

Talk to us for free sms KILIMO to 15774  
kilimokwanza@guardian.co.tz

## **CLOVE PRICE: FARMERS DENOUNCE FOREIGN MARKETEERS**



**SPECIAL REPORT:**  
**'NUISANCE' TAXES, WHAT FOR?**  
*Pages 4, 5*

**ANALYSIS: NEW GREEN REVOLUTION  
MODEL...WHO IS BEHIND IT?**  
*Pages 12 - 14*



## Clove farmers deserve more than a spicy whiff of success

**S**TEMMING from the flower buds of an evergreen tropical plant, cloves are an aromatic herb that has many culinary, medicinal and aesthetic uses. The aroma of the clove is pleasant, yet spicy and is used as deodorant to freshen up rooms, drawers, closets and as an ingredient in some perfumes and air fresheners.

When applied directly to muscle cramps, clove oil has a stimulant and disinfectant effect important in increasing blood circulation, disinfection and relieving pain and swelling. Used externally on the body, it can relieve the pain in chronic rheumatism, toothache and lumbago.

Cloves have also been used to relieve stomach gas and pain, to alleviate nausea and vomiting and are also used in the manufacture of body soaps, oils and toothpaste. In cooking, cloves are invaluable in spicing up a wide range of foods.

Pemba and Unguja islands are famous for the cultivation of the aromatic herb and were once leading producers of the crop globally.

After years of setbacks in the development of the crop, last year the government and other stakeholders launched a special plan to regenerate clove growing. However, shortage of proper information on world market clove prices is hurting Zanzibar's clove farmers.

The farmers have resorted to stockpiling the herb in the hope of gaining higher prices for their produce. They have also complained of poor access to agro-inputs like seedlings, which in turn adversely affects their output.

The government's decision to raise the official price of cloves from 3,000/- to 15,000/- a kilo last year has gone a long way in curbing illegal trade in the crop. But this has not translated into ready profits for the farmers, who are still losing out to rogue traders and lack of direct access to the international markets. Citing high prices, some traders have abandoned the business, culminat-

ing in a deadlock that calls for a quick resolution.

The impasse has led to calls for increased support and deregulation of the clove trade which is a mainstay for the Isles' economy. Coupled with intense international competition from other clove producing states, the status quo is hurting the farmers as they heavily depend on the crop for their livelihood.

Growing stiff competition in international markets has also precipitated the need to brand Zanzibari cloves, which are believed to be a class above the rest. Overall, there is a growing need to revolutionise the clove trade.

In these days of the worldwide web and the free flow of facts, figures and opinion, it is regrettable that our farmers still lack an appropriate means of gauging international clove markets and thus set the prices for their crop.

If, indeed, deregulation of the industry is the path to higher profits for farmers, then the powers relevant authorities should figure out how to loosen the strings without hurting the revenue gained from the trade.

Furthermore, greater access to agro-inputs like improved seeds, fertilisers and pesticides for the farmers should go a long way in upping the quality and quantity of cloves reaped year on year.

We anticipate that cloves will continue to shape the economy of the Isles for the foreseeable future. As such, rapid measures aimed at ensuring that clove farmers reap more than a spicy whiff of success from their sweat and toil, are more than welcome.

*Wallace Mauggo*

Wallace Mauggo  
Editor

### inside

## New EJAT award to change rural lives



6

## New green revolution model in the offing



12

## Is organic farming a solution to Africa?



16

# Climate change threatens food security, incomes



By Evelyn Namubiru-Mwaura, AGRA

**A** Country's mainstay **AGRICULTURE**, 95 per cent of which is rain-fed, supports the livelihoods of two thirds of Tanzanians and employs 80 per cent of the rural workforce. Majority of Tanzania's population lives in rural areas where communities rely heavily on natural resources. For instance, over 90 per cent of Tanzanians rely on fuel wood from trees and other vegetation for their domestic energy requirements.

Agriculture is the main economic activity, accounting for 45 per cent of the country's GDP and 55 per cent of foreign exchange earnings. The sector employs more than 80 per cent of the population. In view of its importance to the country's economy; the trend in Tanzania's agricultural sector has been of concern.

During the period 2000-2008 agriculture realised a modest average growth rate of 4.4 per cent, far below the National Strategy for Growth and Reduction of Poverty (NSGRP I) target of 10 per cent by 2010. This trend in

the growth of the agricultural sector is significant because it implies deepening poverty for the majority of the rural population.

### Challenges

Increasing socio-economic growth, reducing food insecurity, and accelerating poverty reduction in Tanzania, particularly in rural areas, necessitates an increase in agricultural productivity. Unfortunately, agricultural productivity in Tanzania is highly susceptible to extreme weather variations and poor capitalisation.

Climate variability, a precursor of climate change, is already affecting Tanzania. Climatic patterns are becoming both less predictable and more severe. The National Vulnerability and Adaptation Assessment of Tanzania estimates that northern and south eastern sectors of the country would experience an increase in rainfall ranging from between 5 per cent and 45 per cent. The central, western, south western, southern and eastern parts of the country might experience a decrease in rainfall of 10 to 15 per cent.

Another climate change related challenge to agriculture is the unpredictability in the onset of the rainy sea-

son as well as the shortening of the rainy season failure to accurately predict the onset of a rainy season has meant that some farmers are caught unprepared.

Some plant too early while others plant too late and end up losing their investment in agriculture. The nation's farmers – the vast majority of which are resource-poor smallholders – must find ways to adapt to these changing circumstances.



An important part of the initiative entails capacity building for policymakers and other stakeholders on what adaptation to climate change implies...

The government of Tanzania understands the importance of agriculture as a driver of general economic growth and that pinning economic development plans on improved agricultural productivity is a risky strategy in the face of impending climate change.

As a response, it has developed a fairly comprehensive plan, legislative and policy frameworks for environment and natural resources management. For example, in 2007, the government did develop a National Adaptation Programme of Action (Napa), which provides some useful information and identifies several ways farmers can reduce the impacts of climate change.

However, Napa is generally considered an inadequate framework for the kind of detailed planning and delivery of options needed for limiting the climate change impacts. A recent update of the NSGRP includes the goal of ensuring food and nutrition security, environmental sustainability, climate change adaptation and mitigation, but to achieve these goals requires a more specific policy on climate change.

### Climate-smart farming

The government needs to develop and implement a policy that promotes

“climate-smart” agriculture across Tanzania, and especially in the southern highlands where much of the country's food is produced. This policy should seek to raise agricultural productivity in environmentally and socially sustainable ways.

It should bolster the ability of smallholders to cope with the negative effects of climate change and should aim at reducing greenhouse gas emissions and increasing carbon storage on farmland. To develop and implement an appropriate and effective climate change policy for the country will be no easy task, but it is both urgent and essential.

Success will rest on building the knowledge and capacity of all stakeholders involved in the process. It is vital to encourage informed discussion making and debate across the spectrum of interested parties – from the general citizenry, farmers' organisations and other local interest groups, like civil society entities, policymakers at all levels of government.

A welcome and positive step in this direction is a 3-year Alliance for a Green Revolution (AGRA) funded project that will be implemented by the Tanzania Environment Policy Action Node and coordinated by the Open University of Tanzania's Department of Environmental Studies.

The project will provide up-to-date information on climate change, and will strive to improve further the understanding of the impact of climate change on the smallholder agriculture and the coping and adaptation strategies of the farmers in the breadbasket region.

This information will be used to promote the development of an evidence-based climate change policy, and to encourage more political attention and commitment of resources – both public and private – to climate change issues in Tanzania.

An important part of the initiative entails capacity building for policymakers and other stakeholders on what adaptation to climate change implies, and the necessary elements of an effective adaptation and mitigation policy.

Platforms for sharing information will be established, and workshops will be held to improve the development and implementation of an effective climate change policy.

The project will initially focus on five districts in the Southern Highlands which constitute part of Tanzania's breadbasket area. The lessons learned there will help scale up adaptation and mitigation practices across the country and over the longer term.

