Oxfam

Tanzania Agricultural Scale-Up Programme Sisal

Improving incomes, market access and disaster preparedness in Shinyanga, Tanzania

Year End Report

April 2014 to March 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

Report written by: Azimio Mbegu, Sisal Value Chain Advisor, Oxfam Tanzania,

Front cover: Nkinda Kulwa of Isoso village harvesting sisal from a group sisal farm. This is a new sisal farm harvested for the first time.
BACKGROUND

Shinyanga region is ranked 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 Sisal 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 878kg per day compared to 668kg as detailed in the previous report, which is a big improvement, but has capacity to process 2,160kg per day. The brushing and
Posters declaring the increased price for sisal fibre at two processing units. The price has since risen to TZS 1300 per kg

Sorting losses have reduced down to 7% in 2014 from 17% in 2013. This is in part due to competition and a good rainy season, which enabled better washing of the fibres in 2013, however the rains in 2014 have not been as good.

Competition in the project area has been increasing with both the Kishapu centre under Ndimbo Enterprises, and Mohammed Enterprises, who are a large scale processor with large sisal estates in Tanga and a spinning factory in Morogoro. Mohammed Enterprises was the usual buyer in this area for unbrushed fibre before this project began. At present Mohammed Enterprises offers TZS 1,000 per KG for unbrushed fibre so processors are saving TZS 300 on brushing and transport. The Kishapu centre was buying at the beginning of 2014 brushed fibre for TZS 1,200 which is TZS 100 more than last year. However, three more sisal buyers have entered the market; Mianza General Supplies, Toronto Sisal Estate and SAS Company. In a bid to gain more sellers Ndimbo have now increased the price for unbrushed fibre by 36% and have also introduced a transport service for processors for which they only contribute towards fuel costs. The price for brushed fibre is now TZS 1,400 per kg. So in the space of one year, processors can sell their unbrushed fibre for the same price as they were selling their brushed fibre.

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.

1.2 Linking small producers to financial services

Eight Market Association leaders were trained in business and leadership skills to manage their associations efficiently. Specific areas of training were; financial management, community mobilisation and development of association constitution. 277 small sisal

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producers have been trained in the establishment of SACCOS (Savings Credit Cooperative Society) and 40 farmers trained on micro financing.

The Market Associations (MAs) enable farmers to sell collectively, control quality and thus enhance their bargaining power. The associations also operate a savings and loans scheme, however the loans are quite small. The Savings Credit Cooperative Society (SACCOS) is the next step to help MAs link to local banks for much larger loans. The SACCOS have 98 members (76 women and 22 men), are legally registered with the government and to date they have collected membership fees and shares1 worth TZS 1,260,000 (£453). Members have decided not to start giving out loans until they have increased their saved capital.

Six MAs are functioning (two with 15 members working as processors and five are women’s groups) with 110 members involved in production of sisal products like door mats, sisal ropes, wall decoration, earrings, glass covers, table mats and pen/jewel containers. The project has supported these groups by empowering the association leaders and members through training, workshops and meetings.

1.3 Stakeholder forums

The project facilitated three stakeholder meetings with small sisal producers, private sectors (Katani Ltd and Ndimbo Enterprises), Government body (Tanzania Sisal Board), Local government (Kishapu and Meatu district councils), Local NGO (REDESO), service providers (SIDO, TCCIA) machine manufacturers and the project’s business mentor. Two of these were in Kishapu in April and August 2014 and one in Meatu in February 2015. Key issues raised and discussed in Kishapu included roles of each stakeholder, improved production and quality, sisal price negotiation, trade contracts and loan repayments. In the later meeting with new buyers entering Kishapu market, the discussions included how to enhance collaboration amongst chain actors and service providers, establish transparency and fair economic gains, and establishment of rules and regulations for power balance amongst the chain actors. Meatu is a new project area, so this first meeting was to create awareness and share experience of the project in Kishapu. We have already identified potential stakeholders such as hedge owners, prosperous processors, local government leaders and experienced stakeholders from Kishapu, to be involved in future meetings.

Following the previous meeting in April 2014, processors complained that they had improved their processes, but the price they were paid had not increased. The business mentor, paid for under this project, visited the Tanzania Sisal Board, Katani Ltd and Ndimbo Enterprises to discuss the issue and Katani announced an increase of TZS 100, bringing the price to TZS 1,200 per kg of brushed fibre. However, with three new buyers entering the market in the last six months Katani have increased their price to TZS 1,300 per kg (for unbrushed fibre).

1.4 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

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¹ Shares are the amount of money deposited by SACCOS member for mutual ownership of the SACCOS which will be used to calculate distribution of benefit to each member
processors, and ten machines in 2012 to phase two processors. By the end of 2014 we planned to provide five machines in Meatu district through our partner Small Industries Development Organisation (SIDO), however this has been put back to June 2015. Currently the project area has a total of 28 raspadora in Kishapu district, 15 of them obtained through this project and 13 were obtained by local entrepreneurs.

There are 15 small processors (seven women and eight men) funded under this project and we have compared figures of five local entrepreneurs to see how well they are doing comparatively. On the table overleaf those processors indicated in yellow have produced less compared to the same period in 2013. However, overall processing volumes are up from 102,460kg for the same period in 2013 to 197,523kg in 2014. If you include the five entrepreneurs who are also receiving the same training as the 15 processors, the region has processed 273,914kg, which has all been sold for £80,206 with a profit of £26,061. See below for a full breakdown of the profit and loss accounts.

