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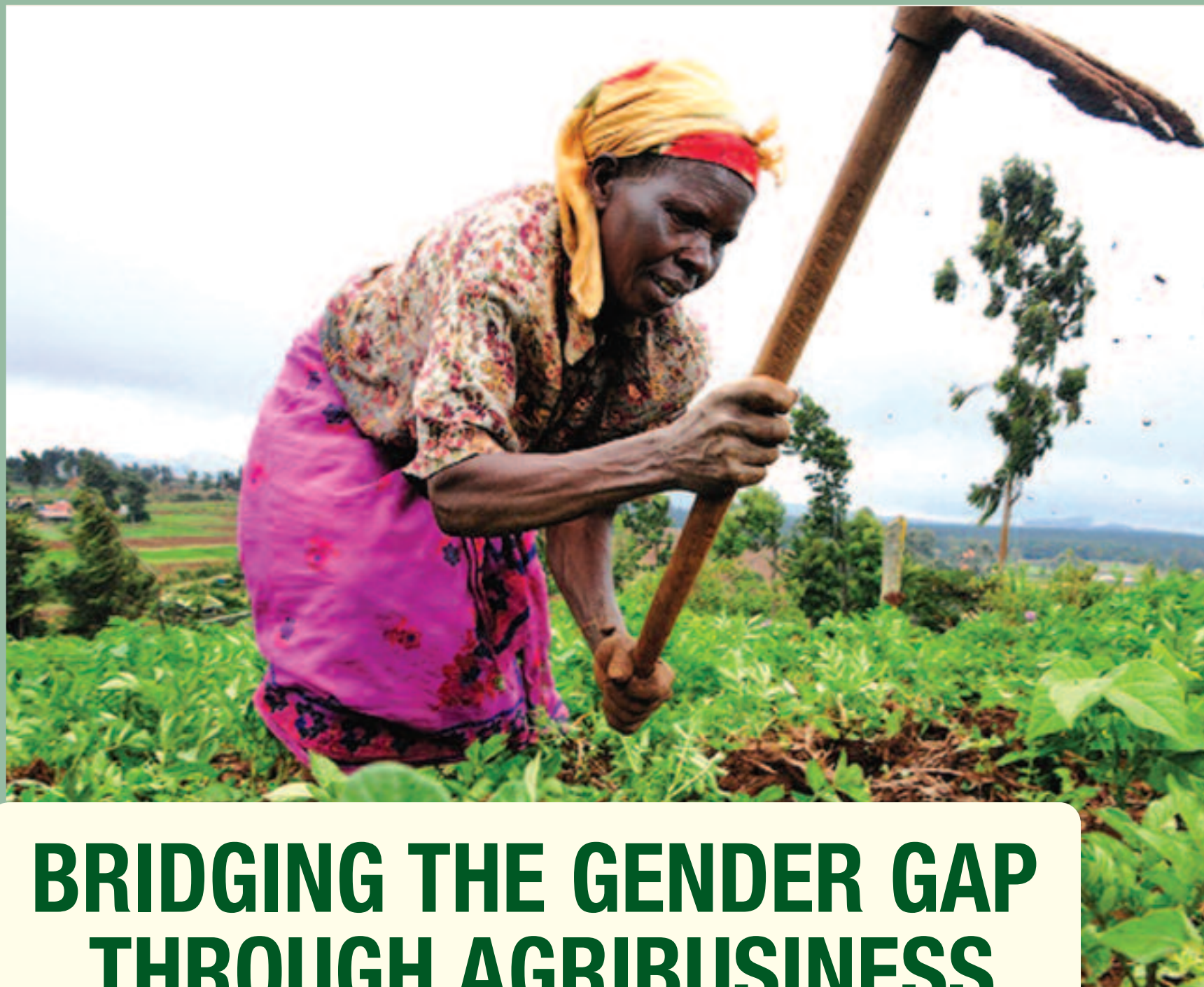
The Guardian

KILIMO KWANZA

Friday 30 August, 2013

SUPPORTING THE PROMOTERS OF THE GREEN REVOLUTION

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BRIDGING THE GENDER GAP THROUGH AGRIBUSINESS

Let the gender gap be filled...

Empowering women to spur agribusiness is a must, if we want to develop. Gender disparities in agriculture won't enhance economic growth in poor countries such as Tanzania.

SPECIAL

The
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Farming
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ADVERTORIAL

Balton Tanzania
keen on technology
designed to spur
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Time to recognise the role of women in agriculture

STRICT and often rigid gender roles define community life in this continent where patriarchal forms of social stratification often mean that men are responsible for fending and providing 'the daily bread' for their families while women take care of the household.

The institutionalised subordination of women is especially pronounced in rural areas. Yet it is a known fact that women are the primary source of agricultural productivity in sub-Saharan Africa, Tanzania included.

Women play a critical role in food security, contributing up to 60% of the agricultural labour force and producing up to 70% of the food output. In many rural areas, women produce most if not all of food crops while also specialising in food processing. Furthermore with increased urbanisation and the resultant rural-urban migration, most men often move to towns in search of salaried employment, leaving the women behind to till the land.

However report after report show that although they perform most of the donkey work, women are often not in control of the means of production, with their role mostly limited to providing labour in tilling, sowing, harvesting and food processing.

Two recent reports—the Food and Agriculture Organisation's (FAO's) State of Food and Agriculture 2010–2011 and the World Bank's World Development Report 2012—turn their attention to gender issues in agriculture. They both emphasise women's contributions to agriculture in developing countries.

According to our writer in this issue of Kilimo Kwanza, the State of Food and Agriculture 2010–2011 highlights the need to close the gender gap in access to agricultural resources, education, extension, financial services, and labor markets; to invest in labor-saving and productivity-enhancing technologies and infrastructure to free women's time for other productive activities; and to facilitate women's participation in flexible, efficient, and fair rural labour markets.

The World Development Report 2012 stresses that gender equality can lead to productivity gains, that women's increased control of household resources can improve outcomes for the next generation, and that empow-

ering women as economic, social, and political actors can result in more representative decision making.

In this issue of Kilimo Kwanza we explore how gender defines agriculture, with a case being made for the empowerment of women for increased agricultural and economic productivity.

We highlight a group, the Kiwangwa Women Agricultural Group from Bagamoyo who have decided to venture into commercial agriculture. Five years down the line, the women's group is now looking to divest and expand their operations to encompass agro-processing.

However the working environment is still far from women-friendly, with various hurdles still standing in the way of economic emancipation of women through agriculture.

Our writer reminds us that agriculture plays a vital role in the Tanzanian economy. In Tanzania as elsewhere in Africa, women play a vital role as agricultural producers and processors. Yet relative to men, they have less accessibility to productive assets such as land, finance and extension services. Addressing women specific interests is crucial to the transformation of Africa's agriculture and the well-being of the rural population within the next decade.

He goes on to make a case for identifying areas where policy can help close the gender gaps: addressing excess deaths of girls and women; improving girls' education; equalising access to economic opportunities and reducing productivity gap between women and men; giving women a stronger voice in households and societies; and limiting the transmission of gender inequality across generations.

Read all about this and more in this issue of Kilimo Kwanza.

Wallace Mauggo

Wallace Mauggo
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Dairy sector tipped to address land conflicts



By Michael Pandisha, Tampa

The scramble for land between farmers and pastoralists in Tanzania has been a common issue in recent years. Pastoralists seek green pastures and in the process, damage farmers' crops.

An increase in human population has also resulted into pressure on arable land, leading to deterioration of soil fertility and deforestation. This also results into regular land conflicts and killings.

Studies indicate that pastoralists lack both technical information on animals' management and at times the required information is too complex for them to comprehend.

Feeding dairy cow

The rationale of keeping a dairy cow is to obtain optimum milk production. In order to explore the cow's full genetic potential, a dairy farmer needs to put in place a good nutrition programme and meet all other related needs.

The quality and quantity of milk, among other things, depends on nutrients provided to the dairy cow. These nutrients depend on the feed consumed. If the animal is fed on poor quality feed in large quantities or high-quality feed in small quantities, little milk will be manufactured and vice versa.

Dairy cattle play a significant role in both national and household economies. It contributes to employment on the farm, during value addition or rather processing and marketing. The farming also supports a large service sector that offers specialised services in nutrition and health.

Manure from dairy cattle, also, plays a major role in improving soil fer-

tility and it is a source of energy in form of biogas.

Economic benefits

The economic contribution of dairy cattle is proportionately much higher than traditional cattle per unit basis, according to Prof Lusato Kurwijila, the chairperson of the Tanzania Dairy Board.

Given the fact that about 750,000 dairy cattle produce as much as 30 per cent of the total milk produced by more than 20 million herds of cattle kept traditionally, of which, only about 3 million are milking cows, according to official statistics.

This means 30 per cent of the 1.8 billion litres of milk we produce annually comes from the dairy herd. The nominal value of the total milk produced, if we take a conservative average producer price of milk of 600/-, is about 1.08trn/- per annum.

Unlike milk from the traditional sector, a greater proportion [more than 70 per cent] of milk produced from dairy cows is marketed off-farm. In the traditional sector, more than 80 per cent, is consumed on farm or in the neighborhood with little or no processing.

According to the don, processing a greater proportion of the milk we produce would greatly enhance the value and contribution of the dairy sector to the nation economy through income and better nutrition.

Unfortunately, currently less than 3 per cent of the milk we produce is processed annually. "More efforts are therefore needed to improve the volume of milk collected and processed in factories," Prof Kurwijila says.

Apart from income generation, the potential employment opportunities are enormous in the dairy subsector.



"So many people lose lives and properties on account of regular land conflicts between pastoralists and farmers... The conflicts also lead to internally displaced people due to fear of either being injured or killed by the opponents..."

He estimates that for every 100 litres of milk produced and processed, about four jobs are created along the value chain from farm, collection, processing and retailing.

Processing milk in various dairy products generally doubles the value of the milk, from about 600/- to 1,300/- per litre of milk processed. "The nutrition benefit to the entire spectrum of the population does not need explaining," he remarks.

Land conflicts

So many people lose lives and properties on account of regular land conflicts between pastoralists and farmers in Tanzania. The conflicts also lead to internally displaced people due to fear of either being injured by the opponents or killed.