Still, this is only an initial step towards a comprehensive, evidence-based climate change policy. The path that must be followed extends well into the future, and it takes time to develop a national consensus on issues like climate change. But a consensus must be reached if Tanzania is to minimise the adverse impacts of climate change.

# Farmers decry 'nuisance' taxes

By Milly Sanga, ACT

**P**RODUCE cess is a levy paid by farmers along the value chain. In many cases, this is levied as a percentage of the value of the produce sold or intended to be sold. The central government has given local government authorities (LGAs) a lee-way to charge agro produce anything between 2 and 5 per cent of its value as tax or cess. Understandably, most LGAs are maximising this freedom by charging 5 per cent.

The Agricultural Council of Tanzania (ACT) believes that since farming is a risky undertaking, and the profit margin is not only too small, but also in some cases not there, the cess imposed on farmers' produce should be revisited.

Another irregularity is the fact that the cess is paid by farmers (directly or indirectly) at the selling point, whereas crop traders are the one who are bound by law to pay the cess. The by-laws and directives are clear on this; the problem is that, law enforcers are either ignorant about this issue or just keep their eyes shut.

**Farmers are bitter**

All farmers visited were very bitter about crop taxation. Among the most outspoken opponents of the cess is Reuben Matango who resides in Mtibwa ward, Mvomero district. His main economic activity is cane growing.

Mr Matango is also a member of Mtibwa Outgrowers Association (Moa), and here is what he said: "I believe there is a wrong interpretation of the by-law which governs tax collectors. The standing order is that any taxation on the farm produce should be paid by the buyer, not the producer.

"In reality, this is not the case because the assessment and collection of the cess is often done at the farmer's gate." Matango said that the government should make sure this order is honoured, as well as put to task anyone who deliberately breaches it.

He made another very disturbing revelation. Sugarcane growers sell their crop to Mtibwa Sugar Factory. Before the cane is accepted for processing, a tax collector is on the spot to demand the cess which currently is 3 per cent. This is the amount charged by Mvomero local authority.

This is ridiculous, if one compares it with the 0.3 per cent which the sugar factory pays the government as an industrial cess. What is the rationale? A big brother is charged 0.3 per cent, while a small brother is asked to pay ten times of that amount?

So far, there is no clear and convincing explanation for the variance in the taxation system. For sure, this system favours the industrial sector, which is by comparison less risky. ACT is urging the government to harmonise the taxation regime. Law abiding citizens are duty bound to pay taxes, but they must be fair and must be reflected in the services the government offers its citizen.

Fairness and quality service are



key issues. We have witnessed many complaints made by farmers questioning the legality of paying cess whereas the rural infrastructures were in a shamble. They need all weather roads, crop storage facilities, reliable transportation system, market centres with necessary amenities, and so on.

Some officials at the district level reason out that the government is undecided on how to handle this issue because, apart from the subvention which the central government dishes out annually, the next major source of income is produce levy. In other words, LGAs cannot survive if produce cess is not forthcoming.

Asked to comment on this issue, Foya, a Crop Officer in Mvomero district, said: "This argument holds water, but what is contended is the level of taxation, the variation in taxation, and the remuneration. Paying taxes is a civic obligation, but tax payers have the right to question the reason for paying".

**Who benefits?**

A cross section of stakeholders who were interviewed in Kilosa and Kilombero districts, said crop cess, which in most cases is 5 per cent, pushes them on the brink of bankruptcy.

Small scale farmers are the most hit.

Moreover, the stakeholders fail to understand why cess is demanded at every check point, regardless whether the crop harvested is for household consumption. It is very seldom for small farmers to argue their case with uncompromising tax collectors and win.

Another astonishing revelation is that part of the money collected by LGAs by some agents is not delivered to the District Treasury as the law requires. One fails to understand why such agents are not taken to task. Could it be a defrauding conspiracy? The whole exercise is imbued with secrecy which makes one suspect shoddy deals.

These farmers have a number of arguments. One, they detest levying agricultural produce because it is a disincentive. Second, in most cases tax collectors do not offer bona fide receipts for the money collected. Third, cess collection is poorly administered and dubious because not all the money is delivered.

ACT executive director Janet Bitegeko pointed out another contentious issue. "Cess collectors demand levy at check points and markets centres without considering the cost of pro-

duction. It is absurd to demand produce tax, whether a farmer has made profit or not. In all fairness, the cess should be charged on profit".

**Administration of produce cess**

A study conducted by the Centre for Sustainable Development Initiative (CSDI) have revealed that in Kilosa district, farmers, who reside in urban



Produce cess rates should be reduced, and there are indications that the current level of revenue for local governments can be maintained or improved

areas and wish to transport agricultural produce from their farms to their homes, are required to pay produce cess as well.

"You cannot contest the local government officials on this issue, unless you have a written proof from the village executive officer where your farm is located. A letter to this effect is hard to get unless a farmer offers "something". "What a vicious circle," asserted Bruno Lyanzille, a vegetable grower.

A survey carried out by CSDI in five districts of Kilosa, Babati, Moshi, Iringa, and Mvomero, identified three main approaches that are employed to collect produce cess. They are, using LGAs administrative structure; farmers' cooperatives or associations or private companies that buy agricultural commodities direct from farmers; and private cess collection agents.

Many officials I talked to said that cess collectors and traders were obliged to remit whatever has been collected in full, yet this rarely happens. Likewise, traders are obliged to pay the levy immediately after buying crops from farmers. On default, the fine is anything between 70,000/- and 200,000/-.

However, district officials admit

## ...From the horse's mouth What farmers say about produce cess

By Milly Sanga, ACT

**F**ARMERS are forced to pay produce cess while by-laws indicate clearly that crop buyers should pay the levy. Local Government Authorities (LGAs) are empowered to impose produce cess of up to 5 per cent on agricultural produce. The fees increase farm operational costs and can hinder farmers' economic and social development.

Burden to farmers  
A PADDY farmer, Tatu Kachege, stated that, according to by-laws crop buyers are supposed to pay produce cess. She further stated that in Kilosa, produce cess is collected through private agents. "These agents don't distinguish between farmers and traders. Sometimes, both traders and farmers pay the levy. We pay 2,000/- per bag of paddy," she stated.

Kachege pointed out that, agents who collect produce cess are a major problem in their locality, as they keep on harassing farmers by forcing them to pay the fees contrary to the law. "Sometimes, we are told to leave the paddy maize behind to compensate the amount of produce cess they want us to pay," she said.

She suggested that, there was a need to review laws and regulations to address weaknesses such as differences in produce cess rates in district councils.

A maize farmer located in Kilosa, Nshiku Kigalu, said farm operational costs were very high and produce cess made farmers' lives difficult. He added that some farmers had decided not to harvest their maize to avoid paying the controversial produce cess.

"The District Council, through its private cess collector, doesn't distinguish between farmers and traders...we are all paying produce cess. This is very unfair and the by-laws don't provide for this [farmers to pay the cess]," Kigalu stressed.

He suggested that the council should intervene and give directives to private cess collectors not to charge farmers. The farmer also suggested the rate of cess being charged be reduced to enable traders to comply in paying them.

Meanwhile, Kigalu complained that money collected from farmers erroneously as produce cess didn't benefit farmers.

Another farmer, who grows paddy in Kilosa District's Tindiga village, Bruno Lyanzille, pointed out that farm



In the past, it was easy to recognise a farmer since they had a letter from ward executive officers. Now, it's very difficult to tell who is a trader and who is not, especially during harvests

operational costs, including money spent on farm preparation, buying inputs, planting seedlings, and harvesting the produce, were very high.

"Most of the time, produce cess forces me to sell my paddy shortly after harvesting so that I can earn some money to pay it...the profit that I get is reduced and sometimes, I get less compared to what I have invested," Lyanzille complained.

**A word from treasurer**

Kilosa District Treasurer Nicolaus Haraba confirmed that traders were supposed to pay the produce cess, not farmers. However, he acknowledged that those collecting the cess most of the time failed to distinguish between farmers and traders.