Table one – production split by male and female compared to 2013

<table>
<thead>
<tr>
<th></th>
<th>Excluding non association member</th>
<th>Including non association member</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sep-14</td>
<td>Sep-13</td>
</tr>
<tr>
<td>Male</td>
<td>58,651</td>
<td>30%</td>
</tr>
<tr>
<td>Female</td>
<td>138,872</td>
<td>70%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>197,523</strong></td>
<td><strong>102,460</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Year one vs two processors</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sep-14</td>
</tr>
<tr>
<td>one</td>
<td>111,800</td>
</tr>
<tr>
<td>Two</td>
<td>85,723</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>197,523</strong></td>
</tr>
<tr>
<td>Item</td>
<td>TOTAL</td>
</tr>
<tr>
<td>----------------------------------------</td>
<td>-----------</td>
</tr>
<tr>
<td>Fibre production (kg)</td>
<td>197,523</td>
</tr>
<tr>
<td>Brushed fibre sold (kg)</td>
<td>126,751</td>
</tr>
<tr>
<td>Brushing and sorting loss (kg)</td>
<td>10,904</td>
</tr>
</tbody>
</table>

**Profit and Loss Account**

**Earned income (TZS)**

- Sales of brushed fibre: 144,900,600 (52,179 GBP)
- Sales of unbrushed fibre: 77,830,200 (28,027 GBP)

**Sub-total (TZS)**: 222,730,800 (80,206 GBP)

- Value of fibre sold through other channels: - ( - GBP)

**Total income (TZS)**: 222,730,800 (80,206 GBP)

**Expenditure (TZS)**

- Fibre purchase from farmers by processors: 96,936,400 (34,907 GBP)
- Fuel (diesel): 13,826,750 (4,979 GBP)
- Lubricants: 1,365,300 (492 GBP)
- Water: 151,700 (55 GBP)
- Wages for security guard: 4,551,300 (1,639 GBP)
- Fibre transport to collection centre: - ( - GBP)
- Loading/offloading to TANCORD: - ( - GBP)
- Fibre transportation to TANCORD: - ( - GBP)
- Fibre upkeep at TANCORD: - ( - GBP)
- Brushing charge: - ( - GBP)
- Maintenance of raspadoras: 2,730,800 (983 GBP)
- Wages for raspadora crews: 23,702,800 (8,535 GBP)
- Other: 2,275,600 (819 GBP)
- Fibre transportation to brushing centre: 4,817,900 (1,735 GBP)
- Fibre sorting: - ( - GBP)

**Total expenditure (TZS)**: 150,358,550 (54,144 GBP)

**Gross profit/loss (TZS)**: 72,372,250 (26,061 GBP)
### Table three - Sisal fibre production for 12 months (April 2014 - March 2015)

<table>
<thead>
<tr>
<th>Phase one or two</th>
<th>April</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
<th>Jan</th>
<th>February</th>
<th>March</th>
<th>Total April to March 2015</th>
<th>Average over 12 months</th>
<th>Total to date April 13 to March 2014</th>
<th>Average over 12 months 2013</th>
<th>% increase in production</th>
</tr>
</thead>
<tbody>
<tr>
<td>One</td>
<td>900</td>
<td>650</td>
<td>800</td>
<td>360</td>
<td>560</td>
<td>560</td>
<td>500</td>
<td>410</td>
<td>4,000</td>
<td>2,000</td>
<td>1,500</td>
<td>1,430</td>
<td>5,870</td>
<td>725</td>
<td>31%</td>
<td>599</td>
<td>27%</td>
</tr>
<tr>
<td>Two</td>
<td>-</td>
<td>200</td>
<td>700</td>
<td>480</td>
<td>500</td>
<td>550</td>
<td>1,250</td>
<td>1,314</td>
<td>700</td>
<td>1,000</td>
<td>2,000</td>
<td>10,446</td>
<td>7,715</td>
<td>645</td>
<td>35%</td>
<td>7,059</td>
<td>23%</td>
</tr>
<tr>
<td>Total</td>
<td>270</td>
<td>850</td>
<td>800</td>
<td>480</td>
<td>1,060</td>
<td>1,060</td>
<td>1,950</td>
<td>2,064</td>
<td>1,700</td>
<td>3,000</td>
<td>3,000</td>
<td>26,713</td>
<td>19,762</td>
<td>16,460</td>
<td>8,538</td>
<td>20,303</td>
<td>32%</td>
</tr>
<tr>
<td>One</td>
<td>1,950</td>
<td>2,057</td>
<td>3,100</td>
<td>2,101</td>
<td>1,012</td>
<td>1,131</td>
<td>2,181</td>
<td>3,244</td>
<td>3,120</td>
<td>3,175</td>
<td>3,175</td>
<td>26,713</td>
<td>19,762</td>
<td>16,460</td>
<td>8,538</td>
<td>20,303</td>
<td>32%</td>
</tr>
<tr>
<td>Two</td>
<td>1,150</td>
<td>1,500</td>
<td>2,100</td>
<td>1,500</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>10,446</td>
<td>7,715</td>
<td>645</td>
<td>35%</td>
<td>7,059</td>
<td>23%</td>
</tr>
<tr>
<td>Total</td>
<td>2,079</td>
<td>1,948</td>
<td>2,200</td>
<td>1,500</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>26,713</td>
<td>19,762</td>
<td>16,460</td>
<td>8,538</td>
<td>20,303</td>
<td>32%</td>
</tr>
</tbody>
</table>

Average monthly production of processors ranged from 130kg to 7,548kg with an overall average of 16,460kg compared to 8,538kg for the same period in 2013. Women are processing the most with 70% of the total volume, which is mainly due to Fatuma Said Ally, however, if you include the new entrepreneurs (which are all men) that is reduced down to 51%. The difference in processing volume between the phase one and two processors has increased with a 57% share for phase one and 43% for phase two. The total volume processed was 197,523kg by the processors under this project.
The number of processors paying back their loans has increased from six to seven, with £3,586 paid back so far, including Yusuph Mboje who has had financial issues in the past but has increased his production by 1329% in 2014. However, repayments are low and this still continues to be an issue.