The whole issue of land conflicts between farmers and pastoralists stems from the land ownership or tenure, according to Prof Kurwijila.

He says, farmers in most cases keep livestock and use the land they own individually or communally to graze their cattle while pastoralist keep large numbers of cattle without necessarily owning the land on which they need to graze and water the livestock.

In the absence of a secured ownership of land, he argues, pastoralists move around in search of pasture and water using land, which already belongs to either a farmer or other institutions.

The result of this practice is predictable, he stresses, adding at one point or another, livestock in search of pasture and water will wonder into a cropped land and eat the crop if it is in the grazing period or the crop residues if it is after harvest time.

He observes that "the consequences are the frequent conflicts between pastoralists and farmers."

Conflict resolution

In order to address the matter, Prof Kurwijila suggests that mixed farming systems where farmers cultivate crops and raise livestock often in much smaller numbers as well as intensification of migratory pastoralism to some form of cattle ranching where the owners of cattle have secured ownership of the land is probable the best option to stem the tide of increasing farmer-pastoralist conflicts.

Given the pressure on land in the country, increasing the milk yield per cow is the preferred option. Dairy farmers in the country have a potential to maximise productivity with less feeding costs.

When buying, selling and culling of

dairy cow, farmers need to take into consideration the choice of high-quality dairy genotypes.

The use of high value dairy genotypes leads to intensification of production, says Prof Kurwijila. He explains that "producing a lot more milk from much fewer numbers of cattle is a bonus to the producers in terms of the land required to sustain the more productive cows."

Retiring from pastoralism

According to him, one cannot keep dairy cows and still remain a pastoralist. One would have to settle in a specific area, which he or she has to own and develop, in terms of investing in infrastructure such as pasture, water, housing and machinery.

Instead of them being in constant conflicts, he suggests that the two would complement each other in a mixed farming system. The pastoralist can choose to be a beef rancher who buys and fattens bull calves from the dairy farmer.

The dairy farmer would probably become the regular customer purchasing maize bran from the maize farmers. "Is this not a vision worth pursuing for our country?" he wonders.

Both public and private sectors need to invest in mass education in relation to land use and rights. People need to know land uses, rights and plans of their areas, according to Oswald Mtarambirwa, the Tanzania Milk Producers Association (Tampa) official.

"Special campaigns on the need of destocking and keeping a herd of cattle enough for a given piece of land on one hand and peaceful co existence with other communities on the other deserves special attention," he observes.

He further explains that through land use plans, livestock corridors and common resource use such as water in such heavily congested areas could be established between villages. This can be meaningfully attained through participatory mechanism and inclusion of all stakeholders.

In addition to that, land tribunals at village level should be strengthened and active. "It is important to involve the local authorities in resolving their land conflicts which they can easily honor, instead of imposing on them some judgment which they hardly understand due to law ignorance," he remarks.

It is high time for dairy stakeholders to be part of solution in land conflicts in Tanzania. The matter has to take into account that both peasants and pastoralists' interests are harnessed for the purposes of peace and tranquility.

Let us invest in dairy farming and livestock management training across the country. Given the fact that land is a limited resource, the government must plan its use in advance and put in place enforcement mechanism to ensure that all parties concerned adhere to the law.

Concerned authorities should also ensure that land conflicts cases are given priority attention and end in time to avoid loss of life and properties among the communities. Peace is within reach between pastoralists and farmers in Tanzania.

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Youths and the future of agriculture

By Juma Ngomuo - TGFA

Questions that lingers

A new debate on the nature of farming is needed, and specifically on what will happen inter-generationally within the small-scale farming sector. Will small-scale farming be able to face the wind of change and define a structure that offers a secure and 'decent' livelihood to the next generation?

Will it continue to play a central role in key developing and emerging economy countries in providing food security and in feeding the population? Are the aspirations of youths compatible with opportunities available to them in the farming sector – both as small-scale farmers and as entrepreneurs or employees within the agrifood value chains?

How can small-scale family agriculture sit alongside large-scale agriculture at national and global levels and secure access to dynamic and changing local, regional and international market opportunities? How central is small-scale farming to meeting future labor market needs?

The debate on the nature of farming and who farms within the alternative visions of how rural areas can respond to changing demand and markets must be moved centre stage and become an integral part of the debate on rural transformation, including the future of food up to 2050.

The African Union (AU) has declared a "Decade on Youth Development in Africa 2009-2019." The United Nations (UN) General Assembly has called for Member States to prepare a "National Review and Action Plan on Youth Employment."

Likewise, the recent joint proposal between the AU, Economic Commission for Africa, African Development Bank, and International Labor Organisation for a "Joint initiative on job creation for youth in Africa" all point to the attention being paid to the issue of youth employment (Proctor and Lucchesi 2012). Each of these organisations also has an emphasis on agriculture.

The future of farming

Farmers are of course implicit in the debate, but since huge expectations are placed on the farmer of today and on the youth who represent the next generation of farmers, such stakeholders should be central to the debate together with representatives of agribusiness and investors in the agriculture sector.

The debate on the role of different scales of farming, including small-scale family farming, agribusiness and large-scale investors in agriculture, by region and by key commodity, the drivers and trends and interactions of these as well as the role of agriculture and agrifood chains in employment must move to centre stage.

Despite the abundance of information on agriculture acreages by crop type, yield, numbers of livestock, quantities of commodities traded etc, it is currently not possible to know what type of farmer or scale of farm produces a given commodity in a given location and thus to monitor change and trends.

Nor is it clear what type of employment is generated by agriculture, including by the different types of agrifood chains and agribusiness in both rural and urban areas and thus to ascertain the trends. The implications of such gaps in understanding and the associated risks and assumptions are unknown.

Who's on driving seat?

The stark reality is, however, that in many regions of the world, notably in developing and emerging economy countries, small-scale family farms are the sole or principal source of food production for domestic markets, for some commodities, for regional and international trade and for employment.

Such farms provide household wellbeing, food security and livelihoods for many millions of people.

While the proportion of small-scale farms compared to large-scale farms varies by region (and indeed the definition of scale differs by region and by production system and market) the definition itself in Tanzania is not well explained.

A significant proportion of food consumed in most parties, regions and districts of Tanzania is likely to have been produced by small-scale family farmers.

In order to make and promote agriculture that attracts many young people and the youth generation, the sector itself has to be profitable, competitive, and dynamic so as to deliver growth, to improve food security, and to preserve a fragile natural environment. And these are the same characteristics for agriculture development.

With higher priority accorded to implementation of well-designed public investments in agriculture, continued progress on regulatory and policy reform, and attention is needed to ensure inclusion of young people in Tanzania and Africa continent at large that will make agricultural renaissance and the sector's where hand-

some youth dividend can be collected and widely shared.

The agricultural sector is changing and the need for entry of large numbers of young people into the sector will accelerate its performance.

The sector has to be recognised by government leaders and development practitioners as well as different locations as a source of growth, an instrument for improved food security, and a means to steward the societies and country valuable natural resources.

Attention it deserves

Attention must be given to agriculture development which then accordingly has to perform well than the previous decades, as the largest employer sector in the country as well as potential sector to absorb the large number of young learners and professionals who are curious to get income from employment that offer meaningful work with public and private benefits becomes clearer.

Agriculture has to gain even more attention from Tanzanians policy makers. This has to be necessary because the sector's ability to create jobs will not be realized without modifications to existing public programs.

Present levels of public investment are to sustainable and more sufficient especially in rural and growing peri-urbans. The quality of investment has to be attractive for adequate yields of high returns. However, too little has gone into short term palliatives in the country, such as fertilizer subsidies, without complementary attention to improved technologies and management practices and long term investments in research and infrastructure development.

Tanzania investment climate has to attract private firms needed in marketing, processing, input supply, service delivery and rural advisory and business services as well as finance. The need to implement public policies governing trade, introduction of new varieties, licensing and intellectual property rights and taxation which have to provide adequate incentives to producers and innovators.

Much effort are needed to address constraints to land, capital, and skills and the efforts are to be redoubled, and features to make programmes friendly to the needs of the interested youths are to be introduced.

Here is where the multidisciplinary approaches advocated by TGFA, Amsha institute, Agri Hub Tanzania, DSW, TLI, Youth development Fund and other organisations have to be adopted and effectively managed then brought together clear focus on young people engaging in profitable and pro-

ductive agriculture.

Although farming is often done by the elderly, the profession's requirements for energy, innovation, and physical strength make it ideally suited for those in the 15-34 year-old age range. Energy, creativity, and strength are attributes that young people have in abundance.

Unrecognised opportunities

Agriculture in Tanzania like in other Africa has untapped potential to create jobs, both directly and indirectly. In order to attract young people, agriculture will need to be more dynamic and appealing than it is now, and young people will need to view the sector more positively than they do.

According to the Institute of Development Studies (IDS), the sub-sectors, such as production and processing of horticulture, piggyery, fishing, beekeeping, spices, organic farming that offer attractive opportunities will have to be quite different from those that most young Africans know.

Self-employment is very significant in the postproduction share of value chains and mostly relies on trading and transport of both agricultural raw products and processed goods for the local rural and urban markets, such as small scale trading of foods, farm products, small shops and restaurants, transport and packaging.

This is one of the comments made by a successful Supporting Organisation leader Janet Fares Maro from Sustainable Agriculture Tanzania (Sat). She is one of the best and super woman model for promoting agribusiness and good leadership.

She is one pioneer and aspirator for TGFA, Amsha and Agri Hub Tanzania youth champions and she use much of her time promoting farmers entrepreneurship through organising and facilitate training and capacity

building on organic farming, share success stories, one to one talks and social media networking.

One of the comment made by Janet concerning the rising opportunities in sustainable agriculture was "Urban Agriculture is also gain more popularity as it is considered to be more sustainable agribusiness opportunity as it is resource intensive that suck gardens, chicken tractors, roof gardens, chicken gardens and double dugs provide high and sustainable yields".