According to him, when a person who is transferring three bags of maize



Sometimes, we are told to leave the paddy maize behind to compensate the amount of produce cess they want us to pay

or paddy from the farm could be regarded, as a farmer, but when the same person carries a consignment of 200 bags, for instance, it becomes very difficult to believe such as person is a farmer.

"In the past, it was easy to recognise a farmer since they had a letter from ward executive officers. Now, it's very difficult to tell who is a trader and who is not, especially during harvests," said the district treasurer.

Responding to a concern that funds collected as produce cess didn't benefit farmers, in terms of services, he said: "Revenue from produce cess is very small and is used to finance general operations of the district council, including paying sitting allowances to councillors and salaries to council staff".

Habara argued that farmers and traders shouldn't expect much from the produce cess collected due to the fact that "most traders refuse to pay". However, he said the levy was a key source of revenue for local councils in the country's agriculturally dependent areas.

**Roadblocks another 'nuisance'**

Road blocks are commonly used to collect produce cess. However, these have been causing unnecessary crop damage, disturbances and delays, considering the perishable nature of some crops.

A private cess collector, who has been assigned to do the work by Thobby Traders Company at Mahui gate in Kilosa, Elias Maswa, said: "A farmer who passes the gate with less than 20 bags of crops does not pay produce cess...We have been contracted with the district council to collect the levy. Anyone who passes with more than 20 bags must pay the cess".

**What should be done?**

LGAs must change methods they use in collecting produce cess and facilitate agents commissioned to collect the levy to identify traders from farmers, who fall victim of the entire process by incurring unnecessary operational costs.

However, ACT views that the easiest and best way to address the problem is abolishing produce cess and replacing it with another levy that wouldn't trouble farmers any more.

There will be no winners and losers in such a policy, but it is hoped that these changes would considerably reduce barriers to marketing for agricultural produce and lower compliance costs for all participants in the agricultural sector.

Send your comments for free starting with CESS to 15774



# New EJAT award to change rural lives

By Kilimo Kwanza Correspondent

**T**HE Agricultural Non State Actors Forum (Ansaf) and Business Environment and Strengthening for Tanzania- Advocacy Component (Best-AC) have launched a new category at the Excellence in Journalism Awards Tanzania (Ejat) awards.

The category will focus on agriculture and agribusiness and for the first time, this category is outside of the business category that it was in before. Hopefully, this sufficiently motivates journalists throughout the country to cover agriculture and agribusiness issues. The sub-categories under this

new category include; reporting on the rural business environment (topics relating to doing business), reporting on rural citizen engagement (topics on the local budget cycle, notably the planning and implementation for agriculture and agri-business) and reporting on agriculture and agri-business (topics on new policies, innovations, best practice and issues in the sector).

More coverage from the rural areas will actually start to shift the thinking about being a farmer and hopefully open up opportunities for dialogue with government.

The media have always played a role to inform audiences, shine the light on injustices/irregularities and also inspire processes that drive change. In advanced societies, media have become trusted by many and in



Let us, media personnel, private sector and govt take the challenge to be catalysts for positive change and champion the rights of small holder farmers...

some countries, more trusted than the government. The issues that make life unbearable for the rural poor are so relevant to influencing the development agenda both at the local level as well as the national level. It is crucial that there is an increase in reporting on agriculture and agribusiness issues and that, journalists find an entry point to bring a difference.

In order to stimulate growth and up scaling in the agricultural sector, information on the ease or unease of being a small holder farmer or entrepreneur in rural Tanzania is central. The agro sector is one of the key engines for generating jobs for youth.

Keeping up with changes in the rural areas and sharing best practice to stimulate vibrant public-private dialogue in the rural areas is essential.

Agricultural policies must indeed impact effectively on growth and provide for markets that work for the poor.

I truly hope that more journalists take this new award to stimulate their interest to write on issues that a pertinent to the vast majority of the rural population. Let us, media personnel, private sector and government take the challenge to be catalysts for positive change and champion the rights of small holder farmers and all those engaged in agriculture and agribusiness in rural Tanzania.

Journalists are encouraged to write more and submit their entries to EJAT to contest for this new category.

Send your comments for free starting with EJAT to 15774

# Strengthening gender equity in agriculture



By Michael Farrelly, Toam

Little has been done

**T**HE informal slogan of the International Decade of Women (1976-1985) became "Women do two-thirds of the world's work, receive 10 per cent of the means of production." Twenty-five years on, as the African Union launches the African Women's Decade (2010-2020), it seems that little has changed in Tanzania.

About two hours drive south of Mbeya, on the shores of Lake Nyasa, is the famous Kyela. The district is known for its high quality rice and organic cocoa production. Around three quarters of Kyela's 120,000 farmers grow cocoa, first introduced by Ghana's Kwame Nkrumah, as a legacy of his friendship with Mwalimu Julius Nyerere.

Tanzania Organic Agriculture Movement (Toam) was asked to prepare a case study of the impact of certification on gender relations in Kyela by the development partner, Hivos, as part of the International Gender and Global Standards Initiative. This aims to ensure that men and women receive

a fair share of benefits related to their contributions in production, harvest and processing.

The study found that Kyela women typically work three hours per day longer than men. Apart from working on the farm, they also have to clean, cook and look after the children. Sadly, it is men who sell the cocoa beans and have final say on how the money is spent.

Sharing incomes  
Luckily, since the cocoa has gained organic certification, farmers' incomes have increased significantly from around 300/- to 2,800/- per kilo, which has benefited both men and women in the community. Today, families have brick houses with corrugated iron roofs, and better access to education and healthcare. Some have satellite TV and access to solar electricity.

One male cocoa farmer told the study team: "Money was so little. I was not bothering to show it to my wife or inform her on how I spent it. I used the little I received for drinking alcohol. But nowadays, we are deciding together and we discuss on how to spend our income as a family."

The problems start when men fail to share the money or involve women in decision-making. One woman confided, "Women harvest the unripe cocoa and



Women do two-thirds of the world's work, receive 10 per cent of the world's income and own one per cent of the means of production...

sell it raw and unfermented to the middlemen (mjemuka) in order to get money for the upkeep of the family. They sell it to the middlemen at low prices because selling to registered companies can be noticed by her husband."

Family disputes over cocoa income can spark gender-based violence. Sometimes, if a wife tries to ask her husband about the money he received from selling the cocoa, she could be threatened or beaten up.

When women are fully involved, not only in production, but also in training and decision making, the quality and productivity increases. Certification has added some extra workload, but women say the additional family benefits far outweigh the extra effort.

Certification has had no impact on gender equity in land ownership. Women rarely own land as ownership passes from father to son. However, as a result of increased incomes, one can see many Kyela women now riding bicycles, and chatting on mobile phones.

The study team found that different types of certification have very different impacts on gender relations. While there was very little impact as a result of 'organic' certification on its own, the team noticed considerable impact as a result of additional 'fair trade'

certification.  
**Gender measures**

As a fairly-traded cocoa manager candidly said, "We are forced to do so by the standard." His company is making considerable efforts to address gender inequality, employing more women, and insisting that women as well as men farmers get training.

The experience has taught him lessons, as he explained, "Women don't think they can do things but they are good workers, careful. Other employers may think they are unreliable."

It makes good economic sense to ensure women are fully included. Meticulous, responsible, and quick to learn, women are strongly motivated to work for the benefit of their families. Harness that motivation and you capture major improvements to productivity, quality, and income.

A female farmer suggested, "Awareness has to be created for people to realize that both of them, men and women, contribute to producing cocoa and thus equal ownership of cocoa and an equal say on spending money earned is essential."

Launching the African Women's Decade, Songea farmer United Nations Deputy Secretary-General Asha-Rose Migiro said, "Empowering women is a moral imperative, a question of fundamental rights. It is also sound policy. Investing in women and girls is one of the greatest investments we can make."

"We must ensure that rural women can access the legal, financial and technological tools they need to progress from subsistence agriculture to productive agriculture. Let us accept in our minds, and in our laws, that women are rightful and equal partners – to be protected, to be respected, and to be heard."