1.5 Identification of potential leaf suppliers
Seventy seven potential leaf suppliers in Kishapu District were identified (31 female, 46 male), and linked to 15 processors to establish trade relationships. These are farmers who supply relatively large volumes of sisal leaves compared to other farmers (supply at least two oxcarts of sisal leaves per week equivalent to 112 kg of fibre). The aim of identifying these farmers is to develop coordination between leaf supply and processing which will add value through a collective operation like synchronizing leaf harvesting, transportation and subsequent reduced production costs. This coordination role was initially taken on by our partner REDESO, but will now be taken on by the processors themselves.

About 960 sisal smallholder farmers (460 male, 500 female) in Kishapu district are now well linked to the market as they can easily sell their sisal fibre or leaves through alternative markets available in the district. Of those 960 farmers, 720 are selling to the 15 processors. Ndlimbo enterprise is the main buyer of fibre in the district with a permanent buying centre at the district headquarters. Others are Mohamed Enterprises, long established in the trade, with newcomers Mianza General Supplies, Toronto Sisa l Estate and SAS Company who began buying sisal from Kishapu in January 2015.

1.6 Introduction of new sisal brushing and pressing machines
The project planned to introduce four brushing machines and four pressing machines. Two brushing machines have been introduced in the Kishapu brushing centre (equivalent to three brushing units) with capacity to brush 2,160 kg per day (current average fibre supply from processors is 878 kg per day). Given the capacity of available machines exceeding average daily fibre supply, we have decided to place the two new brushing machines in Meatu district next year when sisal processing starts there.

On the other hand Oxfam has advised Katani Ltd to introduce a pressing machine in Kishapu, since fibre pressing currently is done manually producing a final bale weight of 50kg. A medium hydraulic press is capable of pressing sisal bale of 100 kg, so the sisal press will reduce fibre transport cost by 50%. The company has had difficulty in finding a large press supplier and it will probably have to be imported, which may cause more delays. The introduction of this machine will reduce the number of fibre bales and thus minimise transport costs for Katani and the processors.

1.7 Establishment of farmer field schools
Four Farmer Field Schools (FFS) have been established, two in Kishapu district and two in Meatu district. In Meatu, the FFS are based in the Ntobo village (with 10 farmers) and in the Sakasaka village (with 12 farmers). These are new project areas where farmers lack knowledge on sisal farming. Farmers in the FFS groups in September 2014 learned how to establish and manage sisal nursery as well as the use of sisal waste for field manure. All operations in the FFS will be conducted by farmers themselves, with a facilitator guiding them. Operations included bulbils collection, site selection and clearance, manure application, nursery plot layout and planting. FFS groups in Meatu will manage the two
nurseries set up in 2014 for about one year when seedlings will have grown for transfer to permanent field.

In Kishapu District, the farmers in the two FFS in Unyanyembe and Migunga villages were trained in October 2014 on the utilisation of sisal waste. This training involved using sisal waste for animal feed and as organic fertiliser. We trained 51 sisal producers (21 women, 30 men). We had previously trained farmers on how to make fodder using sisal waste however the animals didn’t like the feed, so this training included techniques to entice livestock to accept new feed mixes. So far the animals are eating the feed and are gaining weight, which is being monitored by REDESO and the results of the best mix will be ready by July 2015.

1.8 Business mentoring to small sisal producers
The business mentor visited small sisal producers in Kishapu each month to coach and advise them on business aspects. During the visits sisal processors, women entrepreneurs and sisal farmers were coached on record keeping, financial management, loan repayment, production planning and sisal marketing. The mentor participated in the learning events and sisal stakeholders meetings. The last mentor visit was in October 2014.

1.9 Review and develop price setting mechanisms
Tanzania Sisal Board (TSB) as the regulatory authority releases indicative prices for premium grades of sisal fibre on a monthly basis. According to the TSB their indicative prices reflect the United Nations Food and Agriculture Organisations (FAO) price recommendations for sisal fibre and twine. Sisal producers in Kishapu receive monthly price information from the TSB to enable them to bargain for the best price.

Source: TSB

1.10 Participatory sisal quality assessment
The TSB, through its Department of Quality Assurance, monitors the quality of sisal fibre and products throughout the country. Small sisal producers in Kishapu in 2013 were visited by Quality Assurance Officers who conducted a sisal quality assessment and trained 15 processors. This was followed by training in March 2015 for a further eight processors and the previous 15 trained in 2013.

The training focused on quality improving techniques such as selection of good sisal leaves, early decortications, protection of leaves against sun scorching and proper machine settings for better decortications leading to improved quality. In addition, they visited six processing units and the Kishapu centre for practical lessons on how to assess quality levels of the sisal they sell. However, limited water availability remains one of the biggest challenges to sisal quality.

