inputs. – Male Cash for Inputs participant, Mangochi

The problem with using vouchers was that the agrodealers were not able to give us back the change/balance after buying from them. For example, since the voucher was for MKW 9,000 and the seed were of different prices, maybe farmers would be able to buy seed amounting to MKW 8,000 and were then maybe required to pay additional money to buy other seed. Because some farmers are poor, they were not able to raise the additional money, and instead of the agrodealers giving change/balance of MKW 1,000 back the farmer, they would just take the voucher as if we bought seed amounting to MKW 9,000. So, it looked like they were stealing from us. That is why the programme changed it to giving us cash in the following year. – Male Cash for Inputs participant, Chikwawa

If a beneficiary doesn't have money to top up the voucher, we still buy the inputs because the voucher we receive is money. With the Farm Input Subsidy Program (FISP), if a beneficiary doesn't have money, then it is a challenge, we will not be able to buy the inputs. This is the reason why community members sell FISP coupons when we don't have money to buy the inputs. – Female Cash for Inputs participant, Chikwawa

However, respondents also appreciated aspects of the Input Fair approach. They praised the Input Fairs for reducing travel time and costs. A number of respondents also saw the Input Fairs as a welcome commitment device, helping to ensure the family spends money on investments in inputs.

We did not need to travel a long distance to buy inputs; the time we could have used to travel was used for something else equally important. – Female Cash for Inputs participant, Mangochi

I support coupons because when you receive money, you may misuse it, while with coupons you are forced to use money for fertiliser or seeds. – Male Cash for Inputs participant, Mangochi

The disadvantage of getting cash is that we are tempted to use the money for other purposes than buying farm inputs. – Male Cash for Inputs participant, Balaka

Outcomes and Impact

Enabling Higher and More Timely Investment in Crops

A large number of respondents described Cash for Inputs as facilitating higher and more timely investment in crop inputs. In some cases, respondents reported buying more inputs than they otherwise would have done. In other cases, respondents reported that while their input use may have been largely the same as usual, the programme was still beneficial because it enabled them to afford inputs in time for early planting, or because they did not have to engage in piecework to earn money for their inputs and were thus able to allocate their labour towards their own crops. The qualitative descriptions of these benefits were somewhat supported by analysis of the quantitative data, which found that participants in Cash for Inputs used more seed on average (controlling for wealth rank and District), but that the difference was not statistically significant, and there was no significant difference in the share of farmers who planted in October or November as opposed to later planting dates. These quantitative findings may have been limited as a result of the small share of the sample participating in Cash for Inputs.

On my own, I would only have afforded to buy seed worth MKW 3,000; the Cash for Inputs programme enabled me to buy seed worth MKW 13,000. – Male Cash for Inputs participant, Chikwawa

Provision of cash for farm inputs has enabled us to invest our time working on our own farms instead of looking for piecework to earn money for farm inputs. Availability of farm inputs and sufficient labour helped us to realise increased crop production. – Female Cash for Inputs participant, Balaka

Initially we could get to the first rains and planting period without us having the necessary farm inputs because of lack of money to purchase the inputs, but this time we were given a start-up pack to purchase inputs and we were able to plant our seeds with the first rains. This helped increase crop production since we were able to buy seeds, and in good time, which we couldn't have managed on our own. – Female Cash for Inputs participant, Balaka

Diversification

Some respondents credited the programme with exposing them to, or enabling them to access, inputs that allowed for diversification into new crops, including more resilient crops. This was supported by analysis of the quantitative data, which found that participants in the Cash for Inputs programme were significantly more likely to report trying a new crop type, and on average grew about 0.2 more different types of crops than non-participants, controlling for district and wealth group. In some cases, respondents credited the Cash for Inputs programme with allowing them to diversify into irrigated farming.

Some people in the community that live in very remote areas did not know sesame farming because many programmes in the past were not able to reach them, but since GOAL Malawi reached those areas, they now practise sesame farming. A friend of mine that stays in a remote area was just informing me that he sold five bags of sesame for the first time in his life. He was part of the Cash for Inputs programme. – Male Cash for Inputs participant, Chikwawa

As a community, we have even ventured into cultivation of drought-resistant crops such as cassava and sweet potatoes. – Male Cash for Inputs participant, Phalombe

The programme trained us on irrigation farming and gave us farm inputs for our gardens where we grow vegetables, something that we normally do not do because of lack of farm inputs. – Male Cash for Inputs participant, Balaka

Adoption of New Varieties

Respondents also said that the programme enabled them to cultivate new varieties of crops they were already familiar with, including higher yielding or shock-tolerant varieties. This was also supported by the quantitative data, with Cash for Inputs participants significantly more likely to report trying a new variety, and significantly more likely to report planting at least one improved variety.

