



**Tanzania Agricultural Scale-Up Programme
Sisal**



**Improving incomes, market access and disaster
Preparedness in Shinyanga, Tanzania**

Semi Annual Report

April 2015 to September 2015

Glossary

Key partners

Kishapu and Meatu district councils - Provide overall district coordination and develop infrastructures; provide enabling environment and extension services.

Tanzania Sisal Board (TSB) - This is the lead in sisal sub-sector development in Tanzania, offering regulatory and coordination services.

Sisal export companies - (Katani Limited; Mohammed Enterprises) develop viable local sisal processing enterprises in an emerging supply region (Lake Zone) and provide improved sisal primary processing services to farmers for secondary processing and marketing.

Relief to Development Society (REDESO) - Implements specific project activities including organising farmers to improve production and quality, and gain power in markets; also organises stakeholders' forums. REDESO work in close collaboration with the local government.

Local communities (producers) - These are primary project beneficiaries, who produce sisal raw materials and sell to primary processors.

Small Industries Development Organization (SIDO) - Promotes SMEs in both rural and urban areas through development of small industry sector.

Acronyms

FAO – Food And Agriculture Organisation

REDESO – Relief to Development Society

SACCOS – Savings And Credit Cooperative Society

SIDO – Small Industry Development Organization

SMEs – Small and Medium Enterprises

TASU - Tanzania Agricultural Scale-Up Programme

TSB – Tanzania Sisal Board

TZS – Tanzanian Shillings

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Front cover: Tabu Hashimu, sisal farmer and sisal processors from Mipa village Kishapu district – Tanzania. Won second prize at the 2015 Lake Zone National Farmers Exhibition.

BACKGROUND

Shinyanga region is ranked high among regions in Tanzania, where the level of vulnerability of the people is higher due to persistent drought and unreliable rainfall. The majority of the people (80%) are agro-pastoralists, thus livestock, particularly cattle, form an important part of the local economy. Overgrazing which is a result of overstocking causes serious environmental degradation. Cotton is the most important cash crop, followed by rice and tobacco. Oil crops such as sunflower and groundnuts are also grown.

Sisal is not a traditional cash crop for Shinyanga, and has traditionally been grown along hedges to demarcate farm boundaries, and to produce fibre ropes during lean times to supplement incomes. While Tanzania is a global market leader in sisal and sisal production technology, Shinyanga has limited commercial sisal production, processing and agro-enterprise development. The demand for sisal is high, and there are key opportunities for smallholder producers in the region to exploit this opportunity and significantly increase their incomes.

Tanzania Agricultural Scale-Up (TASU) Programme is part of Oxfam's global initiative to overcome poverty through smallholder agricultural production and marketing as a sustainable livelihoods strategy. TASU aims for better engagement of farmers from production, across the value chain, through processing and marketing, to secure better and fair returns (incomes) as well as food security.

The Sisal Value Chain development project aims to achieve changes in the Lake Zone sisal market system to work more effectively and sustainably for the poor, particularly women, to improve their livelihoods and consequently reduce poverty.

Aims

This phase of the project (2012 – 2017) aims to achieve three impacts that will contribute to poverty reduction.

1. Increase income by 55% for 2,000 small scale farmers currently living in poverty
2. At least 160 women and 40 men employed in sisal processing and trading enterprises
3. Indirectly, up to 100,000 households benefitted from the boost to the region's economy as sisal prices increase and there is a more transparent and inclusive price setting mechanism

PROGRESS AGAINST ACTIVITIES

1. Improving sisal quality and market access

1.1 Brushing and buying centre

Katani Limited has set up a brushing and buying centre, which is being run by Ndimbo Enterprises, a medium sized sisal firm based in Tanga on behalf of Katani Ltd. The centre is processing 1,128kg per day compared to 665kg for the same period last year, which is a big improvement, but has capacity to process 2,160kg per day. This reporting period 277,244 kg. of sisal fibre was produced compared to 103,705 kg for the same period last year.

Competition in the project area has been increasing with three main buyers - *Ndimbo Enterprises* who run the brushing centre and bought 63% of the sisal (176,006kg between April to September), *Mianza General Supplies* who bought 28% and *Mohammed Enterprises*, a large scale processor with large sisal estates in Tanga and a spinning factory in Morogoro who bought 9%. 101,238kg of sisal was not sold through the brushing centre but sold direct to *Mohammed Enterprises* and *Mianza General Supplies* based in Tanga (1,086km away).

