SUPPLY VALUE CHAIN FACTORS AND BANANA VALUE DEVELOPMENT IN TANZANIA

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ABSTRACT

Objectives of the study were to study supply value chain factors and banana value development in Tanzania. The paper draws data from reports and interviews.

The findings revealed the following:-16 generic varieties of bananas in their local names are grown in all regions of Tanzania by small farmers., with an average production of 655 thousand tonnes per year. Ten major banana producers were Kilimanjaro, Kagera, Mbeya, Kigoma, Arusha, Tanga, Mwanza, Morogoro, Rukwa and Mtwara regions. -Banana production use **traditional** methods in small farms with low tending and harvesting when matured. -Bananas were sold in the domestic market while a few were informally exported to neighbouring counties of Kenya, Uganda, Rwanda, Burundi, IDRC, Zambia and Malawi through Mtukula, Kigoma, Murongo, Kakong'ko,Nakonde,Holili, Sarari, Tarakea and Namanga border posts. Emerging entrepreneurs introduced bananas into bars, restaurants, hotels and mobile catering services and an opportunity that increased demand for bananas due to change in population's growth, lifestyles, time, location and entrepreneurial behaviour of introducing banana traditional meals in urban areas. -The exhibited banana supply chain involved farmers, wholesalers, agents, processors, retailers and consumers. Value addition was minimally done by farmers and was largely done by other supply chain members(agents, wholesalers, processors and retailers), ranging from TZS1,500 to above TZS25,000.Bananas have become main meal or breakfast or desert and drink also, leading to opportunities to brewers, hotels, retailers as well as processors further creating new valued banana products. The study also recognises some valuable wastes – leaves, trunk, and hard skin used as composite, construction and ornaments production only not extensively appreciated. Banana contributes to food and nutrition, cash earnings, employment, and general development although farmers benefited the least from banana farming.

-Supply chain supporting systems presented rough roads, inadequate facilities, vehicle breakdowns, a few carriers, high transport costs, price fluctuations, unattended plants and diseases and no packing and packaging, faulty facilities, harvest losses, inconsistent value added and difficulty to access markets, withheld information on prices and market locations among supply chain members, and limited agile considerations by supply chain members, leading to uncoordinated supply chain activities in a distribution system with little processing.

-The supply supporting system weakened distribution chains, causing bananas' physical damage and poor banana quality, delays, inappropriate processing, poor handling, un-hygienic practices un-presentable bananas before customers; supply uncertainties, rigidities to transform open markets over years, leading to inconsideration of lean and agile leverage for competitive advantage to different actors on the banana supply chain caused by prolonged production, overproduction, -The results have implications to knowledge, policy and practices. The study recommends public policy on use and understanding supply value chain, appreciate global production standards and skills on banana marketing through Ministries of Agriculture, Trade, Transport and Infrastructure so as to direct investment in open market premises in domestic and export border markets to reduce waste, adding image value together with reviving radio programs to disseminate value chain factors as well as market information to reach out farmers. The paper advocates for use of supply value chain to increase their earnings and better livelihoods,