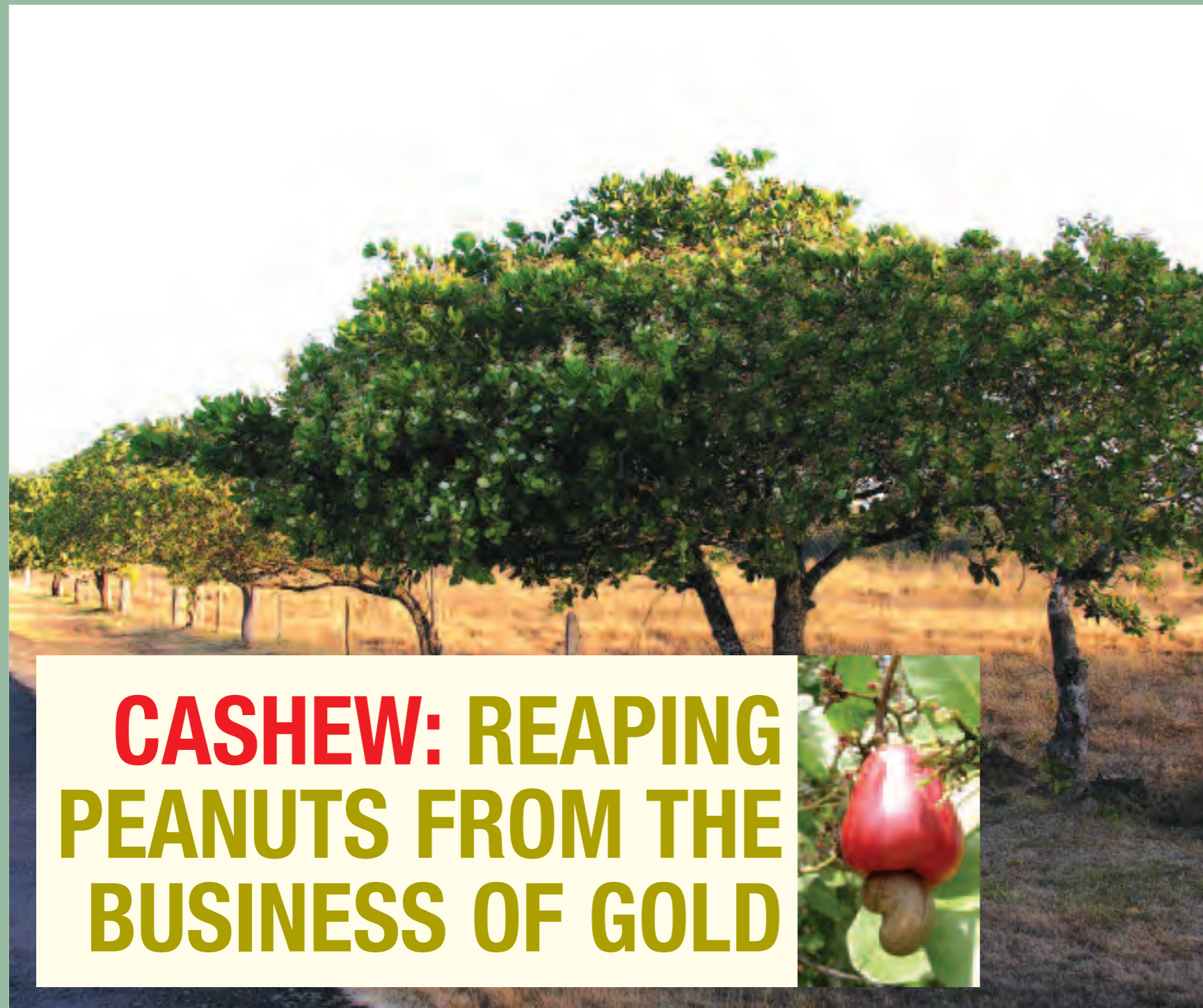


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CASHEW: REAPING PEANUTS FROM THE BUSINESS OF GOLD



Concern over meagre returns from cashew nuts: Increases. The reverse trend suggests that, despite investing too much sweats and blood in a crop that elsewhere earns people good money, Tanzanian farmers should brace for more disappointing returns...

SPECIAL

Important
announcement
to our
customers
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Is the Tanzanian cashew industry going nuts?

Most fruit have their seeds contained inside the fleshy pulp of the fruit. Cashew nuts however hang onto the outside portion of the cashew apple, at the very bottom of the fruit to be precise. While most fruit are prized for their fleshy pulp, cashew apples are prized for the scrumptious nut contained inside the hard grey seed pods.

Getting to the edible portion of the cashew nut is not easy. The cashew seeds are roasted to soften them and neutralize the acid found in the seed pod. Even after roasting, one needs a hard tool like hammer or a specialized crusher to pry open the seed pod, revealing the yummy nut inside.

Tanzania is one of the leading producers of cashew nuts in the world. Reports have it that soon there will be an increase in the global demand for cashew nuts. Applying basic market principles to this situation, one would expect that the increased demand will translate into a windfall for local cashew farmers. However the workings of the local cashew nut industry are more peculiar than the nuts themselves.

Of the almost 50 million cashew trees in the country, a large number were planted before independence some 50 or so years ago. As such, most are way past their prime. Ideally, with markets assured, farmers should simply chop down the aged trees and replace them with new ones. This is not the case.

Events suggest that Tanzanian cashew farmers are now hanging at the bottom of the profit chain, away from the billions being generated from the trade. Furthermore, essential agri-inputs like sulphur dust are sold to the farmers at prices that are

six times the quoted international price for the inputs. The whole thing leaves a tang not un-similar to the unpleasant after taste of one who has chomped on a cashew apple.

It was against this background that some cashew nut farmers from Mtwara region were called to a meeting. They arrived, expecting to receive their dues. They got peanuts. This stained their hearts with anger far worse than the almost irremovable stains of the cashew apple. The irate peasants took to the street, burning and looting property of those they deemed responsible for their woes. The powers that be responded with batons, guns and tear gas; the gas almost as toxic as the acidic smoke that rises from roasting cashew nuts. When the smoke settled, some graves were dug. Others were left nursing wounds.

It is no wonder then that many Tanzanian cashew nut farmers are abandoning the crop. Find out how cashew production in the country is set to drop even as global demand for cashew nuts rises. The whole situation is – forgive the pun – a bit nutty.

Wallace Mauggo
Editor

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Improved dairy sector can turn farmers' economies around



By Michael Pandisha

Dairy sector opportunities

DAIRY farming has great potential to improve national and household economies. It creates a wide range of employment opportunities. The sold milk provides dairy farmers with a regular income throughout the year.

It also provides manure which improves soil fertility, and it's a source of energy (biogas) for the household particularly in rural areas. Additionally, the animals provide other by-products like skins for leather.

Milk is considered as a perfect human food because it contributes considerably to the health status of the people in societies. Milk enhances the immune system of people and in that way, it contributes considerably to the reduction of child mortality.

Limited knowledge

However, the studies indicate that most local dairy farmers hardly realise the optimum milk production due to limited knowledge on animal husbandry, high quality dairy cattle genotypes and poor feeding. Milk production by small holder dairy farmers is significantly reduced during the dry season. This means that the farmers' income is also affected during that period.

Dairy farmers should make a choice of improved dairy breeds. This plays a crucial role on increasing milk production which determines the dairy enterprise profitability.

With the modern advances in breeding technologies, local dairy farmers can access to high quality dairy genotypes such as Jersey, Guernsey, Ayrshire, Holstein and Friesian.

Although the demand for high quality dairy genotypes in the country is so high, the supply is limited. This should be regarded as an investment opportunity for local dairy sub sector.

According to Dr Sharif Hamad, the Indicus Country representative, Tanzania must have a political will to

increase dairy heifer production. "We need to develop a system that enables mass production of specialised private breeding farms to produce different crosses of dairy heifers for sale to farmers." He explains that performance monitoring of dairy heifers sold to the farmers is crucial to determine its sustainability and efficiency.

Investment in feeds

In order to obtain the optimum milk production, a dairy farmer must invest in proper feeds. The quantity and quality of milk depend on the feed consumed by the cow. If the cow is fed on poor-quality feed in large quantities or high-quality feed in small quantities, little milk will be produced.

A farmer should therefore grow a quantity of fodder at his farm that enables him or her to reserve part of it in the rainy season to make hay and/or silage.

In addition, animals can be supplemented with feed residues, byproducts and concentrates in the dry season. For an improved feeding it is also essential that sufficient water is made available for the cattle to drink.

Feedstuffs contain the nutrients dairy cattle require to perform the normal body functions such as growth, body maintenance, reproduction and production. The essential nutrients for the animals include energy, proteins, minerals and vitamins.

