



## SUCCESS STORY

# Premiums for Peanut Farmers

### Peanut farmers in Malawi get a premium for high-quality nuts



Judith Harry is a peanut farmer from Mchinji in Central Malawi. If she had to sell her peanuts on her own, she would probably end up selling them to vendors at a very cheap price. Lucky for her, since she is a member of the National Association of Smallholder Farmers, her peanuts are now on British supermarket shelves under the Fair Trade Label.

The fact that peanuts produced by association members are now in stock in UK supermarkets is yet another example that proves that there is strength in unity. With help from USAID, the association is making an impact on farmers' lives every day. In addition to helping Judith and other members sell high-quality peanuts to the UK, the association has negotiated a very good price for the nuts. Because they are sold under a Fair Trade label, the farmers in Mchinji get a premium of \$110 for every ton they sell.

The extra \$110 is in addition to the price the association pays the farmers for each ton. "We are very happy and proud that our farmers are producing nuts of such a high quality that European consumers are willing to pay a premium for them," Heshan Peiris, the association's commercial director. The association, he adds, has worked for years to establish this Fair Trade status and comply with the high quality standards required by consumers in European countries.

National Association of Smallholder Farmers CEO Dyborn Chibonga, second from left, with supermarket executives in the United Kingdom.

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Photo: Twin Trading

Last year the association's peanut farmers from Mchinji sold 54 metric tons of nuts under the Fair Trade label. This year, they hope to sell even more. "As individual farmers we could never have got a Fair Trade deal like the one we have got now. We are very happy that the association has negotiated this on our behalf," says Judith. She knows how to produce high-quality peanuts and she realizes that nothing comes without hard work. But she also knows that life is much easier with the USAID-sponsored association working by her side.