Quality is a key factor determining the price of sisal. Interventions to improve quality, supplemented with provision of market information, stakeholders meeting, producers association meeting, study visits and capacity building on negotiation skills, contributed to an increase of price from an average of TZS 953 per kg of un-brushed fibre the year 2013/14 to TZS 1,300 per kg of un-brushed fibre this year. Current price and revenue increases not only
motivated existing small sisal producers to increase production volume, but also attracted new entrants to the sisal business.

1.11 Training of processors on sisal grading
Quality assessment is a continuing process which will be done each year, and refresher training was provided in 2014 to 20 processors on sisal grading. The training included 15 processor association members and the five non association members. A further 22 stakeholders were also trained on sisal grading, including sisal farmers, machine operators and women entrepreneurs. The total number of people trained on sisal grading in 2014 was 42.

The training focused on approved sisal fibre grade definitions by the TSB. There are 12 different types of sisal grades, which were introduced and their specification highlighted. (See annex one for a list of the gradings) Of all the grades of sisal, processors in Kishapu are producing UMDS which is between grade five and six, but they could produce higher grades if adequate water was available for washing the fibre after decortication.

2. Improve sisal hedges and sisal production systems
The volume of sisal supplied is among the three critical success factors for small sisal producers to access sisal markets; other factors include quality and a consistent supply. Large volumes of sisal attract large sisal traders to purchase fibre from small producers. Farmers and processors are encouraged to increase the volume of their sisal through collective marketing, planting new sisal fields and managing the existing hedge sisal. The following activities have been conducted to contribute to growth in the volume of sisal supplied to the market.

2.1 Training of farmers on nursery establishment and management
A total of 387 farmers have been trained on sisal nursery establishment and management, consisting of 166 women and 221 men, and includes 17 new farmers. Farmers were trained on bulbils (sisal seedlings) collection, selection of good seedlings, site selection, manure application, sisal nursery layout, nursery planting and weed control. Six sisal nurseries in six villages (Unyanyembe, Itilima, Kishapu, Mwataga, Isoso and Bupigi) were established.

The trained farmers are knowledgeable on how to establish a sisal nursery and some have established their own sisal nurseries which all together make a total of five acres. The trained farmers collected bulbils in preparation for the establishment of new sisal nurseries when the rainy season started in November 2014. However the rains were poor in 2014 so only five additional acres were planted in the last six months. The sisal nurseries will supply planting material for the expansion of sisal fields: within a year the five acres of bulbils will cover 75 acres of field sisal. To date we have planted 116.5 acres of field sisal.

2.2 Awareness raising sessions on hedge sisal
Hedge sisal remains the major source of sisal leaves. Sensitization meetings on good management of hedge sisal for sustainable leaf supply were conducted in 30 villages. About 269 farmers (93 women and 176 men) participated. Methodologies used included presentations, discussion and video. Sensitisation meetings imparted knowledge on the
economic potential of hedge sisal and good management practices such as, weeding, manure application, gap filling and proper harvesting.

2.3 Training of farmers on sisal agronomic practices
The project provided training to farmers on good agronomic practices to improve production and productivity of sisal crops. To date, 1,069 farmers have been trained (481 in 2012, 131 in 2013, 327 in 2014 and 130 in 2015). These comprised 545 women and 524 men from 39 villages. The training focused on sisal farming techniques including, site selection and clearance, manure application, field layout, sisal planting, weed and pest control as well as intercropping such as sunflowers, groundnuts and beans.

![Sunflower intercropped in a sisal field](image)

2.4 Harvesting of new hybrid sisal
Sisal production in Kishapu district previously depended entirely on the supply of leaves from sisal hedges. This year for the first time farmers started harvesting sisal from new farms planted in 2010 under this project. Four new sisal plots (three owned by individual farmers and one owned by a group) produced 2,170kgs of good quality hybrid sisal fibre worth TZS 2,821,000 (£1,015). The sisal can be harvested every nine months, (every six months in areas where water is less scarce). Fibre production is expected to increase fibre output and reduce sisal hedge harvesting pressure.

3. Women’s economic empowerment and leadership
The majority of people living in poverty are women, due to inequitable resource allocation, fewer rights and fewer opportunities to make key decisions than men. As a result, there are few women in market systems and other profitable niches in agricultural value chains. This
project places special emphasis on women’s development by putting women at the centre of every intervention. Activities over the past year include:

### 3.1 Training of women on business and leadership skills

The training involved 32 women from 22 groups over five days in January 2015. Women were trained in marketing and sales strategy, sources of conflict and conflict resolution, leadership style, introduction to human behaviour and income generating activities. The conflict resolution session looked at conflict within producer groups, e.g. what to do when members don't adhere to group regulations and how to resolve them.

Facilitators used a combination of methodologies to impart skills and knowledge, such as group discussion and presentation, role plays, common case and new practical income generating activities such as soap making, body oil and tie dye.

### 3.2 Training for women on how to make sisal products

One hundred and seventeen women have been trained in how to make sisal products (51 in 2013, 24 in 2014 and 66 in 2015) including 24 who have had initial and refresher training in 2014/15. Products made include; door mats, table mats, glass covers, jewellery containers, Christmas baubles, balls and earrings. Trained women make sisal products at home and in groups which are then sold at local markets. Each woman on average can earn 36p per day selling their products.