She adds, "The rise of more awareness on health and nutritious foods offers the new opportunities for youths especially graduates and farmer groups to tap into organic farming business. With our organic product shop we have a lot of visitors, calls from customers from Morogoro and outside Morogoro customers, who wish to be supplied with our farmers, but due to lack of area and many farmers to produce high quantity and consistently it become a little challenging to meet the needs of buyers as Supermarkets, hotels and other bulk buyers though it is the time now to advocate for while focusing on the segments for mutual benefits."

It's true that people have choices and they will continue to make choices, and agrirpreneurs are supposed to be innovative to create more demand for their products whether dried, fresh processed or value added.

The changes in agrifood markets are creating new job opportunities for rural and urban employment, both skilled and unskilled, in the formal and informal sectors. In the formal sector these might include agribusiness processing and packaging (dairy, fruit and vegetable processing plants, fresh produce cleaning, grading and packaging stations, warehouse management and storage) and transport, as well as in modern retail.

Worldwide and historically, farming as a profession has rarely carried high prestige. Colloquial terms for farmer in English, such as "hayseed" and "clod-hopper," reflect the low status of the profession even where it yields incomes higher than the national average.

Thus, it is not surprising that most young people in the developing world express a desire to leave farms. Research and development projects, supporting initiatives, markets and techniques that are available with abundance of good and sustainable agriculture made by government and supporting civil societies are crucial.

Support and opportunities that are present for youth groups to access loans for start ups, capacity buildings,



internship and incubation support.

To recognise that the responsible minister in agriculture that he will be pleased to receive and hear about youth groups demonstrate peaceful to district council and his office to ask the government to give them productive land which they will use to produce agricultural products.

Hindering factors

Area cultivated in Tanzania as other part of Africa south of Sahara countries is expanding and it will be needed to accommodate the large number of new entrants into farming, but the expansion is needed to be accompanied with the technical change that brings higher productivity.

Furthermore, high birth rates have created a constant and growing pool of young people who apply their energies and talents where they are – on the farmsteads of their birth especially those in rural areas.

Researchers say, agriculture will continue to be the dominant sector of employment for most young people over the next few decades. The benefit that Tanzania country will realise from this employment will depend critically on whether governments can take policy decisions required to lift constraints to innovation in agriculture.

Why slow growth?

The reasons for Tanzania and other Africa's slow growth in productivity are well known in general. The systems of wheat and irrigated rice that yielded spectacular gains in productivity in south and east Asia are not widely replicable under conditions in Tanzania.

The climatic change and complexities of agro-ecology and the wide diversity of crops and livestock within the major production systems create a need for research intensity at least as great as elsewhere, and perhaps greater.

Low enforcement in linking and investment in science, technology and research findings dissemination within the country and the systems has continue to make the situation questionable. However, only recently started to turn around and it is afraid that might take several years for the benefits to be felt in earnest.

Youths and the future of agriculture

In the interim, gains there is a need come from increased adoption of presently known superior technologies. They add, adoption rates have increased in the past years that modern varieties are now used on an estimated 35 per cent of all planted area, compared to just 23 percent in 1998.

These rates of adoption are significantly below those in other regions. Adoption is slowed due to high costs of marketing of inputs and output and related depressed productivity, poor systems of advice and mentoring to assist early adopters, and regulatory barriers that slow the release of new technologies.

The need for programs of investment and policy reform are crucial to facilitate more rapid adoption and those in place need to be revised. Overall, levels of investment, the pace of implementation, and the quality of programs are also potential to bring the needed shift in productivity.

New mindsets needed

There is a need to change the mindset of society as it relates to small-scale agriculture to address challenges faced. Agriculture needs to develop a renewed profile as a viable and innovative, modern sector that can offer decent work and can be attractive to youth.

Education and the media must play a role in improving agriculture's image. Young people are never praised on the television for being farmers. Only employment in areas such as business process outsourcing and banking is encouraged. Farming does not enjoy a favorable image in the media especially to young adults.

In East Africa, it was considered that agriculture is perceived by educators to be a poor man's job, and a decent occupation to aspire to is a doctor or an engineer. No one talks of farming as a future career. This is further reinforced in schools; for example, when students make a mistake then for punishment they are sent to dig the school farm.

In this part of Africa even the agriculture curriculum is changing: univer-

sities and colleges are erasing agriculture. For example, agricultural engineering is now embedded in biomechanics.

Caadp's overview

Caadp emphasises four pillars that complement each other: The land and water pillar (pillar 1) addresses the design of programs and investment required to Improve land administration, sustainability of land use, and better management of water through irrigation and water harvesting and storage.

The second pillar identifies investment and reforms in policy and regulations needed to improve the access of smallholders to markets. Many of these interventions are in the area of rural infrastructure, including roads, rail transport, and power (both grid and off-grid), but important regulatory measures also require attention, such as regulation of the trucking industry and food safety standards.

These measures aim to reduce marketing costs to make farming more profitable, while reducing food prices for net buyers to accelerate job creation.

The third pillar addresses measures that will make agriculture less risky for those with a commercial orientation, and strengthens the resilience of the very poor when shocks



"Huge expectations are placed on the farmer of today and on the youth who represent the next generation of farmers..."

What should be done?

Efforts to reach out to young farmers can draw on resources from both the public and private sectors, domestically and internationally, under strategic initiatives already in place like Kilimo Kwanza, which have to go perpendicular to the supporting initiatives like Sagoot by Kilimo Trust, Mkurabita, Youth in Agribusiness Forum, Agri Hub Tanzania, Amsha Institute of Rural Entrepreneurship E.A. No new or separate strategy is required, but the current slow pace of implementation, if continued, will fail young people and compromise the country's future.

Existing commitments must be accorded focused attention, with improved quality of public spending, more efficient approaches to increasing production of food staples, attention to meeting demand for high quality products by the growing urban middle classes, continued progress on policy and regulatory reforms, and improved data and tracking of progress.

With better implemented public programmes, private investment will accelerate, and opportunities for young people will increase.

Some proactive additional attention to meet the specific needs of the large group of young people may be required, but doing so without more effective programs in general will be counterproductive. Successfully, mobilising the talents of young people will increase.

Recognition of agriculture

Agriculture in Tanzania has to practically be recognised as a source of growth and an instrument for improved food security. It has to be promoted as the major employer of the country's young people and the fact is it. This oversight must be remedied if leaders and responsible parties include private sector and civil societies are to be able to design and implement the measures needed for the sector to deliver its potential.

Agriculture can absorb large numbers of new job seekers and offer meaningful work with public and private benefits. For this to happen, constraints to land, capital, and skills must be addressed, and features to make programs friendly to the needs of the young enhanced.

The need for Tanzania to Feed Tanzania through Kilimo Kwanza Initiative has to be another pillar. Existing programmes in finance, land, and education and extension can be adjusted to address the specific needs of rural young people. The agriculture that attracts young people will have to be profitable, competitive, and dynamic.

These are the same characteristics required for agriculture to deliver growth, to improve food security, and to preserve a fragile natural environment. Agriculture offers a handsome youth dividend that will benefit young people themselves, their wider societies, and the global community.

With clarity of vision and political commitment from Tanzania leaders, that dividend can be collected and widely shared among the community members.

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

Empowering women to spur agribusiness

Agriculture plays a vital role in the Tanzanian economy. In the country, as elsewhere in Africa, women play a vital role as producers and processors of the backbone sector. Yet, relative to men, they have less accessibility to productive assets such as land, finance and extension services. Addressing women specific interests and is crucial to the transformation of Africa's agriculture and the well-being of the rural population within the next decade. This report gives more insights on the future of women in the agricultural sector.

By Milly Sanga, ACT

The hidden truth

The agricultural sector is underperforming in many developing countries, in part because men and women do not have equal access to resources and opportunities needed for productive and profitable agriculture. The scale usually tilts towards men.

"If women in rural areas had the same access to land, technology, financial services, education and markets outlets as men, agricultural production could increase substantially, and the number of hungry people would have been reduced by 100 [from 250] to 150 million," says the Food and Agriculture Organisation (Fao) said in its 2010-11 edition of the 'State of Food and Agriculture report.'

In many African countries, including Tanzania, women have consistently less access than men to agricultural assets, inputs as well as services and to rural employment opportunities.

It should be noted that, increasing women's access to land, livestock, education, financial and extension services, technology as well as rural employment would boost their productivity and generate gains in agricultural output, food security, economic growth and social welfare.

A synthesis report on Gender in Agriculture from Madagascar, Malawi, South Africa, Zambia and Zimbabwe, which was prepared for the Regional Conference on Gender and Youth in Agriculture by Southern Agriculture Confederations of Africa Union (Sacau) pointed out that, the problem of women being less engaged in agriculture is very conspicuous in Farmer Organisation (FO)'s leadership structure.

A report further argued that, women are not in leadership in their Fo's in perception that, if women become prominent in leadership positions, they are very likely to override men.

However, women prominence in leadership would make them productive, more efficient, better supported and financially/technologically serviced, and thereby more prosperous. Unfortunately, this advancement is regarded by most men as a direct challenge to their supremacy.



"If women in rural areas had the same access to land, technology, financial services, education and markets outlets as men, agricultural production could increase substantially, and the number of hungry people would have been reduced by 100 [from 250] to 150 million.

Foreign experience

Daniele Ramiaramanana from Madagascar pointed out that, the notion of women being referred as farmer's wives and not farmers should be eliminated completely.

She suggested, "Participation of women in leadership positions in Fo's



and agriculture sector in general will strengthen economies, accelerate development and improve social programmes that are benefit the entire community."

Fao reports pointed out that, gen-

der inequalities in agriculture sector result in less food being grown, less income being earned, and higher levels of poverty and food insecurity. Agriculture in low-income developing countries is a sector with exceptionally

high impact in terms of its potential to reduce poverty.

Yet for agricultural growth to fulfill this potential, gender disparities must be addressed and effectively reduced.

Two recent reports - the Fao's State



"Closing the gender economic gap is a must, if we want to develop...disparities in agriculture will not enhance economic growth in the country

Gender leads to gains

The World Development Report 2012 stresses that gender equality can lead to productivity gains, that women's increased control of household resources can improve outcomes for the next generation, and that empowering women as economic, social, and political actors can result in more representative decision-making.

