




Impact of Economic Situation On Livelihoods in Malawi: focus on Lilongwe, Neno, and Nsanje

A rapid assessment by Concern Worldwide Malawi


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Rapid Assessment Background


- ❖ Conducted in 3 districts – Lilongwe, Neno and Nsanje
- ❖ Urban and Rural settings
- ❖ Conducted between 09-15 June - a week before the most recent fuel price hike
- ❖ Used various approaches to collect data for triangulation, including:




10 data collection
Team members



9 Focus Group
Discussions (FGD)
(targeting general
community)

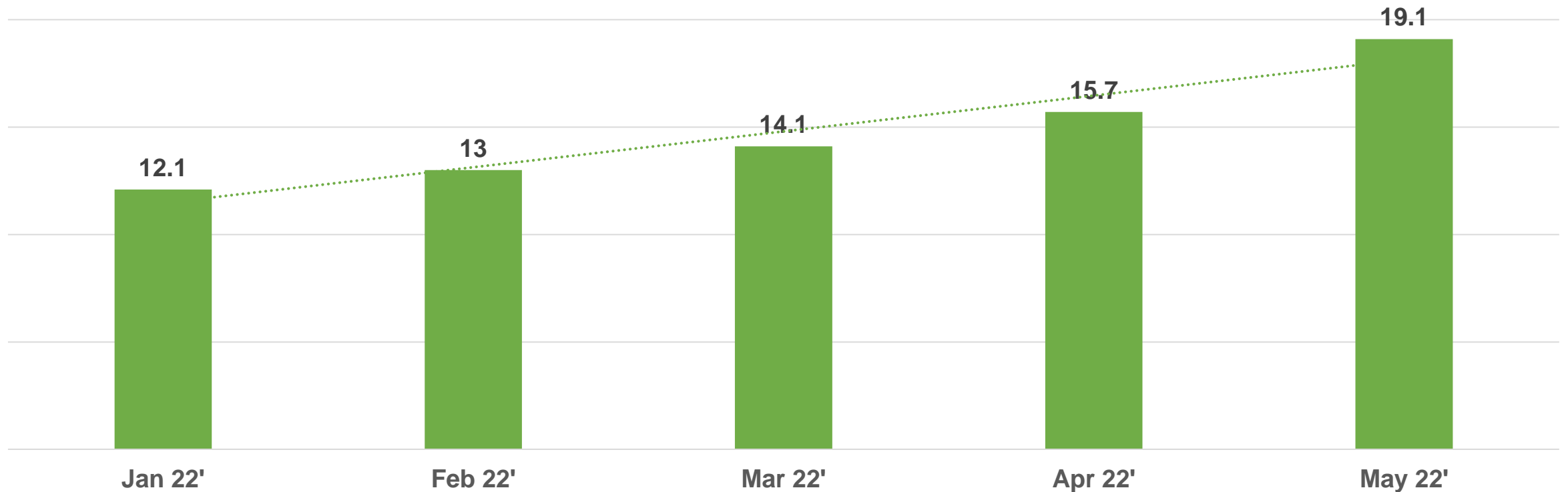


15 Key Informant
Interviews (KII)
(district
stakeholders)



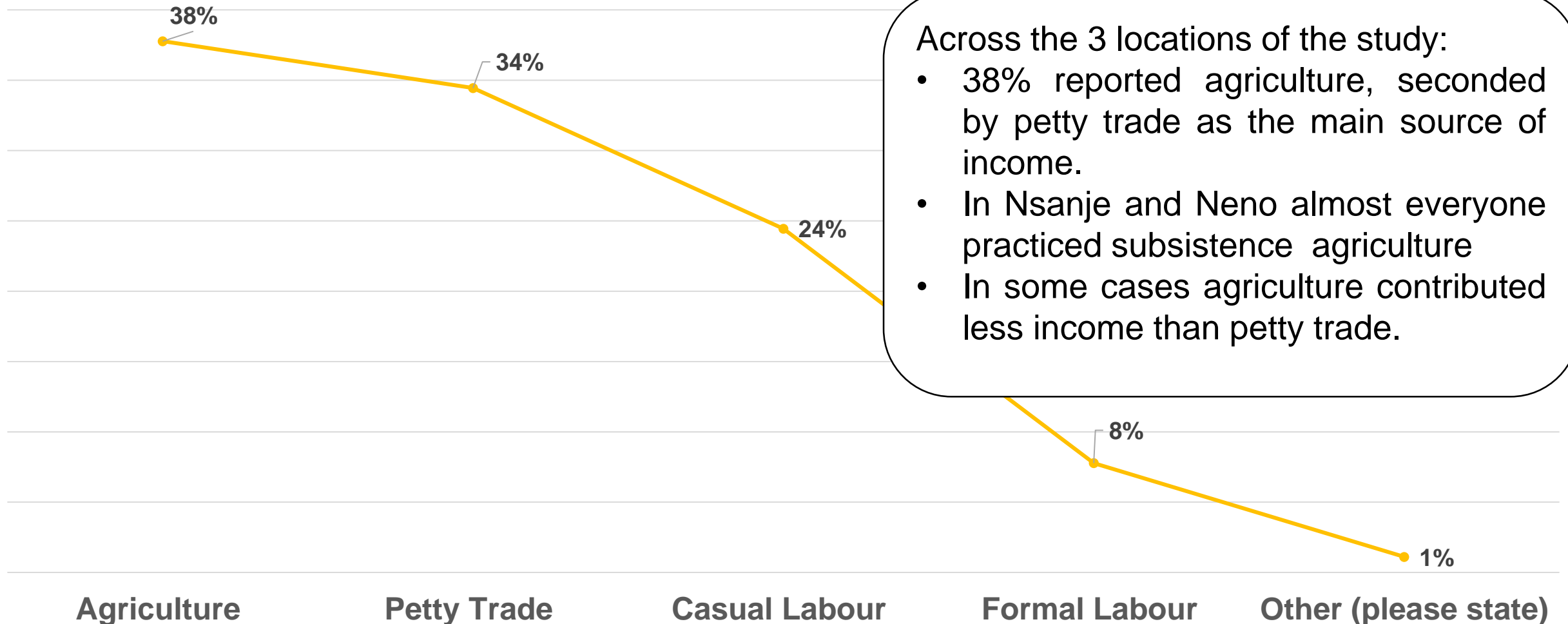
90 household
Interviews (HHI)
(30 per district)

Inflation Rate Trend over 2022



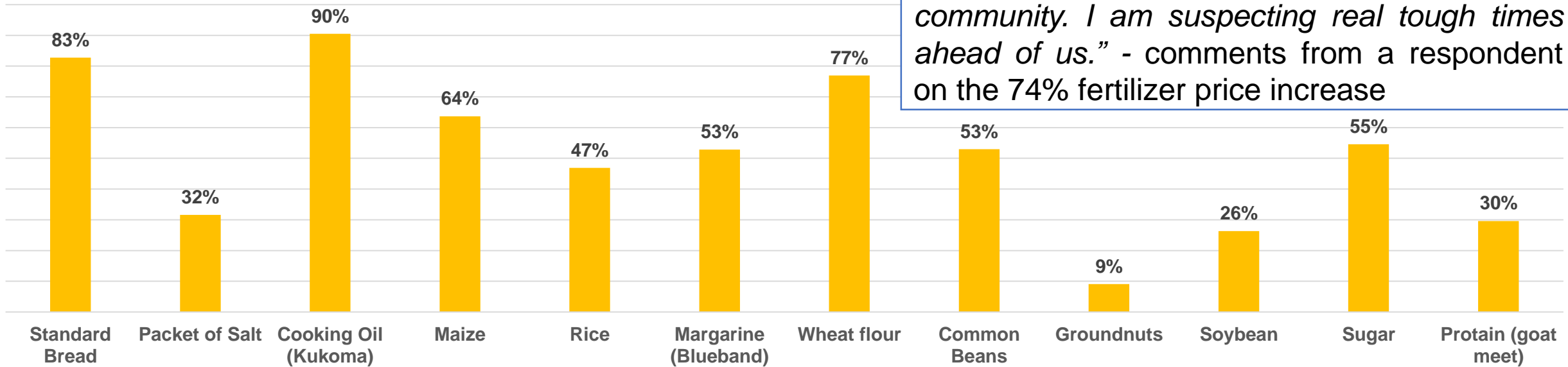
Source – National Statistics Office (NSO) – June 2022