### 3.3 Building capacity of women through the influence of Female Food Hero

The Female Food Hero (FFH) is an Oxfam designed campaign aiming to empower, inspire and support women in the food production sector by recognising women’s contributions and increasing their visibility.

This year, more than 4,000 women from all over Tanzania applied. The overall winner of the 2014 FFH competition was Bahati Muriga of Ukerewe District Mwanza Region. However, one of the sisal project beneficiaries, Fredina Saidi, who heads up her village sisal product group from Kishapu district, was one of 30 finalists and she won the Climate Change Adaptation Ambassador award. During the competition, the finalists were trained on various topics such as women’s leadership and empowerment, gender violence, land rights, value addition, modern agriculture and how to cope with climate change. Fredina Saidi has inspired her fellow women in the Kishapu District with her achievements and has also encouraged local women to plant trees, become sisal farmers and discuss domestic violence.

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In late 2014 the national winner of the Tanzania Female Food Hero competition Mrs Bahati Muriga visited female farmers in Kishapu district. Bahati demonstrated how her knowledge and practice of good agricultural practices, climate change adaptation and work to reduce gender based violence enabled her to win the competition. To the women farmers this was an eye opener and gave them much encouragement to continue with their efforts. Bahati learned from the women about their participation in the sisal value chain and was so impressed she has vowed to start a similar project for women in her district.

3.4 Processors’ study visits

One of two study visits was conducted in June 2014 which involved 15 small sisal processors (7 women and 8 men) who visited Tomas Kafula, a successful young sisal farmer in Mwabomba Village, Kishapu, to share experiences and the challenges of sisal farming.

In December 2014, 11 sisal producers from Kishapu visited Tanga to share experiences and network with their fellow sisal stakeholders in Tanga, who have more advanced sisal processing operations. They visited three small sisal processors, two sisal rope enterprises, the Mlingano Research Institute, one sisal handcraft enterprise and one sisal SACCOS. In addition, they participated in the National Sisal Day (Mkonge Day), which helped local farmers from Kishapu to be visible to a wider audience including sisal traders and public media.

During the trip the farmers met with local sisal buyers, which led to three new companies entering the Kishapu sisal market. This led to an increase in the sisal price from an average of TZS 953 per kg of un-brushed fibre to the current price of TZS 1300 per kg of un-brushed sisal. The trip also contributed to the shifting of brushing charges and transportation costs from processor to sisal buyer thus significantly increasing income.

3.5 Women’s land rights

Traditionally in Sukuma2 land, women are not entitled to inherit land from their parents or husbands. This custom deprives women from owning their land which is vital for them to feed their family and make a living. Under this project a seminar was held for 30 female sisal farmers from different groups, on their land rights as stipulated in the National Constitution and Land Act number 5 of 1995. For the majority of women the fact they could own land was a surprise. Participants were taught about the different types of deed such as traditional customarily deed and customer title deed, and how to apply for these different types of deed. The trainees met with district officials during the training who stated that they are eligible for traditional customarily title deed and it wouldn’t be expensive to apply if they applied as a group. An Oxfam project working on the rice value chain in a different district has been successful in getting 487 farmers their customary deeds at a cost of £5.40 each (compared to applying as an individual where the cost is £36). Oxfam and our partners have been invited to the district planning meeting to discuss next steps in the process.

2 The Sukuma are a Bantu ethnic group inhabiting the south-eastern African Great Lakes region. They are the largest ethnic group in Tanzania, with an estimated 5.5 million members or 16 percent of the country’s total population.
3.6 National Farmers Fair

In August 2014, a number of beneficiaries and staff attended the National Farmers Fair popularly known as “NANE NANE” which took place in Mwanza. Those who attended included one processor, two women entrepreneurs, a Kishapu district contact person (DCP), REDESO staff and one Oxfam staff member. Participants were able to share their experience, achievements and challenges to wider audiences. It was a good platform to promote the project and learn about other agribusiness projects presented by other participants.

3.7 Product development

The Tanzania Commission for Science and Technology (COSTECH) through their innovation and entrepreneurship programme, are funding the development of a roofing tile using sisal waste. They plan to use it to cover the Kishapu District Police office roof as a demonstration to promote innovation. The Tanzania Chamber of Commerce in Shinyanga is coordinating this activity and have since sent off samples to the Tanzania Bureau of Standards for quality checking; once we have the results we will begin production. In addition, we exhibited the tiles at a Small Industries Fair in the Lake zone and received some feedback from visitors and technical exhibitors which we are currently incorporating into the design.
3.8 Documentation and sharing of project performance

Filming for the Oxfam sisal value chain project

The successes and challenges of the sisal value chain project were documented and shared with different stakeholders through stakeholder meetings, reports, case studies, learning events, programme coordination meetings and national events such as Farmer’s Day, Sisal Day and International Women’s day. In addition, we used the media to promote the project, including newspaper articles, blogs and TV programmes. Oxfam has also produced a video documentary (14 minutes) for sharing. This project model has also been replicated by the International Non Governmental Organisation CARE in Haiti.