However, the report also identifies areas where policy can help close the gender gap: addressing excess deaths of girls and women; improving girls' education; equalising access to economic opportunities and reducing productivity gap between women and men.

Additionally, the report provides how policy can give women a stronger voice in households and societies and the same can limit the transmission of gender inequality across generations in the Tanzanian society and beyond its borders.

Kiwangwa: A success story

Kiwangwa Women Agricultural Group comprises women who some years back resolved to generating activity. This group is engaged in farming in Kiwangwa area, Bagamoyo District, Coast Region.

Esther Lyamuya, the chairperson of the group, had this to say: "We start-

ed farming in 2009. We own ten acres of pineapples and fifteen acres of maize."

Lyamuya further explained that, they have developed aquaculture project. "We have two fish ponds in which we raising 2000 fingerlings (tilapia and catfish type). We have embarked on a project to diversify our activities by bee-keeping and poultry."

Dream set to come true

This group wants to add value of their produce (pineapples) through processing. It is planning to buy equipment making juice, jam and wine. In future, they intend to produce fish feeds for sale.

Furthermore, "Another business venture in the pipeline is to raise local women in order to enhance their economic power," she said.

Kiwangwa Women Agricultural group wants to share their skills to other women. They expect to conduct agriculture entrepreneurship education to other women to capacitate them on how they can improve their income and the welfare of their families.

Call for change

It should be noted that closing the gender economic gap is a must, if we want to develop. Gender disparities in agriculture will not enhance economic growth in the country.

For this reason, women should be empowered to have access to information on opportunities, technical knowledge, skills on leadership and mentoring as well as other associated capacity building training.

Also, women should have access to productive land, credit, markets, extension services and agricultural technologies relevant to their needs.

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

of Food and Agriculture 2010-2011 and the World Bank's World Development Report 2012 - turn their attention to gender issues in agriculture. They both emphasise women's contributions to agriculture in developing countries.

The State of Food and Agriculture 2010-2011 highlights the need to close the gender gap in access to agricultural resources, education, extension, financial services, and labor markets.

Also, it underlines the need to in-

vest in labor-saving and productivity-enhancing technologies as well as infrastructure to free women's time for other productive activities; and to facilitate women's participation in flexible, efficient, and fair rural labor markets.

The Contract Farming Model

Strategies for increased production, productivity and profitability

Weighing of cotton from farmers at a buying post in the lake region

The Contract Farming Model

By Kilimo Kwanza Reporter

THE Tanzania cotton sector is facing unprecedented challenges after losing direction in the last couple of years. Cotton production has plummeted, from the leading cash crop to fourth place cash crop last year. In the 2011/12 season 292,000 farmers signed contracts to enable them to produce a record crop of 360,000 tonnes.

Estimates are that for the current season less than 40,000 contracted farmers will produce less than 200,000 tonnes. As a result, the current situation threatens the viability of the cotton industry as a thriving socio-economic activity, which about 40 per cent of the Tanzanian population (18 million people) depend on for their upkeep and livelihoods.

The government is being asked to step in and support the sector stakeholders, primarily farmers but also ginners and the Tanzania Cotton Board to get the cotton industry back on an even keel.

A few examples would suffice to explain this situation. One of them is the inputs distribution system to farmers, which has been suspended due to mismanagement and poor decisions during critical periods in this farming season when the crop needs the closest of attention of spraying and integrated pest management to ensure higher yields and a contaminant free crop.

In addition, Tanzania's cotton is now being sold at discounts in international markets due to a combination of factors, including rampant contamination and defaults on contracts by some ginners. Strenuous efforts which have been made by stakeholders since 1999/2000 to establish a credible development vision for and restore good governance in the sector seem to be running out of steam.

Challenges facing the sector

Following cash crop market liberalisation in 1993/94, major challenges emerged, threatening to wipe out the cotton industry in Tanzania. Stakeholders called for the design of urgent coherent measures to address them. These challenges included failure of the inputs' distribution system and collapse of the inputs supply arrangements.

Inputs' distribution system failure

Before liberalisation, input supply was managed by cooperatives in which all growers had an equal opportunity to access inputs on credit. Inputs required include seeds, pesticides and fertilisers. As the cooperative movement became increasingly weak resulting from mismanagement, the performance of cooperatives, especially on loan recoveries, similarly progressively deteriorated.

Despite the challenge of loan recoveries, the system ensured availability of inputs on terms affordable to resource-poor cotton farmers. The dawn of liberalization oversaw a total collapse of the input supply system.

Proponents of the introduction of the liberalised commodity market in Africa convinced everyone that the private sector would take up the role of delivering inputs to farmers. It is important to note that, the problem is not

availability of inputs; rather, it is the low purchasing power of farmers which is the constraint to inputs acquisition and use.

By 1999, the country had no stocks of insecticides and the industry was neither in a position to procure more because the investment environment was not right. Although there were more than 10 cotton buyers at a buying post, these were ill-equipped to support farmers as they lacked any system of identifying the farmers and this meant loan recoveries for inputs supplied were nigh on impossible.

Lack of inputs provision to farmers adversely affected production over time. By 1999/2000, cotton production had dropped to 196,000 bales from 532,440 bales produced on the eve of liberalisation in 1992/1993.

Collapse of input supply arrangements

The collapse of the input supply system, which led to low cotton production, needed urgent intervention in order to reverse the downward trend. Otherwise, crop production was in danger of collapsing. Over the twenty year period, 1999-2012 the industry has tried a number of initiatives targeted at addressing the problem of input supply to farmers. These include, sequentially, the Cotton Development Fund, Passbook System, Voucher Scheme and now Contract Farming.

Adoption of contract farming

The Cotton Contract Farming

Programme was approved by stakeholders and rolled out country wide during the 2011/12 season after three years of careful planning and piloting. It was adopted as a viable strategy to significantly address operational challenges in the cotton sector.

Objectives and targets

The Cotton Sector Development Strategies I & II set the following clear objectives and targets to be attained by 2014/15. These are improving the quality of cotton to international competitive standards, raising productivity from 300kg/acre to 1000kg/acre, increasing production volumes from 600,000 bales to 1,500,000 raising incomes in order to contribute to rural poverty eradication and making Tanzania the leading cotton producing country in Africa.

The programme also aimed at establishing a sustainable stakeholder forum as a unified and coherent framework for handling sector interests - an innovation which has been replicated by the other agricultural sub-sectors, promoting innovations to make the cotton sector more vibrant, such as holding Pamba Day as an annual event to review sector performance as well as recognising best performers in the industry, and making the cotton sector a strategic nucleus for enhancing domestic value addition through increased

agro-processing.

Partners' support

As articulated in both the 2011/12-2015/16 Five-Year Development Plan, as well as the 2011/12-2025/26 Long-Term Perspective Plan, cotton has been singled out as one of the major sectors which will drive the industrialisation process to transform Tanzania's economy into a middle income country by 2026.

Development partners, who had once again revived an interest to support the sector (after almost three decades aid suspension due to poor governance issues), are now asking searching questions whether to continue supporting the sector in the face of lack of government support to create a level playing field for producers and processors. The lack of clear policies and direction hinder progress and are a disincentive to existing and new investors.

The partners are, Gatsby Charitable Foundation's Cotton and Textile

and the suspension of contract farming in October 2012. This has led to a predicted drop in cotton production of close to 50% in the current growing season.

The collapse of the input supply system, which has directly affected cotton production, needs urgent intervention in order to reverse the downward trend. Otherwise the cotton industry will collapse. For slightly over 20 years, between 1999 and 2012, the industry tried a number of initiatives targeted at addressing the problem of inputs supply to farmers. These were, sequentially, the Cotton Development Fund, Passbook System, Voucher Scheme and now, Contract Farming.

Contract farming

According to the United Nations Food and Agricultural Organisation (FAO), contract farming refers to agricultural production carried out under an agreement between farmers and a buyer that establishes conditions for the production and marketing of a farm product. The contract farming scheme is voluntary and open to anyone who grows cotton but who cannot access finance for inputs.

Three main elements of the contract consideration include, market access: the grower and buyer agree to terms and conditions for the future sale and purchase of a crop and access to inputs. In conjunction with the marketing arrangements, the buyer agrees to supply selected inputs including, on occasion, land preparation and technical advice on crop husbandry.

The grower agrees to follow recommended production methods, inputs regimes, as well as cultivation and harvesting specifications.

Contract farming enables gineries to actively engage in the seed cotton production process. Through contract farming, ginners provide inputs on credit to farmers to increase yields and stabilise their seed cotton supply chain. Key benefits for farmers include access to credit inputs and a guaranteed market.

Success of the Contract Farming Model hinges on the relationship between the farmer and the ginner. Both parties need to honour their commitments on time and in full. That is, buyers must supply the right inputs on schedule and farmers need to "repay" the credit by selling seed cotton back to the ginner and not engage in side-selling.

In order to negotiate on a level playing field, farmers need access to information and to enhance their bargaining power on one hand while on the other hand, the ginners, who are incur-

ring most of the risk, need some certainty that they would receive the seed cotton that they have invested in. A level playing field with government support would enhance this relationship and provide security of investment to the farmer and ginner.

Benefits to stakeholders

Contract farming has benefits cutting across all stakeholders, including provision of inputs and production services, access to credit, transfer of appropriate technology as well as skills, and access to reliable markets.

One of the reasons why cotton yields in Tanzania have stagnated at 300kg per acre is the unpredictability of input supply, poor quality seeds and other production related services. Contract farming is designed to provide curative approach to this chronic problem.

Farmers under contract arrangements would be provided with inputs as well as other services including tractor and extension services. However, a key requirement here is that farmers need to be prepared to pay for the services to be provided.

Access to credit

Experience gathered since liberalisation confirms the inability of farmers to shoulder the cost of inputs mainly due to their low purchasing power which stems from low productivity of their farming activities. To break this vicious cycle, one needs to consider how a farmer could manage to increase output per unit area which consequently has the potential to enable them manage their farming enterprise as a business. Availability of inputs on credit under contract farming acts as a bridge for any dedicated resource poor farmer.

