

DAILY NEWS 6/1/12 - EXPORT / TANEXA

Local traders challenged on external markets

By DAILY NEWS
Reporter

EXPORTERS are yet to maximize fully the market potentials of the neighbouring countries and the Far East, it was said in Dar es Salaam yesterday.

This was said in Dar es Salaam yesterday by the Tanzania Exporters' Association (TANEXA) Executive Director, Mr Mtemi Laurence, in an exclusive interview.

"There is growing demand for foodstuff and non-food commodities from the neighbouring countries but exporters have not exploited fully such potentials," remarked Mr Laurence.

He called for concerted

efforts to address the supply constraints in order to meet the growing demand for such commodities instead of imposing ban on exports for some goods.

According to the Central Bank (BoT) monthly economic review for September last year, the value of exports increased to 6,588.5 million US dollars compared with 5,355.8 million dollars recorded in 2010.

The rise was attributed to demand for manufactured goods from the neighbouring countries.

Some of the goods in high demand include coffee, cashew nuts, tobacco and plastics.

With exception of the mining, he said the rest of export markets are disorganized

making it impossible to trace its size, the actual demand and supply. "For example, the market for various spices is large in Asia but lack of reliable market data on the actual size and demand for the commodities is failing us", he said.

With Kilimo Kwanza policy, he said plans are in place to identify commodities in high demand in the neighbouring countries and other markets outside Africa especially in Asia to increase their production and enjoy the comparative advantage.

He said TANEXA would hold a meeting later this month to work out on a strategic plan and see how to address setbacks that hinder exports.

CEOS: DOING BUSINESS IN 2011 WAS DIFFICULT



**MTEMI NALUYAGA, EXECUTIVE
DIRECTOR OF TANZANIA
EXPORTERS ASSOCIATION**

The year (2011) had mixed perceptions as we strove to have the blessings of the government towards establishing a national export strategy but up to this moment there is no official version to authorise the initiative. As exporters, we need to abide by the global packaging standards. That is why we use dollars instead of shillings to import packaging materials which are not made locally. This is costly. Power rationing is also a problem. You can't manufacture goods or provide services smoothly without electricity. Industries bore the brunt of power woes this year and some had to close up shop due to high operational costs. Tanzania has been exporting more agricultural produce in raw form because agro-processing industry is underdeveloped. But we still don't have a clear policy on export of agricultural products. Sometimes the government has been prohibiting export of crops, leaving them rotting for lack of storage facilities. Human capital is also a challenge; our people are not well-trained or informed about external trade. The government has established a credit guarantee scheme for exporters and producers but most of them are not aware of them because communication is poor. More training is needed to create awareness on markets in and outside Africa. Before doing that we need to find reliable ways of imparting knowledge and communication skills to exporters and producers. Meanwhile we are planning to strengthen our presence in the EAC, SADC and the Commonwealth – and provide certification of agricultural products to our farmers.

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