

STEP-A Mid-Year Report – July 2026

Smallholders Transitioning into Economic Prosperity in Agriculture

This report shares the initial developments under Temwa's STEP-A project in Nkhata Bay North, Malawi. The purpose of STEP-A is to empower farming households in Nkhata Bay North to transition from subsistence farming to a commercially oriented agricultural model that improves productivity, increases incomes, and builds resilience through sustainable agricultural practices. The team started the first year with the collection of baseline evidence for planning, strengthening collaboration with district and local authorities, and building the capacity of staff and community structures. Following the completion of the baseline survey, the project was formally launched in December 2025.

Project Overview



Figure 1. Temwa Senior Project Officer moderating Usinini VDC, Lakeshore area, Nkhata Bay.

Temwa's five-year STEP-A project is supporting smallholder farmers in Nkhata Bay North, Malawi, to increase their average income, and improve their resilience to climate and economic related shocks. This will be achieved through transitioning from subsistence farming to a more market-oriented approach as well as deepening the adoption of Sustainable Agriculture Practices (SAP) to build their resilience to droughts, floods and unpredictable rainfall. At its core, the project seeks to ensure that farming households are not only more food secure, but also better equipped to generate reliable incomes and recover from climate-related setbacks.

A central focus of STEP-A is the formation and strengthening of farmer groups and Farmer Producer Organisations (FPOs) so that farmers can move beyond small-scale production and engage more effectively in income generation through agriculture. Farmers are being supported to improve production sustainably, access extension services and finance, adopt irrigation and mechanisation where appropriate, and strengthen post-harvest handling, value addition, and market engagement. The project builds on Temwa's existing network of farmer groups, while also supporting the development of new groups involved in crop production, livestock rearing, beekeeping, and other forest-friendly livelihoods. This cooperative model will enable farmers to pool resources, increase efficiency, improve bargaining power, and access more structured and profitable markets.

Delivered through Temwa's Community Driven Approach, we work closely with local governance structures to ensure strong community ownership, sustainability, and alignment with local and national development priorities, including Malawi Vision 2063 and the National Agriculture Policy. STEP-A also places a strong emphasis on inclusion, with women and young people actively supported to participate in training, leadership, and cooperative membership.

Project achievements

During the initial period of our STEP-A project, Temwa has made progress in generating baseline evidence,

strengthening community and governance structures, improving farmer organisation for future market engagement, and building internal project capacity to support effective delivery.

Outcome 1: Improved community systems and market access foundations

Temwa has made progress in establishing the systems and structures needed to support farmer organisation, participation, and future market engagement. In December, the project conducted a baseline survey with 120 households across upland and lakeshore communities in Nkhata Bay North, focusing on households previously engaged in Temwa agriculture interventions. The survey established key benchmarks for monitoring and evaluation while also identifying priority challenges affecting farming households. Findings showed that agriculture remains the main income source, but produce is largely sold individually, limiting bargaining power and market access. Farmers also reported low awareness of financial services, low incomes, insufficient food production, and major production constraints including drought, pests, and limited access to climate information.



Figure 2. Government Extension Officer (AEDO) facilitating Orientation Session for VAC, Usingini Primary School, Nyapwere VDC, Nkhatabay.

STEP-A kicked off by orienting eight Village Development Committees (VDCs) on their role in community-level project oversight. These sessions identified key governance gaps, including missing village-level committees, weak coordination between local structures, lack of economic and marketing committees, and limited business management knowledge among farmers. In March, Temwa focused on strengthening local coordination and farmer organisation. 11 VDCs were established, as well as 2 Village Agriculture Committees (VAC), whilst a 3rd VAC was revitalised. These efforts will improve community participation and provide a stronger foundation for joint planning and monitoring. Temwa also established the first three Farmer Producer Organisations (FPOs): Kanolo Cash Crops Producers, Kasasile Pigs Producers, and Usingini Honey Producers. These structures are expected to improve collective action, strengthen governance, and create a basis for future market linkages and collective bargaining.

Outcome 2: Strengthened project capacity and strategic alignment



Figure 3. Programmes Country training on Business Management Temwa Library

In January, Temwa reviewed STEP-A to better align programming with Temwa's new strategic plan, which places stronger emphasis on governance systems strengthening under the Economic Empowerment pillar. This helped ensure that project implementation embeds stronger local structures, coordinated stakeholder participation, and community-driven planning from the outset. The review process also identified additional priority areas for integration, including aggregation and marketing centres, financial inclusion mechanisms such as Village Savings and Loans, reinvestment and income diversification, value addition, forest-friendly enterprises, and improved storage to reduce post-harvest losses.

The same planning process identified business management as a key staff capacity gap. In response, staff received training in medium-scale business management to strengthen their ability to support farmers with enterprise development. The training improved staff skills in business planning, market research, record keeping, and financial literacy, positioning them to better support farmer groups to assess profitable value chains, develop viable business plans, and manage commercial farming activities more effectively.

Community Success Story

Kanolo Farmer Producer Organisation gets underway



Previously, before the onset of the STEP A project, smallholder farmers in Kanolo were working in isolation. Being in a hard-to-reach area, they had limited access to service providers and no structured markets for their produce. Although the community possesses vast tracts of land suitable for both winter and rainfed production, productivity remained low. Consequently, household income generation was minimal, undermining the resilience of farming families.

In the first six months of the project, significant progress has been achieved in organising these farmers. A total of 23 farmers have been mobilized into two farmer groups, which have been clustered under one Farmer Producer Organization (FPO). Their primary value chains focus on winter cropping of beans and onions. Through the FPO, farmers have enhanced their knowledge of sustainable agricultural practices by participating in engagement meetings and receiving Information, Education, and Communication (IEC) materials such as branded t-shirts and calendars.

The FPO has also facilitated critical linkages. Farmers have been connected with the Small and Medium Enterprise Development Institute (SMEDI), a service provider specialising in enterprise development, and linked to three structured markets for their produce. Additionally, the project supported the revival of the Usingini local market, which had been inactive for the past five years, thereby creating a new outlet for trade and community interaction. As a result of these advancements, the FPO has committed to cultivating 20 acres of land during this winter season alone. This milestone demonstrates both the strengthened organisational capacity of the farmers and their growing confidence in collective production and market engagement.

Looking Forward

The next phase of implementation will build on the governance and organisational foundations established during this interim period. Priority actions include mapping service providers to support farmer groups with markets, inputs, finance, extension, and logistics, and continuing governance strengthening through additional orientations of Village Development Committees and completion of the remaining Village Agriculture Committee orientation to achieve full planned coverage. The project will also focus on strengthening the newly established Farmer Producer Organisations through leadership development, group dynamics facilitation, and constitution development, alongside planned material support that enables the groups to operationalise agreed activities.

Thank You!

The Temwa teams in Malawi and the UK are deeply grateful for your generous support. Thank you for helping to create healthier, safer, and more resilient communities, and for empowering them to shape their own futures.



For further information about this project or our future plans, please contact:

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