The Gender and Global Standards Initiative is undertaken by four organizations in the Netherlands: Hivos, Oxfam Novib, Solidaridad and the Royal Tropical Institute.

# Clove farmers cry foul, denounce foreign marketeers

By Kilimo Kwanza Reporter

**C**LOVE farmers have complained about low prices offered by dishonest foreign buyers taking advantage of their ignorance of international market prices. The farmers believe, if farmers were aware of the actual price in the international markets, things could have been different, all together.

Zanzibar Clove Producers Organisation (Zacpo) executive director, Ramla Abbas, revealed this during an interview with Kilimo Kwanza Supplement reporter. "The farmers sell it to foreigners at a price of 15,000 per kilo, and then they sell it to other countries such as Kenya before the product is taken to international markets where it unfairly earns middlemen more than farmers," she said.

Meanwhile, the Zacpo leader expressed a grave concern over obstacles that farmers faced in exporting the crop; as a result clove exports have been affected substantially. She said, clove farmers want the government to address the problem in order to smoothen exportation of clove.

"If the government removed the obstacles and gave farmers information about prices in the international markets, they would only set or accept fair prices," she said.

Zacpo calls for the implementation of government's 2003 plan for clove market liberalisation with a view to making the industry at par with global changes and realities. With support from Best-AC, Zacpo commissioned research into issues of liberalization of the clove market. The report was presented in 2010 and indicated that the government should accelerate the pace of deregulation of the clove industry to give a new thrust in sector performance as projected under the planned market liberalisation. A disbandment of ZSTC, currently controlling the price, would allow for the liberalization of the value chain and end smuggling as there would be no longer any incentive.

Recently farmers were reportedly reluctant to sell their crop to the government due to the low price offered. The move forced the government to increase the price from 3,500/- to 15,000/- per kilo for that season. There are, however, no guarantees that in the near future the price will follow international market prices unless the clove market is liberalized.

Reform Commissioner Ali Abubakar said that current regulation prohibiting people from storing clove was oppressive and should be abolished. "Most farmers in Pemba are poor and have little knowledge in keeping money in banks. They should be allowed to keep their cloves until they are ready to sell them," Abubakar said.

He added that the government price of 15,000/- per kilo still was unfair compared to the world market price, which is more than 40,000/- per



Zanzibar President  
Dr Ali Mohamed Shein

kilo." That's why the government is worried that, if farmers keep their cloves, they may sell to smugglers – middlemen from Mombasa, Kenya where the price is high.

He further said that the Zanzibar Clove Task Force has been urging farmers in Pemba to sell their clove to the Zanzibar State Trading Cooperation (ZSTC). "I don't intend to sell my cloves to smugglers, but I have decided to store them for selling when I need cash," said Omar Hamad, a North Pemba farmer said.

The clove price increase by the government last year was aimed at motivating farmers to sell locally and discouraging middlemen to smuggle the crop to Kenya and elsewhere.

On the other hand, the People's Bank of Zanzibar (PBZ) has spent a total 69bn/- on purchasing cloves from farmers in the 2011/12 harvesting season. PBZ's director of Marketing and Business Growth, Juma Hafidhi, revealed this in an interview with Kilimo Kwanza reporter. He said PBZ had been very close to clove farmers by buying their produce since the season started.

"We have used 69bn/- in the 2011/12 season where most of it came from Pemba where farmers had a bumper harvest," he said. Hafidhi said that the bank had so far managed to attract more farmers to save their money once they sold their crops.

He explained how the bank had succeeded to encourage farmers in the Isles by conducting seminars meant to provide education on the importance of banks. "This is an important issue because most of the people do not know or have never gone to a bank to ask procedures for opening an account," he said. A total of 70.8bn/- has been spent on purchasing 4.7 million kilos of clove since the beginning of the clove harvesting season last July, according to the deputy minister for Industry, Trade and Marketing Swaybah Kisasi.

He said during the season, the government through ZSTC, succeeded to buy the clove by achieving 157 per cent of the target. He said the target was to buy 3,000 tonnes of the crop, but following the price increase by the government, illegal clove trading has been controlled.

He said that Wete District on Pemba Island was the one that led after succeeding to sell a total of 1,577 tonnes, whereby farmers obtained a total of 23.6m/- in earnings. This was followed by Mkoani District on Pemba Island, which sold a total of 1,262 tonnes of cloves and earned farmers a total of 18.7m/.

He said, furthermore, that the government would continue to make efforts to develop the crop because it was very important to the economy of Zanzibar, especially in stepping up efforts to reduce income poverty.

**Clove branding**  
The World Intellectual Property Organisation (Wipo), International Trade (ITC) and Zanzibar have signed



a memorandum of understanding (MoU) to brand cloves. Before the signing of the tripartite agreement at a ceremony held in Zanzibar, the minister of Trade, Industry and Marketing, Nassor Mazrui said, "we need effective branding."

Zanzibar is committed to the process of branding, a strategy towards the achievement of cloves development objectives. The participation of Wipo and ITC in the process is significant," said Mazrui.

The minister said the project includes enhancement of intellectual property (IP), legal institutional framework, strengthening of the use of IP system and its awareness, defining the type and ownership of IP titles and countries where the protection is sought.

Branding is an effective tool to fight both income and none income poverty. The minister emphasized that the signing of the MoU creates yet another opportunity to revolutionise clove commercial strategies and to take advantage of the growing global market opportunities for cloves and related spices.

Wipo representative Neema



The government should commission a thorough investigation into the actual clove production and export data to enable an independent, transparent, complete and authentic economic analysis of the clove industry for informed decisions on the sector

Nyerere commended authorities in Zanzibar on the move to restore the clove industry, adding that her organisation would work closely with all players to make the project successful.

President Shein also told the farmers that his government intends to brand Zanzibar cloves in order to differentiate them from that produced in other parts of the world, including Indonesia and Madagascar.

He said he strongly believed that

where they sell it at a higher price.

Zanzibar Industry, Trade and Marketing minister Mazrui informed that between 2001 and 2009, Kenya sold 9,510 kilograms of cloves, worth USD16m. East Africa's biggest economy does not produce cloves.

Zanzibar's first vice-president Maalim Seif Sharif Hamad, who have been directly involved in government-led efforts to curb smuggling of the crop outside the country says, the government of national unity (GNU) currently ruling the Isles, will award up to 20 per cent of the market price of confiscated cloves to anyone with information which may lead to the arrest of clove smugglers.

"Since the government has hiked clove prices there is no justification for clove smuggling, which denies the government revenues and leaves clove farmers in poverty," argues the vice-president.

Scepticism about regeneration  
Clove growers are sceptical about the current regeneration path taken by the government and its agencies in an effort to bring back to new life the clove industry in Zanzibar. The farmers feel that focusing just on few issues like price to revive such a huge industry won't help a great deal.

The growers, through their association Zacpo, want authorities to do more, in terms of policy as well as in the actual implementation of reforms, to fully regenerate the Isles backbone sector.

In its final Clove Advocacy Report compiled by Zacpo Advocacy Project external consultant Juma Ali Juma in July last year, the organisation states categorically that restoring the Zanzibar's lost clove industry glory requires purposeful actions to rework the entire system – not just dealing with patches. The report, which contains inputs from two independent consultants – Alex Mkindi and Zeinab Ngazy, calls for the scrutiny of the entire sector, setting up of a strong foundation for its viability and stability as well as exposing it to the new challenges in the global arena.

"The government should commission a thorough investigation into the actual clove production and export data to enable an independent, transparent, complete and authentic economic analysis of the clove industry for informed decisions on the sector," it states.

Zacpo also calls for the speeding up of law and regulation reforms to improve performance with a view to making the industry at par with global changes and realities. It states: "The government should accelerate the pace of deregulation of the clove industry to give a new thrust in sector performance as projected under market liberalisation."