The tendency of some farmers to abuse such credit arrangements by selling cotton to buyers other than the investor (extra-contractual marketing), or by diverting inputs supplied by the company to other purposes, has caused some ginners to shy away from lending as low loan recovery rate discourages investment.

Appropriate technology

New techniques are often required to upgrade agricultural commodities for markets that demand high quality standards with continuously changing consumer patterns. New production techniques are often necessary to increase productivity as well as to ensure that the commodity meets market demands.

However, small-scale farmers are frequently reluctant to adopt new technologies because of the possible risks and costs involved.

Under normal circumstances, private agribusiness will normally offer technology more diligently than government agricultural extension services because it has a direct economic interest in improving farmers' production. The cotton industry must strive to provide extension services by the ginners. Contract farming supported by the government who can protect and support the ginners investment would go a long way to ensuring inputs and services are provided to farmers and farming communities. This would lead to farmers having assured technical

Contract farming: The future of cotton production

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help, guaranteed markets and increasing production.

Skills transfer

The skills the farmer learns through contract farming include record keeping, efficient use of farm resources, improved methods of applying pesticides and fertilizers, knowledge of the importance of quality, and the characteristics and demands of export markets.

Farmers can gain experience in carrying out field activities following a strict timetable imposed by the extension service providers.

In addition, spillover effects from contract farming activities can lead to investments in market infrastructure and human capital; thus improving the productivity of other farm activities.

Farmers often apply techniques introduced by companies (ridging, fertilizing, transplanting, pest control, etc.) to other cash and subsistence crops.

Access to reliable markets

Small-scale farmers are often constrained in what they can produce by limited marketing opportunities, which often makes diversification into new crops very difficult. Contract farming offers a potential solution to this situation by providing market guarantees to the farmers and assuring supply to the purchasers.

Even where there are existing outlets for the same crops, contract farming can offer significant advantages to farmers. They do not have to search for and negotiate with local and international buyers.

Benefits to ginners

Contract farming arrangements helps ginners in overcoming land constraints. Most large tracts of suitable land are now either traditionally owned, costly to purchase or unavailable for commercial development.

Moreover, even if it were possible for companies to purchase land at an affordable price, it would rarely be possible to purchase large enough parcels of land to offer the necessary economies of scale achieved by estate agriculture.

Contract farming, therefore, offers access to crop production from land that would not otherwise be available to a company, with the additional advantage that it does not have to purchase it.

Although it may be considered that plantation agriculture generally on a large scale is more cost-effective than small-scale production; it is however not always the case.

Estate production involves both direct labour costs and indirect costs of labour in terms of hiring, training and supervising. It is often necessary to provide accommodation and meals for estate workers.

As noted above, land can be very expensive and difficult to obtain, thus contract farming can often be competitive, particularly for crops where large economies of scale are difficult to achieve. Experience in some developing countries indicates that plantation

models of crop production can evolve successfully into cost-effective small-holder contract farming ventures.

Production reliability

The failure to supply commodities as agreed in local and international contracts could seriously jeopardize future market opportunities. Contract farming, as a method of obtaining raw materials, is considerably more reliable than making purchases on the open market.

The open market is rarely an acceptable option for companies that have significant assets tied up in processing facilities and need to have guaranteed quantities of raw materials to justify their investment. Contract farming is a perfect vehicle for companies to predict in advance their throughput by working with and developing long term relationships with farming communities.

Quality consistency

Tanzania cotton trades at a discount of between 4 and 6 cents per pound due to lack of grading and adherence to minimum quality standards. The plan under contract farming to use Farmer Business Groups as procurement agents is aimed at increasing transparency at buying posts which subsequently will improve quality of cotton as farmers will sell direct to buyers and not through agents whose main aim is to maximise profit during a limited period of time in the buying season.

Ginners are encouraged to explore this route as it was proven during the piloting phase in Mara Region and four wards of Bariadi District.

Stakeholders Analysis

The nature and types of stakeholders are important elements in successful implementation of the contract farming programme. In the cotton sector the key stakeholders are farmers. Cotton is grown by 350,000 – 500,000 farmers, mostly small-scale farmers.

In the wake of a weak cooperative movement, the Tanzania Cotton Growers Association (Tacoga) was registered to defend the interests of cotton farmers. Of late, the association has been working against the interests of farmers.

Tacoga campaigned against contract farming with the purpose of protecting ginners from investing for inputs to be loaned to farmers.

In the first place this is inconceivable how an association can deny its members the opportunity to get inputs on credit. Purchasing power of farmers is a major hindrance to inputs access.

Having observed the inability of farmers to buy inputs on cash basis, recently the Tacoga leadership submitted a request to the Tanzania Cotton Association (TCA) and the Cotton Development Trust Fund that farmers have no money to buy inputs and it would be prudent to provide credit.

TCA refused, but even if they had wanted to help, it won't be possible because the timing is wrong and Tacoga did help to kill the system which could facilitate lending and recovery of ad-

vanced loans. One of the contentious issues in the cotton industry is the level of transparency at buying posts.

Farmers for quite a long time have been registering the misconduct of ginners' agents with regard to tampering with weighing scales. The government resolved to change the steel yard weighing scales and introduce digital scales. This has been happening gradually.

Tacoga, in defense of the ginners, who didn't want to spend money to implement the directive, raised the association's voice to object to the government directive. This has caused the government to suspend implementation of the directive for two consecutive years.

In an effort to build a systematic and objective approach to indicative price setting, the Tanzania Cotton Board engaged a consultant who proposed a formula which, once agreed upon, the determination of the producer price won't require a meeting every time when the basic price fluctuates.

Tacoga rejected the whole idea and top leaders of Tacoga opposed it.

er-ate as ginners' agents during the marketing season. The perceived conflict of interest inhibits them to display impartiality when making decisions on behalf of farmers.

The four examples demonstrate how Tacoga has failed to defend the interests of farmers. Urgent intervention is required to alter the equation and bring reform of Tacoga so that its leadership and membership reflects the interests of the farmers and not the interests of the Tacoga leadership.

Views on the Model

In order to understand the stakeholders' views with regard to their experiences in implementing the Cotton Contract Farming Programme, the Tanzania Cotton and Textile Programme and the TCB (the Client), contracted the Agricultural Development Research Foundation (ADRF) to undertake research into the contract farming model in Tanzania.

The research had an overall objective of making a technical analysis of the prospective impact of implementing

contract farming on the farmers, ginners, government officials and input suppliers.

The field work was carried out in a selected sample in four regions - Mara (Musoma and Butiama districts), Mwanza (Kwimba district), Simiyu (Itilima and Bariadi districts) and Shinyanga (Shinyanga rural).

Farmers' opinions

As explained earlier, a total of 85 farmers (86 per cent men and 14 per cent women) were interviewed; indicating that the majority of cotton growers are of an age of over 36 years (86 per cent); while the youth, averaging 26-35 years, constituted 13 per cent of respondents; and only 1 per cent were of an age below 25 years.

This is an indication that cotton farming is mainly an occupation for adults with very clear economic reasons for undertaking the activity. Similarly, a majority (79 per cent) had an experience of growing cotton for over 10 years. The fact that all farmers interviewed

viewed had an experience in growing cotton, is an indication of the prime importance of cotton in the Lake Zone regions (Western Cotton Growing Area – WCGA).

During interviews, it was observed that good number of farmers (86 per cent) indicated to have some knowledge of the philosophy of contract farming.

This was more prominent in areas where the Contract Farming Model was piloted in 2008/09 (Mara Region) and there after extended to Bariadi (in 4 wards) and Kigoma (Kibondo District).

In other visited areas where the Model was not piloted (such as Maswa and Kwimba districts), though they appreciated it as a strategy to improve access to inputs and loans, farmers' knowledge was low (below 50 per cent).

In 2011/12 cotton growing season, cotton contract farming was announced to be rolled out to all other areas of WCGA.

When asked to give an opinion to assess whether contract farming was good to them, 75 per cent of farmers indicated that the Model was beneficial to them. During sensitisation sessions on the Model, farmers were urged to form Farmer Business Groups (FBGs) as an organ to unite them in cotton production.

It was through these FBGs that farmers' input and loans were supposed to be channeled through with cotton selling being managed through them. As a consequence to this exposure, 75 per cent of farmers interviewed indicated membership in a FBG.

As the contract farming approach was formally extended to all other areas growing cotton in the WCGA, 87 per cent of farmers interviewed indicated to have entered into contract with at least one of the ginners/buyers in their production zone.

Formation of FBG and contract arrangements were meant to create a platform to enable farmers to have access to inputs and financial support with contracted farmers with an expectation increasing production of good quality seed cotton.

Through this system, about 90 per cent of farmers who entered into contract with ginners managed to receive input. Other services, though at a lower rates were made available to farmers through this practice.

These included financial loan for farming operations (13 per cent), tractor services for farm cultivation (15 per cent). Extension services for improved cotton farming (8 per cent). However, farmers are yet to be prepared to pay for the extension services. Only 19 per cent indicated to be ready to pay for this service.

Types of input provided to farmers under the loan scheme included seed (90 per cent), insecticides (97 per cent) and fertilizers (18 per cent). Some ginners (such as NGS in Bariadi) provided relief food to farmers to enable them concentrate in cotton farming activities.

A majority of farmers (77 per cent) appreciated that the quantity of input supplied met the farmer's demand. There were some complaints that some of the inputs supplied by ginners were not distributed timely (31 per cent) and some of them had poor quality (50 per cent).

Some complained of some seeds having poor germination while others complained of some insecticides being not effective in killing the insects. Though fertilizer is not included in the loan or subsidy program in cotton farming, 76 per cent of farmers interviewed indicated to have an interest in using fertilizers in cotton fields.

This may be a call for the government and other stakeholders in agriculture to consider including fertilizer in

subsidy or credit programs.

Loan repayment is still a problem to some farmers and no effective formal strategy is in place to assist ginners recover their loaned funds through input provision although government support to a proposal from the Tanzania Cotton Board would address these issues.

Farmers and ginners appreciate that well managed and sprayed cotton field produce clean seed cotton that requires less sorting/grading to come up with a good cotton grade A. In the interview, 80 per cent farmers practice grading of cotton before bringing it to the selling point.