However, feedstuffs must be digestible and nutrients absorbed if the feed is to be useful to the animal. Some components of feedstuffs such as woody plants hardly have any nutritive value due to the fact that they are indigestible and not absorbable.

In addition, body conditioning can assess the appropriateness of a feeding regime for lactating dairy cows. Dairy cattle deposit their energy reserves around the pelvic area and by scoring the amount of deposit using a standard score, their condition can be assessed.

Concerns about health

Overweight cows or rather over-conditioned have been shown to be

more susceptible to metabolic problems such as ketosis and to both infectious (mastitis) and non-infectious (retained placenta and lameness) health problems. They are also more likely to have difficulties at calving. Under-conditioning cows can lower milk production as there are insufficient energy and protein reserves for mobilization in early lactation.

Dairy cattle can be reared in different methods including intensive, extensive and semi intensive. These methods depend on resources availability to the farmer.

The intensive system involves enclosing dairy cattle in zero-grazing units where they are provided with all their feed and water requirements. This method is mainly practiced in areas with scarce grazing land.

However, the method is labour intensive as feeding and cleaning the unit must be done daily. The extensive system, on the other hand, involves the cattle reared on pasture. It is widely practised in areas with large grazing land.

It should also be noted that cows waste a lot of energy by walking while grazing in the field. In the semi-intensive system, the cattle graze for some

time during the day and in the afternoon or evening they are supplemented with other forages like Napier grass, sweet potato vines, and oats and fodder sorghums. In this method, the land is not limiting but not enough to allow free grazing throughout the day.

Whatever the production system, dairy cattle require high quality pasture for optimum milk production. "Dairy farmers must be able to manage quality pasture production so as to obtain optimum milk production" says Oswald Mtarambilwa, the Tanzania Milk Producers Association (Tampa) official. He suggests that the government should train local dairy farmers in pasture production management. "Pasture is a raw material for any milk factory," he observes.

He further explains that the training should also focus on heat detection, performance recording, business skills, proper animal nutrition and feeding.

Pasture management

In order to have efficient pasture management, a number of activities need to be given a considerable attention. According to the dairy manual titled, 'Feeding a Dairy Cow in East Africa', published last year, one of key activities includes weed control. Weeds reduce the sown pastures productivity. They should be controlled by either hand weeding or herbicide.

In the establishment year grasses, plants are not firmly anchored in the soil and therefore it is usually advisable to make hay rather than graze the pastures to avoid the risk of the cattle pulling out the young shoots.

If the pasture must be grazed during the establishment year, grazing should be light enough to allow the plants to establish firmly in the soil. In the event of excess pasture, the dairy farmer should conserve it in the form of hay for dry-season feeding.

To attain maximum production from pasture, the grass requires additional nutrients from inorganic fertiliser or farmyard manure. During the establishment year, soil nitrogen is ade-

quate for grass productivity. However, in subsequent seasons the soil loses its fertility. Nitrogen fertiliser may be applied on 1 or 2 months before the dry season to increase yields during the dry season.

In order to optimise both animal and pasture production over a long term, a dairy farmer has to consider stocking rates for different grasses.

A dairy farmer should also stock rate the number of animals for which a grassland unit can provide adequate dry-matter forage for a specified length of time. Stocking rate influences animal performance, pasture recovery, long-term pasture production and species composition.

Experience has shown that only a handful of dairy farmers can afford pasture production and management expenses. Feed costs for a dairy herd can be budgeted to determine ingredients to be purchased or grown on a dairy farm.

Feeding high-yielding dairy cows is a big challenge to afford for most local dairy farmers. "It is high time for both the government and private sector to invest in pasture production" says Feddy Tesha, the Tampa chairperson, adding that "the government should create conducive business environment to enable small holder dairy farmers to access credit facilities."

Limited services

Dairy extension services are still limited in the country. This is a major bottleneck in the sector development. Ministry of Livestock and Fisheries Development should therefore invest more in dairy extension service providers particularly in rural areas.

It should start a scheme of identifying, accrediting and certifying private extension agents to complement the services offered by the government. The service providers' areas of speciality could be calf and heifer rearing, dairy cows feeding, pasture production and management to mention only a few.

In addition to that, dairy stakeholders must strengthen dairy cooperative societies and associations in order to address members concerns. Dairy farmers should join associations and cooperatives to improve their businesses and get specialized services.

"These institutions could render extension services to dairy farmers even in rural areas," says Samuel Chacha Marigo, a dairy consultant based in Dar es Salaam City.

Advocacy drives

Tampa employs a number of recruitment methods such as advertisement, brochures and fliers, personal letters, association activities and events, group meetings and the like in order to advocate for a conducive business environment in the local dairy subsector.

Besides, it provides a strategic focus to new members' orientation to enable them to get guidance on how to meet their initial expectations and achieve a sense of value.

Apart from good animal husbandry, better breeding and feeding, a dairy farming requires a good climate with sufficient rainfall, preferably well distributed over the year. In addition, it needs a cultural background with a tradition of cattle keeping and milk consumption.

In order to optimise both animal and pasture production over a long term, a dairy farmer has to consider stocking rates for different grasses

Send your comments for free starting with (DAIRY) to 15774



Villagers linked to ‘the world of horticulture’

By Likati Thomas, Taha

Old is gold

WHEN he arrived at Difinga in Mvomero District, Morogoro Region for the first time in 1984 – coming from his home village of Kirua on the slopes of the world’s famous Mount Kilimanjaro – Mzee Mora found that a large part of the village was wild and overgrown.

With only a few small areas under effective occupation and limited economic activity, the villagers could only be described as ‘small-holder, peasant farmers,’ traditionally cultivating food crops for sustenance, particularly maize and cassava.

Mzee Mora didn’t come to Difinga by mistake, or came across the village by accident. He’d in fact been specifically invited to move into the place by the ‘native’ villagers. And, what with one thing leading to another, he found himself being assimilated into the community – and, just as soon, becoming one of the villagers.

“When I came here that first time,” Mzee Mora narrates, “my hosts allocated me a piece of land on which I built a very simple hut: the makings of a new home away from home. I had no furniture or furnishings to speak of, sleeping on the floor using banana leaves both as a ‘mattress’ and for cover in the bitter cold.

“You can only imagine my ordeal then – especially considering that the climatic conditions of Morogoro are similar to those of Kilimanjaro, hundreds of kilometres away, where I had so recently left the comforts of a settled life.

“All that notwithstanding, however, I found myself falling in love with the place and the friendly villagers as time went on. That was basically why

I firmly decided to make Difinga my new home,” Mzee Mora explains.

Village reborn

In the due course of time and events, Difinga has today become a very different place from what it was in the 1980s. For starters, not only has the local population increased... Socio-economic developmental activities have also expanded and improved, especially in the agriculture sector.

Travelling on the road to Difinga from different directions, you will see alternating sceneries of undulating countryside, with hills giving way to vales, and to more hills, and more vales seemingly endlessly.

That geographical beauty is punctuated by successions of fertile farmland on which one can grow various food and cash crops, including paddy in the lowlands.

Lucrative business

Hugging the roadside and extending outwards are patches of assorted vegetables and other fast-growing ‘money-making’ crops which are for both the farmer’s cooking pot and for sale to other end-users in income-generating trade.

According to Mzee Mora, “there is good weather here in Difinga, and enough fertile, arable land – the same as is the case in Kirua, Kilimanjaro. There are rivers with water flowing throughout the year; and the roads which connect the villages in Mvomero District with other parts of the region are now passable at all times.

“These are the main reasons behind the Tanzania Horticultural Association (Taha) and iWASH (Tanzania Integrated Water Sanitation & Hygiene) programme moving into disseminate and otherwise impart knowledge on good agricultural practices to farmers in Mvomero District,” he notes.

Clearly, Mzee Mora is not the only person who has virtually fallen under

the ‘Difinga spell,’ so to speak. The others are Juma Lossini, a member of the Taha Board of Directors.

Speaking on the occasion of a Farmers’ Field Day at Difinga recently, Lossini said: “This is my first time to be here, and I frankly say that you guys are blessed. I’m saying this because, on my way coming here, the first thing I saw was this very beautiful valley in the district; every plant in this land is assuring you all of prosperity.

The event is one of the platforms which Taha routinely uses to disseminate knowledge on good agronomic practices within the horticultural industry in Tanzania.

The main aim is to further improve upon horticultural production overall through increased quality and volumes of farmers’ harvests, as well as enhancing ready accessibility of reliable and profitable markets. All this would, in turn, raise the living standards of the horticultural practitioners and other stakeholders in the sub-sector.