Overview – Respondent Main Sources of Livelihoods



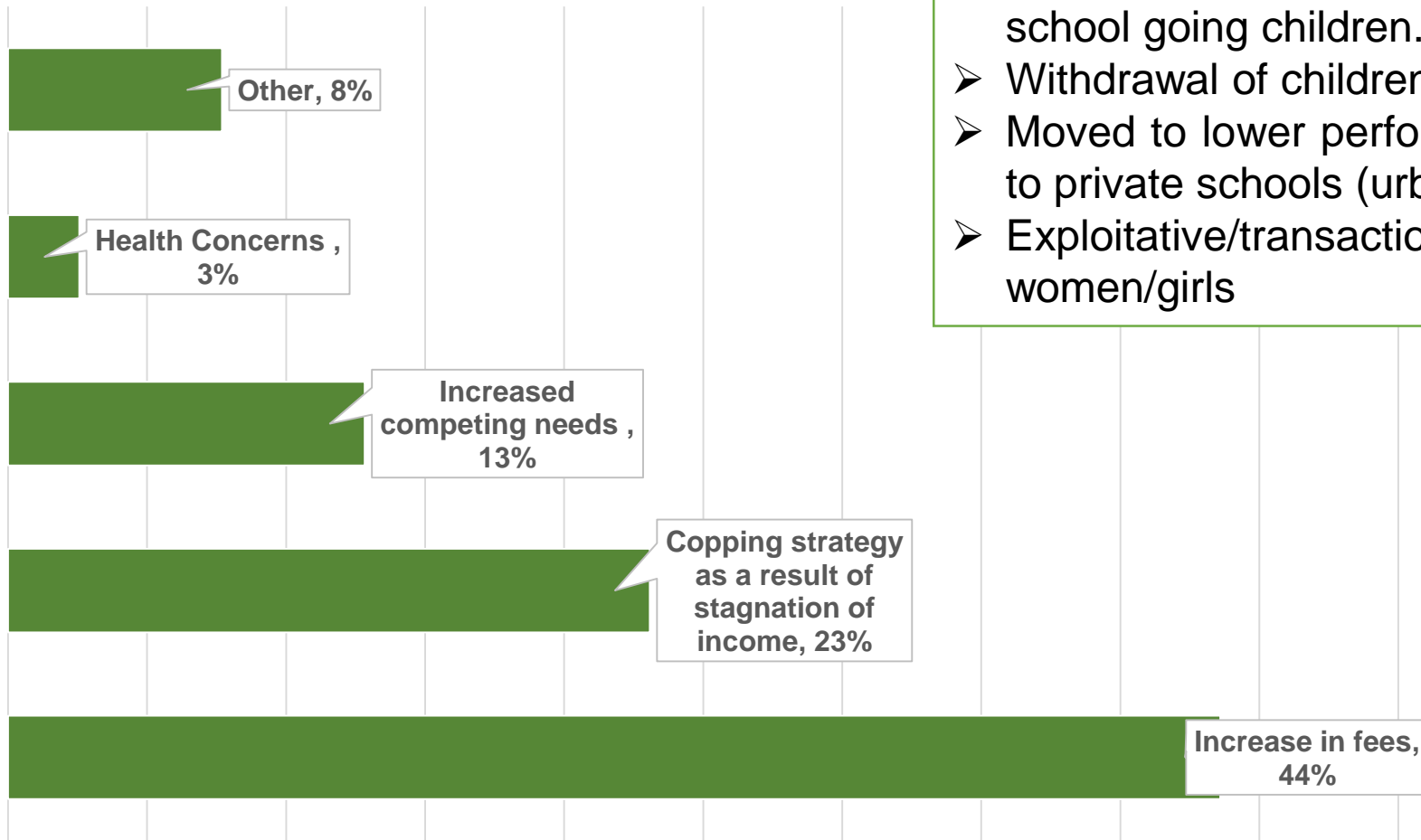
Food and Agricultural Situation

"I need to sell close to 7 bags of maize for me to buy 1 bag of fertilizer. This is really impossible to most average farmers in my community. I am suspecting real tough times ahead of us." - comments from a respondent on the 74% fertilizer price increase



- ❖ Average 51% price increase across all food items assessed during the study
- ❖ People are struggling to eat 3 meals a day at the **peak of harvesting time**
- ❖ Reduced frequency, quality and quantity of meals consumed per day as coping strategy.
- ❖ Malnutrition is anticipated amongst all vulnerable groups and may have longer term negative impact.

Education Sector



REASONS FOR WITHDRAWING CHILDREN FROM SCHOOL

- Challenges to pay school fees and provide necessities for school going children.
- Withdrawal of children from school
- Moved to lower performing / cheaper schools as opposed to private schools (urban)
- Exploitative/transactional sexual conduct by men to women/girls

Health

- Provision of health services by government has been stifled by drug shortages and unmotivated workers
- People are given prescriptions to buy medicine which are very expensive and risky due to unsafe storage methods in rural areas
- Private health service providers have hiked prices for their services rendering them not easily accessible to the poor.
- Unsafe alternatives such as traditional healers may resurface compromising achievements over the past decade in promoting health service seeking behaviours

“We are really at risk. Some drug stores stock limited or expired drugs... they give alternatives which we are not sure of... drugs are not properly sourced and stored. It's unfortunate that they are not properly monitored by regulators.

-A male key respondent in Area 23, Lilongwe

General Economic Challenges

Top Economic Concerns	LLW	NN	NE	Avge
Loss of Agricultural Income	40%	90%	80%	70%
Loss of Job/Business Income	63%	67%	97%	76%
Food Shortage	100%	100%	100%	100%