Most ginners and other stakeholders confessed that implementation of CF has brought about an increase of seed cotton quality and quantity. In the season 2011/12 some 292,000 cotton farmers produced over 360,000 tons of cotton. Though the intention was for the FBGs to work as procurement agents, still there are some few ginners (7 per cent) who used their own agents.

The reasons given are that the intention was to ensure the security of their cotton purchasing funds.

Farmers mentioned poor cotton price, weather variability, availability of credits, insufficient training services and incidences of pests and diseases as five most important challenges they are facing in cotton production.

Key ginners observations

The following are comments made by farmers during the survey: 64 out of 85 interviewed farmers, support contract farming philosophy. They suggested establishment of the Price Stabilisation Fund.

They also said, quality of inputs must be guaranteed by the government to avoid loss of time, and decried negative interference by government officials.

The farmers also suggested that politicians and leaders engaged in commercial cotton related activities should be discouraged from this activity as it was a conflict of interest and not beneficial to farmers. Farmers also called for education and training on contract farming, ensured timely delivery of inputs and urged that fertilizers should be included in the input package.

Other suggestions by farmers are, production costs should be factored into floor price setting mechanism. FBGs should be registered as pre-cooperative primary societies to ensure stability, ginners should fulfil their contractual obligation by supplying inputs timely and of required quality also they must ensure prompt buying of the crop.

The farmers also advised authorities to explore crop or input insurance in order to mitigate risks associated with weather uncertainty and the government should invest in irrigation infrastructure in order to mitigate the effects of climate change.

Also, the farmers advised that farm implements utilisation should be promoted by the government in collaboration with the private sector and that local cotton processing industries be established to stabilise producer price.

Last, but not least, the farmers advised the government to hasten issuance of title deeds on properties in or-

der to integrate financial institutions into financing cotton production and that Tacoga should be made known to cotton farmers and be reformed to be more representative of farmers interests.

Ginners' opinions

Over 50 per cent of the ginners, who were interviewed, have been in the ginning business for more than 10 years producing an average over 10,000 bales of lint per season per ginner.

Generally, all the ginning companies (except 2) had an opinion that they support the contract farming Model. They acknowledge increased seed cotton yield and quality as a result of increased input use and good field management.

The main challenges they were facing were the difficulties of recovering their loaned resources. Six ginners indicated to have an interest in investing to contract farming with an anticipation that the spirit of trustfulness and support among stakeholders will be build up.

Key ginners observations

Six out of eight interviewed ginners supported contract farming and they are prepared to invest in it provided the business environment is right, ginners should be categorised on the basis of the size of their capital.

The advised that smaller ginners should be allowed to operate with a small number of FBGs, there should be clear stakeholders' role definition. For instance, they advised that ginners should know the dos and don'ts.

They also called for a legal framework for sanctity of contracts, advised that contracting parties should now start thinking beyond contractual documents because contract farming is about building trust, and that contract farming operations should bring economic sense to both the farmer and the ginner.

Govt officials' views

An interview with government officials at both district and regional level dwelled much on their experiences on implementing contract farming, its benefits and the required strategies to improve its implementation.

Officials included in the discussion were District Commissioners (DC), Regional Administrative Secretaries (RAS), District Executive Directors (Ded), District Agricultural and Livestock Officers (Daldo) and his staff, Councillors and Ward Executive Officers (Weo).

All were in favour of the contract farming programme as it promoted production and quality of the cotton crop. The districts had anticipated that a revival of contract farming will result into increased cess collections, hence increased district ability to deliver services.

Similarly, agriculture extension staff appreciated contract farming as it enhanced the promotion of Farmer Group Mobilisation in crop production.

During its inception, some district officials (such as those in Bariadi and Maswa) indicated that there was objec-

tion to contract farming because local government officials (Weo and councillors) were not fully engaged in the process of FBG formation. This was rectified and later on district council passed a resolution in support of the programme.

In most districts, especially where contract farming was rolled out later, the process of FBG formation was not given enough time to create awareness and set sustainable implementation strategy.

As a suggestion to the way forward, it was proposed that the contract be modified to incorporate all promises that a ginner could give during promotion stage.

For easy identification of loaned farmers, identity cards such as polling identification card could be used to facilitate follow up during loan recovery.

As upward price trend has been a key driver to farmers' motivation to cotton cultivation in the preceding years, it was suggested that the government

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Piloting contract farming in Mara and some parts of Simiyu (Bariadi district) and Kigoma (Kibondo district) regions signaled positive improvement in both quality and quantity of seed cotton produced

and other stakeholders should establish a price stabilization fund in order to mitigate market volatility.

Training and awareness creation to all stakeholders involved in the programme was earmarked as a key factor for its success.

Opposition to the programme

The existing marketing system has bred a large force of entrepreneurs who profit from the business environment. Introduction of contract farming was perceived by many as a scheme to disrupt established procedures to earn money.

The following groups voiced their rejection of contract farming and campaigned to retain the status quo: a group of ginners who didn't want to invest in cotton production by providing inputs on credit to farmers saw contract farming as a burden and did everything to sabotage the process.

Cotton marketing agents understood that, once Farmer Business Groups take their roles, they will be out of business.

It was in their best interest to see contract farming does not take off, money lenders who operate lending schemes at exorbitant interest rates predicted their demise and resolved to fight back; and promotion of FBGs did

not augur well for the cooperative movement establishment since the Groups were a competitor; hence the cooperatives worked hard to discredit contract farming.

Despite the presence of various forces campaigning against contract farming the strength came from farmers who wanted the arrangement to succeed.

An important lesson to learn from this development is that, positive reform of any sort has a price tag to pay; the Government must crush the urge to resist change from multiple stakeholders with vested interests.

Conclusion

Analysis of the cotton sector has revealed several challenges that need to be addressed to tap the huge potential of the sector to contribute significantly to the farmers' livelihoods and the national economy..

Several initiatives as highlighted in Cotton Sector Development Strategies I & II (CSDS) and strong involvement of Development Partners are in place as an attempt to rescue the sector from continued decline.

Introduction of contract farming aimed at strengthening partnerships among stakeholders, especially ginners and farmers to ensure smooth access to farm inputs and increased cotton production is seen as the best way forward. Contract farming enables ginners to actively engage in seed cotton production process.

Through contract farming, ginners provide credit inputs to farmers to increase yields and stabilise their seed cotton supply chain. Key benefits for farmers include access to credit inputs and a guaranteed market.

Analysis of the evolution of extension services and several cotton marketing systems (primary societies, pass book systems, CDTF, voucher system) that have existed, has showed major weaknesses.

These and other factors have impacted cotton production negatively, resulting into low productivity (yield) and production (volume of cotton produced) and seed cotton quality.

Piloting contract farming in Mara and some parts of Simiyu (Bariadi district) and Kigoma (Kibondo district) regions signaled positive improvement in both quality and quantity of seed cotton produced. Stakeholders are convinced that if contract farming implementation is carefully and trustfully managed it is beneficial to both parties involved in the process as it can create a win-win production situation to all parties involved (that's ginners and farmers as well as the government).

Contract farming, though suspended in 2012/13 except in areas where cotton seed is being multiplied, has the potential to significantly improve farmers incomes.

Based on the accrued benefit from practicing contract farming, a strategy is needed to be in place to improve its implementation to enable stakeholders to explore possible benefits associated with the contract farming approach.

Proper participatory planning to ensure creation of win-win situations in

the production chain and commitment from both parties is an essential element for contract farming to be sustainable.

To achieve this, the government should play its role by instituting appropriate legal framework in order to create an enabling environment for investment and ensure equal participation of all contracting parties.

Recommendations

1. In order to address the challenges, the government is called upon to empower the Tanzania Cotton Board to enforce the Cotton Industry Act and its regulations.

2. It is suggested that a more transparent appeal system should be adopted where aggrieved parties can raise issues with the licensing authority

3. The government is advised to act decisively on vested interests who are resistant to change that will have a positive and beneficial effect on farming communities.

4. The government is urged to ensure enforcement of the Plant Protection Act of 1997 and its regulations in order to curb malpractices in products' registration and utilization.

5. All Farmer Business Groups should be registered into Pre-Cooperative Societies to give them legal status and facilitate sanctity of contracts.

6. The sector should to adopt a transparent floor price formula where a price will be announced fortnightly.

7. There should be ongoing and up to date education to stakeholders on contract farming

8. The Tanzania Cotton Association should be reformed and a system of checks and balances put in place to ensure good governance and a transparent code of conduct.

9. The Tanzania Cotton Growers Association should be reformed to genuinely reflect the interests of small scale farmers and with a leadership that can be held to account.

10. The government should honor its obligations to the Cotton Development Trust Fund

11. The Cotton Development Trust Fund should be reformed under new management

12. Stakeholders should establish a Price Stabilisation Fund to mitigate market volatilities

13. Companies intending to invest in the cotton sector should demonstrate financial strength, proven managerial competency and technological experience. The companies also should link input credit with other services to motivate pay-back.

16. FBGs should be allowed to operate as seed cotton procurement agents,

17. The pricing mechanism should transparently show how production costs, including extension services, can be shared between the ginner and the farmer.

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

Balton
Balton Tanzania Ltd.
In Business for Africa



Balton Tanzania keen on technology designed to spur agribusiness

Profile



By Special Correspondent,
Balton Tanzania

Profile

Balton Tanzania Limited is a subsidiary of Balton CP, which is a British company, owned by CP Holdings Ltd. Balton CP with business is totally focused on Africa. Balton Group operates in 15 Sub Saharan African countries and coordinates nine subsidiary companies based in Nigeria, Ghana, Senegal, Uganda, Rwanda, Tanzania, Kenya and Zambia all on the South of the Sahara Desert.

Balton Tanzania was officially registered in Tanzania in 1964. It has offices in Dar es Salaam and Arusha and has more than 100 experts.

Balton Tanzania's aim in Tanzania is to provide state-of-the-art technology and business solutions and products to Tanzanian markets in the fields of agriculture, electromechanical engineering and communications technology.

The subsidiary's ongoing relationships with customers are an important element in its daily business operations.