The event, conducted in Difinga Village, with the same far-reaching aims. Farmers from different villages were invited to witness and learn firsthand the simplest-possible technologies in horticulture that aim at increasing quality harvests.

The underlying and overriding objective is to drastically reduce poverty. It is possible to actually measure the quality of life in a given area by the houses in which the locals are born, live and die!

Today, for example, most of the houses in Difinga are built of wattle-and-daub, a network of rods and twigs plastered with mud or clay, thatched with straw, reeds, palm leaves or similar material. If nothing else, this is ample evidence that such householders are in deep poverty.

Questions may arise as to why

these people live in poverty while they are surrounded by huge potential investment opportunities.

Empowerment of locals

Clearly, Taha and its partner, iWASH, have seen this, and have moved in to empower the villagers. The two institutions are now in Difinga in full force to ensure that the living standards of the local people improve through the cultivation of horticultural crops which would guarantee considerable earnings throughout a year.

Working in close collaboration, Taha and iWASH are already effectively making use of technical agronomist professionals in Morogoro to penetrate and impart appropriate knowledge in horticultural crops cultivation... passing on technologies which are known to have changed for the better the way farmers cultivated crops elsewhere before.

In fact, the one-year Taha-iWASH programme aim at improving horticultural productivity and market access has successfully recruited new farmers in the horticultural sub-sector and, as a result, people in Difinga are on the way to considerably improving the quality of their lives in due course, thanks to good practices in horticultural crops cultivation!

Commenting on the matter, a resident of Difinga Village, Musa Mohamed, says: “I thank Taha for the free knowledge we have been given by its experts, and we are now confident that we can improve our living standards and change our lives for the better through the cultivation of horticultural crops. I’m proud that, in Difinga, we’re now connected to the world of horticulture!”

Send your comments for free starting with (HORTICULTURE) to 15774



That geographical beauty is punctuated by successions of fertile farmland on which one can grow various food and cash crops

Firm keen on improving cashew production systems



By Hansa Group

Investment attraction

THE massive investment attraction in cashew sector will be possible if the distribution process is favorable and allows the movement of cashew raw materials from farmers to processing area and from processing area to the market in a timely and cost-efficient manner.

Transportation is one of the key factors that determine the price of goods and services in any commodity market.

According to a statement indicated that a well-established and cost-effective transport system has the potential to help reduce poverty through supporting economic growth by directly and indirectly promoting trade and higher productivity in the economic sectors.

“It is therefore essential that the sector is operated proficiently and effectively to enable the economic sectors to contribute optimally to socio-economic development.

Some reports indicate that transport sector contributes an average of 5 percent of Gross Domestic Product in Sub-Saharan Africa and Tanzania in particular,” reads the statement

Hansa’s commitment in Tanzania over the past two decades, and with the

new Fuso range, will provide transportation solutions to small holder farmers to encourage local processing of cashewnut within Tanzania.

The statement explained that transportation has long been recognized as a strategic factor in economic growth and social change. It is a key sector for agricultural and economic development in Tanzania. It forms an essential link between centers of production and markets in the agricultural sector.

Readily available, low-cost transportation makes it possible to bring raw materials from farm to the factory to be transformed into desired products. Likewise, dependable transportation makes it possible for these factories to supply finished products to their customers where and when they are needed, and in the form and quantities desired, and in a timely manner.

The geography of Tanzania, its size, diversity and dispersion give roads a special position in integration of the national economy. In particular, roads serve rural areas (where the majority of the people live) more effectively than any other mode of transport. Road transport is the dominant mode in Tanzania and carries over 80 per cent passengers and over 75 per cent of freight traffic.

Eighty percent of Tanzanians depend on agriculture for their livelihood. Currently agriculture contributes 95

percent of the food consumed in the country.

Over the years, the transport sector in Tanzania has helped to integrate market-strengthening competition, increase access to farming techniques, and promote trade, tourism and most importantly to help the farmers open their market from local to other neighboring towns and cities.

In Tanzania, about 70 per cent of the food marketing cost comes from transportation.

As well, it has been estimated that 30 to 40 per cent of all agricultural produce is lost as a direct result of spoiling due to delays in the transportation and supply chain between farm and market.

With the under developed infrastructure, product distribution is a key factor of the agricultural sector.

Hansa Group understands the local challenges prevalent within the agricultural sector especially when it comes to commodity products. Product distribution is a key factor which determines cost for any commodity.

The Group believes that without an efficient, well managed transport system, the growth and development of the agricultural sector, and cashew sector in particular is adversely affected.

A step forward in this direction is the forthcoming launch of the new Fuso, which is now a Daimler company. These trucks, built for maximum prof-

itability, have a vehicle portfolio that is based on the solid foundation of Fuso’s core brand values which are guided by forward looking product values & achieving unique sales propositions.

Fuso’s core brand values are based on trusted quality, economic efficiency, solid & functional design, committed service, wider choice & backed by Daimler technology.

To add to this, the main USP’s of this all new range are extensive reliability & durability, high fuel efficiency, low maintenance costs & exceptional loading capacity.

Fuso product values are based on reliability, revenue maximization / cost optimization and functionality. This is what makes Fuso the complete transport solution for any agricultural investor and stakeholder.

Focusing on intensification of the agricultural sector in Tanzania, in which over 80percent of the population is engaged,

Hansa Group believes that transportation sector is the one of the best way to reduce rural poverty in Tanzania.

Hansa’s invests on distribution area by innovating and strengthening their new standard mode of trucks will make a strong contribution to support growth in the agricultural sector in country. This in turn will boost productivity in business, agriculture, and reduce poverty.



It is therefore essential that the sector is operated proficiently and effectively to enable the economic sectors to contribute optimally to socio-economic development

Bank commits to service agricultural sector



By Kilimo Kwanza Reporter

Bank's inroads

NMB is firmly committed to its vision of being the preferred financial service partner in Tanzania offering affordable, customer focused, financial services to the Tanzanian community, in order to realise sustainable benefits for all our stakeholders.

Currently, NMB has over 1.8 million customers, over 150 branches, over 500 ATMs and over 1.3 Million ATM cards and operates on real time online in 95 per cent of the nation's administrative districts. With 60 per cent of its branches located in rural areas, and 35 per cent in otherwise unbanked districts, NMB is a key player in the financial inclusion in a country where only 13 per cent of adult population is formally banked.

The bank pioneered major innovations in the Tanzanian market includ-

ing mobile banking, Pesa Fasta, and ATM based remittance product targeted at the unbanked population; we also support the Government of Tanzania through all our branches and redeeming agriculture input subsidy vouchers for the past five years.

NMB is also making inroads in Corporate Banking, Treasury, and Transactional Services such as corporate payments, collections, trade finance and aspires to become the first bank of choice for financing agriculture value chains in Tanzania.

The bank continues to enhance its agriculture financing strategy to cover not only in the upstream targeting groups/cooperatives, individual farmers ranging from emerging to large commercial farmers, but also in the downstream to finance traders, processors, and exporters.

NMB Bank has fully fledged Agribusiness Department, which is ahead of the market in innovating successful models for financing smallholder farmers such as the use of ware-



The bank continues to enhance its agriculture financing strategy to cover not only in the upstream targeting groups/cooperatives, individual farmers ranging from emerging to large commercial farmers, but also in the downstream to finance traders, processors, and exporters

house receipt financing, out-grower loan schemes and NMB Kilimo Account.

The focus going forward is to link the smallholder farmers with the rest of the value chain downstream by introducing new products for emerging farmers, large commercial farmers financing, processors and exporters.

The emerging farmer program will be in partnership with agriculture input suppliers, extension services & technology providers, and other supporters from key stakeholders in the agriculture sector. Taking agribusiness to the next level is our motto and will continue to develop and execute strategies towards becoming a first bank of choice for financing agriculture value chain in Tanzania. Currently our Agri product fall into two categories i.e. working capital (short term loans/overdrafts) and Agricultural mid-term to long term investment loans

Out grower loan scheme

Out grower loans are designed to

facilitate farmers dealing with production of crops under contract farming arrangement to get working capital to meet costs of farming, inputs purchase, crop maintenance, harvesting and other related crop development costs.

The scheme involves tripartite relationship i.e. the Bank as financier, the buyer/processor and the farmer/producer. The bank finances crop inputs which are either delivered by the off-taker or agri-input dealers.

The harvest is contracted to the off-taker who pays the crop proceeds through the bank whereby the overdraft is repaid and the remainder is available for the farmer/producer group.

