

**What Difference Does It Make to Belong to a Farmer's Organization?
Experiences from NASFAM Groundnut Farmers in Ntchisi, Malawi
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Abstract

What difference does it make to belong to a farmer organization? This was the major question to which this study sought answers. Analysing data of 123 groundnut farmers (65 National Smallholder Farmers' Association of Malawi (NASFAM) members, 58 non-members) in Ntchisi District, the study indeed showed that it makes a difference to belong to an organization. Using gross margins as proxy indicators of profitability; the study indicated that members had statistically higher gross margins than non-members. This difference was traced to significantly higher prices offered by NASFAM than other traders. Nevertheless, there were still some challenges such as late opening and interruptions of markets, competition from other NGOs and decline in membership. The study recommends that there is need to improve communication between farmers and NASFAM to minimize the market interruption and late opening. Finally, but not least, NASFAM should consider improving incentives given to its members at the market to differentiate them from non-members. This study argues that these incentives can help check the membership decline.

Key words: Farmers' organization, Groundnuts, Malawi, NASFAM, Ntchisi, Smallholder farmers