The film can be seen at the link below:

https://www.youtube.com/watch?v=RdEFYxv01wQNGO

4. Expanding the project into Meatu district

The activities below are related to expanding the project into Meatu District. They include:

4.1 Train processors on business management and leadership skills

Initially, seven farmers have been selected (three female and four male) out of 26 farmers with an interest in establishing sisal processing enterprises. The beneficiaries were selected by REDESO and SIDO, from six villages in Meatu. Selected processors will be trained in the management of sisal processing enterprises and five of them will be supported by a loan to buy one sisal processing machine and capital to start the business. We had planned to provide the machines by the end of 2014, however the very poor rains in November have meant we will wait until the after the next rains in April and supply the machines in June 2015.

The remaining two farmers will be brought in if there are any drop outs before the training begins.

4.2 Establishment of Farmers Field School (FFS)

Two FFS’s have been established in two villages; one in Ntobo village which comprises 10 farmers and another in Sakasaka village for 12 farmers. Both villages are in Meatu district. These are new project areas where farmers lack knowledge of sisal farming. Farmers in the Oxfam is a registered charity in England and Wales (no 202918) and Scotland (SCO039042). Oxfam GB is a member of Oxfam International


FFS groups learned how to establish and manage a sisal nursery as well as the use of sisal waste for field manure. All operations in the FFS will be done by farmers themselves with a facilitator guiding them. Operations included; bulbils collection (sisal seedlings), site selection and clearance, manure application, nursery plot layout and planting. We had planned to plant out the two FFS group nurseries set up in 2014 into a permanent field in March 2015, however the rains came late in April 2015, so the lack of water has meant we only planted out 0.5 acres. The remaining seedlings will be planted out during the rainy season from November 2015 onwards.

4.3 Sisal assessment

A full assessment of sisal hedges was conducted in the Northern part of Meatu district (nine villages in four wards). The number of sisal plants is estimated to be 1,462,752 of which two thirds are harvestable while 487,584 are not harvestable due to being immature or of stunted growth. The harvestable plants are estimated to have potential of producing 507,087 kg of fibre per year.

PROJECT ACHIEVEMENTS

The project has recorded achievements in terms of; making the sisal market available to poor farmers, increased processing capacity, improved prices and services, greater women’s involvement in the sisal marketing system and collaboration amongst sisal stakeholders. These achievements show a clear path towards achieving the three aims of increasing income for 2,000 farmers. The achievements both over the past year and the project as a whole are detailed below:

Number of beneficiaries

- The number of direct beneficiaries are 1,521, including farmers, leaf cutters and jobs created in the value chain. Indirect beneficiaries include family members benefitting from an increased family income which we estimate at 8,061 people.

Table four – Categories of beneficiaries

<table>
<thead>
<tr>
<th>Direct beneficiaries</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farmers (leaf suppliers)</td>
<td>960</td>
</tr>
<tr>
<td>Left cutters</td>
<td>56</td>
</tr>
<tr>
<td>Ox-cart owners</td>
<td>116</td>
</tr>
<tr>
<td>Leaf transporters</td>
<td>56</td>
</tr>
<tr>
<td>Transport workers</td>
<td>112</td>
</tr>
<tr>
<td>Raspadota crews</td>
<td>84</td>
</tr>
<tr>
<td>Fibre transporters</td>
<td>3</td>
</tr>
<tr>
<td>Fibre loading</td>
<td>6</td>
</tr>
<tr>
<td>Processors</td>
<td>20</td>
</tr>
<tr>
<td>Food vendors</td>
<td>12</td>
</tr>
<tr>
<td>Brushers</td>
<td>2</td>
</tr>
<tr>
<td>Brushing clerk</td>
<td>1</td>
</tr>
<tr>
<td>Fibre sorters</td>
<td>4</td>
</tr>
<tr>
<td>Fuel suppliers</td>
<td>3</td>
</tr>
<tr>
<td>Technicians</td>
<td>5</td>
</tr>
<tr>
<td>Women entrepreneurs</td>
<td>81</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,521</strong></td>
</tr>
</tbody>
</table>
Access to market buyers

- There has been successful engagement of the private sector in the smallholder sisal market chain. There are five large private sisal traders which operate in the smallholder sisal market chain in Kishapu, including *Ndimbo Enterprises*, *Mohamed Enterprises* and three new entrants *Mianza General Supplies*, *Toronto Sisal Estate and SAS Company*. The five companies have capacity to buy any amount of sisal fibre that farmers and processors can supply and the new entrants have led to more competition and a 36% price increase for unbrushed sisal. The existence of a reliable market has attracted more farmers to engage and benefit from sisal production. Small sisal producers now can directly access the sisal market and gain the resulting market benefits.

Improved sisal price

- Average price of un-brushed sisal fibre has increased from TZS 275 (10p) per kg in 2009 when the project started to TZS 1,300 (46p) per kg as of December 2014/15.

Table five: Prices for unbrushed fibre

<table>
<thead>
<tr>
<th>Year</th>
<th>Average price per kg (TZS)</th>
<th>Average price per kg (GBP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012/2013</td>
<td>953</td>
<td>0.34</td>
</tr>
<tr>
<td>2013/2014</td>
<td>1034</td>
<td>0.37</td>
</tr>
<tr>
<td>2014/2015</td>
<td>1131</td>
<td>0.41</td>
</tr>
</tbody>
</table>

This increase in price is a result of two major factors; firstly there is increased competition amongst sisal traders who buy sisal in Kishapu due to the favourable business environment that the project has created. Secondly, bargaining pressure from farmers and processors to sisal traders demanding better benefits has enhanced the capacity of small producers to bargain for better business terms and services. Higher prices have resulted in increasing income for small producers which has attracted more farmers to join the value chain and ultimately increased family income levels.