The scheme is now operating in the following sectors: sugar cane – in Kilombero and Turiani districts in Morogoro Region, and tobacco – in Mbeya, Ruvuma, Tabora, Kigoma, Kagera and Shinyanga regions respectively

The scheme can also be introduced in other crops being produced under

Pass initiative leads the way for Kilimo Kwanza success

By Iddy Lujina, Pass

Establishment

The Private Agricultural Sector Support (Pass) was established in 2000 under the Agricultural Sector Program Support. It operated as a project till 2007, when it was registered as a Trust.

Pass Trust is now an independent organisation in high demand for its agri-business advisory services and financial linkage services. It operates as service provider between the agricultural sector and the financial sector.

Loans Pass's clients comprise groups of small farmers, individual farmers, agro-processors etc whose number has reached around 100,000, so far and facilitated loans of above 100 billion/-.

In 2012, Pass supported agribusiness enterprises and farmer groups, Saccos, cooperatives, farmers associations and women groups involved in agricultural activities.

In the past year alone, over 20,540 farmers all over Tanzania got loans worth 30.5 billion/- for inputs, irrigation, tractors, agro-processing and trucks.

Support The main focus of Pass is to facilitate value chain financing covering all needs of agro-entrepreneurs from the farm to the table. It assists its clients in preparing sound and bankable investment projects and facilitating access to finance through credit guarantee arrangements operated with commercial banks.

Currently, Pass Trust assists customers to get loans through eight banks: CRDB, Exim, TIB, FBME, NMB, ABC, BOA. In 2011 we added Kilimanjaro Cooperative Bank and plans are at hand to link up with more community banks and rural financial institutions.

Impressive productivity gains have been achieved in supported projects in various sub-sectors including coffee, tea, paddy, maize, cotton, sunflower, cashew nuts, sugar cane, sesame, poultry, dairy, beef fattening etc.

In 2012, Pass supported loans in crop and livestock production, farm mechanisation, agro processing and trading and trucks for rural transportation.

The support has created thousands of new jobs in the rural areas. PASS has gone further by setting special concessionary loan terms for women entrepreneurs to enable them qualify for more bank loans.

Loan repayment Pass has also achieved an excellent loan repayment rate of over 93 per cent, and the collaborating

banks are progressively getting more encouraged in financing agricultural investments.

As the demand for PASS services is growing fast, PASS is reorganizing and equipping itself to solve new challenges.

New Pass offices in Moshi, Mtwara

The outreach of Pass Trust covers coastal areas through the Dar office, the Southern Highlands through the Mbeya office and the Lake Zone through the Mwanza office. Others are, the Northern zone through Moshi office and Mtwara office for Southern zone.

The available credit guarantee fund will enable Pass to mobilise additional credit into the agricultural sector to the tune of about 150 billion/- in the next three years.

Pass cushions credit risks We call upon all banks that are interested in providing loans to the agriculture sector to contact us so that we could work together to solve some of their key constraints.

We would provide banks and farmers' consultancy and advisory services for preparation of bankable business plans. We understand that many banks refuse to provide loans to the agriculture sector because most customers do not have acceptable collateral cover.

However, this should no longer be the case. Pass Trust does offer credit guarantees to banks for viable investments.

Our guarantee cover ranges from 30 per cent to 60 per cent of the loan principal which is significant and would enable many borrowers to pass the "security" criteria.

New Products Bank Linkage guarantee Pass Trust has introduced new products recently, Bank Linkage Guarantee (Institutional guarantee) and Portfolio Guarantee so as to widen the range of our support to facilitate more credit access to the agricultural sector.

Bank Linkage Guarantee is a very popular one, as it assists community banks and microfinance institutions, to secure loans from more liquid tier 1 banks. We provide guarantees to enable MFIs and regional banks to qualify for such loans.

Portfolio guarantees For banks that have enough track record of providing loans to farmers, we offer this type of credit guarantee. It allows the lender to cover many farmers at once without waiting for business plans from each borrower.

The bank is expected to be fully conversant with the customer's business. This, fast tracks loan and guarantee processing and expedites approval of facilities substantially.

contract farming with financially strong off-taker and minimum potential marketable production of 10,000MTs and above.

Warehouse receipt financing

Warehouse Receipt financing is a working capital facility for purchase of non-perishable commodities like coffee, cashew nuts, cocoa and other crops which are stored in approved/licenced warehouse; the stored crop in the controlled and licensed warehouses by Tanzania Warehouse Receipt Licensing Board (TWLB) is the collateral for the loan which is assigned to the bank through warehouse receipts.

Upon the Bank receiving the Warehouse Receipt, the bank disburses up to 70% of a conservative price (established by the bank). Whenever the commodity financed under WRS is sold; cash is delivered to the bank, loan redeemed, commodity released from the warehouse and the transaction is ended. Warehouse receipt system financing is currently being undertaken in the following areas: Mbeya and Litembo in Ruvuma region, Kagera region, Mbozi and Mbeya rural in Mbeya region and in Kigoma region for coffee crop.

Nanyumbu, Tandahimba, Newala, Masasi, Ndanda, Mtwara rural districts in Mtwara region; Nachingwea, Liwale, Lindi urban and Ruangwa districts in Lindi region; for cashew nut crop. And Kilombero district in Morogoro region, Magu, Misungwi and Ngudu in Mwanza for paddy crop.

Warehouse Receipt Financing can be introduced to all other non-perishable crops with minimum production of 10,000MTs and above, adequate storage facilities licensed by TWLB and with multiple marketing options.

Emergent farmer loan product

In addition to the smallholder segment, the bank has identified emerging farmers as a potentially attractive agricultural segment. Emerging farmers are typically larger than smallholders, have a more entrepreneurial mentality, have a basic level of financial management and are growth oriented.

The Emergent Farmer Loan product aims to assist medium/emerging farmers improve their farm productivity, access to finance and facilitate growth to new level/category of commercial farmers.

The bank is currently developing the emergent farmer loan product which will be launched before end of 2013. The bank believes that the emerging farmer project will be another milestone towards the bank ambition to become a bank of choice for financing agriculture in Tanzania.

Commercial farmers financing In addition to serving small and subsistence farmers through groups/cooperatives and other farmer associations, emergent farmers; the bank have started financing larger sized commercial farmers for selected crops such as coffee, paddy/rice, cashew, wheat, barley, high value crops and other animal protein sectors.

The segment is still small in

Tanzania. However, the commercial farmers segment is potentially attractive due to assumed availability of financial and technical information, the professionalism of management and the economies of scale (also the loan amounts are bigger).

The bank have invested in the agriculture sector information systems to enable the bank to track individual's farmer performance and make judgements on credit applications.

Proper credit structuring, rigorous monitoring in combination with enforceable collaterals is the basis for financing this category of customers. Which include thorough assessment of the management capabilities of the entrepreneur.

Investment/Development Loans

These are loans offered for non working capital purpose, they involve long term investment and hence the loan repayment period lasts for more than one year and in most cases the financed project becomes part of collateral of the loan.

These loans include: Loans for purchase of farm machines, constructions of warehouses, and other farm infrastructures such as irrigation structures, equipments and other farm long-term investments.

In its efforts to enhance good governance and transparency; financial literacy and technical know-how, NMB Bank in collaboration with Rabobank Foundation established NMB

...about NMB Foundation for Agricultural Development

The NMB Foundation for Agricultural Development (NFAD) is a non-profit company limited by guarantee, founded by the Rabobank Foundation and NMB Bank PLC.

The aim is to strengthen the management of the farmers associations and cooperatives with its members in terms of leadership, governance, marketing and financial skills as well as



These loans include: Loans for purchase of farm machines, constructions of warehouses, and other farm infrastructures such as irrigation structures, equipments and other farm long-term investments

production techniques and technology to improve yield in terms of quantity and quality of the produce in order to increase their income and reduce poverty hence become sustainable and bankable.

Therefore NFAD main activities include Cooperatives' capacity building in governance, marketing, planning, and financial literacy and productivity improvements.

Trainings are provided in the following four main modules: cooperative good governance, marketing and loan administration, strategy and planning, and productivity enhancement, including agronomy.

The modules provide members and elected leaders with capacity to govern their co-operatives professionally, increase efficiency, financial literacy, and creating economies of scale to increase their profitability and therefore become sustainable and bankable.

Agribusiness Knowledge build up

NMB's service delivery to the agriculture sector goes beyond financing. The bank believe that agricultural markets knowledge and timely dissemination of the appropriate market information to stakeholders is key to successful agricultural business.

It is from that background that NMB has a dedicated research unit for collection of relevant data for dissemination to bank staff, customers and stakeholders in Agriculture sector.

NMB Research Unit is supported by Rabobank's Food and Agribusiness Research (FAR) in collection of useful data for all stakeholders in the agriculture value chains.

...about Rabobank Food and Agribusiness Research (FAR) Advisory

Rabobank Food and Agribusiness Research Advisory (FAR) is Rabobank's global Food and Agribusiness (F&A) knowledge provider.