The positive impact of trade competition has not only benefited sisal processors, but also leaf suppliers (sisal farmers). The price of unbrushed fibre paid by processors to leaf suppliers increased from TZS 350 per kg to TZS 550 per kg (rate of increase was TZS 50 in just the last six months) and in some villages it has increased to TZS 600 per kg. Previously buyers bought brushed fibre for TZS 1,400 but the processors incurred transportation costs to bring the fibre to the brushing centre plus lost fibre through brushing and sorting losses. However all the buyers are now offering TZS 1,300 for unbrushed fibre. Therefore all additional costs for brushing, brushing losses and transport have shifted from the processors to the buyers.

Table one – Sisal pricing year on year

Year	Average price per kg (TZS)	Average price per kg (GBP)
2012/2013	953	0.34
2013/2014	1,034	0.37
2014/2015	1,131	0.40
2015/2016	1,300	0.46

Since sisal prices depend on the market prices, producers profit is determined by quality and minimising costs in order to increase revenue. The project continues to build the capacity of small producers on quality management and efficient operation of processing units in order to support increased crop value. However, a lack of water for washing is one of the main barriers to improving sisal quality and the price paid.

1.2 Link sisal smallholder farmers to markets

Lack of access to financial services limits small producers access to markets. While small holder producers need finance to cover costs of capital and operation, most formal financial institutions like banks are not user friendly or accessible to small producers because of high interest rates and other conditionality. The project promotes a saving and credit scheme from which small producer can easily access financial services.

In Meatu District 10 new Saving and Internal Lending Community groups (SILC) have been formed comprising of 204 members; including 159 women and 45 men. Thirty SILC group leaders (27 women and 3 men) were trained on management of SILC groups. Each SILC group meets once a week and members contribute TZS 1,000 (35p) and can borrow at an interest rate of 10%.

Last year small producers in Kishapu district moved to the next level of saving and credit schemes by forming a saving and Credit Cooperative Society (SACCOS). During this

reporting period meetings were held to persuade SILC members to join the SACCOS, resulting in an increase in SACCOS members from 93 to 157 and the increased savings from TZS 1,260,000 (£448) to 2,140,000 (£761). Each SACCOS has an elected leader and nine board members who have been trained on record keeping, leadership skills and management of SACCOS.

The next step is to work with national banks for access to bigger loans. All 15 Oxfam sisal processors in Kishapu all now have bank accounts with the National Micro Finance Bank (NMB) and they are able to access bank loans. Processors are also linked to SIDO (Small Industries Development Organisation) our partner in Meatu which provides loans for small and medium enterprises.

1.3 Sisal production and sales

The project has introduced raspadora machines in Kishapu district through a loan scheme channelled through Katani Ltd. We initially provided five machines in 2009 to phase one processors, and ten machines in 2012 to phase two processors. Currently the project area has a total of 40 raspadoras in Kishapu district and five in Meatu, 20 of them obtained through this project and 25 were obtained by local entrepreneurs.

In Kishapu, there are 15 small processors (seven women and eight men) funded under this project and we have compared figures of 11 local entrepreneurs to see how well they are doing comparatively. On table five, those processors indicated in yellow have produced more compared to the same period in 2014. However, overall processing volumes in Kishapu are up from 78,119kg for the same period in 2014 to 114,690kg in 2015. If you include the 11 entrepreneurs who are also receiving the same training as the 15 processors, Kishapu has processed 255,591kg. In Meatu, the five new processors have sold 15,261kg so far which is a good start considering they only started processing in August. Together both regions have processed 277,244kg which has all been sold for £128,134 with a profit of £50,091 which is good compared to 2014/15 where the profit was £110,176 for 12 months - the most productive months are yet to begin. See below for a full breakdown of sisal processed and revenue over the past four years.

Table two – Income and fibre production year on year

Year	Number of machines	Fibre production (kg)	Revenue (TZS)	Revenue (GBP)
2012/2013	15	74,529	71,031,400	£ 25,253
2013/2014	21	102,460	105,943,640	£ 37,665
2014/2015	35	273,914	309,903,350	£ 110,176
*2015/2016	45	277,244	360,417,200	£ 128,134

The number of sisal processing machines has been increasing yearly because of the obvious economic benefit of working higher up in the sisal value chain. To date there are 45 processing machines; 20 machines out of the 45 were introduced by Oxfam to support small producers through loan basis and of the remaining 25 machines, 10 are privately owned by Oxfam processors and 15 are owned by non Oxfam processors. These individual processors saw the opportunity to enter into higher value production areas. The increase in

the number of machines goes parallel with an increasing fibre production which ultimately raises revenue for 3,422 small producers.

