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## Small-Scale Farmers’ Integration in Agricultural Value Chains: The Role for Food Security in Rural Tanzania

LUITFRED KISSOLY, ANJA FASSE, ULRIKE GROTE

*Leibniz Universität Hannover, Institute for Environmental Economics and World Trade, Germany*

### Abstract

Small-scale farmers’ integration in agricultural value chains is considered an important pathway to raising farmers’ welfare, including food security. Through activities such as diversification in production, purchase of improved inputs, initial processing, storage and marketing, smallholders are an important part of agricultural value chains. Distinct from literature that has dwelt on high-value and export-oriented agricultural value chains, we focus on domestic, traditional agricultural value chains of staple and cash crops in rural Tanzania. The study examines smallholders’ integration into traditional agricultural value chains and aims to assess its implications on household food security. Using primary data from around 900 households in the Kilosa and Chamwino districts, factor and cluster analysis are employed to explore different smallholder’ livelihoods, in the context of activities and extent of participation in traditional agricultural value chains. Results identify six clusters with varying levels of participation in traditional agricultural value chain activities. The data reveals that households in clusters with higher levels of integration are, on average, more food secure than those being poorly integrated. Econometric analyses, through propensity score matching and inverse probability weighted regression adjustment, confirm the role of integration in aspects of traditional AVCs for food security. Integration into input markets through the use of improved inputs in primary crop production and output markets through storage and selling, have significant positive influence on household food security. No significant impacts are found for horizontal co-ordination through collective action among smallholders. The findings highlight the importance of promoting policies that enable effective integration of smallholder farmers in traditional agricultural value chain activities for enhanced food security and improved livelihoods.

**Keywords:** Agricultural value chains, food security, integration, small-scale farmers, Tanzania