FAR comprises of a global team of analysts that continuously accumulate knowledge in major F & A sector, issues and trends. This knowledge is used within the bank, shared with clients and stakeholders.

FAR covers F & A sectors worldwide, focusing on Animal Protein, Beverages, Dairy, Farm Inputs, Food Retail and Consumer Behavior, Fruits & Vegetables, grains & Grains Based Products, Oilseeds Complex and Sugar.

Emphasis is on covering all relevant issues throughout the food chain, from production to consumer, from brand strategies to environmental issues, from world trade flows to chain control.

Rabobank's F&A publications are produced by FAR and mirror the bank's extensive knowledge of F&A sector trends and corporate strategies. They are intended for use as knowledge documents in the Bank's work for clients and contribute to the pool of specialized knowledge of other stakeholders involved in food and agribusiness value chains.

Why cashew nut production may decrease as global demand increases

Latest reports indicate that cashew nuts production in Tanzania may decrease as global demand increases. The reverse trend suggests that, despite investing too much sweat and blood in a crop that elsewhere earns people good money, Tanzanian farmers should brace for more disappointing returns. Read on...

By Staff Writer, Ansaf

Meagre returns

WHILE the global demand for cashewnut is growing and projected to continue to grow, local production is likely to fall in the next few years unless serious measures are taken.

Research has shown that the world needs more cashew nuts from Africa as much as eight per cent more every year, hence, the global investment climate and interest from cashew buyers is greater than ever before.

Records from the Cashewnut Board of Tanzania (CBT) indicate that production in Tanzania increased to 120,000 tonnes during the 2010/11 season, up from 75,000 tonnes in the previous season. But there are indications that the good harvests may not continue for long due to several factors, including lack of new trees and motivation for farmers to continue caring a crop whose returns are less than they should be as compared to the global market.

Old trees
A research commissioned by the Agricultural Non State Actors Forum (Ansaf) shows that old trees will pose one of the biggest threats by the year 2020. It shows that there are up to 15 million unproductive trees which were planted before 1985.

Audax Rukonge, Ansaf executive director, says that the research revealed that \$110 million is needed to buy enough seedlings and deliver them to farmers to double the Tanzanian cashew crop size. It is estimated that the country has between 40 and 50 million cashew trees, most of which were planted in the 1950s and 1960s, with a marked decline in planting since the mid-1970s.

However, new plantings started again in the early nineties and by the late nineties, more and more people planted cashew. But today, probably



only between 20 and 25 million cashew trees are productive. "There is a dire need for new seeds to replace the old trees, some of which are no longer productive," observes Rukonge.

Many farmers still depend on the old trees despite the government efforts to convince them to grow other crops. The farmers can cut down some of the old cashew-nut trees and plant new ones.

CBT director general, Mfaume Juma admits that the issue of old trees is serious because it would affect production, but maintained that farmers have access to new seeds to help encounter the problem. He says the problem varies from one region to another as in some areas farmers have planted new trees that will replace the old ones.

Regions known for cashew nut growing include Mtwara, Lindi, Coast, Ruvuma and Dar es Salaam. Production in Coast Region has, however, been dwindling over the years, as farmers seem to lose interest in the crop.

"Farmers in Coast Region should wake up and improve production of cashew nuts. They should not let the

crop collapse like coconuts," Juma stresses.

Dr Peter Masawe of Naliendele Research Institute also agrees that

there was need to replace the old trees, though he noted that some of them can still produce nuts.

During the 2012/13 season, farmers in the region produced only 9,000 tonnes of the total 120,000 tonnes produced in the country.

Ditching cashew
Besides old trees, farmers in some of the regions are increasingly shifting to cultivation of other crops, which mature faster and are less costly in terms of needed inputs. They are unhappy with the input supply value, citing poor services from traders who win government tenders to supply subsidized inputs. Main complaints are on the inadequacy of quantity of inputs of the product delivered. The inputs were revised last year following the unsuccessful tender for 2011/12 season to deliver inputs.

Liwale resident, Mohamed Mpoti, confirms that many farmers in the region have turned to growing sesame (sim sim) which is not costly to maintain, and matures earlier than cashew nuts.

He cites the high cost of farm inputs to main cashew trees, poor market

“...old trees will pose one of the biggest threats by the year 2020. It shows that there are up to 15 million unproductive trees which were planted before 1985”

structure and limited income as the main reasons forcing farmers to seek alternative crops.

Concerns about price
Investigations have revealed that a company linked to a prominent Member of Parliament (name withheld) which imports sulphur dust that controls powdery mildew reportedly set prices too high.

The prices paid by farmers range from 20,000/- to 35,000/- per kilogramme. Average prices are equivalent to \$1265 per tonne without subsidy. The international market price for sulphur as quoted Cfr Dar es Salaam from the same source that supplied the product last year is \$680 per tonne.

Quotations from a United States supplier for sulphur for the same specification are as low as \$200 per tonne in bulk. "Clearly the landing and distribution of the product is a heavy cost but, nonetheless it obvious that sulphur prices are too high even after the subsidy" stated a source close to the supply chain.

Delay of inputs
Worse still, is delay in providing the chemicals. For instance farmers need to spray their plants in April, but normally receive the chemicals in July. A loss of at least 80-100 per cent is realized when the trees are not sprayed on time.

On the challenges facing the sub-sector, the Minister for Agriculture, Food Security and Cooperatives, Christopher Chiza, says the government is aware of the problems and is working hard to solve them.

The minister doesn't state specific measures the government is currently taking, but promises "a lot of changes" in the 2013/14 fiscal year.

Gas: A threat, or blessing?
The discoveries of oil and gas in Mtwara and Lindi regions are also a threat to the future of cashew sector, as most farmers reportedly abandon farming to work in oil and gas companies.

According to the Tanzania Petroleum Development Corporation (TPDC), there are eight firms from Britain, Brazil and Norway conducting deep sea explorations for oil and gas. With the good money the firms are coming with, more poor farmers are likely to leave cashew nut trees unweeded, seeking employment in gas and oil sector.

A farmer from Mtwara, Abdallah Juma, says he has decided to work in one of the gas companies since cashew nut farming has become more demanding and less profitable.

"We cannot withstand the challenges that go with cashew nut production anymore, and since God has blessed our region with new resources, let us reap from them," he stresses.

Send your comments for free starting with (DEMAND) to 15774



Value added cashew nuts can turn the Tanzanian economy around

By Staff Writer, Ansaf

Dar declines

SOMETIME in the past, Tanzania was the world leader in the cashew business. However, now the country has declined in the global market to other countries, such as Brazil and India, despite producing better nuts, according to the latest findings.

Records show that Tanzanian in shell nuts makes some of the highest prices in India every year due to high quality and seasonality. Lack of processing facilities is increasingly decreasing production and apathy to improve quality force in the country.

The industry is suffering from lack of new ideas, motivation and facilities that can still make the country one of the major global players in the sector.

According to a recent study by the Agricultural Non State Actors Forum (Ansaf) indicates that Tanzania produced 158,000 tonnes of quality cashew nuts in shell in 2011/12.

But only 15 per cent, being about 23700 tonnes of the crop processed in

country, and the trend is even likely to get worse.

Ansaf executive director, Audax Rukonge, notes that in the past five years Tanzania, by exporting in shell cashew nuts instead of processing them, has lost US\$551 million in value addition that's US\$110 million per annum.

He says that the \$110 million could build enough modern, food safe cashew factories to process the entire Tanzanian crop. "This amount of money could also buy enough seedlings and deliver them to farmers to double the Tanzanian cashew crop size," he adds.

Processing the entire crop, he notes, would have added US\$750 million to the rural economy over the past five years.

Losses in terms of jobs
By way of exporting the raw nuts, the country not only goes on losing its wealth in terms of profits, but also ignores the potential of generating a huge number of jobs.

Processing the crop would create 45,000 jobs and in addition processors pay farmers better prices, making them to work hard to develop production and quality.

Rukonge attributes the low processing to the fact that the mechanised

factories built in the 1980's never worked and were probably never likely to work. He says, "Care must be taken in basing any future development of value added activity on these plants."

Small scale processing, according to an Ansaf report, has shown to be successful only when there is a large domestic market or if it is linked to larger scale, modern factories.

The government should therefore prioritise processing, through modern processing linked to farmers and linked to small scale processors.

Some stakeholders argue that the sector is unlikely to attract more investors to invest in processing due to challenges in the cashew sector as a whole.

Investors are unlikely to put millions of dollars in processing facilities when their supply is decided by an auction which is inefficient and rumoured to be corrupt and prone to political interference.

