



Bags of Organic Fertilizer for Bags of Money

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Guavay Tanzania saw an opportunity where few, if any at all were looking. Organic fertilizers for horticultural farmers in the East African country.

The founders didn't have to look too hard either. Tanzania has all the conditions favourable for growing high value horticultural crops destined for the EU and US markets. But production was low and it was apparent decreasing soil fertility was one of the reasons.

In 2014, Guavay opened to try bridge the gap between soil fertility issues and horticultural crops yields with organically produced, made in Tanzania, fertilizers. Today the company based in the outskirts of Dar es Salaam produces 500-800 metric tonnes of organic fertilizer under the brand name Hakika. The product is the only of its kind, being the only packaged organic fertilizer available commercially as well as the only, made in Tanzania fertilizer. 95% of the fertilizer used in Tanzania's agriculture is imported from Russia, Norway and Morocco.

Because the idea was to intervene in horticultural farming, Guavay developed several formulations to suit different market driven crops. There is now Hakika organic fertilizer for avocado, coffee, vanilla, cocoa as well as rice farming.

In farms where Hakika fertilizer is use, yield improvements of up to 20% have confirmed restored soil fertility and better plant health. The fertilizer is also a sort of household name among farmers in the horticultural industry after this success. It is certified by Ministry of Agriculture in Tanzania as well as Tanzania Bureau of Standards. Guavay's small scale factory uses organic matter to produce the fertilizers, therefore putting tonnes of crop waste to good use.

The founders started with little information on what the market environment for organic fertilizers was, in relation to commercially driven horticultural crops. One of the first undertakings was a market research to better understand this. They also had to obtain capital to set up a processing facility and organise the logistics of a distribution network. Last but not least, was the challenge to formulate products that are not only organic but actually improved soils and ultimately crop yield.

How did they overcome this? Founders' own savings of \$30,000 went into founding the company and this was quickly bolstered by \$40,000 in bank loans. The rest was financial grants that come up to \$350,000 to date. They also received non-financial support in the form of

incubation services and trainings. Guavay management has also attended several professional development programmes by different foundations over the years, both at institutions within Tanzania and abroad. To develop the quality organic fertilizer they have become known for, the company partnered with research foundations in local universities and also engaged international research foundations on matters product development.

Guavay has also benefited from partnerships with national agricultural associations especially in generating market awareness.

The impact of all these partnerships is a steady growth of production to the 500 tonnes of fertilizer annually. It has also enabled Guavay to increase staff from the founding 4 to 8. The permanent staff range from crop scientists and microbiologists to engineers and sales people.

Guavay has also been able to reach a wider region, which means a decrease in the amount of farmland under chemical fertilizers. In their estimations, Hakika organic fertilizers are in use on 10,000 acres of land cumulatively.

The market for fertilizer in Tanzania, currently is upwards of 500,000 metric tonnes. There is certainly space for Guavay to wiggle and claim a wider market share. The company still seeks to expand the fertilizer processing facility in the short term. They hope to increase production of 1500 tonnes annually and in the not too long term, reach the annual output goal of 10,000 metric tonnes.



Hakika Fertilizer Training in Njombe in March 2021

Farmers in Tanzania are still largely accustomed to chemical fertilizer, so strategies to reverse this have to be part of Guavay's overall market approach. The company also has a dream to reach the markets in neighbouring Uganda, Kenya and Rwanda all horticultural farming hotbeds, but is yet to explore this.

There is still a lot of unexplored potential when it comes to raising awareness regarding the availability of an organic fertilizer in Tanzania. And there is still need for more resources to fund product development and enable them hit higher production targets. But even currently, at the 500 tonnes of organic fertilizer produced annually, the idea is a great success

Because of Guavay's winning, organic fertilizer formula, Tanzanian farmers are able to export their avocados to Europe as organic certified produce.



Hakika Fertilizer Training in Mbeya (Rungwe) in February 2021.



Hakika fertilizer distributor shop in Njombe.



Hakika Fertilizer Training in Songwe in March 2021.

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