Table three – Profit and loss account (includes Meatu)

Item	TOTAL	TOTAL GBP
Fibre production (kg)	277,244	
Brushed fibre sold (kg)	-	
Brushing and sorting loss (kg)		
Profit and Loss Account		
Earned income (TZS)		
Sales of brushed fibre		
Sales of unbrushed fibre	360,417,200	128,134
Sub-total (TZS)	360,417,200	128,134
Value of fibre sold through other chanel	-	-
Total income (TZS)	360,417,200	128,134
Expenditure (TZS)		-
Fibre purchase from farmers by processors	138,622,000	49,282
Fuel (diesel)	19,961,568	7,097
Lubricants	2,217,952	789
Water	221,795	79
Wages for security guard	3,326,928	1,183
Fibre transport to collection centre	-	-
Loading/offloading to TANCORD	-	-
Fibre transportation to TANCORD	-	-
Fibre upkeep at TANCORD	-	-
Brushing charge	-	-
Maintenance of raspadoras	3,049,684	1,084
Wages for raspadora crews	49,903,920	17,742
Other	2,217,952	789
Fibre transportation to brushing centre	-	-
Fibre sorting	-	-
Total expenditure (TZS)	219,521,799	78,044
Gross profit/loss (TZS)	140,895,401	50,091

Table four – Production split by male and female compared to 2013 and 2014

Kishapu processors excl non association members						
	Mar-13		Mar-14		Sep-15	
Male	31,568	31%	58,651	30%	53,770	47%
Female	70,892	69%	138,872	70%	60,920	53%
	102,460		197,523		114,690	
Including non association member						
	Mar-13		Mar-14		Sep-15	
Male			135,042	49%	201,063	77%
Female			138,872	51%	60,920	23%
		-	273,914		261,983	
Processors excl non association members						
	Mar-13		Mar-14		Sep-15	
One	54,581	53%	111,800	57%	44,049	38%
Two	47,879	47%	85,723	43%	70,641	62%
	102,460		197,523		114,690	
Processors Meatu						
	Mar-13		Mar-14		Sep-15	
Male					2,600	17%
Female					12,661	83%
					15,261	
					277,244	

The gap between the male and female producers is reducing with men processors accounting for 47% and women 53%. Therefore, the women are producing less which is due to one female processor Fatuma Said Ally who accounted for 45% of all sisal processed in 2014/15 but in 2015 is only responsible for 24%. When comparing Phase one and Phase two processors, Phase two processors account for 62% of all sisal processed which is a significant increase from 43% in the previous year.

Loan repayments continue to be an issue, in the last six months only one of the 15 processors have made a payment.

Overleaf is a full breakdown of how much sisal each processors processed over the past six months.

Table five - Sisal fibre production for six months (April 2015 – September 2015)