The value added industry of cashew processing is absent in Tanzania, as in other African countries.

New drive
Now, a continental cashew association dubbed, African Cashew Alliance

“...in the past five years Tanzania, by exporting in shell cashew nuts instead of processing them, has lost US\$551 million in value addition that's US\$110 million per annum”

(Aca), is in place to promote a campaign to add value to its nuts and to encourage higher production, better quality and marketing Africa as a source of quality cashews.

According to Aca, currently the African cashew industry employs three million households, but is dogged by depressed prices and dwindling production.

Mozambique and Tanzania, who were the main global producers, have been edged out of the top positions by India, Vietnam, and Brazil, whose respective processing capacities are 750,000, 300,000 and 300,000 tonnes respectively.

While world cashew production has increased, Africa's share has decreased steadily with current output of about 300,000 tonnes which is less than half its potential of 700,000 tonnes, according information available in the Aca website.

Potential for good money
According to an agency that is helping to revamp cashew industry in Africa known as TechnoServe, cashew processing can generate annual revenues for Africa as high as \$500 million by 2015 of which 40 per cent would go to wages for manual labour.

TechnoServe claims that not only African processors need to be competitive in four specific areas which include broken nut yields, reduction of production costs, working capital rates, maintaining quality and reputation.

Deterioration of quality
Processors must also have access to quality nuts to assure long term industry viability.

One of the major challenges is the deterioration of the quality of cashews. According to Donald Mitchell, a Lead Economist with DECPG, the quality of Tanzania's raw cashew nut exports has deteriorated since the marketing liberalization of 1994/95.

This is apparent from the events of this past year, when early shipments were rejected by Indian importers and also from comparison of export unit values calculated from the Food and Agriculture Organisation (Fao) data before and after liberalisation.

The average export unit values for Tanzanian cashew nuts declined to 14.8 per cent from the pre-to post-liberalisation period compared with the other sub-Saharan African countries.

Bleak future
Statistics from every one of Africa's big producers paint a bleak picture in processing. Guinea Bissau, the second biggest producer in Africa and the fifth in the world, produces 90,000 tonnes and almost all the production is exported for processing in India and that 80 per cent of the population is connected to the industry.

Analysts say a viable processing industry in the country could create over 40,000 direct jobs and generate \$40 million in incremental processing revenues annually.

According to TechnoServe Tanzania, a single factory that processes 1,000 tonnes of cashew nut per annum would create 300 jobs double export earnings from the cashew crop and support 10,000 growers.

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Study unveils great market potential for roast cashew nuts



By Felix Lazaro

Myriad opportunities

There are numerous domestic market opportunities for cashew nuts in Tanzania, if suppliers are organised and equipped with business skills, working capital and good market linkages, a study has revealed.

The study, titled, 'Market Survey for Roasted Cashew Nuts in Tanzania', was commissioned by Lindi and Mtwara Agri-business Support (Limas) in December 2011, to assess the domestic market for roasted cashew, with essential objective to estimate the market size and viability of accessing the markets.

The specific proposed areas for attention include, developing cashew kernels distribution channels, and addressing the limited investment in developing cashew nut supply channels in Dar es Salaam, Arusha, Mwanza and Zanzibar.

That is because the current structure is prone to erratic deliveries and poor quality of cashew. Limas can find ways to link suppliers and processors in

Lindi and Mtwara with potential traders in the cities.

"The partnership should aim to work together to develop a one-stop shop cashew supply point, educate the suppliers on market dynamics like price setting mechanism, quality, logistics and packaging and prepare feasibility study to determine the practicality of having the two hubs in Mtwara and Dar es Salaam," notes the report.

In the partnership, processors are expected to mobilise cashew nuts into various grades, bulking and packaging into various sizes as well as arrange transport for taking the produce to Dar es Salaam.

Another area was the need for improving product shelf life through vacuum packing, which was noted to have affected a number of traders and supermarkets.

Taking advantage of untapped market segment such as hotels, because few hotels sell cashew as product at a very high margin, caterers through innovation on packaging to portray prestige, offices can be serviced with the cashew as well.

It also noted the need to improve product image to alley the allegations of health risks associated with the way

vendors were packing nuts in the past. They used low density nylon packets and breathed the air in to inflate.

According to the survey, the cashew nut that is well packed stands to win potential markets for visitors from Middles East who are cautious of cooked foods when on safaris.

"The crop is consumed by middle and high income people, these prefer products which are well packaged and branded," according to the report.

Packaging standards
The government needs to issue standards on packing, such as 100gms, 200gms, 500gms and

1000gms, which should be observed since some vendors reportedly, cheat consumers.

The information of the research was collected from more than 50 respondents who are involved in chain as caterers, hoteliers, supermarket operators, office personnel, market operator in Dar es Salaam and from Arusha, the subjects were among transporters, vendors and certifying bodies.

During the collection of data, a number of issues came out, which are expected to help develop the cashew nut marketing system which will empower both traders and farmers.

The research revealed a number of hindrances from the cashew nut roaster enterprises include costs involved in the chain like transport, and costs of packaging. Kilimanjaro Nature Ripe (KNR) hires a pick up at between 15,000/- and 20,000/- and for a 1.5 unloading from the bus and loading into the pick up costs Sh10,000.

Mohammed Enterprises Tanzania Limited (METL) reported that it supplies cashew to limited supermarkets of Shirejee, Jmall and Shoppers Plaza, limiting its channels to avoid costs associated with channel management.

"In the past METL had an agent in Arusha, however, they stopped the relationship to reduce the cost of managing distribution channels because volumes could not justify," notes the report.

Lack of capital

On difficulties in accessing the loans, Ebenezer Nuts Packer in Arusha responded that it sources capital from Mwananchi micro-finance and National Microfinance Bank, and got 1.4 million/- and 1 million/- at an interest rate 30 per cent per annum and 18 per cent, respectively. She goes to Mwananchi because there are fewer forms to fill than NMB.

Kempinsk Hotel in Dar es Salaam reported that cashew nut supply is affected by seasonality of supply. From October to February supply is good, while from March to June the supply decreases to about 40 per cent of October - March and from July to September, there is very little cashew in the market.

The East African Hotel in Arusha noted the quality challenge as the challenge it faces, since the hotel is a 3-star, it is compelled to provide high quality services and foods.

"There had been cases where cashew delivered was of poor quality, irregular in shape and not clean, sometime the hotel is compelled to sort the cashew and it is normal to find 25 per cent of the supply unfit for use as snack," according to the report.

The study also reviewed some studies done about cashew nut in Tanzania and found that Dai-Pesa in 2003 reported that in 2002 Tanzania produced 93,000 MT of raw nuts, some 15,000 MT or 16.1 per cent were processed locally by premier nuts, Mohammed Enterprise, OLAM, OETF and informal processors.

At the time Tanzania produced 3,400mt kernels and consumed 490mt represented about 14.4 per cent of the kernels. The report further indicated that that out of the 490mt consumed locally, 400 came from informal (micro-scale) processors. Converting the 490mt of kernels gives 2,450mt of raw nuts or 2.6% of the annual national raw cashew production.

Later in 2006, a report by Bacas indicated that Tanzania exports more than 90 per cent of the nuts in raw form and that "In Tanzania only 2-4% of processed nuts are consumed within the country compared to some 20% in Kenya"

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The crop is consumed by middle and high income people, these prefer products which are well packaged and branded



By Juma Ngumuo, TGFA

Youths' role

The role of young people in the agricultural sector has been debated extensively for the good reasons of looking at ways to delve into them. Youth unemployment is a huge challenge with potentially severe consequences.

The ministry of Labour and Youth has developed a Youth Policy, and administers a Youth Development Fund, and the government funds a Small Entrepreneurs Loan Fund targeted to empower youths and other groups.

There has been an advocacy and stakeholder's involvement that addresses the need to make sure that the strategies and regulations to implement policies are well shared to achieve the intended objectives, with government and private sectors as key stakeholders.

It is obvious that employment and food security, the economy, climatic changes, and population increase worldwide require purpose initiatives and projects.

Challenges

The agricultural sector is currently a source of livelihood to majority of Africans, especially those residing in rural areas. The sector employs many people in the African continent. Despite its importance to the economy, the sector faces myriad of challenges.

One of those challenges is that the sector remains largely traditional, concentrated in the hands of small holder engaged with subsistence farming. Additionally, the level of investment is insufficient to make meaningful contributions in the livelihood of farmers. The issues facing the backbone sector make it unattractive to the youth.

However, one of the initiatives is growing forums to promote Youth involvement in productive activities is Tanzania Youth in Agribusiness Forum (TYIAF) programme, which is a multi-sector initiative by members of the Agri Hub Tanzania under Agri-Profocus.