Dr Shein says latest planned measures, including branding of cloves grown in Zanzibar, will help curb smuggling. Clove smuggling is currently high in the Isles where dhow traders transport the crop to Kenya

Send your comments  
for free starting  
with CLOVE to 15774



By Kilimo Kwanza Reporter

**Ban is lifted**

**F**ARMERS in the country have a reason to smile, following the government decision to lift a controversial ban on exportation of cereals. The Minister for Trade and Industry, Dr Abdallah Kigoda, announced the good news when responding to the Tanzania Exporters Association (Tanexa) recent study findings. The study focused on food export permits and was financed by the Business Environment Strengthening for Tanzania- Advocacy component (BEST-AC).

"The government has decided to allow farmers to export their cereals whenever they want to take them, so

# Government okays cereals exportation

that they can be able to earn more because the foreigners are buying it at cheaper prices and selling them abroad at higher prices, as a result farmers don't benefit," says the minister.

Dr Kigoda also says that currently

the government is creating centres for farmers where they can sell their cereals. "The farmers have not been benefiting because the foreign buyers are dictating the market price... this is the reason why the government right now has started establishing centres for

the farmers," he explains.

Two years ago, the government banned exportation of grains due to the shortage occasioned by drought. But recently there have been calls to allow farmers, and grain traders alike, to sell their produce abroad where they

can find better prices.

As a result of the ban, grains, particularly maize, piled-up in different parts of the country after the Strategic Grain Reserve (SGR) unit failed to purchase all of it. During his official visit of Rukwa recently, President Jakaya Kikwete admitted the shortfall, promising to seek ways to sort out the problem.

Philemon ole Mollel, the chairman of the northern regions grain board based in Arusha lauds the government move to lift the ban, which he says demonstrates that the sitting government has heeded a call made by farmers producing cereals all over the country.

On limited capacity of the SGR, the Regional Manager of the National

Continues page 11

## Government okays cereals exportation

From page 10

Milling Corporation (NMC), Joshua Mtinangi, says the problem could be solved once the NMC becomes fully operational. He says that the SGR should not be entirely blamed for the shortfall because the agency was solely responsible for buying grain for sale during emergencies, not for buying excess produce.

**Permits: A real nuisance**

The Integrated Food Security and Nutrition Assessment System (IFSNAS), is charged with issuing letters of authorisation to export staple cereal foodstuffs. As a result, small food product traders at Mutukula area in Kagera region smuggles small quantities [between 5 and 30 kilograms] of maize, beans and bananas.

"We cannot afford to go through the long procedure of obtaining district, regional and national letters of authorisation for export," one of the small traders was quoted as saying. "In the process, we have lost the business, and this has contributed greatly to increasing poverty in these areas," he adds.

On top of that, rice exporters from Mbeya claim that charges associated with obtaining letters of authorisation for exporting staple cereal food stuffs are high. "Smallholder food farmers and traders cannot obtain the permits, as a result those attempting to export cereals tend to use agents, which again is costly," laments one of the traders, who preferred anonymity.

According to the Tanexa study, the explains why rice importers from DR Congo, Kenya, Malawi and Zambia travel to Mbeya to buy rice directly from farmers before transporting it themselves to their countries. This business could have been done by Tanzanians, if the permits barrier wasn't there.

**Graft: No cash, no permit**

An association for crop buyers in Ruvuma region argues that the process of obtaining permits was marred by corrupt practices. Moreover, the permits only applied in districts where they have been issued, when the traders pass through other districts, they were required to obtain similar letters of authorisation. As a result, the traders were forced to use illegal routes to smuggle food crops to neighbouring Mozambique across River Ruvuma.

The government introduced in 1991 a legislation which requires exporters of foodstuffs to obtain letters of authorisation from respective districts. According to the Food Security Act, the letters, or permits for that matter, apply to all transactions including pur-

chasing, transporting and exporting.

The latest study by Tanexa has revealed that export businesses of 61 per cent of food exporters, who were interviewed, reported to be highly constrained by the food permit system. According to the report, 19 per cent were severely affected and 38 per cent were significantly negatively affected.

The study further revealed that 56 per cent – more than half of those interviewed – said food export permits have caused their businesses to incur losses. Urgent measures to improve the cost of doing business and the business climate for exporting food commodities to EAC and SADC regions are required.

The study finds lack of awareness, transparency and clarity on what is required in relation to the letter of authorisation to export food. As a result, even when these letters are not required, they continue to be issued.

"This requirement can however be traced back to 1980s when Tanzania had a centralised and closed economy that discouraged trade with neighbouring countries. Also, agricultural trade policies at the time discouraged private traders and middlemen," the study says. Tanzania has a bi-modal rain season which allows up to two planting seasons in most parts. The system informs the Disaster Prevention Division of the Prime Minister's Office on the general situation of food availability, access and forecast in the country.

The system does this by conducting vulnerability assessment and issuing early warning reports on food scarcity, which then triggers a national notice to impose either a food export quota or recommends for official food export.

**Bribes at check-points**

Exporters, who were interviewed, as part of the study, said they often faced solicitations for bribes at check points even if they had letters of authorisation to export food. If a trader does not give in to corruption, he or she faces unnecessary delays while doing physical verification to ensure the consignment tallies with the amount authorised and other bureaucratic red-tape procedures, with the whole process becoming harassment to exporters.

"This is worsened by the fact that police officers and customs officials at check points are themselves not aware of what is required. There is no clarity and transparency on what is needed, when, by whom and for what. Officers still have a mind-set that can be historically traced to the days of closed economy where all export business was regarded as smuggling. Furthermore, they continue to ask for letters of au-

Trade Minister  
Dr Abdallah Kigoda

thorisation even when an export quota or ban has been lifted," informed a victim of the system.

"There is simply no clear information on what needs to be done at these check-points. As a result, exporters face delays, fail to meet supply commitments and incur losses, particularly of perishable foodstuffs. Cereals are also perishable, as they can rot if exposed to rain or high humidity, and pests can damage the consignment if it is impounded," informed the victim, who also preferred anonymity.

Exporters, through Tanexa, propose that the government should eliminate the letter of authorisation as a requirement to export staple grain food crops something which they say will translate into increased productivity amongst farmers. They also state that these letters deny Tanzanian exporters chance to successfully compete with counterparts in the EAC and SADC region.

The exporters further find that low agriculture production is the prime factor that underlies food export quotas or bans. They say there is a need to in-



There is simply no clear information on what needs to be done at these check-points. As a result, exporters face delays, fail to meet supply commitments and incur losses

crease productivity in order to have surplus for the export market.

They also underscored a need for the government to understand that traditional export crops such as coffee, sisal, cashew nuts and cotton are no longer beneficial to farmers leading them to opt for food crop production as cash crops. The study stated that food production is generally low across EAC and SADC while markets for different types of food are readily available. It therefore calls for the Ministry of Agriculture, Food Security and Cooperatives to implement reforms and abolish the letter of authorisation for staple foodstuffs.

These findings were shared at a stakeholder workshop earlier this year which was attended by exporters of agricultural products to the EAC and SADC regions and representatives of key government ministries.

Send your comments  
for free starting  
with PERMITS to 15774



By Kilimo Kwanza Reporter

Seeds saving outlawed

THE Parliament has endorsed a law that forbids farmers from saving quality seeds and sharing them with their family, friends and neighbours; it has been learnt. The changes were made recently through the Intellectual Property Rights over seed and plant varieties.

The changes include the new Plant Breeders Rights Bill 2012, signing up to an International Treaty on Plant Varieties (UPOV 1991), and the adoption of a binding legal framework through membership of the African Regional Intellectual Property Organisation (Aripo).

All three proposed changes will strengthen the hand of the multinational corporations who control the world's seed sales, and further disadvantage small farmers who rely on saved seeds for their food security.

The government is strongly supporting private sector involvement in agricultural modernisation on a large-scale high-input industrial model as the context of agriculture in the country is changing. The international business community is increasingly engaging and investing in Tanzanian agriculture.

This is bringing new ways of working and new pressures, as multinational seed companies seek to secure intellectual property rights to existing and new plant varieties to generate profits through seeds, pesticides and fertiliser sales.