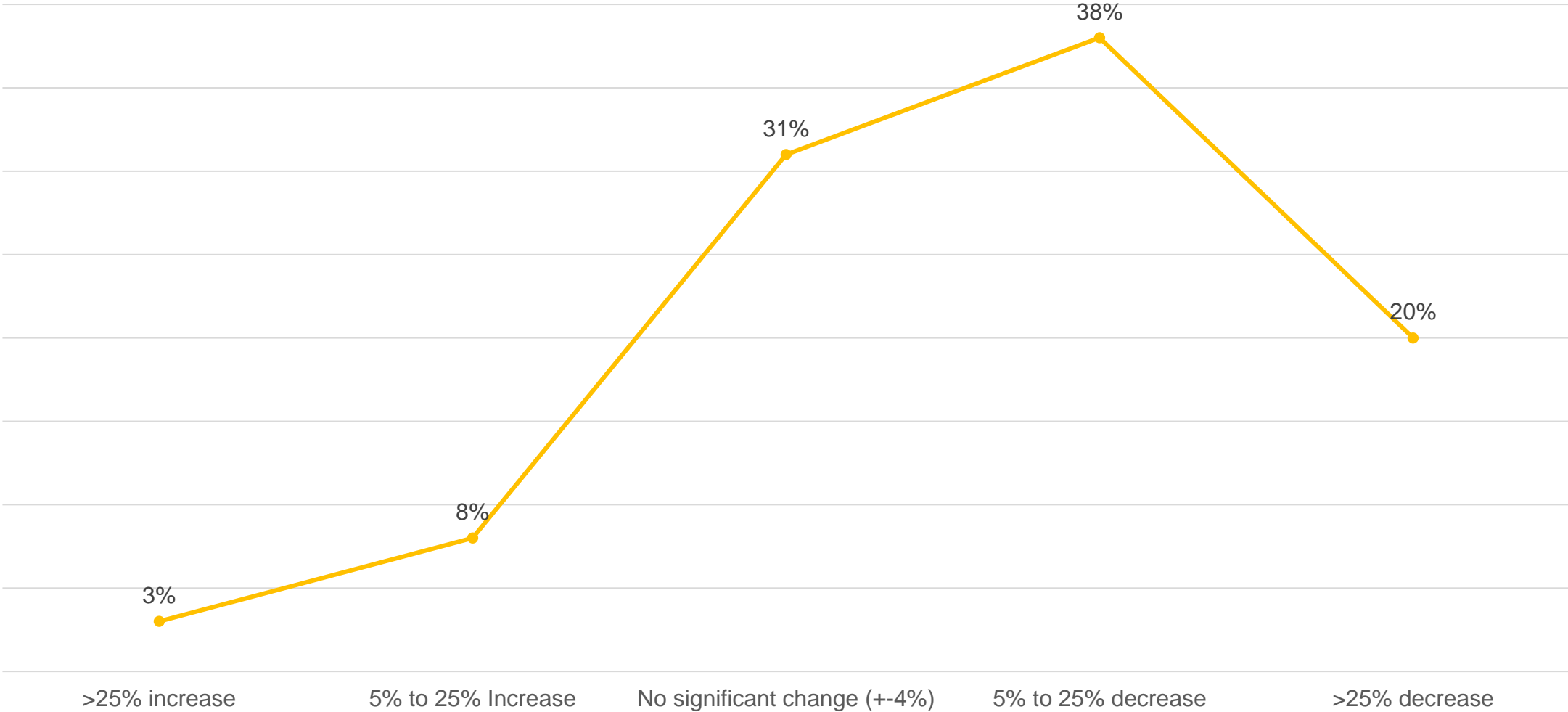
Income changes	LLW	NN	NE	Avge
>25% increase	7%	3%	0%	3%
5% to 25% Increase	20%	3%	0%	8%
No significant change (+-4%)	26%	17%	50%	31%
5% to 25% decrease	20%	44%	50%	38%
>25% decrease	27%	33%	0%	20%

- Food, loss of income from job/business and loss of agricultural income are the main 3 worries cutting across the study locations
- 20% reported income loss of more than 25% since January 2022.

General Economic Challenges - continued

Top economic concerns	Lilongwe	Neno	Nsanje	Avge
Food shortage	100%	100%	100%	100%
Loss of job/business income	63%	67%	97%	76%
Loss of Agriculture income	40%	90%	80%	70%
Loss of a job or fewer work hours	23%	43%	3%	23%
Inability to pay rent	27%	27%	0%	18%
No transport available	20%	20%	3%	14%
Other	13%	13%	13%	13%

Income Changes



Key lessons from the study

- **Exploitation of the economic situation by traders who are selling products/services at unreasonable prices due to poor price regulatory services.**
- **Food price hikes by 51% making cost of living very challenging for most people.**
- **At the peak of harvesting time, households are already reporting reducing meal frequency, quantity, and quality, which may result to long-term impact on venerable groups - chronically ill, pregnant women, school-going children.**
- **Stagnation or suspension of developmental initiatives both at household and community levels eg. Postponement of initiatives such as construction and investment in businesses.**
- **Adoption of negative coping strategies to mitigate the impact of economic situation. These include the selling of crucial productive assets and overdependence on natural resources.**
- **Increased theft incidences in communities due to scarcity of casual labour opportunities.**
- **Withdrawal of children from schools due to the increased cost of education.**
- **Exploitative/transactional sex which may lead to teenage pregnancies and sexually transmitted diseases.**

THANK YOU

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EXTREME POVERTY
WHATEVER
IT TAKES**