On 26th October, 2013, a consortium of organisations under the Agri-Profocus - Tanzania Chapter, namely, the Tanzania Graduate Farmers

Making youths love, embrace agribusiness

Association (TGFA), Shambani Solutions, Ibusti and 4-H Tanzania held the Manyara Youth road-show which aimed at recognising and sharing achievements made by the youth-led enterprises and initiatives while addressing opportunities and challenges for engagement in agribusiness.

Manyara Region was then under Arusha Region, but now it is a fully-flagged region with headquarters in Babati Town. The region has so many potentials for agriculture such as crop production to animal husbandry with involvement of society in the sector. Manyara comprises the districts of Kiteto, Simanjoro, Hanang, Mbulu and Babati districts.

Speaking during the coordination meeting of TYIAF, Katarina Mungure, who is assistant coordinator of Agri Hub Tanzania, said, "Manyara Road show follows the launch of the Tanzania Youth in Agribusiness Forum (TYIAF) on 11th May, 2013"

She added, "Our youth forums are aimed at acknowledging achievements, appreciate challenges of youth agribusiness enterprises, youth role models, young Agro entrepreneurs and projects which support youths as well as sharing the APF Tanzania online so that youth can use the platform to share, discuss, network and conducting business through the online market place."

"Nevertheless, the platform is also a place where stakeholders and those primary beneficiaries in economic development to Share information through knowledge and skills required on existing opportunities and how best to tap into these opportunities through empowering interested youths and youth led initiatives," she added.

Road shows
TYIAF road shows are also geared

to bring all stakeholders for design and implement strategies for business partnership and knowledge sharing so as to engage more youth into Agribusiness as the road map will be agreed upon.

The initiative promotes issues relating to agribusiness such as investing opportunities, market opportunities, success stories, market places, research finding, ICT for Agriculture through multidisciplinary approaches and advocacy in action.

Through Agri Hub Network, the programmes is able to share and discuss issues related to land, market, inputs, farming as business and other farm related issues with different stakeholders and agriculture practitioners.

It is worth now to involve primary players in the agriculture sector and through ICT we can manage to share opportunities, challenges and hence promote solutions for the betterment of the sector which is the only one other sectors survive through food production value chains.

Youth agri-entrepreneurs and youth group representatives, youth-led organisations and companies, financial service providers, telecom companies, secondary & college students, private sector actors and losing potential buyers, input suppliers and business development service providers.

Katarina added that expected output of the forum are information on the agribusiness opportunities and supporting services in Manyara Region, as support in agri-business start-up guidelines and processes to attract more youths to invest into agri-business.

Also it will create better understanding of the APF Tanzania network and the role of the online platform in promoting farmer entrepreneurship".

Networks, linkages

Furthermore, it has been realised that networks and linkages will be developed to nurture aspiring and growing entrepreneurs hence collaboration and partnerships to as road map for youth capacity building events such mobilisation, entrepreneurship trainings, business development, business competition and advocacy for youth investment in agribusiness opportunities.

It is clear that this 21st century is dominated by advanced technological capacities, high productivity, modern and efficient transport and communication infrastructure and above all, highly skilled and informed manpower imbued with initiatives.

Communication infrastructures and collective initiatives still remain key for promoting youth development initiatives. The need to promote agriculture to be a professional sector and paying enterprise to youths, it need a lot of efforts.

"Medium youth agri-enterprises is a way forward towards addressing multiple challenges and problems facing



One of those challenges is that the sector remains largely traditional, concentrated in the hands of small holder engaged with subsistence farming

the agricultural sector in the country as it has been experienced in many African states.

This platform is the only way to connect the missing link between them in multidisciplinary approaches of acknowledging, recognizing and building a mutual understanding and participation of small, medium and large scale farmers with enterprising mindsets," adds Stephano Kingazi, the TGFA chairperson.

"Agricultural literacy is important for the future of our nation and the discipline of agriculture because the majority of the public is now almost completely removed from agriculture in their daily life, it is of utmost importance that best practices in agricultural education are identified to ensure agricultural literacy is maintained in future generations of Americans.

Education, training methods
The methods used to present agricultural education to students can greatly influence students' attitudes towards learning material. Riedmiller states that the quality of a school garden or agricultural learning material is the single most important factor influencing the knowledge, skills, and attitudes of youth learning about agriculture.

Ricketts and Place in 2005 expressed the importance of youth "learning by doing" and the belief of allowing learners the opportunity for self-discovery learning.

The research had articulated the positive benefits of agricultural education programmes for individuals in a variety of situations, such as nursing home residents, prison inmates, hospital patients, and disabled individuals and hands-on experiences with agriculture have been shown to create a significant increase in a student's knowledge.

Policy makers and agricultural and social development stakeholders should promote and advocate policies that fit the contemporary agribusiness environment in which youths are the key players.

Send your comments for free starting with (AGRIBUSINESS) to 15774

Important announcement to our customers



According to recently amendment of fertilizers policy in the country which has led the formation of Tanzania Fertilities Regulatory Authority (TFRA), YARA Tanzania Ltd would like to inform its customers and farmers in general that under the new policy it's strictly prohibited for suppliers of fertilizers to sell fertilize in an open sacks or weighing.

In implement that Yara Tanzania limited has started packing it's fertilizes in various weights from one, two, 25 as well as 50 kilos.

It's important for our dealers to make sure that they do have all the type of YARA fertilizes in various weights for farmers at their surrounding areas.

There is a huge profit in buying fertilize which is fully packed because it assures farmers quality as well as loss of fertilize during weighing.

It's our aim to see and make sure that farmers get value of their money for purchasing quality inputs which will results harvest as well as lift their income.

Yara, Your First Choice for best Fertilize.

YARA

2 years trial at Uyole ARI - summary

ENTRY	AMOUNT OF N AND P ₂ O ₅ KG/HA		TOTAL N/P ₂ O ₅	Bags / acre
	PLANTING	TOPDRESSING		
1. CONTROL	0 N 0 P	0 N 0 P	0 N 0 P	0
2. FARMERS' PRACTICE	22.5 N 57.5 P ₂ O ₅	57.5N	80 N 57.5 P ₂ O ₅	1 - DAP + 1 - UREA
3. YARA PROGRAM 1	42.6N 18.5 P ₂ O ₅	42.6N 18.5 P ₂ O ₅	85.2 N 37 P ₂ O ₅	1.5 - YM CEREAL + 1.5 - YM CEREAL
4. YARA PROGRAM 2	42.6N 18.5 P ₂ O ₅	57.5N 25 P ₂ O ₅	100.1 N 43.5 P ₂ O ₅	1.5 - YM CEREAL + 2 - YM CEREAL
5. YARA PROGRAM 3	57.5N 25 P ₂ O ₅	57.5N 25 P ₂ O ₅	115 N 50 P ₂ O ₅	2 - YM CEREAL + 2 - YM CEREAL
6. YARA PROGRAM 4	57.5N 25 P ₂ O ₅	69N	126.5 N 25 P ₂ O ₅	2 - YM CEREAL + 1.2 UREA
7. STANDARD RECOMMENDATION	60N 46 P ₂ O ₅	57.5 N	117.5 N 46 P ₂ O ₅	1 TSP + 2 CAN + 1 UREA



Maize -Trials with UYOLE ARI

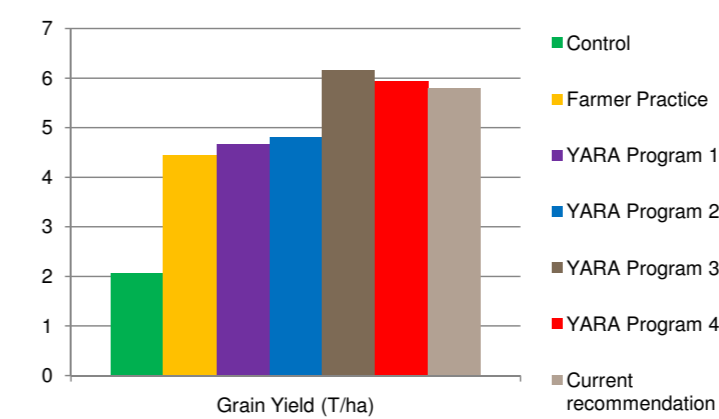
SPECIAL
UYOLE MAIZE RESEARCH



2 years trial at Uyole ARI - summary

Average yield for the 2 seasons Results :

Entry	Description	Grain Yield, T/ha
1	Control	2.0785
2	Farmer Practice	4.451
3	YARA Program 1	4.663
4	YARA Program 2	4.8135
5	YARA Program 3	6.161
6	YARA Program 4	5.938
7	Current recommendation	5.8035



UYOLE MAIZE RESEARCH

2 years trial at Uyole ARI - summary

YaraMila™ CEREAL is very well balanced in terms of essential macro and micro nutrients Required for maize growth, development and yield. It is a very convenient formulation for smallscale farmers who are not able to buy those essential nutrients separately. At most, low resource farmers apply only N and P on the low side of the fertilizer response curve.