Increased processing capacity

- The project facilitated the introduction of improved sisal processing machines and capacity building to small processors. Currently in Kishapu district alone, there are 28 sisal processing machines operating. Out of the total number of machines, 15 were initially introduced by the project; the additional 13 machines were bought by local entrepreneurs.

Increased processing capacity has broadened the coverage of small producers who can access sisal processing services. Currently about 960 farmers from 30 villages have accessed sisal processing services and raised their income by £30 per year (which is 22% of the average per capita income in Kishapu district).

Improved health and safety

- When the project started in 2009, the majority of the sisal was hand processed using very simple, inefficient equipment or processed using old motorised decortication equipment. The quantity and quality of the sisal fibre did not meet the standards required by the market. There were two raspadoras available in Kishapu, which were

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old and in poor condition. People injured their hands and feet, especially when hand processing. The project introduced improved sisal processing machines and a local mechanic is also making cheaper raspadoras available.

Increased sisal production

- Sisal production is showing an increasing trend as indicated in table six. The increase in production is due to an improved business environment which has enabled producers to increase production and traders to offer reliable services. The increase in production has led to an increase in revenue for small sisal farmers and processors.

Table six - Sisal production trend in Kishapu district

<table>
<thead>
<tr>
<th>Year *</th>
<th>Fibre production (kg)</th>
<th>Value (TZS)</th>
<th>Value (GBP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012/2013</td>
<td>74,529</td>
<td>71,031,400</td>
<td>25,578</td>
</tr>
<tr>
<td>2013/2014</td>
<td>102,460</td>
<td>105,943,640</td>
<td>38,150</td>
</tr>
<tr>
<td>2014/2015</td>
<td>273,914</td>
<td>309,903,350</td>
<td>111,596</td>
</tr>
<tr>
<td></td>
<td>450,903</td>
<td>309,903,350</td>
<td>175,325</td>
</tr>
</tbody>
</table>

*Includes sisal processed by five local entrepreneurs

Involvement of women in the sisal value chain

- The project promoted greater participation of women from production to marketing. Most women do not own sisal farms since it is ‘family property’ however, the delivery of sisal leaves to a processing unit for decortication and selling are managed by women. This has given women an income to meet basic household needs. In the project area there are seven female processors and 13 male processors. Although there are more male processors than female, female processors process 51% of the total sisal volume.

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 2014 they received only 42mm (compared to an eight year average of 71mm).
- 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. To date, two schools have planted one acre each and a local church has planted an acre as well.

### Budget: April 2014 to March 2015 (GBP)

<table>
<thead>
<tr>
<th>Budget Line Description</th>
<th>Budget</th>
<th>Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strengthen market association links to credit and markets</td>
<td>4,000.00</td>
<td>3,927.67</td>
</tr>
<tr>
<td>Facilitate quarterly multi stakeholder meetings</td>
<td>4,000.00</td>
<td>3,726.92</td>
</tr>
<tr>
<td>Facilitate the introduction of five new Raspadora in Meatu district</td>
<td>14,680.00</td>
<td>10,866.36</td>
</tr>
<tr>
<td>Introduce the project in Meatu and assessment of Sisal hedge</td>
<td>1,539.00</td>
<td>1,315.00</td>
</tr>
<tr>
<td>Train 20 processors on business management and leadership skills</td>
<td>2,000.00</td>
<td>1,941.44</td>
</tr>
<tr>
<td>Facilitate establishment of Farmer field schools in Kishapu and Meatu district</td>
<td>3,427.00</td>
<td>2,767.23</td>
</tr>
<tr>
<td>Conduct business mentoring to processors, women entrepreneurs and nursery enterprise owners to enable them to create stronger business and market linkages</td>
<td>8,369.00</td>
<td>8,378.65</td>
</tr>
<tr>
<td>Conduct quality assessment of sisal fibre grades and price setting mechanisms through TSB.</td>
<td>3,180.00</td>
<td>2,429.86</td>
</tr>
<tr>
<td>Training processors on sisal grade and price systems and water managements</td>
<td>4,820.00</td>
<td>2,011.43</td>
</tr>
<tr>
<td>Training on nursery management techniques</td>
<td>1,598.00</td>
<td>1,490.47</td>
</tr>
<tr>
<td>Train farmers on sisal agricultural practices</td>
<td>3,000.00</td>
<td>2,815.45</td>
</tr>
<tr>
<td>Training for farmers on management of hedge sisal</td>
<td>2,500.00</td>
<td>2,217.82</td>
</tr>
<tr>
<td>Training of 40 trainers on leadership and business management so they can support enterprise leaders and entrepreneurs to develop their businesses</td>
<td>2,500.00</td>
<td>2,426.81</td>
</tr>
<tr>
<td>Training for 95 women in manufacturing of sisal products</td>
<td>3,152.00</td>
<td>3002.84</td>
</tr>
<tr>
<td>Building capacity of women in the sisal value chain through the influence of Female Food Hero (Mama Shujaa)</td>
<td>500.00</td>
<td>464.71</td>
</tr>
<tr>
<td>Study tour to Small sisal processors in Tanga and small sisal handcrafts enterprises</td>
<td>2,000.00</td>
<td>1,850.83</td>
</tr>
<tr>
<td>Increase women’s awareness on Land Act 1999 no. 5 (equal ownership of land) and organise dialogue with Local Government Authorities on land issues</td>
<td>1,000.00</td>
<td>976.69</td>
</tr>
<tr>
<td>Raising awareness on gender and HIV/AIDS</td>
<td>2,000.00</td>
<td>1,934.03</td>
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<tr>
<td>Monitoring visits and learning events</td>
<td>5,971.00</td>
<td>3,536.97</td>
</tr>
<tr>
<td>Enhance Monitoring of sisal processing, sales and marketing</td>
<td>2,160.00</td>
<td>415.17</td>
</tr>
<tr>
<td>Documenting and sharing success</td>
<td>1,000.00</td>
<td>1,000.68</td>
</tr>
<tr>
<td>Salary of Sisal Value Chain Advisor</td>
<td>16,709.00</td>
<td>17,493.09</td>
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<tr>
<td>Misc support costs</td>
<td>2,654.00</td>
<td>2,621.89</td>
</tr>
<tr>
<td>Salary (driver)</td>
<td>10,120.00</td>
<td>9,019.53</td>
</tr>
<tr>
<td>Finance Officer 10%</td>
<td>1,600.00</td>
<td>1,597.97</td>
</tr>
<tr>
<td>REDESSO Staff salaries</td>
<td>8,820.00</td>
<td>832.67</td>
</tr>
<tr>
<td>REDESSO Administration support</td>
<td>2,500.00</td>
<td>832.67</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£115,799.00</strong></td>
<td><strong>£98,564.19</strong></td>
</tr>
</tbody>
</table>