Processor		Production April 2015 to March 2016 (Kg)												
Kishapu	Phase one or two processors	April	May	Jun	Jul	Aug	Sep	Total April 2015 to September 2015	Average over 12 months 2015	Total April 2014 to March 2015	Average over 12 months 2014	Total to date April 13 to March 2014	Average over 12 months 2013	% increase in production
		One	-	-	-	-	-	-	-	-	-	11,430	953	8,706
Two	2,254	2,200	2,300	2,000	1,400	1,238	11,392	949	10,446	871	7,715	643	9%	
Two	124	1,100	550	700	800	300	3,574	298	1,560	130	2,010	168	129%	
Two	4,357	3,000	3,049	3,000	2,000	3,056	18,462	1,539	26,713	2,226	7,193	599	-31%	
One	5,000	5,612	4,030	5,000	4,450	3,500	27,592	2,299	90,571	7,548	39,575	3,298	-70%	
Two	993	700	800	300	770	770	4,333	361	7,232	603	2,170	181	-40%	
Two	750	3,500	425	320	463	639	6,097	508	9,500	792	7,039	587	-36%	
Two	420	500	505	450	-	380	2,255	188	3,550	296	4,856	405	-36%	
One	-	-	2,100	2,400	2,350	3,600	10,450	871	3,422	285	4,030	336	205%	
Two	-	-	500	480	1,000	740	2,720	227	4,208	351	3,649	304	-35%	
One	1,000	630	670	570	-	-	2,870	239	3,877	323	2,095	175	-26%	
Two	3,000	3,000	1,420	2,300	1,802	1,500	13,022	1,085	5,599	467	2,503	209	133%	
Two	545	480	518	428	565	624	3,160	263	4,106	342	2,913	243	-23%	
Two	1,627	800	780	1,039	370	1,010	5,626	469	12,809	1,067	7,831	653	-56%	
One	2,026	-	-	400	-	711	3,137	261	2,500	208	175	15	25%	
Sub total		22,096	21,522	17,647	19,387	15,970	18,068	114,690	9,558	197,523	16,460	102,460	8,538	-42%
(b) Non association members		April	May	Jun	Jul	Aug	Sep	Total April 2015 to September 2015	Average over 12 months 2015	Total April 2014 to March 2015	Average over 12 months 2014	Total to date April 13 to March 2014	Average over 12 months 2013	% increase in production
		3,055	870	930	1,300	1,000	800	7,955	663	15,994	1,333			-50%
		2,000	3,000	4,000	2,000	3,000	1,190	15,190	1,266	28,250	2,354			-46%
		2,000	605	711	605	1,330	1,023	6,274	523	9,773	814			-36%
								-	-	9,164	764			-100%
								-	-	13,210	1,101			-100%
		3,150	1,000	6,000	3,000	6,000	3,032	22,182	1,849	-	-			#DIV/0!
		1,500	5,000	14,000	9,000	10,000	6,000	45,500	3,792	-	-			#DIV/0!
		4,200	4,600	3,500	4,120	3,500	8,000	27,920	2,327	-	-			#DIV/0!
			2,000			1,600		3,600	300	-	-			#DIV/0!
		3,000	2,000	1,680	1,400	1,700	2,500	12,280	1,023	-	-			#DIV/0!
		-	-	311	141	3,440	2,500	6,392	533	-	-			#DIV/0!
		18,905	19,075	30,821	21,425	28,130	22,545	147,293	12,274	76,391	6,366			93%
TOTAL		41,001	40,597	48,468	40,812	44,100	40,613	261,983	21,832	273,914	22,826			-4%
Meatu														
						589	4,000	4,589	382	-	-			
						210	5,000	5,210	434	-	-			
						777	2,085	2,862	239	-	-			
						-	2,600	2,600	217	-	-			
						-	-	-	-	-	-			
						1,576	13,685	15,261	1,272					
						61,646	72,366	277,244	23,104					

1.4 Leaf suppliers

In 2015 we identified 77 large scale leaf suppliers and linked them to the 15 Oxfam processors. Over the past six months the number of leaf farmers supplying the 15 processors has grown from 960 to 2,160. Our partner REDESO have handed over the coordination of leaf harvesting and transportation to the processors over to the processing units, however it has been difficult to organise as many leaf farmers cut sisal when they need cash which doesn't always coincide with when processors need the leaves. We are continuing to work on better coordination.

1.5 Training on business management

22 processors from Kishapu district (15 existing Oxfam processors and 7 private processors) and 5 from Meatu district were trained on amongst other things; business management skills to enable them effectively manage their business. In addition capacity building on operation of sisal processing units was conducted for 10 new raspadora crews from Meatu district working for the five new Oxfam processors. The trained processors have been able to improve the quality of fibre produced and the efficiency of production while reducing operation costs.



New processors from Meatu district working in the drying yard

1.6 Product development

Last year 51 sisal producers (21 women and 30 men) from Unyanyembe and Migunga villages trained on how to make animal feed from sisal waste. An animal feeding trial was conducted and completed In March 2015.

The trial involved two isolated cows which were fed on sisal waste and their weights monitored for a period of 71 days. The result showed weight gain for both mixes however the winning mix included 20kg of sisal waste and 4kg of bran and maize. The cows were also grazed on natural pasture for one hour a day.