Fertilizer price (Tsh/bag) =	Current price					
Maize (tsh / kg) =	450					
	Cost (Tsh/acre)	yield (Kg/acre)	Yield increase %	Tsh	Benefit	Rank
Control	0	841.16		378,521	378,521	7
Farmer Practice	108,000	1,801.30		810,583	702,583	6
YARA Program 1	144,000	1,887.09	4.76%	849,191	705,191	5
YARA Program 2	168,000	1,948.00	8.14%	876,599	708,599	4
YARA Program 3	192,000	2,493.32	38.42%	1,121,995	929,995	2
YARA Program 4	149,500	2,403.08	33.41%	1,081,384	931,884	1
Current recommendation	178,000	2,348.64	30.39%	1,056,890	878,890	3



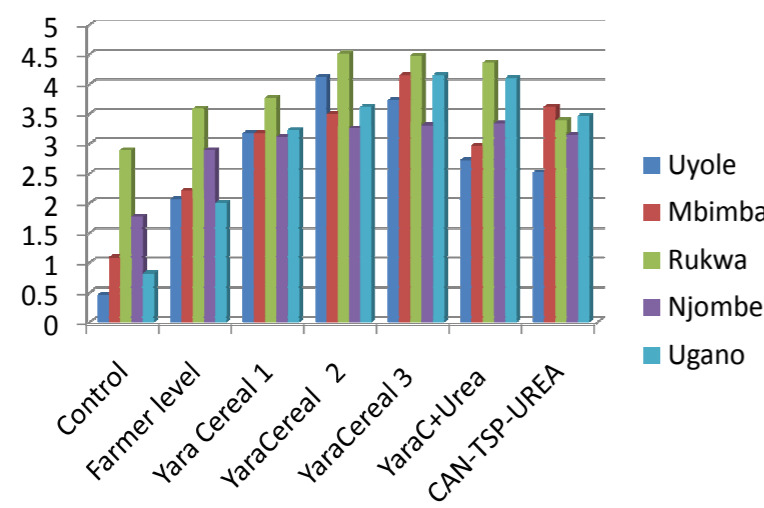
3rd year trial in the field - Summary

	Control	Farmer Practice	Yara Cereal-1	Yara Cereal-2	Yara Cereal-3	Yara+UREA	CAN+TSP+Urea
Average yield	1400	2150	3290	3800	3960	3500	3230
Adjusted yield (5%)	1340	2040	3120	3610	3760	3320	3070
Gross Field Benefits(shs)	536,000	816,000	1,316,000	1,444,000	1,504,000	1,328,000	1,228,000
Main costs that vary							
Total costs that vary	192,000	432,000	394,400	434,400	464,600	408,800	360,590
Net Benefit	344,000	384,000	1,013,600	1,009,600	1,039,400	919,200	867,410
Change in net benefit from no fertilizer (shs/ha)		40,000	669,600	665,600	695,400	575,200	523,410
% change in net benefit from no fertilizer		111.6	294.7	293.5	302.2	267.2	252.2

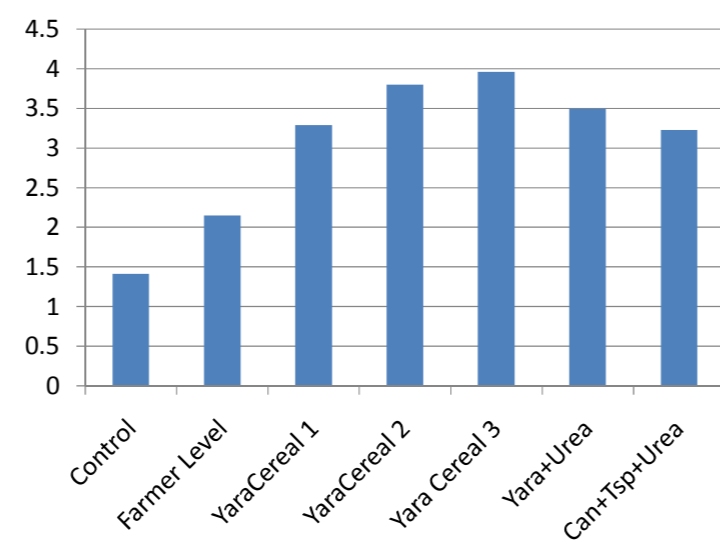


3rd year trial in the field - Summary

Maize grain yield (t/ha) – fertilizer response in 5 sites:



Mean grain yield (t/ha) – fertilizer response across sites:



3 years trial with Uyole ARI - Conclusion

YaraMila™ CEREAL is very well balanced in terms of essential macro and micro nutrients required for maize growth, development and yield. **It is a very convenient formulation for smallscale farmers** who are not able to buy those essential nutrients separately. At most, low resource farmers apply only N and P on the low side of the fertilizer response curve.

YaraMila™ CEREAL is recommended and proposed for application in maize in the Southern Highlands of Tanzania. It can be used both as basal and top-dress application at rates up to the current recommendation of 120-130 kg N/ha



SPECIAL REPORT

SPECIAL REPORT

Orange gold found in orange-fleshed sweet potatoes



Eating healthy has now become as habitual to almost everyone as sleeping, walking, or even talking is. Around every corner you are bound to meet with someone obsessing over their weight or body and is determined to change whatever it is that they dislike by 'eating right'.

However, eating right is not just merely reducing one's intake of junk food, fats, or sugars, it is simply having a balanced diet whenever you sit down to a meal. Ensuring that you take the right amounts of vitamins, fluids, proteins, minerals and so forth is vital to having a healthy diet.

A healthy diet is one that helps maintain or improve general health by providing the body with essential nutrition such as fluids, adequate essential amino acids from proteins, essential fatty acids, vitamins, minerals, and adequate calories. All this can be obtained from a variety of animal based and plant based foods such as orange fleshed sweet potatoes in this case.

One should be able to get enough energy nutrition without exposure to toxicity or excessive weight gain from consuming excessive amounts when they are on a healthy diet. In this day and age where everyone is fussing on their weight and how their body looks and feels like it is very important to watch what we eat and ensure we always have a balanced diet but that is a story for another day.

This side of Africa
By Nicolas Begisen



One of the major issues affecting children and adults alike in the developing world is the lack of vitamin A in their diets.

This is a widespread problem that has severe consequences especially for young growing children. The onset of sustainable food based programs across Africa has seen a solution to this problem being initiated. Across countries such as Tanzania, Kenya, Uganda and Mozambique orange-fleshed sweet potato (OFSP) programs are being used as an appropriate and sustainable complement to supplementation of the vital beta-carotene and are well accepted by young children.

Worldwide, sweet potato is the sixth most important food crop after rice, wheat, potatoes, maize, and cassava. But in developing countries, it is the

fifth most important food crop. More than 105 million metric tons are produced globally each year; 95% of which are grown in developing countries.

The million dollar question now is what is so important about orange-fleshed sweet potato?

Orange-fleshed sweet potato is an important source of beta-carotene, the precursor to Vitamin A. As little as 125g of a fresh sweet potato root from most orange-fleshed varieties contain enough beta-carotene to provide the daily pro-vitamin A needs of a school going child.

Vitamin A deficiency is rampant in Sub-Saharan Africa, affecting 43 million children under age 5, and contributing to high rates of blindness, disease, and premature death in children and pregnant women.

This variety of sweet potato is superior to the white-fleshed variety as it is a good source of energy and many other vitamins such as C, A and B6 and minerals. Orange-fleshed sweet potatoes not only offer better nutrition but are a tool for economic empowerment.

Sweet potato is mostly cultivated and managed by women. The adoption of improved varieties of the crop by rural women provides an opportunity for economic empowerment as well as an option to address Vitamin A deficiency with a food-based approach.

Because orange-fleshed sweet potato is such a rich source of vitamin A, only a small area of land is needed to produce enough vitamin A for a household. And to top it all off the Vitamin A component is largely retained when the sweet potato is boiled, steamed or roasted, so nothing goes to waste!

The importance of sweet potato as a food crop is growing rapidly in some parts of the world. In Sub-Saharan Africa, it is outpacing the growth rate of other staples.

Sweet potato is used for both human consumption and as a healthy, cheap source of animal feed. Recent studies suggest that animals fed on high protein sweet potato vines produce less methane gas than with other feed, potentially contributing to an important reduction in harmful global emissions.

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