

AgDevCo<sup>o</sup>

**TROPHA ESTATES LIMITED  
BASELINE SURVEY**  
AGDEVCO SMALLHOLDER  
DEVELOPMENT UNIT



## ABOUT TROPHA

Tropha Estates Limited runs an outgrower scheme in northern Malawi that grows paprika and birds-eye chillies, and is now expanding it to include macadamias. These crops are well-suited to smallholder farming because they are relatively resistant to drought and disease, more productive than many traditional crops, such as maize, and bring in higher earnings. In addition to supplementing farmers' incomes from maize, cotton and/or tobacco crops, chillies also offer post-harvest processing and marketing opportunities.

## ABOUT THE PROJECT

With support from AgDevCo's Smallholder Development Unit (SDU), the Tropha outgrower scheme aims to benefit over 4,000 farmers and 16,800 individuals in the community. Over the course of three years, average household incomes are expected to increase by a minimum of \$200 per annum for chilli growers and \$100 per annum for paprika growers.

Yields will be improved by better growing practices, training at demonstration plots, and potentially through facilitating access to finance for inputs. Women and youth are being encouraged to participate.

## BASELINE SURVEY

This report assesses smallholder farmers' vulnerability to poverty and household food insecurity at the Tropha outgrower scheme in Malawi. It draws on data from a baseline household survey that builds upon a 2016 gender study conducted for AgDevCo Malawi.

A sample of 368 households were surveyed, including 202 outgrower households, as well as permanent and temporary Tropha employees.

The quantitative datasets and qualitative interviews were used to generate a farmer profile for the Tropha outgrower scheme.



Women around Tropha's estates were found to be considerably more empowered than women in other communities in Malawi.

## THE SURVEY INCLUDED 24 QUESTIONS

10

questions drawn from the Poverty Probability Index (PPI).



4

questions relating to food security.



10

questions relating to the five domains of empowerment in the Women's Empowerment in Agriculture Index (WEAI): production, resources, income, leadership, and time.



## DEMOGRAPHICS

4.2 people

Average size of the household.



23

Average age of household members.



37%

of outgrowers are under 35 years old.



51% women

Women and men participate in the outgrower scheme in approximately equal numbers.



Paprika drying in the sun.

## POVERTY REDUCTION

### POVERTY PROBABILITY INDEX (PPI)

The Poverty Probability Index (PPI) gives a way to estimate the percentage of households that are below the poverty line, based on their response to 10 simple questions. In the case of Malawi, the PPI includes questions about the members of the household, their housing conditions and the furniture they own, and their use of mosquito nets.

Poverty in the communities around Tropha's estates is endemic, but those involved in the Tropha outgrower scheme are slightly better off than most in Malawi's north rural region. Previous focus groups and interviews revealed a significant improvement in poverty levels after the community became involved with Tropha.

Nevertheless, the poverty rate of Tropha outgrower households (37%) is still slightly higher than the national poverty rate (32%), and the poorest of the poor are more likely to be living in female-headed households.

The additional income provided through the Tropha outgrower scheme has begun to shift people out of poverty, but external shocks such as droughts have not been fully offset by income gains.

### FOOD SECURITY

In interviews, women reported substantial socio-economic improvements and increased household food security from selling cash crops to Tropha. Profits are being used to improve the yield of food crops—many of them substantially—and these earnings are being used to provide more food for their children.

Despite these gains, outgrowers are still highly vulnerable to food insecurity. During the fieldwork in 2016, Malawi had just emerged from a drought and almost all people reported some months in which the household did not have enough food.



Survey data suggests that women play a key role in agriculture and should represent a significant proportion of outgrowers.

## WOMEN'S EMPOWERMENT

The Women's Empowerment in Agriculture Index (WEAI) tracks changes in empowerment levels. Women's empowerment at Tropha is measured by the five domains of empowerment: production, resources, income, leadership, and time. To be considered empowered, women must show achievements in four of the five domains.

