

POSTER SUMMARY

**IMPACT OF ACCOMPANYING MEASURES FOR SUGAR
PROTOCOL (AMSP) IN MALAWI: A CASE STUDY OF
KASINTHULA CANE GROWERS' ASSOCIATION**

KHEMBO M

*PO Box 138, Chikwawa, Malawi**mkhembo.kcgl@kasinthula.mw***Abstract**

Malawi is a beneficiary of the Accompanying Measures for Sugar Protocol (AMSP), a programme (2007-13) which was set up following the reform in 2006 of the European Union's sugar regime. Kasinthula Cane Growers' Association (KCGA) benefitted through two grants of €4.95m provided through the Shire Valley Cane Growers' Trust (SVC GT) for the development of 680 hectares of irrigated cane. The intervention had two main objectives: (i) to enhance competitiveness (especially after removal of the EU sugar production quota in 2007), and (ii) to reduce poverty through expansion of the sugar sector.

A case study was carried out on Kasinthula to find out whether the objectives were met with the two projects conducted between 2009 and 2012. KCGA expanded from 755 hectares to 1435 hectares. The number of farmers increased from 282 to 762, and the intervention moved them from low subsistence levels (farming crops such as cotton, maize and sorghum) to semi-commercial operators with some related social benefits of belonging to a community and association. Annual income of the beneficiaries increased by 156% through sugarcane sales and an associated Fairtrade premium.

In real terms, the cost of producing a ton of sugar decreased by 10.8% over the duration of the intervention. This means that KCGA has not benefitted much through economies of scale due to the expansion.

Forty-four farmers were surveyed to evaluate the benefit of the projects. Of these, 86% reported that their livelihoods had changed, but 84% believed that the KCGA would not be sustainable after the end of the AMSP.

Keywords: sugarcane, grants, beneficiary, livelihoods, production, AMSP