Proponents of this 'green revolution' agenda have not stopped at agricultural practices, but have commissioned expert studies on how legisla-

# New green revolution model in the offing

tion can be changed to speed up the introduction of the new agricultural model in African countries. They have identified the regional trading blocs and international treaties as entry points.

African countries are busy organising into groupings. EAC, SADC, and Comesa are fertile grounds for planting the seeds of regional policies and legislation that support the interests of the multinational corporations.

Green revolution 'by the rich, for the poor'

Agricultural investors are queuing up to introduce Tanzania to large-scale plantations of high input crops for export as biofuels and animal feed. The model for this type of agriculture is America's Mid-West, where huge farms of a single crop are run by a few staff using gigantic machines, and where 98 per cent of farmers buy their seeds every year from the big seed companies. They do not save their seed for next year, as they used to in times gone by.

Instead, farmers are monitored by the so-called 'seed police', agents of the big seed companies whose job is to investigate farmers and bring to justice anyone caught saving patented seed.

Here in Africa, more than 80 per



The Plant Breeders Rights Bill 2012... will be used to strengthen the rights of the commercial seed sector, while marginalising the farmer community, risking a major impact on the livelihoods and food security of Tanzanian small farmers...

cent of all seed is produced and distributed informally, from farmer to farmer. Small farmers in East Africa save 60-70 per cent of seed used on-farm; acquire 30-40 per cent of their seeds from relatives and neighbours, with less than 10 per cent obtained from the formal sector, for example, from agro-dealers.

The reality is that small farmers are by far the largest and most prolific group of seed breeders in Africa and they have successfully cultivated an abundant diversity of crops for centuries. This farmer-to-farmer seed system limits the cost of production by preserving independence from the commercial seed sector.

Meanwhile, the exchange of seeds ensures the free flow of genetic resources as well as contributes to the development of locally appropriate seeds and to crop diversity. We need to support the development of such systems which are important sources for both modern and traditional varieties.

Seed systems, women role

There is widespread recognition of the importance of smallholder farmer managed seed systems and the key role of women in maintaining them. On-farm seed conservation is recognised in global treaties such as the

International Treaty on Plant Genetic Resources (ITPGRFA) as well as the Convention on Biological Diversity (CBD). Tanzania is signatory to both of these, but fails to recognise the contribution of farmers and their rights to a share of the benefits in the new wave of signed legislation.

The Plant Breeders Rights Bill 2012 has been passed into Tanzanian law. It will be used to strengthen the rights of the commercial seed sector while marginalising the farmer community, risking a major impact on the livelihoods and food security of Tanzanian small farmers.

The Bill grants rights to sell seeds to those who develop new varieties. Crucially, it only allows farmers 'to use the product of his harvest (obtained by planting on his own holding) for propagating purposes on his own holding'. This effectively means that farmers can no longer save, exchange and sell seeds from the protected varieties.

For example, in this new green revolution model, an international seed company sends scientists to Tanzania to develop an improved seed variety. They take a local, hardy existing seed variety and improve it by cross breeding to achieve a hybrid variety, or by inserting a new gene to give it resistance to a certain herbicide.

Then they register the new variety under the new law and gain the sole right to sell that seed for the next 25-30 years. If a farmer wants to use the new seeds, she has to buy them from the seed company. If she plants them, she is not allowed to keep the harvested seed for anything other than her own use. She cannot give or exchange some with her neighbour to try out, and she cannot sell them to anyone. Also the offspring of hybrid seeds lose their parents' advantages, so the seeds become worthless.

Farmers forced to buy seeds

Now the farmer is forced to buy seeds year-on-year from the agro dealer, who encourages them to add fertiliser and pesticide to their shopping list. And no recognition is given to the role of the farmers in developing the existing variety. Gradually, the stock of informal seeds is run down and soon the only seeds available are the expensive store-bought ones.

The alternative sustainable scenario is that farmers work with local extension staff and agricultural research institutes to test, select and multiply the best seeds, register the seeds with Tanzania Official Seed Certification Institute (TOSCI), and then are able to exchange and sell the seeds to farmers in neighbouring villages, who know that these seeds are high quality, and will be successful in the local conditions.

Prices are kept very low, and local farmers (male and female) retain control of their seed and food sovereignty, while maintaining the rich agricultural biodiversity which Tanzania is celebrated for (Tanzania is the world's 11th most bio-diverse country).

The intellectual property rights remain in the public domain. This ap-

Continues page 13

From page 12

proach is already working in some areas of Tanzania, and until now has been encouraged by government under the Quality Declared Seed system. If the seeds are patented under the new law, this practice will be outlawed.

**Global seed giants' interests**

According to the non-profit ETC Group, the world's six largest agrochemical manufacturers, who control nearly 75 per cent of the global pesticide market, are also seed industry giants. Monsanto, the world's biggest seed company is the world's fifth largest agrochemical company. Syngenta, the world's second largest agrochemical company is also the world's third largest seed company.

On the other hand, Bayer, the world's biggest agrochemical company, is also the world's seventh biggest seed company. And DuPont, the world's second biggest seed company, is also the world's sixth largest agrochemical company.

These companies are struggling to export their way out of a global recession, and are fully backed by their governments, who need the export revenues to balance their national deficits.

Other beneficiaries are the world's investors in hedge funds who are betting on the rise of global food prices, the increased demand for meat (hence animal feed) by the rapidly growing middle classes in the world's emerging economies, and the switch from fossil fuels to biofuels. These billion dollar investment funds are busy funding large-

scale agricultural projects wherever land is cheap – and it doesn't get much cheaper than in Tanzania.

The United Nations Special Rapporteur on the Right to Food, Olivier De Schutter, warns: "the professionalisation of breeding and its separation from farming leads to the emergence of a commercial seed system, alongside the farmers' seed systems through which farmers traditionally save, exchange and sell seeds, often informally."

This shift has led to grant temporary monopoly privileges to plant breeders and patent-holders through the tools of intellectual property, as a means to encourage research and innovation in plant breeding. In this process, however, the poorest farmers may become increasingly dependent on expensive inputs, creating the risk of indebtedness in the face of unstable incomes.

Private-led research may seek to satisfy the needs of farmers in industrialised countries, while neglecting those of poor farmers in developing countries. The farmers' seed systems may be put in jeopardy, although most farmers in developing countries still rely on such systems, which, for them, are a source

# New green revolution model in the offing

of economic independence and resilience in the face of threats such as pests, diseases or climate change.

Finally, agro-biodiversity may be threatened by the uniformisation encouraged by the spread of commercial varieties. Farmers, including women farmers, need stronger rights, and a seat at the decision making table – agreed?

**Why Tanzania in it?**

So, why has Tanzania signed up to an international treaty (UPOV 1991) that protects the interests of multinational agribusiness corporations, while weakening farmers' rights?

Recently, Tanzania joined the International Union for the Protection of New Varieties of Plants (UPOV 1991). It is now the second country in sub-Saharan Africa to do so, joining South Africa in this international club. Many independent agencies have voiced warnings about joining UPOV.

Grain, an international non-profit organization that works to support small farmers and social movements in their struggles for community-controlled and biodiversity-based food systems, has this to say:

"UPOV denies farmers' rights both in the narrow and the wide sense. In

the narrow sense, the right to freely save seed from the harvest is curtailed. In the wide sense, UPOV does not recognize or support communities' inherent rights to biodiversity and their space to innovate".

Northern companies will take over national breeding systems in the South. National breeders and local seed companies will be bought out by the foreign companies. Northern companies will get ownership of the South's biodiversity with no obligation to share the benefits. UPOV does not provide for any sharing of benefits from the North's exploitation of the South's biodiversity. Farmers of the South end up paying royalties for their own germplasm which has been tampered with and repackaged in the North.

UPOV criteria for protection will exacerbate erosion of biodiversity. Uniformity leads to harvest loss and further food insecurity. Joining the UPOV means becoming party to a system that is increasingly supports industrial breeders over farmers and communities.