Communications technology

Balton Tanzania Limited, through its Communications Division, provides turnkey solutions for management, engineering, planning and implementation of projects in modern systems of telecommunications.

Services being offering cover numerous sub sectors and areas, including radio communications, computer networks, digital systems, and satellite communications. Another area is the electronic security fields such as the CCTV for security cameras.

The subsidiary says in its latest information kit that, it takes the time to understand the needs of customers, to design the right solution, and to install the required equipment or machinery.

First, it says, we take the time to understand the needs of our customers, design the right solutions, install with the highest available workmanship, and in the end, provide full after-sale support at the customer premises or in our in Dar es Salaam offices.

Electromechanical & Engineering Division

Experts of the subsidiary provide a wide choice of infrastructure equipment that is essential for modern business and lifestyles, such as power generation, air conditioning, lighting, heating, security and water filtration.

Additionally, Balton Tanzania sources and supplies building materials, tools, and machinery for manufacturing and industry and we are pioneers in generating and distributing renewable energy.

The Division is an authorised dealer and sole distributor of PRAMAC and Andolou motor power generators, pumps and spare parts.

The generators distributed range from the small 3.3kVa to bigger size generators of 730kVA or more as per client's requirement. The generator may be open or covered.

Types of engines range from Lombardini, Yanmar, Spain...

Agriculture and Irrigation

Tanzania's agriculture is popularly praised for having a large and important sector for economic and social de-



Communications
technology



Electromechanical &
Engineering Division



Agriculture
and Irrigation



Agriculture
and Irrigation

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velopment of Tanzania. The sector provides food, employment and foreign exchange and will remain an important part of the economy and the welfare of Tanzania for the next term.

Agriculture has still opportunities to expand in quantity and quality. However, agriculture is facing a number of challenges, including lack of better technology input, and knowledge.

As the government focuses on investing in agriculture, Balton Tanzania strives to provide new answers to the challenges of today's agriculture. The primary focus is on creating a sustainable business in the country.

Balton Products

Balton Tanzania offers a wide range of products in the agriculture industry including agro-chemicals, fertilizers, pesticides, hybrid seeds and farming machinery.

Through its Agriculture Division, it also provides knowledge and advice on the most suitable methods of agribusiness including farming techniques, technologies and post-harvest solutions which will make farming more productive, more profitable and more sustainable.

Balton Tanzania agronomists operate all over most of the country zones, to assist farmers as well as clients giving advice and support in the fields and business development.

Irrigation Tanzania

Balton Tanzania is involved in ongoing irrigation projects on land, water and the environment resources management in general. The subsidiary is the major supplier of greenhouses, as well as equipment and supplies systems for irrigation and water management.

The subsidiary says, "We are the major supplier of greenhouses, as well as equipment and supplies systems for irrigation and water management. Our irrigation systems are planned, designed, constructed and installed in various types and sizes. Our systems include the drip, sprinkler or the pivot entre irrigation system.

Drip irrigation, being the most common and most recommended, is available in different sizes – the standard Farmer Drip Irrigation system (FDS) for 250m2, 500m2 for small farmers as well as systems for one acre (4000m2) and one hectare (9600m2), and specific designed system for up to five acres irrigation system. All can be designed to operate using the use of gravity force.

For an area above five acres, a specific irrigation systems is designed to suit the crop and location but which requires power from the generator or any other power,

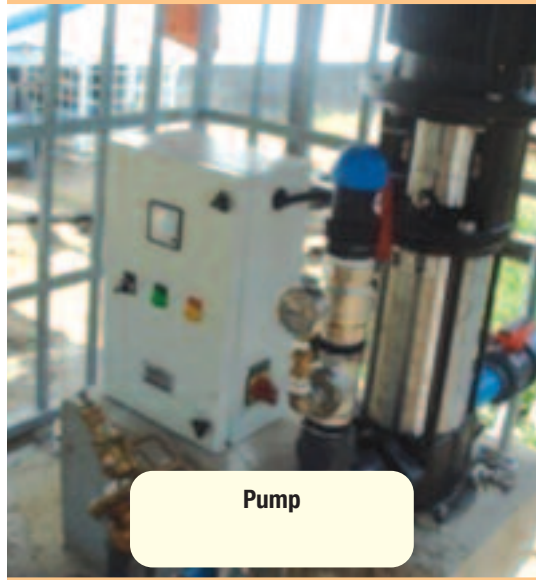
Balton Tanzania has installed small and medium sized installed projects in Tanzania. They include the following:

1. Grapevine Drip Irrigation Project (296 acres) - Chinangali Farm, Dodoma
2. Kusila Grapevine Drip Irrigation Project (15 acres) Mtitaa, Dodoma
3. Dar es Salaam Gymkhana Sprinkler Irrigation Project, Dar es Salaam
4. Kisasiida Drip Irrigation Project (40 acres), Singida (not completed)
5. And more projects in Arusha and Kilimanjaro.

Balton Tanzania collaborates with NETAFIM, who are among the leading



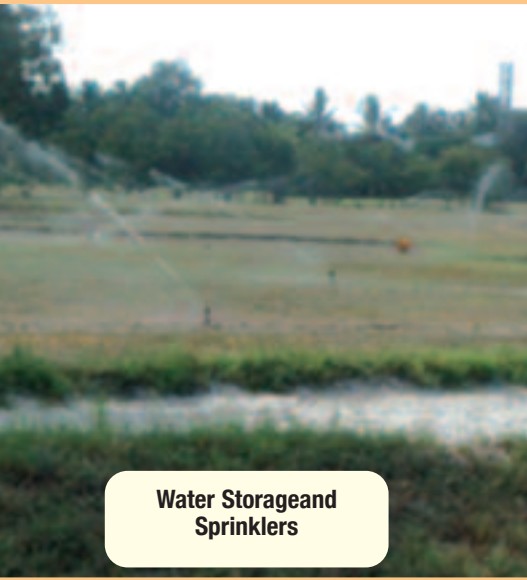
Agriculture and Irrigation



Pump



Tanks



Water Storage and Sprinklers



Pipe installation



Rain water harvesting

world's biggest names, in supplying good quality equipment and irrigation systems.

The subsidiary also is competent in

lining dams with dam lining for small and large dams as per project design and clients request.

With the emerging fish farming,

Balton Tanzania is well placed to assist in lining fish ponds – to prevent water penetration -, installing the pump and the entire system.

Expert: support local agriculture and we can feed on our own



As a legal expert serving various sectors of the economy such as agriculture, *The Guardian's Kilimo Kwanza* caught up with Paul Kibuuka (pictured), Managing Partner at Kibuuka Law Chambers, and talked on a wide range of issues in the sector.

Generally speaking on the future of Tanzania's agriculture sector.... please comment.

Kibuuka: There a number of challenges and one such challenge that needs to be addressed urgently is how to empower local cashew nut growers to do value-added processing and global marketing.

With regards to the agricultural future, I believe we have the capacity to produce much more of our own food here in Tanzania. Our market has grown because of increased population and affluence; however, over the past century Tanzania has become increasingly urban and suburban and less tolerant of some farming aspects. Land is becoming more expensive and that's why protection of agricultural land through conservation easement programs is crucial to sustaining local agricultural farms. If we want local farms and local food, we have to support local agriculture.

What trends in investment in agriculture can you identify, and which sectors are the most attractive?

Kibuuka: Real GDP of Tanzania is projected to continue growing to 8.5% by 2016. According to UNCTAD reports on FDI inflows globally, total foreign investment to Tanzania increased from \$12 million in 1992 to \$1095 million in 2011, mainly in the mining, telecommunications, petroleum, manufacturing, and hotels and tourism. Although agriculture and agribusiness brings approximately 66% of foreign exchange, the Tanzanian agricultural sector still offers great investment opportunities. Tanzania is one of the countries with the greatest potential for the expansion of agricultural lands in the world. Of the total area suitable for agriculture (44 million hectares), only 9.1 million hectares in agriculture are currently in use.

Therefore, the country holds huge potential to develop production facilities in crops like cashew nuts, pyrethrum, tea, coffee, rice, sugarcane, sisal, and in dairy farm production. Opportunities for investment also exist in building modern slaughterhouses, as well as improving distribution and marketing practices. In terms of bio-fuels, opportunities in the production of biodiesel and ethanol are attractive. To increase the country's competitiveness government urgently needs to attract further investment to improve road networks, transport capacity in the major ports of Dar es Salaam, Mtwara and Tanga; and irrigation and drainage infrastructure.

Do you see good historical precedents for agriculture-led industrialisation in Tanzania?

Kibuuka: You need to appreciate that each country is unique in terms of context, history, strengths and

assets. I believe that Tanzania's assets especially in agriculture present opportunities for agriculture-led industrialisation. However, the key questions are: How does Tanzania make that transition? How does Tanzania leverage the strengths that she has?

What's the timing plan for a more diversified economy and a more commercially-oriented agriculture sector? Agriculture-led industrialisation definitely plays a part in that. I don't think that it's good to advocate for 100% agriculture-driven industrialisation – and that's why we see diversification of industrialisation in Tanzania already.

What are some of the current challenges around Tanzania's agricultural sector?

Kibuuka: I believe that some of the challenges are associated with access, distribution and application of agro-inputs (specifically, fertilizers, seeds and agro-chemicals). Agro-dealers and distributors play an important role along the value chain. These are people whose responsibility is to ensure timely delivery of all inputs that farmers need. Unfaithful agro- distributors bent on taking cash on counterfeit products pose a challenge to the agricultural sector. As a remedy, government should urgently examine the accreditation process of agro-dealers, looking at their financial capacities and technical know-how. Furthermore, farmers should be educated on how to identify counterfeit products. This can be achieved by a concerted effort from both the public and private actors.

Are higher global food prices a special concern for Tanzania?

Kibuuka: Yes. Higher global food prices have led to higher local food prices, particularly for rice and wheat which account for 20% of the food consumed in Tanzania. Much of the rice and wheat consumed in the country is imported. Tanzania imports almost all the fertilizer it uses, and because fertilizer prices have doubled over the last year, there is growing concern about the negative impacts on food production in future planting seasons.

How can the negative impacts on food production be addressed to help ease the pressure?