Before they were providing us with cash for inputs, we would use recycled maize and we wouldn't harvest much, but with the cash for inputs we were able to buy early maturing crops. – Female Cash for Inputs participant, Mangochi

We were able to access improved seed of sorghum and millet. The local variety was taking three or four months to mature. The improved varieties are drought tolerant and early maturing – within two months the crops are mature. – Female Cash for Inputs participant, Chikwawa

Yields and Productivity

Many respondents reported that the inputs they were able to access due to the Cash for Inputs programme contributed to improved yield and productivity. Quantitative analysis of yield outcomes did not show significant differences between participants and non-participants, with the exception of pigeon pea, where Cash for Inputs participants did report significantly higher yields. The lack of quantitative results likely reflects the small share of the sample that participated in Cash for Inputs, and the fact that the Cash for Inputs programme was generally only sufficient to provide inputs for a small portion of the land farmed by each household.

Every beneficiary of the Cash for Inputs programme has witnessed an increase in their crop yields, which has improved food security. – Male Cash for Inputs participant, Chikwawa

Before GOAL Malawi, when I had just got married, I used to grow local varieties of sorghum and millet. I was harvesting three to five bags of sorghum on a one-acre piece of land. Now I can harvest 10 or more bags because I am using improved varieties. – Female Cash for Inputs participant, Chikwawa

With the MKW 10,000 that we received from the Cash for Inputs programme, we managed to buy fertiliser that we wouldn't have been able to afford on our own. We

were able to double our harvest because of the access to fertiliser in combination with the alignment of ridges. – Male Cash for Inputs participant, Phalombe

Downstream Impact

Respondents described positive impact in a number of areas as a result of the improved productivity achieved, in part due to the Cash for Inputs programme. This included increased income, as well as the ability to invest in household assets or household businesses, including livestock. These livelihood opportunities were strikingly described as reducing the need for community members to engage in harmful livelihoods.

Because of the high yields, we have been able to sell more crop produce and buy other assets such as livestock. This has changed my life because I did not have chickens, but now I bought chickens which have been reproducing and my household is no longer the same. – Male Cash for Inputs participant, Chikwawa

We used money earned from the tomato and vegetable garden sales to start small doughnut-selling businesses operated by our spouses. – Male Cash for Inputs participant, Chikwawa

In my case I managed to raise business capital for my daughter through the benefits of Cash for Inputs after having abundant harvest. I managed to sell part of it and reserved the rest for food. – Female Cash for Inputs participant, Phalombe

Respondents also cited improved food security, which, combined with diversification, was described as contributing to improved nutrition.

We have managed to buy chickens and pigeons with the money realised from vegetable farming. Before the programme, we were not vegetable farmers. The livestock that we have bought is helping us to pay school fees for our children as we are able to sell whenever we do not have money to pay for the school fees. In addition to that, we are also able to eat the chicken and pigeons whenever we want to eat meat but do not have money to go and buy meat from the market, so we are living happily in our households. – Female Cash for Inputs participant, Chikwawa

We are even growing groundnuts, which were not grown before PROSPER. We mix maize and groundnuts and make flour for porridge which feeds us and our children. – Male Cash for Inputs participant, Mangochi.

In several instances, the livelihood opportunities enabled through Cash for Inputs were strikingly described as reducing the need for community members to engage in harmful livelihoods and reducing related social harms.

Before GOAL Malawi gave us the seed and taught us conservation agriculture, single women would be engaged in prostitution to find food, but now, because we are able to sell vegetables and other crops, women are not interested in prostitution. – Female Cash for Inputs participant, Chikwawa

After I bought maize and millet seed during the seed fair, I was left with change of MKW 300, which I used to buy Chinese vegetables. I planted the vegetables in my gardens and started selling it. I made a profit of more than MKW 10,000 from the seed I bought at MKW 300. From that time onwards, we still plant vegetables and our

income levels have increased a lot. My husband used to sell charcoal and I would always get worried whenever he was caught by forest officers as we did not know where to get food from, but now he has even stopped burning and selling charcoal because we have enough money from the vegetables and people no longer mock me by calling me Mrs Charcoal. – Female Cash for Inputs participant, Chikwawa

Issues of theft of farm produce have decreased abruptly since almost everyone in the community has adequate food. – Female Cash for Inputs participant, Phalombe

Spillovers and Sustainability

Although some respondents expressed concerns about being able to continue to access inputs after the close of PROSPER, several respondents also described a number of mechanisms through which Cash for Inputs and its complementary activities have the potential to create broad, long-term impact in communities. The first was through demonstration effects; participants were exposed to new inputs and varieties they had not used before. In some cases, respondents mentioned that their successful experiences with new crops, varieties, inputs and farming practices were leading to behaviour and mindset change, with households showing greater interest in investing in inputs and pursuing these practices in the future.

