



## SAGCOT Strategic Partnership: Potato Value Chain Partnership

### Overview

The potato (*Solanum Tuberosum*) is a crop that is well suited for production in the Southern Highlands of Tanzania and which can make significant contributions to food and economic security. It has a higher financial return per unit area and time than most common staple crops and is growing in national and international demand. Through its assessment of partner activities in the corridor, the SAGCOT Centre recognised a critical mass of actors who were interested and active in establishing a commercial potato value chain in the Southern Highlands of Tanzania.

The SAGCOT Centre convened a series of exploratory meetings as well as a farmer field day to discuss the business opportunities related to establishing a viable value chain in Tanzania's potato growing region of Njombe in Ihemi Cluster.

Based on the outcomes of these discussions, a coalition of partners came together to launch a project to introduce improved seed, mechanisation and good agricultural practices to farmers. Partners include representatives from local and national government, private input and production companies, financial institutions, and development partners.

**The Southern Agricultural Growth Corridor of Tanzania (SAGCOT) is a public-private partnership that seeks to catalyse responsible agribusiness investments in the country's southern corridor. The SAGCOT Centre Ltd serves as a partnership broker and information hub among SAGCOT partners to facilitate socially inclusive and environmentally sustainable value chain investments. Each year, several strategic partnerships emerge that SAGCOT actively promotes and facilitates due to their high impact and potential for expansion.**

### What makes the Potato Partnership a Strategic Partnership?

- **Transforms farmers' food security and improves livelihoods.** The Potato Partnership seeks to double productivity and triple profitability of potato farmers in Njombe region.
- **Seeks end-to-end value chain solutions.** The Potato Partnership was strategically built to include stakeholders from each link in the value chain.
- **Convenes partners.** Over 15 stakeholders have been engaged in establishing the partnership, and more are encouraged to join, specifically processors and retailers, and potato farm equipment suppliers.
- **Offers scalability or replication.** While 150 farmers will be engaged directly in a pilot project, thousands will benefit from trainings, demonstrations and the introduction of new technologies. Ultimately, more than 11,000 smallholders will be reached through the Partnership.
- **Demonstrates positive environmental impact.** Partners will work with farmers to raise their productivity in a way that ensures the responsible management of natural resources.





This partnership will assist smallholder potato farmers in Njombe lift themselves out of poverty. It will also improve food security by increasing access to and production of quality potato seed and through the introduction of improved production technologies. Combining these interventions with better market access will enhance farmers' incomes and give them the ability to reinvest earnings into other farming and income-generating activities.

### Inclusive and Sustainable Impact

In addition to being an important source of energy, potato contains essential amino acids and vitamins. It grows best in temperate regions and cool tropical highlands, areas often characterised by high population densities. Investing in the potato value chain is therefore an opportunity to support the dietary needs of rapidly growing populations – both rural and urban – and support income-generating opportunities for rural potato farmers.

Potato contributes approximately 40 percent of Njombe's total income. However, productivity levels currently lag behind regional averages at 7 tons per hectare, according to the local government authority statistics. The Potato Partnership's objective is to double productivity and triple profitability for participating farmers.

### Key Stakeholders in the Potato Partnership

- AGRA
- Mtanga Foods Ltd
- Local Government Authority in Njombe Region
- Ministry of Agriculture, Food Security and Cooperatives
- ARI-Uyole
- Syngenta
- Yara
- Kilimo Trust
- Europlant
- Grimme
- Lemken
- NADO
- Agricultural Council of Tanzania (ACT) & TAP
- CRDB Bank
- Farm Africa
- National Microfinance Bank (NMB)
- USAID
- CIP

To begin with, the partnership will work directly with 18 smallholder farmer groups and indirectly with 1,520 farmers through good agricultural practices (GAP) and governance and business training. Suppliers will increase farmers' access to and use of improved seed as well as land preparation, harvesting and post-harvest management technologies. Partners will also work to identify high value markets for potatoes produced in Njombe and, later, for other potato-producing areas in Tanzania.

In order to ensure the sustainability of the Potato Partnership's efforts over the long-term, farmers will be supported in developing financial strategies and plans so that they are able to procure and utilise the inputs, technology and services that partners have introduced. Lead farmers and entrepreneurs will also be encouraged to invest in input distribution, technology services and value-addition opportunities that arise as SAGCOT and its partners work to strengthen Njombe's potato value chain.

### Key Challenges

Currently, potato production levels in Njombe sit at a third of their potential, primarily due to low availability and use of quality seed, as well as limited knowledge of GAP. These – together with poor marketing structures, unspecified weights and measures, limited value addition and lack of crop promotion – restrict potato profitability among smallholder farmers. To overcome these challenges, the Potato Partnership will leverage their resources and knowledge to build solutions for the introduction of higher quality seed and new planting and harvesting mechanisation. Partners will also provide hands-on training and community demonstrations to support farmers in the adoption of these new technologies.

To provide a comprehensive value chain approach, the partnership is seeking additional members to become involved, specifically those engaged in processing, appropriate mechanisation for smallholders, specialists in seed production, retailing and high market end off-takers. In addition, the partnership will gain from service providers to increase outreach to more smallholder and medium scale farmers.

### For more information please contact us

SAGCOT Centre Limited  
Tanzania Private Sector Foundation  
(TPSF) Building  
Plot No. 1288, Mwaya Road  
Msasani Peninsula, P.O. Box 11313  
Dar es Salaam, Tanzania

**tel:** +255 (0) 22 260 1024  
+255 (0) 22 260 0146  
**fax:** +255 (0) 22 260 2368

info@sagcot.com  
[www.sagcot.com](http://www.sagcot.com)