Table six – animal feed trial

Animal	Initial wt (Kg.)	Final wt. (Kg)	Wt. gained (Kg.)	% increase	Cost to make (GBP)	Sale price (GBP)	Gross profit (GBP)
Black	192	270	78	71%	71	124	53
White	201	246	45	82%	57	121	64

The results were shared amongst farmers in Kishapu district exchange visits and at two events including the Small Industries Development Organisation (SIDO) exhibition which took place in Shinyanga June 2015 and the Lake Zone National Farmers’ Exhibition in Mwanza in August 2015. The Kishapu District Executive Director Mrs. Jane Mtagulwa who holds an important position as head of the District council is now one of our major customers for this product and she carries a lot of influence in the community so we are hopeful about the feed take-up rate. Currently farmers are using sisal residuals to feed their cattle particularly during the dry season when there is limited availability of pasture, as well as making animal feed to sell on. So far 3,360kg of sisal feed has been made and 2,100kg sold on for 4p per kg.



Bags of cattle feed made from sisal residuals for sale

The proposed use of sisal in roof tiles has been delayed due to the Tanzania Bureau of Standards taking so long to test the tiles. Therefore we have sought technical advice from the National Housing Building research Agency (NHBRA). They have experience in making roofing tiles and other building material for construction of low cost houses. Ten youths from three youth groups are being trained by the NHBRA on how to make roofing tiles and interlocking clay-cement bricks and we will report on their progress in the next report.

1.7 Capacity building of small sisal producers on sisal quality

22 small producers (10 existing Oxfam processors and 7 private processors) and 5 from Meatu district were trained on sisal quality management through the production chain. This included practical training in the sisal fields including good harvesting techniques, leaf handling before processing, machine setting, efficient processing, fibre handling and sorting. As the number of sisal processing

entrepreneurs is increasing as new processors enter the market the project continues to help build their skills to manage their businesses effectively.

1.8 Peer sisal quality assessments

This is a form of peer-led self assessment where processors visit each other and conduct an assessment of sisal quality and offer recommendations to improve the processing systems. 20 processors were involved in this exercise (5 in Meatu and 15 in Kishapu). Five processing units in Kishapu were visited and four of them were considered by their peers to have good quality management practices while one was considered to be poor. In Meatu, five processing units were visited of which three were considered to be of good quality and two were considered to be poor.



Capacity building training for Meatu and Kishapu processors

Challenges identified include sun scorched leaves due to storing leaves for too long before processing. It was recommended to have better coordination between farmers and processors to decide when to harvest leaves. Another problem was partial decortication due to poor machine setting on the raspadoras and mixing of short and long fibres was also identified which reduces the grade quality.

After the assessment and recommendation, some of the processors who had been rated poor were revisited by the partner, Oxfam's sisal Value Chain Advisor and a district

official and were found to have improved their quality management practices.

2.0 Improve sisal hedges and sisal production systems

The project continues to promote management of the existing hedge sisal and establishment of new sisal fields through capacity building and demonstration plots for sustainable leaf supply.

2.1 Capacity building on sisal nurseries establishment

The project is scaling up in Meatu district where farmers lack knowledge on sisal agronomic practices. The project conducted training on nursery establishment and management for 13 farmers from Meatu district (4 women and 9 men). Farmers in Meatu have established a 5 acre sisal nursery plot and in conjunction with the two nursery plots established in 2014 now have 6 acres. In February, the 2014 one acre nursery plot plants can be planted out covering ten acres. The following February 2017 they can be planted out into the main sisal fields. Six acres will eventually cover 60 acres of field sisal.

In Kishapu where farmers have knowledge of nursery establishment; the farmers have been reminded to start early collection of bulbils (sisal seedlings) between June and July for this year's cropping season in November when the rains come. In Kishapu they have 8.5 acres of sisal nurseries and 116 acres of field sisal.

2.2 Management of hedge sisal



Sisal nursery by new sisal farmer in Meatu district

Hedge sisal is still major source of sisal leaves. Following increasing demand for sisal leaves caused by attractive sisal prices most farmers now realise the importance of managing their sisal hedges. The remaining challenge to the hedge sisal is over harvesting which threatens future availability of sisal leaves. In this reporting period, meetings were held in ten villages in Kishapu reaching 96 farmers (34 female and 65 males) on good management of sisal hedges which was done parallel with meetings for early collection of bulbils (sisal seedlings). So far 18 acres of field sisal planted under this project has been harvested providing 4,506kg of fibre with a value of £2,083.