**Variance = £17,234.81**

*(Carry over requested to be spent in FY 2015-2016)*

### Budget narrative

This budget reflects generous contributions of £49,132 from Tellus Viva and £67,867 from the Tanzania Fund respectively. There is an overall underspend of £17,234.81 due to poor rains in November which has reduced the amount of new field sisal planted out and delayed
the introduction of new raspadoras from November to June 2015. Oxfam kindly requests understanding and support to transfer the underspend budget into 2015/16.

Annex One – Sisal grading

GRADE 1: From 90 cm (3 feet) long upwards, colour creamy white to cream, free from defective decortication and be properly brushed, free of undecorticated barks, harshness, knots, tousled and bunchy ends and it should be free of tows.

GRADE 2: From 75 cm (2.5 feet) to 89cm long, colour creamy white to cream, free of defective decortication and be properly brushed, free of undecorticated barks, harshness, knots, tousled and bunchy ends and should free of tows.

GRADE 3L: From 90 cm (3 feet) long upwards, colour a mixture of whitish and yellowish, free of defective decortications and be properly brushed, free of undecorticated barks, harshness, knots, tousled and bunchy ends and free of tows.

GRADE 3: From 60 cm (2 feet) to 89 cm long, colour a mixture of whitish and yellowish, free of defective decortications and be properly brushed, free of undecorticated barks, harshness, knots, tousled and bunchy ends.

GRADE UG: From 60 cm (2 feet) long upwards, colour may be brownish and spotted due to damaged leaf or greenish due to insufficient water during decortications, properly brushed, free of undecorticated barks, harshness, knots, tousled and bunchy ends and free of tows.

GRADE S.S.U.G. (SUB STANDARD UNDER GRADE): This is the fibre that does not conform to standard UG grade but can be exported as line fibre. Length should not be less than 60 cm (2 feet), colour of fibre may vary from yellowish to more dark and blemished. Spots in a higher proportion are acceptable. But it should be free of undecorticated barks, harshness, knots, tousled and bunchy ends, rotten fibre and tows.

GRADE TOW 1: This is fibre which has been cut and thrown behind the brushing machines during the process of brushing. Colour of fibre should be creamy white to cream. It should be free of undecorticated barks, knots, dusts, and sweepings and should not contain fibre of other mentioned grades.

GRADE TOW 2: This is fibre which has been cut and thrown behind the brushing machines during the process of brushing. Colour of fibre may be brownish, spotted, yellowish or greenish. Black coloured fibre is not allowed in this grade because this shows that it is in the process of rotting (or rotten). Moreover, fibre should be free of undecorticated barks, knots, dusts, and sweepings and should not contain fibre of other mentioned grades.

GRADE UF: Fibre of this grade can be of any length. It should be uniform in colour of creamy white to light brown. Devoid of undecorticated strips of sisal leaf, rotten fibre and foreign materials. It should be properly dried with moisture content similar to other grades. Dust content not to exceed 15% when extracted by hand. The bales should be pressed to standard size weighing 200 kgs per bale.

CARDED FLUME TOW: It should be the same as uncarded flume tow except the total dust content not to exceed 10%.

UHDS: Unwashed hand decorticated sisal, non Estate produced fibre.

UMDS: Unwashed Machine Decorticated Sisal, non estate produced fibre by small decorticators (raspadora). It is an intermediate grade between UG and SSUG.
New sisal field planted in 2010 ready for harvesting in 2014

Masele Duba of Lubaga village harvesting his field sisal for the first time
Cattle grazing between sisal rows control weeds

Ndimbo Enterprises are providing low cost transport for sisal farmers
Muungano Saving and Loans group from Isoso village meeting together

Women displaying their sisal products during National Farmers fair in Mwanza Tanzania

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Jewellery containers and earrings made from sisal

Jacline Shija of Kakola village, drying sisal fibre after decortication
Vehicle provided to transport leaves to the processing centre

The Kishapu brushing centre warehouse

With sincere thanks for your ongoing support