UPOV is designed to facilitate monopolies in corporate plant breeding. Despite 35 years of Green Revolution and UPOV, the South is still food inse-

cure. Joining a biased system like UPOV will ensure that the South's integration into Northern-controlled markets increases, but not for the benefit of those who are hungry today.

Graham Dutfield, Professor of International Governance at Leeds University School of Law, states: "Critics contend that the UPOV system is unsuited to the agricultural characteristics of developing countries, but that UPOV is suited for and promotes an industrial-style, monoculture-based farming system and favors the commercial seed industry (including by furthering agricultural systems that require chemical inputs) over small farmers, diversity and traditional knowledge."

Many point to the increasing concentration in the seed industry that has occurred over the last two decades, saying that this concentration, as well as intellectual property protection for seeds, is inconsistent with human rights.

Critics add that yield improvements since UPOV came into force owe more to scientific developments than intellectual property protection, and that this has occurred simultaneously with a massive loss of biological diversity.

UPOV detractors add that the system does not recognize the incremental contribution of farmers over prior decades to developing new crops, nor that crop development and improvement has happened since farming be-

Continues page 14





# New green revolution model in the offing

From page 13

gan, even in the absence of intellectual property protection.”

Dutfield cautions: “It appears that a number of developing countries join UPOV due to political and economic pressures, with insufficient consideration of whether UPOV membership would contribute long-term to the country’s policy objectives in a range of key areas, including economic development, food security and biological diversity.”

**Changes to ‘blind’ Tanzania**

The Aripo’s Draft Legal Framework is another attempt to foist UPOV 91 on 14 African countries, including Tanzania. The legal framework does not make any attempt to develop a regime that is suitable to the needs of

the region. It’s about protecting the private sector on the pretext that this is in the interest of small-scale farmers.

The legal framework, if adopted will bind Tanzania to UPOV 91 and any national legislation developed will have to work within these parameters.

Together, these three legislative changes pave the way for a shift to the industrialisation of agriculture, while enabling the big corporations to satisfy their shareholders, but take little account of the needs of the millions of small farmers who rely on farmer seed systems for their livelihoods.

Interestingly the African Union has provided a Model Law on these issues, which provides a safety net for small farmers, and recognises their key role in the maintenance of biodiversity, and the breeding and development of



**UPOV is designed to facilitate monopolies in corporate plant breeding...**

locally appropriate seed varieties.

The drafters of the new legislation have ignored AU advice and seem to be listening only to the industry advocates. The AU Model Law limits intellectual property over indigenous knowledge and prohibits the patenting of life forms and biological processes. It also protects farmers’ rights to save, use, exchange and sell farm-saved seed.

**Suggestions**

So, here are a few proposals to help level the playing field including, tear up the draft Plant Breeders Rights Bill, and replace it with one based on the African Union Model Law – which balances the need to protect seed companies with the need to protect farmers’ rights.

Other proposals, are to delay join-

ing UPOV 1991 until Tanzanian agriculture has developed to a position where the nation can benefit from the UPOV provisions; and start listening to the voices of the world’s independent scientists, the UN and the AU, who are advocating against industrial agriculture and in favour of ecological agriculture.

It’s also important to wise up to the fact that this legislation is driven by global agribusiness corporations and speculative investors who are pursuing the hottest investment opportunity the world currently has to offer: African agriculture and to involve Tanzanian farmer groups fully in the development of legislation to ensure it meets the real needs of the farming community, the people who are actually feeding the nation.

# ANSAF probes cashew nut crop failures



By Special Correspondent, ANSAF

**The probe**

**T**HE Agricultural Non State Actors Forum (ANSAF), in collaboration with other stakeholders in the agricultural sector, has started discussing ongoing failures in the cashew nuts cash crop production, including decrease in harvests in Lindi and Mtwara regions.

ANSAF and the stakeholders, who met early this year during a workshop held in the country, expressed grave concern over decreasing trends in production of the crop in Lindi and Mtwara, which have been leading, as cashew nuts growing regions for several decades. They also registered reservations over poverty facing the majority in the regions, despite engaging in cash crop farming.

The stakeholders said that the farmers relied entirely on the cash crop due to its high market potential in the world. Cashew nuts has the potential to be a highly profitable crop and would likely contribute highly to the country’s GDP.

In 2007/2008, the government in-

roduced the warehouse receipt system for cashew nuts as an approach to solve market challenges facing farmers. The system also intended to avoid selling the product to middlemen and individuals who evade tax.

Unfortunately, there has been a monopoly in cashew nuts market. There is only one defined system through which farmers can sell their produce. This affects the market price and continuously undermines the farmers’ bonus as well as their decisions on where to sell cashew nuts and in what form.

According to the United Nations Conference on Trade and Development (UNCTAD), the warehouse receipt system is geared to enhance the efficiency of primary marketing system for raw cashew nuts.

In 2002, stakeholders met to evaluate problems facing the cashew nuts industry in order to determine possible remedies. The meeting was a follow up to chaotic cashew nuts marketing during the preceding years.

**No tangible success**

While the year 2012 is the 10th anniversary since the 2002 meeting was held, it appeared the cashew nuts sector has not attained any tangible success. Frequent market crisis have

emerged over the past ten years.

In 2011, the government directed farmers to sell their cashew nuts through the warehouse receipt system regardless of contractual obligations that some farmers’ groups had with external buyers. This directive negatively affected smallholder farmers.

The 2011/12 cashew nuts production records show that out of the 157,000 metric tonnes produced, 85,000mts (\$4 per cent) remained unsold in government warehouses by April 2012. The reason for this has been the government’s decision to set a high price index that other buyers could not afford, based on world market prices.

While farmers are unaware of the mechanisms used by the government to set prices, they remain ‘represented’ through cooperative unions whose membership is hardly 13 per cent of all cashew nuts producers in the regions.

**Market saturation**

Nonetheless, the study indicates the farm gate price in September 2011 was 1,200/- (\$0.76) per kilo. Buyers are reportedly reluctant to purchase cashew nuts over claims that prices in the world market have dropped due to market saturation.

The stakeholders said during the

workshop that the current condition indicates that cooperatives owe farmers 65bn/- in unsold cashew nuts in warehouses whereby transaction costs of warehouse system is likely to reflect inefficiencies and rent-seeking, associated with state institutions and parastatal organisations direct involvement in the marketing of the crop.

With some slight differences and variations in approaches by warehouse receipt system operators (WRS), there are concerns about the arrangement. It is now perceived that WRS has technically caused market failures.

Market mechanism and financial strategy in the WRS hinder timely clearance of stocks. One would ask, who is frustrating the cashew nuts market and for whose benefit, is it the cashew nuts producers, the State, private companies or traders?

The stakeholders said, while a certain segment of producers acknowledge the usefulness of WRS, many others were concerned about the way the government is implementing it. The government’s interference in the system has been experienced with strong market control, instead of promoting competition.

The above fact has been decimating the number of competitors in the

market commodity. In order to succeed, the system has to abide by principles of transparency and let the market forces (demand and supply) determine the cashew nuts price.

**Farmers not well represented**

The WRS is mandatory to all buyers and producers, although the farmers are not well represented in setting the prices. In a way, the system denies smallholder farmers the right to own what they produce and sell it when they want and to the buyers they want.

At the moment, they cannot decide to who to sell to and at what price. The cashew nuts stakeholders’ meeting noted that due to involvement of government machinery, administrative costs would surely increase, implying a reduced share of farmer’s earnings.

Although in some districts smallholders have had their own initiatives to sell cashew nuts in other countries, the WRS has slowed down this arrangement. For example, under the organic cashew nuts production and contract farming, smallholder producers have contractual agreements with traders, and might not be able to fulfill them under the system.

The WRS does not segregate the organic and non-organic cashew nuts; instead it combines the two types which undermines the quality and premium level of the crop. This also means, through this arrangement, the involvement of Tanzanian farmers in fair trade is simply hampered, they said.

Farmers are expected to have their produce (organically produced) collected in general warehouse before they could sell to their customers. This has implications, in terms of time spent, and the process adds unnecessary administrative and transactional costs.