3.0 Women economic empowerment and leadership

3.1 National Farmers' Exhibitions in Lake Zone



Tabu with her trophy



Tabu showing off her processing unit

Tabu Hashim, a female sisal farmer and Oxfam sisal processor won second prize at the 2015 National Farmers Exhibition held in Mwanza. Tabu was assessed against a seven point criteria including record keeping, collaboration with other stakeholders and knowledge of market information etc. Tabu was encouraged to attend by Oxfam partner staff to represent other sisal producers and to promote their

products and encourage learning. Although Tabu is not the largest sisal processor from this Oxfam project, she represents a typical small scale producer. She shows that resourceful poor women farmers can be empowered and become nationally recognised for their achievement, increase their income and set a positive example for other women and men. Tabu was awarded cash and a certificate of recognition as one of the best farmers in Tanzania. Tabu also contributed to Kishapu District Council being awarded a trophy for their work on climate change adaptation by promoting drought tolerant crops such as sisal and sorghum and working with private sector partners.

3.2 Female Food Hero competition



Some of the trainees Fredina has trained under Oxfam projects in tie dye and soap making

Fredina Saidi is amongst many women empowered by the project. Last year she participated in the Female Food Heroes competition and made it to the final and won the climate change ambassador title. Fredina was just an ordinary woman from Shinyanga but now she is very active in influencing other women and men in development and gender equity issues. Because of this and other Oxfam interventions such as the Female Food Heroes competition, Fredina is a more confident woman when it comes to political issues as well. During this year's election she ran for the position of ward councillor and came third against five male candidates, but she is not disheartened and plans to stand again. Fredina also continues to work with Oxfam and has trained 293 women and men on income generating activities such as tie and dye, soap making, entrepreneurship, gender and HIV awareness.

3.3 Women actively participating in the sisal market system

The project strives to disrupt the market system in order to rebalance market power so that marginalised small producers particularly women can equitably benefit from the market. Women are involved in all levels of the value chain from production to marketing. Currently more than 50% of fibre is produced by women and women earn more than 50% of the total revenue. Additionally women own 18 processing units machines out of 45 (40%) with one woman Fatuma Ally Said owns eight raspadoras and the trend is going up.

3.4 Women groups supporting women rights

Women groups formed under this project don't just focus on economic empowerment but have also become an arena for women to broaden awareness of their rights. The groups have been linked with other networks like the Tanzania National Gender Programme. Through these connections and with Oxfam's support and encouragement, the Muungano women group of Isoso village in Kishapu district have established a gender desk where women can come for advice and support. The Kishapu District Council have certified the Muungano women group to take on this activism role in their community on

violence against women. The group also were involved in the development of a TV programme to promote a campaign for the provision of water services which was broadcasted nationally.

In the previous report we trained 30 women in Sukumu land on their land rights. Since then villagers in Ukeyenge have requested the district government to measure their land boundaries and issue land title. To reduce any delays on the governments part the villagers have agreed to share the costs of measuring the land.

Tabu Hashim – award winning sisal farmer



Tabu Hashim (left) is a 43 year old widow with four children from Mipa Village in Kishapu district. She currently owns 13 acres of field sisal and also owns a raspadora processing unit funded by Oxfam.

Tabu appreciates how the project has changed her life, she is currently building a new house, can pay her children's school fees and has bought two livestock. Not only has the project enabled her to support her family but it has opened her eyes towards entrepreneurial opportunities available to her. Her hard work has not only benefitted her family but also community members especially farmers who supply sisal leaves to her

processing plant where they earn TZS 500/= per kg as well as the employees at her processing plant.

Tabu says *“Despite these achievements, transport is still a major challenge to the production especially during the rainy season. The oxcart we use to collect the leaves cannot be used when seasonal swamps are full of water but the rainy season is the best time to crop and process sisal leaves as there is more water available. Therefore it can be months before we can pick up the sisal leaves to process them. The leaves lose a lot of moisture once cropped so this reduces fibre quality”*. However Tabu sees this as another opportunity look at using a different more efficient transport system in future.

3.5 SIDO exhibition

Small sisal producers participated in the Lake Zone Small Industries Development Organisation (SIDO) Exhibition which took place in Shinyanga in June 2015. SIDO is our partner in the Meatu district. Oxfam processors were able share the project's successes with political leaders, government officials, traders and the general public. A great achievement from this event was the promotion of our sisal animal feed product, where we found four new buyers.

