SAGCOT
SOUTHERN AGRICULTURAL GROWTH CORRIDOR OF TANZANIA

Soybean Strategic Partnership

HIGHLIGHTS

Soybeans were introduced to Africa from Asia in the late 1800s and reached Tanzania in the early 1900s. Despite the crop's potential, Tanzania has seen stagnated production at around 6,000 metric tons annually over the past 40 years, significantly below the market demand of 150,000 metric tons. Consequently, animal feed manufacturers import soybeans or soybean meal primarily from India, Zambia, Malawi, and Uganda. The southern regions of Iringa, Njombe, Mbeya, Rukwa, and Ruvuma are key areas for cultivation, mostly by smallholder farmers who rely on rain-fed agriculture and traditional farming methods. These practices lead to high production costs and low yields, making it difficult for Tanzanian farmers to compete with those from neighboring countries.

Tanzania's soybean sector holds significant potential for both domestic consumption and export markets.

OPPORTUNITIES

Productivity Enhancement:

- Adopt high-yield, disease-resistant soybean varieties, expand irrigation and water management practices, and promote integrated pest and disease management.

Efficiency Gains:

- Increase mechanization from planting to harvesting, invest in post-harvest technologies to reduce losses, improve quality, and promote efficient storage and transportation solutions.

Market Optimization:

- Develop structured markets and reliable supply chains, establish fair and transparent pricing mechanisms, and strengthen public, private, and civil society partnerships.

Empowerment & Innovation:

- Provide access to affordable credit and financial services, invest in research and development for productivity and sustainability, and promote knowledge-sharing platforms for best practices and innovative technologies.

Policy Support:

- Implement consistent and reliable policies and regulations, incentivize private sector investment in processing and value addition, and provide timely information to support research institutions and extension services.

CHALLENGES

- Seed Production Shortage: There is a lack of certified soybean seed production, leading farmers to repeatedly use saved seeds with low yields.
- Low Soybean Production: Farmers face difficulties in soybean cultivation due to the severe shortage of seed varieties, limited support services, and market challenges.
- Lack of Milling Machines: The scarcity of small and medium-sized soybean milling machines forces the purchase of soybean meal and cake to meet the local demand for animal feed manufacturers.
- Weak Value Chain Integration: Poor integration among key players in the soybean value chain and financial institutions makes it difficult to access financial services to support soybean production.
- Low Household Awareness: There is a limited understanding of soybean usage at the household level.

WHY?

The Soybean Partnership is strategic because it improves household livelihoods and food security by enabling smallholder farmers to boost productivity and market access, reducing dependency on imported food. It collaborates with stakeholders across the value chain, from farmers to retailers, to address gaps and build a robust network. By engaging diverse stakeholders, it ensures collective efforts towards common goals. Additionally, the partnership promotes sustainable practices by working with farmers to enhance soil management, ensuring long-term environmental health and productivity.

TRANSFORMATION

The Tanzania Sustainable Soybean Initiative (TSSI) has revolutionized soybean farming by increasing smallholder farmer productivity and market access. Through this initiative, production is set to reach 50,000 metric tons by 2025, significantly improving food security, boosting rural incomes, and reducing import dependency. The collaborative efforts of SAGCOT, IITA, and other partners have facilitated the introduction of improved seeds, sustainable farming practices, and enhanced market linkages, driving socio-economic development across Tanzania.

The Soybean Partnership collaborates with 3,600 smallholder farmers in the Ihemi cluster, improving their livelihoods. Additionally, 40 demonstration farms across 30 villages are used for training programs on best agricultural practices for smallholder farmers. Approximately 576 hectares of soybeans are under Climate-Smart Agriculture (CSA).

SCALABILITY

The scalability of the Soybean Partnership value chain is evident in its structured approach to integrating smallholder farmers with processors and markets. The TSSI has created a robust network that addresses production and market gaps by leveraging financial support, research, and development. This model ensures that farmers receive the necessary support as production areas expand to maintain high yields and quality, making the soybean sector a scalable and sustainable solution for Tanzania's agricultural growth. The initiative's emphasis on collaboration and innovation paves the way for widespread adoption and success in other regions.

STAKEHOLDERS

The Strategic Soybean Partnership includes various key stakeholders working at different levels. These stakeholders comprise smallholder farmers, small and medium processors such as Silverlands T Ltd, and input suppliers like SeedCo. Research institutions, notably TARI-Uyole, play a critical role, alongside financial institutions like the Tanzania Agricultural Development Bank (TADB) and NMB Bank. Insurance companies such as Out Insurance Ltd also contribute, alongside other service providers and non-governmental organizations like Christian Relief Services (CRS), CARITAS, CARE Tanzania, BRiTEN, Njombe Agricultural Development Organization (NADO), and the Eastern Africa Grain Council (EAGC). Government institutions such as the Tanzania Official Seed Certification Institute (TOSCI) and local government authorities, including the regional secretariats of Iringa and Njombe, are also integral to this partnership.

END-TO-END SOLUTION

The Soybean Partnership is strategically designed to involve stakeholders from every link in the value chain and includes actors from all major soybean-producing regions within SAGCOT. Key areas such as Iringa, Njombe, Mbeya, Rukwa, and Ruvuma are integral to this initiative. This comprehensive approach ensures that the partnership addresses the entire spectrum of the soybean production process, from cultivation to market, thereby enhancing efficiency, productivity, and quality across the value chain. By integrating efforts across these regions, the partnership promotes sustainable growth, shared prosperity, and the resilience of the soybean sector.

Inclusive and sustainable impact

The Soybean Partnership, particularly through the Tanzania Sustainable Soybean Initiative (TSSI), fosters an ecosystem of sustainable growth and shared prosperity. The partnership improves livelihoods and food security by collaborating with 3,600 smallholder farmers in the Ihemi cluster. It facilitates knowledge transfer and skills enhancement through 40 demonstration farms across 30 villages, focusing on climate-smart agricultural practices. These efforts empower farmers, including women and youth, to increase productivity and profitability while promoting environmental sustainability with approximately 576 hectares under Climate-Smart Agriculture (CSA) .

Next steps & Recommendations

The demonstrated success of soybean cultivation in Tanzania calls for scaling up efforts nationwide. To achieve this, the following recommendations are proposed:

Research: Tailor soybean cultivation practices to diverse Tanzanian agro-ecologies by conducting localized research and trials.

Extension: Enhance services for farmer training and support, focusing on best practices and sustainable farming methods.

Finance: Facilitate access to affordable credit and financial services to support soybean adoption and expansion.

Market Linkages: Strengthen connections between farmers and consumers, ensuring efficient supply chains and market access.

Policy: Implement supportive policies and infrastructure investments to incentivize soybean farming.

Collaboration: Foster knowledge exchange among stakeholders, including government, private sector, NGOs, and research institutions.

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