### Production

Women have made significant empowerment gains in food production, including sole or joint decision-making over food, cash-crop farming and livestock, and autonomy in agricultural production.

- > In 21% of Tropha outgrower households, women make decisions about the buying and selling of land and the ways in which land is to be used. Men account for only a slightly higher percentage, at 26%. More positively, 51% of households reported that it was a shared decision.

### Resources

The ability to access and have control over resources is vital to women's empowerment.

- > Land: Women own land in 17% of Tropha outgrower households, men own land in 34% of households, and both men and women jointly own land in 40% of households.
- > Credit: Women have responsibility for making decisions about credit in 25% of households, 55% reported that decisions about credit are shared, and 20% reported that men are responsible for these decisions.

### Income

- > Women exercise decision-making power over income in 30% of households. 56% of households reported that this is a shared responsibility, and 14% reported that men are responsible for these decisions.

### Leadership

Women have made demonstrable progress in leadership and community participation.

- > 62% report that decision-making in the community is a shared responsibility.
- > In 77% of households women belong to social groups. Men belong to social groups in only 40% of households.
- > The majority of respondents said that they are comfortable speaking in public, of whom 52% are women. However, among those who are not comfortable speaking in public, 67% are women.

### Time

Significant time burdens are placed on women and girls, who are primarily responsible for all domestic duties.

- > In 52% of households, girls do the cooking, in 49% they do laundry, in 54% collect wood, in 55% they fetch water, in 66% they plant crops, in 64% they do weeding, and in 64% they help with the harvest.

Despite these time burdens, adult women have overcome significant barriers to gender equality by selling produce (49%), crops (61%), and animals (48%).

This gendered division of labour is not supportive of gender equality in the future, but it suggests that women's participation in outgrower schemes may empower women and girls in other areas.

## THE IMPACT OF THE TROPHA OUTGROWER SCHEME

### Substantial socio-economic improvements and increased household food security

In all the outgrower communities, farmers reported increased school attendance by their children, and many reported that earnings from the sales of paprika to Tropha had enabled them to provide breakfast to their children for the first time.

### Higher crop yields

Women reported using the profits from the sale of cash crops to Tropha to improve the yield of food crops, many of them substantially.

### Better housing

Outgrower communities have been able to build and upgrade homes with cement floors and iron roofing, which contributes to the local economy. Some households are planting flowers and decorative shrubbery, not just cash and food crops.

It is evident that other rural economic ventures that contribute to environmental degradation (such as charcoal making, burning bricks, slash-and-burn methods) have declined in areas where Tropha contracts outgrowers, lead farmers, and extension workers.

## LESSONS OF THE TROPHA OUTGROWER SCHEME

### Include more women and girls

Given that poverty in Malawi is closely linked to gender, outgrower programmes should include gender-based planning to include more women and girls, and raise awareness of the importance of gender empowerment in the outgrower community. Directly involving more women in outgrower programmes would give women more opportunities to earn an income and control how it is used. This would also have a positive impact on the community as a whole, since women were found to carry the burden of education and healthcare costs.

### Register outgrowers

Using a registration process that ensures women and men are formally recognised within the outgrower scheme enables a greater focus on empowerment opportunities and recognition of the role of women in agriculture.

### Continue extension services and training

The additional income provided through the outgrower programme has begun to shift people out of poverty, but external shocks such as droughts are not fully offset by income gains. Continuing provision of agricultural extension services and training is required, to ensure that external shocks can be managed.

### Youth participation is essential

Youth represent a substantial proportion of the community, so increasing the number of outgrowers in this age group is vital for the impacts to be broad-based and spread more equitably. Poverty interventions that target youth will help to ensure that school leavers become active participants in the economy, and to break cycles of poverty and food insecurity.

## TO LEARN MORE ABOUT OUR WORK AND APPROACH

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