3.6 Research for higher education studies

Two higher education students have requested to include the Oxfam project in their studies on the sisal value chain. Wilson Katunzi, a PhD student from Open University of Tanzania will include a study on the impact of climate change and Bwigane Ushwege from the Sokoine University of Agriculture is developing a case study on the sisal value chain for his MBA Agribusiness Studies. Academic documents from the two students will be useful for our programme learning and to share with other stakeholders.

3.7 Tanzania Fund visit to Shinyanga



In July 2015 our friends and long term supporters of Oxfam's sisal project The Tanzania Fund visited from the UK, including Simon Laffin, Kit Bird, Beverley Chapman and Gillian Gunn accompanied by two Oxford Oxfam staff Tim Brown and Ayesha Ally.

In Shinyanga, they visited the sisal project they fund and were able to talk with those they have helped about the issues affecting small holder farmers and how they are being tackled. In addition they also met with Oxfam and partner

staff to discuss the programme and give feedback on the tour to the Tanzania office. We greatly appreciate their long term support for this project .

4. Expansion into Meatu

Under the previous report we stated that we have selected and trained seven farmers from six villages in Meatu. By August 2015 we have set up four processing units with a fourth up and running by November 2015.

Taking lessons from the Kishapu project we have planned this project slightly differently. The poor repayment rates for the Raspadoras has been an issue. In Meatu one of the reasons we chose to work with SIDO is because they are a government institution designed to work with small and medium enterprises with offices in Shinyanga so they will have closer contact with the processors. In addition the processors have signed a contract and will start to repay the loans much earlier from December 2015. Each machine costs 7,000,000 (£248) including 2,000,000 capital (£711). Another area we will concentrate on is putting more emphasis on establishing nurseries and field sisal farms much earlier on in the project.

In Meatu, so far 332 small processors have benefitted and we plan to target 2,000 by March 2017. There is no brushing centre as yet in Meatu, but the Katani centre in Kishapu under *Ndimbo Enterprises* is buying all the Meatu sisal for the same price as in Kishapu and transporting it for brushing. In Meatu. the five new processors have sold 15,261kg so far which is a good start considering they only started processing in August.

PROJECT ACHIEVEMENTS

The project has registered several achievements: increased the income of small producers, created employment especially for youth, built resilience of the community to the affects of climate change (drought), improved the livelihoods of rural communities, increased food security and empowered women economically and socially.

Number of beneficiaries

3,422 small producers directly benefit across various sections of production chain; including leaf harvesting, leaf transportation, machine operation, technicians, fibre brushers, fibre sorters, food vendors, operation supervisors and sisal traders.

Table seven – Project beneficiaries

Direct beneficiaries	Quantity
Farmers (leaf suppliers)	2160
Leaf cutters	126
Ox-cart owners	261
Leaf transporters	126
Transporters employees	252
Raspadora crews	189
Fibre transporters	7
fibre loading	13
Processors	45
Food vendors	27
Brushers	5
Brushing clerk	2
Fibre sorters	9
Fuel suppliers	7
Technicians	11
Women entrepreneurs	182
Total	3,422

Building resilience to impacts of drought

Sisal is relatively tolerant to drought, farmers rarely experience total crop failure for sisal due to drought while crop failure is common phenomenon for other field crops. Sisals drought resistance enables small producers in the dry lands of Shinyanga to earn a livelihood despite persistent drought.

Scale up of the sisal market model

The sisal business model developed in Kishapu is scaling up to other parts of Tanzania such as Meatu under Oxfam and Bariadi, Maswa, Mara and Geita. Practicability and viability of the model enabled small producers to easily adopt the model for their context.

Improved food security

Households in the sisal project are relatively food secure as sisal becomes an alternative source of income for buying food especially during the dry season when most households have finished their harvested food and sold all their cash crops.

Increased processing capacity

The amount of sisal processed has grown year on year due to the work done under this project to attract new buyers which has led to competition in the market. Bargaining pressure from farmers and processors demanding better benefits and prices has led to a stable sisal price and charges for transportation and brushing being pushed onto the buyers. The tables below show the increase in un-brushed fibre sold and the increase in price over the last four years.

Table eight – Sisal pricing year on year

Year	Average price per kg (TZS)	Average price per kg (GBP)
2012/2013	953	0.34
2013/2014	1,034	0.37
2014/2015	1,131	0.40
2015/2016	1,300	0.46

The amount of sisal being harvested in just six months has already surpassed that processed for the whole of 2014/15. In addition average income over the past six months is at £37 compared to the same period last year at £29.

