

**Determinants of Soya Bean Market Participation Decision and Level of
Participation Between Smallholder NASFAM Members and Non-members in
Mchinji District, Malawi**

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Special Issue, 2015**

Abstract

Malawi is among the top producers of soya beans in SADC countries through smallholder farmers. While policy makers and non-state actors like NASFAM have been engaging in commercialization initiatives of legume, efforts to provide feedback on these initiatives is imperative. This study was conducted with an objective of assessing soya bean smallholders' market participation through determining key factors influencing their decision to participate in input and output markets, extent of their participation and whether they participate more with farmers organizations. Descriptive, statistical and econometric methods were employed to analyze data collected by means of structured questionnaires from a randomly selected sample comprising 72 NASFAM members and 52 non-members in Mchinji District. Through application of Two-Tiered Market Participation Model, this study found that membership to farmers' organization was a critical factor in determining the degree/ intensity of household participation in both input and output soya bean markets. Furthermore, the variables 'unit price' of soya bean and 'access to off-farm income' were observed to affect both decision and intensity of household participation in output and input markets respectively. It was also found that members, as compared to non-members, had higher market participation indices of 75 percent against 32 percent of output market and 20 percent against 6 percent of input market for members and non-members; respectively. This outcome is not due to chance but it is through their association to farmers' organization. Therefore, a transition from subsistence farming to commercial farming is very likely with involvement in farmers' organization where benefits of access to inputs and markets of output are ensured to members.

Keywords: Soya bean, Smallholders, input and output market participation, NASFAM, Mchinji, Malawi