Kibuuka: For the most vulnerable groups, emergency food aid can address some of the immediate, negative impacts. But availability of food aid tends to be lower when global food prices are high, as food previously provided as aid goes to other uses. Reducing import tariffs and domestic taxes on food can lower domestic prices. Tanzania has in the past imposed export bans and set price ceilings and these approaches are not effective. While they reduce prices consumers pay, they also reduce prices that farmers receive and choke off increased supply in the next season. The most effective response to high prices is to increase supply through faster agriculture growth and productivity gains of basic food crops.

What steps can be taken to increase the volume and quality of smallholder farmers?

Kibuuka: Many steps can be taken; and the government is already taking some of the steps. Smallholder farmers can be supported to increase the volume and quality of their products by promoting rural development programs, more effective management of land, defining protected areas and resolving conflicts in land use, as well as strengthening rural human capital, with a focus on early childhood nutrition. Other steps include

increasing capital, spreading knowledge and productive technology; strengthening partnerships and rural organisations, and improving the basic infrastructure of transportation, water, education, health, and sanitation in rural Tanzania.

Has the market for organic food has posed any particular legal challenges for the agricultural sector?

Kibuuka: The greatest challenge is to ensure that regulations and the standards for organic food are being followed and that effective correction is taken. The accredited organic certifiers like TanCert play a key role in that process.

Which legal issues do you think will be important for the organic food industry over the coming decade?

Kibuuka: I think that the integrity of the certification process, GMO and related issues and food safety will be important.

Do you think a background in agricultural law is relevant in the delivery of agricultural extension services?

Kibuuka: Yes. If graduates wish to be in real-world situations in an agricultural context, then agricultural law is unquestionably relevant. Producers, rural folks, private companies, and government officials would benefit a lot from having access to agricultural extension workers with an understanding of agricultural law. Colleges and universities must evaluate how to integrate legal education in agricultural curricula. This will yield better-rounded extension workers who are ready to meet the challenges and problems of a complicated agricultural legal climate in Tanzania.

What in your view can the Tanzanian government do to get more young people interested in a commitment to agriculture?

Kibuuka: The government should not worry much about young people committed to agriculture; there's no shortage of bright, dedicated and well-educated young people interested in agriculture. What the government needs to do is to create more opportunity for more young people to earn a living and make investments in agriculture. Young people need opportunities to be exposed to agriculture and the related career opportunities. There's a renewed interest in incorporating agriculture into school curricula at all levels. Gardening Clubs are one of the most popular activities in schools, and have spawned a number of young farmers.

And, finally...What can be done to improve food production in Tanzania?

Kibuuka: Overall, food production in Tanzania is increasing - the higher prices in the country are not caused by a supply shock. However, agriculture has to grow faster. Use of better seeds, more fertilizer, and better methods of cultivation can increase yields. Investment in research can bring improved varieties, and agricultural extension workers can assist farmers to adopt these varieties.

Irrigation schemes, if cost-effective and well-managed, can bring reliable water supply and support production of high-value crops. More freely flowing trade across Tanzania's boundaries will help both producers and consumers. And I think, weather based index insurance can help farmers in Tanzania cope with uncertainty.

Laying bare genetically modified organisms

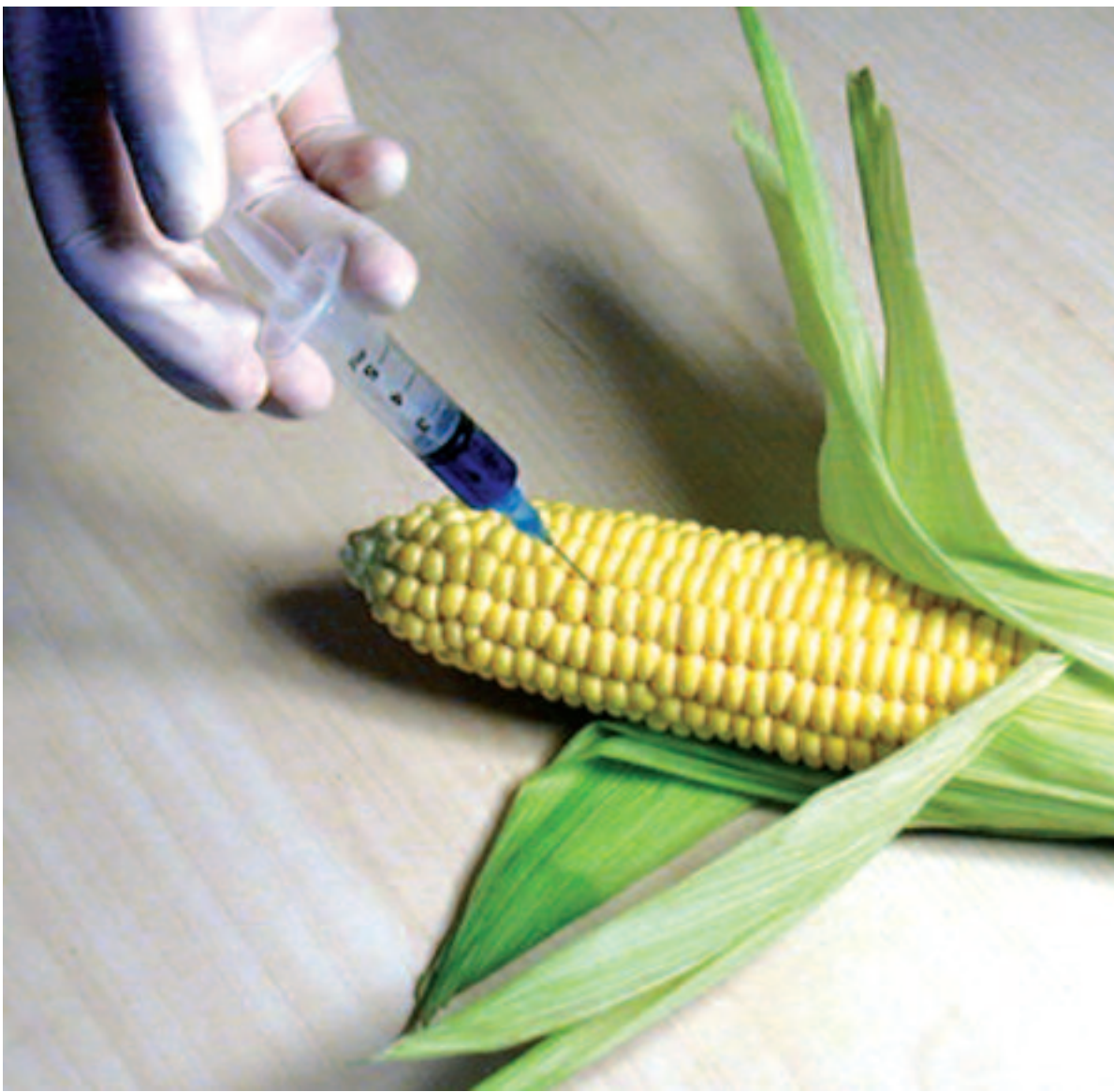
This side of Africa

By **Nicolas Begisen**



The topic on Genetically Modified Organisms (GMO) – food and crops – is a two-column non-ending argument. It is a closed book to many. From GMOs are safe to GMOs are harmful to the ecosystem, ideas from pro-GMO and anti-GMO authorities are led into a

cul-de-sac where they are mixed up until the population is left confused on whether to consume GMO foods or not. The debate, however, appears to have been lulled by the Kenya government's decision to ban importation of GMOs "until there is sufficient information, data and knowledge demonstrating that GMO foods are not a dan-



ger to public health," as indicated by a cabinet statement in November 2012. Scientists, however, fear that this policy could threaten the country's food security.

Since the Biosafety Act of 2009 came into force, GMOs had been reported to enter the country as food aid.

The world is awash with the debate especially in the US where late March 2013, President Barack Obama approved a law giving the production and sale of GMOs and genetically engineered crops immunity from court intervention.

Food safety campaigners have dubbed this law 'Monsanto Protection Act'. Monsanto is one of the world's leading promoters of GMOs.

Following the general agreement that much more research is required on a case by case basis into any potential health risks of GMOs, the European Union has developed strict controls over their use.

Despite the move to ban importation of GMOs, the Kenya government is

proceeding with the funding of research on biotechnology through the National Council for Science and Technology.

Kenya Agricultural Research Institute (Kari) is carrying out trials on GMOs in some parts of the country. Some of the crops that have been tried include *Bacillus thuringiensis* (Bt) maize, sweet potato, cassava, cotton and recombinant vaccines. Organisations such as Monsanto, US-AID, and Bill and Melinda Gates Foundation have been on the forefront funding these trials.

The argument that GMOs could help improve food security, however, seems to contradict a 2009 Union of Concerned Scientists' report, 'Failure to Yield', which indicated that whereas organic agricultural methods used in developing countries had convincingly resulted in increase in yields up to 79 per cent and higher, GMOs did not, on average, increase yields.

Opponents of GE argue that GMO is an assault to natural order and thus unethical. They also raise concerns about safety of GMOs which they argue has not been fully studied.

According to Ecoforum, the Kenya GMO Concern Coalition (Keggo), an organisation that has been rallying opposition to introduction of GMOs in Kenya, argues that Genetically Engineered (GE) seeds (unpacked) will not be of help to farmers as they are patented and their owners, profit-oriented multinationals, may demand high royalties for their use as they are known to be doing to farmers in India, South Africa and Brazil.

They also fault the proponent's premise that GE crops will reduce the use of synthetic chemicals. Whereas GE proponents maintain that this technology will lead to reduction in the use of herbicides since the crops developed will be more resistant to pests and diseases, opponents assert that studies in India and the US indicated that GE encouraged the rise of secondary pests and diseases. They added that GE companies were promoting one of the most ecologically unfriendly herbicide, Round Up.

GE think tanks at Kari however argue that Kenya needs GMOs. This, they say, is because Kenya's – and the Sub-Saharan – natural philosophy is different from that of other regions.

In Sub-Sahara Africa, they assert, the environment is conducive for pests and diseases to multiply and be active for a whole year as opposed to regions which experience autumn, summer, spring and winter and which may render the pests docile for six months.

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