Table nine – Income and fibre production year on year

Year	Number of machines	Fibre production (kg)	Revenue (TZS)	Revenue (GBP)
2012/2013	15	74,529	71,031,400	£ 25,253
2013/2014	21	102,460	105,943,640	£ 37,665
2014/2015	35	273,914	309,903,350	£ 110,176
*2015/2016	45	277,244	360,417,200	£ 128,134

CHALLENGES

Despite the achievements of the project there have been a number of challenges;

- Although sisal can tolerate limited irrigation, water is essential for processing and the growth of young sisal in nurseries. Limited water availability in the district means processors do not wash fibre during processing, which lowers the quality of the fibre sold. On average the rainfall is 597mm per year however, in November 2015 the rains were below average again this year.
- The increased number of sisal processing machines has resulted in increased demand and competition for green leaves, leading to demand outstripping supply. This should improve as more field sisal comes to maturity.
- Transformation from hedge sisal to field sisal is taking time because farmers focus on annual crops which yield within a short period, as opposed to long term crops such as sisal which take at least three years before they can be harvested. Local Government Agricultural Officers are working with partners to encourage a better take up rate.
- Most landowners are not willing to use or offer their land to other farmers for long term cultivation. This has been a barrier to expansion of sisal fields, particularly for women. We are working with communities to encourage communal land and school land to be used to establish field sisal plots.

Budget

Reporting Period: 1 April to 31 Sept. 2015

Budget Line Description	Budget	Expenditure	Variance	Variance %
Strengthen sisal market associations and link them to Savings and Credit Cooperatives (SACCOS) and potential national and international sisal markets	2,500	937	1,563	63%
Facilitate sisal multi-stakeholders meetings, building the capacity of associations to run meetings and other stakeholder forum activities.	1,500	-	1,500	100%
Facilitate the introduction of 1 new raspadoras (sisal fibre processing machines)	4,000	-	4,000	100%
Introduce one new sisal brushing machines through partial loans and subsidies, to enable efficient processing and better quality produce	2,500	-	2,500	100%
Train 20 processors on business management and leadership skills	2,000	1,438	562	28%
Run 5 Farmer Field Schools so farmers can learn about the use of sisal residue by-products (for animal feed, organic manure, roof tiles, and biogas)	2,500	733	1,767	71%
Conduct business mentoring to processors, women entrepreneurs and nursery enterprise owners to enable them to create stronger business and market linkages	8,637	-	8,637	100%
Conduct quality assessment of sisal fibre grades and price setting mechanisms through Tanzania Sisal Board.	1,000	823	177	18%
Train 20 processors on sisal grading and price system management	2,500	1,231	1,269	51%
Train 50 commercial nursery owners (80% women) on nursery management techniques	1,000	297	703	70%
Train eight sisal Farmer Associations on sisal agronomic practices, harvesting post harvest management	2,000	-	2,000	100%
Train 200 farmers (at least 50% women) on the management and development of sisal hedges.	1,600	445	1,155	72%
Training of 40 trainers on leadership and business management so they can support enterprise leaders and entrepreneurs to develop their businesses	-	-	-	0%
Training for 75 women entrepreneurs on sisal fibre manufacturing handcrafts (making sisal fibre roofing tiles, baskets, carpets, mats, handbags, ropes, twines etc) using sisal fibre products	2,200	-	2,200	100%
Building capacity of women in the sisal value chain through the influence of Female Food Hero (Mama Shujaa)	-	-	-	0%
Study tour to Small sisal processors in Tanga and small sisal handcrafts enterprises	500	-	500	100%
Increase women's awareness on Land Act 1999 no. 5 (equal ownership of land) and organise dialogue with Local Government Authorities on land issues	1,100	-	1,100	100%
Raising awareness on gender and HIV and AIDS	1,500	30	1,470	98%
Conduct regular project monitoring reviews through field visits and learning events	4,500	1,552	2,948	66%
Conduct evaluation study of the project	4,500	-	4,500	100%
Documenting and sharing success	2,000	1,136	864	43%
Salary of Sisal Value Chain Advisor	17,377	6,738	10,640	61%
Misc support costs	5,100	1,386	3,714	73%
REDESSO staff salaries	8,820	6,131	2,689	30%
TOTAL	79,334	22,877	56,457	71%