Tanzania does not have many cashew nuts processing plants. About 60 per cent of cashew nuts are usually exported in raw form, which makes it difficult to store the produce for a reasonable period. Exporting raw produce reduces the competitiveness of farmers’ products compared to those obtained from Indian and Vietnam.

Poor organisation and other challenges, such as low literacy levels among farmers in Lindi and Mtwara regions, are among factors working against farmers’ favors and benefits. In many cases, farmers are disorganised and they do not have one voice. As a result, they cannot make any tactical moves to challenge government’s control over their produce.

The participants of the meeting were bitter about the role of the Cashew nuts Board of Tanzania (CBT) in regulating cash crop’s market and providing relevant market information.

The question raised is whether the crop is for the farmers’ interest or just intended to earn political mileage.

The issue of farm gate price is coordinated by politicians while experts are not given space to challenge and set tariffs. The compulsory use of WRS, according to experts, contradicts the principles of liberalised market policies.

**Need for dialogue**

In a nutshell, the State, processors, farmers and the private sector must engage in a dialogue. Equally, transparency and farmers representation are essential factors that would help in resolving cashew nuts marketing challenges. Additionally, farmers must have access to relevant and quality information.

# Is organic farming a solution to Africa?

**This side of Africa**

By **Nicolas Begisen**



**A**GRICULTURE is one of the ancient occupations in African civilisation. In layman's language, agriculture is simply the cultivation of crops from arable land. One important thing we understand from ancient civilisation is that, agriculture was and still is the key occupation of farmers and the path to riches, wealth and prosperity for any given human civilisation. Agriculture is considered to be the basic occupation of the African population. Nearly 70 per cent of the population in Tanzania either work or are involved in the agricultural sector.

Furthermore, agriculture is also termed as the producer of food and goods through farming. Agriculture was the key development that led to the rise of human civilisation; with the husbandry of domesticated animals and plants (i.e. crops) creating food surpluses that enabled the development of more densely populated and stratified societies.

With this in mind, one has to look at the past, present and future methods of agriculture and be able to draw the line. The advancement of technology poses a danger of swallowing up agriculture by creating more scientific farming methods. Farmers are the ones, who carry out agriculture and make sure that the entire process, right from the sowing of seed to harvesting is taken care of.

They also make sure that the right seed is sowed at the right time and harvesting is also done at the appropriate time. During yesteryears, agriculture was carried on with equipment such as sticks, ploughs, bullocks and hoes. Nowadays, many modern techniques and equipment, such as tractor, have been invented to make agriculture an easy task.

Modern farming methods are not wrong in anyway whatsoever, but where do we draw the line. Do we risk everything all for profit or do we focus on producing quality food that is

healthy and not just large quantities of produce that are hazardous? Organic farming is a form of agriculture that relies on ecosystem management and attempts to reduce or eliminate external agricultural inputs, especially synthetic ones. It is a holistic production management system that promotes and enhances agro-ecosystem health, including biodiversity, biological cycles, and soil biological activity.

Farmers can be trained to embrace modern technologies and scientific knowledge gained from these to combine them with the traditional methods that have been passed down from generation to generation since the onset of human civilization; thus having organic farming.

In general, organic methods rely on naturally occurring biological processes which often take place over extended periods of time, and a holistic approach to farming. Crop diversity is a distinctive characteristic of organic farming.

Organic farming is a form of agriculture that relies on techniques such as crop rotation, green manure, compost and biological pest control. Organic farming uses fertilizers and pesticides, but excludes or strictly limits the use of manufactured (synthetic) fertilizers, pesticides (which include herbicides, insecticides and fungicides), plant growth regulators such as hormones, livestock antibiotics, food additives, genetically modified organisms and human sewage sludge.

The International Federation of Organic Agriculture Movements states that "Organic agriculture is a production system that sustains the health of soils, ecosystems and people. It relies on ecological processes, biodiversity and cycles adapted to local conditions, rather than the use of inputs with adverse effects.

Organic agriculture combines tradition, innovation and science to benefit the shared environment and promote fair relationships and a good quality of life for all involved."

Studies carried out claims that organic agriculture could feed the entire global population, somewhat more than 6 billion people. It states that or-

ganic farms have lower yields than their conventional counterparts in developed countries (92 per cent), but higher than their low-intensity counterparts in developing countries (180 per cent), attributing this to lower adoption of fertilizers and pesticides in the developing world compared to the intensive farming of the developed world.

The Rodale Institute, dedicated to "pioneering organic farming through research and outreach", conducted a thirty year "Farm Systems Analysis Trial" of organic farming. Their findings suggest that organic farming is superior to conventional systems in "building, maintaining and replenishing the health of the soil." In addition to soil health, the Institute's trials looked at economic viability, energy usage, and human health and concluded that organic agriculture is more sustainable than conventional.

Tewolde Berhan, chief of Ethiopia's Environment Agency views that organic farming could be the solution to Africa's famines. He is one of the world's most influential voices in the biotechnology field and believes that, if properly applied; organic farming, not genetically modified organisms (GMOs), could save the lives of thousands of Africans who die every day as a result of hunger and poverty. He maintains that GMOs remove control from local farmers.



## KILIMO KWANZA DIRECTORY

### WATER AND SANITATION

- Dar es Salaam Water and Sewerage Authority (DAWASA) – Tel: +255 22 276 0006
- Dar es Salaam Water and Sewerage Corporation (DAWASCO) Tel: +255 22-2131 191/4
- Drilling and Dam Construction Agency (DDCA) Tel: +255 22 2410430/2410299
- Energy and Water Utilities Regulatory Authority Tel: +255 22 2123850, 22 2123853
- Water and Environmental Sanitation Projects Maintenance Organization (WEPMO) Tel: +255 22 2410738, 716 099959
- Ministry of Water Tel: +255 22 245 1448

### INDUSTRY SUPPORT AND ASSOCIATIONS

- Small Industries Development Organization (SIDO) – Email: dg@sido.go.tz, info@sido.go.tz
- ANSAF - P.O. Box 6370, Dar es Salaam
- CNFA - info@cnfatanzania.org
- Tractors Limited Cells: +255 784 421606, 786 150213
- Consolidated Holdings Corporation (CHC) Tel: 255 (022) 2117988/9
- Vocational Education and Training Authority (VETA) – Tel: +255 22 2863683/2863409
- Export Processing Zones in Tanzania (EPZ) Tel: +255 22 245 1827-9
- Agricultural Economics Society of Tanzania (AGREST) – Tel: +255-23 260 3415
- Tanzania National Business Council (TNBC) Tel: +255 22 2122984-6
- Tanzania Agriculture Partnership (TAP) Tel: +255 22 2124851
- Tanzania Milk Processors Association (TAMPA) Tel: +255 222 450 426
- Rural Livelihood Development Company (RLDC) Tel: +255 26 2321455
- Tanzania Cotton Board Tel: +255 22 2122564, 2128347
- Horticultural Development Council of Tanzania (HODECT) Cell: +255 789 222 344; Fax: +255 27254 4568
- TATEECO Ltd – Tel: +255 784 427817

### AGRO-PROCESSING

- ERTH Food - Tel: +255 22 2862040
- MUKPAR Tanzania Ltd Tel: +255 28 250038/184
- ASAS Diaries Limited - Tel: +255 26 2725200
- Tanga Fresh – Tel: +255 27 2644238
- NatureRipe Kilimanjaro Limited Tel: +255 22 21 51457

### EQUIPMENT

- Gurudumu Tatu Limited Tel: +255 22 2865632 / 2863699
- National Service Corporation Sole (SUMAJKT) Cell: +255 717 993 874, 715 787 887

### FINANCE

- Private Agricultural Sector Support (PASS) Tel: 023-3752/3758/3765
- Community Bank Association Tel: +255 22 2123245
- Bank of Tanzania P.O. Box 2939, Dar es Salaam, Tanzania

### AGRO-INPUTS

- Minjingu Mines & Fertilizers Ltd Tel: +255 27 253 9259 250 4679

Sponsored by



www.best-ac.org



www.ansaf.or.tz