I bought liquid fertiliser that I have never bought before, and I didn't know that liquid fertiliser exists. – Female Cash for Inputs participant, Phalombe

We have even changed our decision-making mentality, especially in terms of seed selection, and type of crops to grow. For seed we have changed from using local seed to hybrid seed since it is adaptable to climate change issues – we harvest even when a dry spell has occurred. – Male Cash for Inputs participant, Phalombe

We will continue the good farming practices like Sasakawa, reduced ridge spacing, mulching, manure application and planting hybrid seed to continue getting a high yield. – Male Cash for Inputs participant, Balaka

Respondents also described community-wide benefits, including positive local market effects in terms of food availability, and demonstration effects that are inspiring adoption of improved inputs and practices among non-participants.

Nowadays we don't even bother to walk long distances to buy maize, for example if we are in shortfall at household level, because most people in our community still have more than enough stock to even sell to others. – Female Cash for Inputs participant, Phalombe

Those who were not interested in farming, they have seen what has been happening because of farming. For example, I have harvested one ox cart of maize this month (September) and the food will take me through the difficult months, while others harvested in March. This will encourage others to join the irrigation scheme activities which will bring change in their households to have enough food. – Male Cash for Inputs participant, Chikwawa

Negative impacts

Very few negative impacts were described by programme participants. The few negative results mentioned were related to miscommunications or tensions around inclusion in, and exclusion from,

the programme. Exclusion from the Cash for Inputs benefits may have demotivated some community members from participating in other PROSPER activities.

Some people who were listed under the Stepping Up group did not receive cash to buy inputs, and this caused a lot quarrelling because they wouldn't understand why they had been left out. – Male Cash for Inputs participant, Mangochi

The ones that were promised the cash and did not receive were being rude to us and calling us names like “people known by the chiefs”. – Female Cash for Inputs participant, Phalombe

Some of the follower farmers were from the Stepping Out group and after being told that they were not going to receive any inputs but will just benefit from the trainings, they stopped attending the trainings. – Male Cash for Inputs participant, Mangochi

CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

Overall, the Cash for Inputs programme appears to have been extremely well-received among participants and was viewed as effective at contributing to agricultural investment, diversification, adoption of resilient crops and varieties, and improved yields, which in turn created transformative downstream benefits. Quantitative data support a correlation between participation in the programme and diversification and adoption of new crops and varieties; quantitative results are less conclusive with respect to other outcomes. Despite lingering challenges related to underdeveloped input supply networks, pest and climate shocks, and access to output markets, the programme design largely appears to have worked well for participants. Bundling the programme together with complementary activities such as training on general agricultural practices and conservation agriculture, as well as support for irrigation farming, were described as enhancing the impact of both Cash for Inputs and the other activities.

Discussion with participants about different approaches to input subsidies demonstrated that most approaches entailed trade-offs. For example, many respondents appreciated the flexibility of the cash approach, but others liked aspects of the Input Fair approach, such as reduced travel and the fact that there was less temptation to spend money on other things.

Questions remain regarding how long-lasting the impacts will be following the early closure of PROSPER, and whether participants will continue to purchase the inputs acquired with support from Cash for Inputs. However, some changes resulting from the programme are likely to be sustainable, such as willingness to invest in improved varieties when they are available and the household has the finances to do so, and earnings from businesses started with capital from income from crop sales achieved under Cash for Inputs. In addition, the programme provides valuable lessons and insights for the design of future programmes aimed at encouraging smallholders to invest in more productive and more resilient agriculture, including reforms of the Government input subsidy programmes.

Recommendation 1: Design input support programmes to complement AIP

The Cash for Inputs programme was viewed as being highly complementary to AIP, the Government input subsidy programme. While AIP is appreciated for providing generous support for fertiliser, it often arrives late. Cash for Inputs, while a much smaller subsidy, arrived early enough to allow households to buy seeds and plant them early, a practice critical to achieving high yields in Malawi. As a result, many households used Cash for Inputs to buy small quantities of high-quality seed, and then relied on AIP to supplement the quantity of seed and to access fertiliser.

Recommendation 2: Bundling input support with complementary activities can increase impact

Bundling complementary inputs is a strength of the PROSPER approach, and it appears to have contributed to improved outcomes under the Cash for Inputs programme. Respondents describe the combination of Cash for Inputs and training on conservation agriculture and agricultural practices well-suited for hybrid and improved crop varieties promoted through Cash for Inputs as contributing to maximised yields. Similarly, combining Cash for Inputs with irrigation was described as helping participants jump start investment in their irrigated crops.

While Cash for Inputs was designed as an alternative to the Input Fair and voucher approach, there is also potential for Input Fairs to complement cash subsidy programmes. While respondents appreciated the flexibility of cash, they also appreciated aspects of the Input Fairs, including easy accessibility and reduced travel costs.

Recommendation 3: Design programmes to make it easier for households to stick with their commitments to invest in inputs

While many respondents believed they would have invested in inputs even if they had been given the cash with no requirement to buy inputs or no compliance mechanism for the requirement, a number of farmers also appreciated that the compliance mechanism helped them to make investments that supported long-term food security. In general, investments in inputs were described as coming at the expense of spending on immediate basic household needs such as food or clothing, not traditional temptation goods such as alcohol or luxuries. Asking households to prioritise investment in inputs over basic food security is a high order. Ideally, this should be addressed in part through programmes that effectively support basic consumption, preventing households from having to choose between eating today and eating tomorrow. However, programmes should also be designed to help households stick with spending plans that match their priorities. This could include compliance mechanisms similar to the one in Cash for Inputs, which also facilitated flexibility in choosing inputs; enabling participants to purchase inputs immediately, thereby reducing the time during which households are tempted to spend on other things; or allowing participants to pre-purchase inputs just after harvest, when households tend to have ample food and cash.

Recommendation 4: Input supply systems and market access remain a challenge

Respondents noted challenges with accessing a variety of affordable, good quality inputs both in the context of the Input Fair approach and in Cash for Inputs; respondents also complained of limited or unreliable output markets, and poor prices for their crops. To ensure that input subsidies are as

effective as possible, continued efforts, such as those undertaken by the PROSPER Markets component of BRACC, are needed to support the introduction of new inputs and improved varieties, improve the quality of seed available in Malawi, and build competitive supply networks that facilitate efficient access to inputs at fair prices.

Recommendation 5: Further research is needed to understand smallholder farmer decision-making and its interactions with programmes

Participants in the Cash for Inputs programme described taking a large number of factors into account when making decisions about what to cultivate, and what inputs to invest in. Farmers consider how to allocate cash, labour, land and other resources, while trying to balance food security and income objectives. Farmers making complex, portfolio-type decisions about farm investment may respond to programmes in ways that are unexpected or different. Farmers in the Cash for Inputs programme described changing their behaviour in different ways, including buying more inputs, changing the type of crops they cultivated, and reallocating labour away from piecework and towards cultivating their own crops. Farmers also responded differently to the combination of Cash for Inputs and AIP, with some farmers deliberately selecting their Cash for Inputs purchases to complement the AIP inputs, and others viewing AIP as too uncertain, and too delayed, to be worth factoring into decisions about input purchases under Cash for Inputs. To achieve specific objectives, such as improved food security, diversification, or commercialisation, policymakers would benefit from increased understanding of how smallholder farmers make farm investment decisions, their priorities and constraints, and how different programmes are likely to affect decision-making.

Acknowledgements

This brief has been distilled out of the evaluation of the BRACC programme undertaken in 2021 by the BRACC Hub. The BRACC Hub is very grateful for all the support and assistance provided during the evaluation by the BRACC programme participants, implementing partners and funder. We would like to thank the team members who were involved in data collection, analysis, and particular studies that fed into the evaluation, including Gulden Bayaz, Nick Brooks, Khandan Danish, Catherine Gould, Obioma Egemonye, Merlin Hanauer, Ying-Syuan (Elaine) Huang, Zemira Humphrey, Jennifer Leavy, Emmillian Kasililika-Mlagha, Mackenzie Klema, Sarah Wilson Knight, Diana Mataya, Matthew McConnachie, Dylan Pyman, Bright Sibale and the Centre for Development Management team, Danny Smith, Kirsti Thornber, Liz Venable, Katharine Vincent and Lena Weingärtner. We would also like to thank Mitzi du Plessis for her help in copyediting and proofreading.