

## 4<sup>th</sup> Annual Agricultural Policy Conference [AAPC]

**Theme: Integrating Food and Nutrition Security into Economic Transformation and Industrialization Agenda:**  
How can agriculture be the driver rather than follower of economic transformation in Tanzania?



## PROGRAM & ABSTRACTS

**New Dodoma Hotel, Dodoma | 14<sup>th</sup> - 16<sup>th</sup> February, 2018**

TENTATIVE PROGRAM		
Day One: Wednesday, February 14 <sup>th</sup> , 2018		Overall Moderator: Andrew Temu, ENGINE
TIME	ACTIVITY	RESPONSIBLE PERSON
1200-1230	Registration of Participants	Secretariat
1230 - 1400	Lunch	Secretariat
1400 – 1500	<p><b>OPENING SESSION</b> Announcements and Program Overview</p> <p>Arrival of the Guest of Honor</p> <p>Welcoming remarks and objectives of the Annual Agricultural Policy Conference</p> <p>Minister of Agriculture welcomes the Guest of Honor</p> <p>Official Opening of the 4th Annual Agricultural Policy Conference (AAPC)</p> <p>Vote of thanks followed by media engagement</p>	<p>Facilitator: Andrew Temu, Technical Advisor, ENGINE</p> <p>Hon. Kassim Majaliwa, Prime Minister of the Republic of Tanzania Audax Rukonge, Chairman, Policy Analysis Group (PAG)</p> <p>Hon. Charles Tizeba, Minister of Agriculture (MOA)</p> <p>Hon. Kassim Majaliwa, Prime Minister, United Republic of Tanzania</p> <p>David Nyange, Coordinator, Policy Analysis Group (PAG)</p>
1500-1510	<b>Tea/ Coffee Break</b>	
1510- 1520	Remarks from Development Partners	Andy Karas, Mission Director, USAID
1520- 1540	Keynote Address: Progress in Agriculture Policy Reforms	Audax Rukonge, Chairman Policy Analysis Group (PAG)
1540- 1600	ASDP 2	Janet Simkanga, DPP- Agriculture, Ministry of Agriculture (MoA)
1600-1700	<p><b>Special Featured Session</b> – Edible Oil Sector in Tanzania</p> <p>Edible oil: Opportunities, Challenges and Prospects</p> <p>Demand Analysis of Edible Oils in Tanzania: The Impacts of Changes in Income and the Prices of Substitutes</p> <p>A Study on Tariff Setting for the Development of the Edible Oil Sector in Tanzania: Analysis of the Demand-Supply Gap</p>	<p><b>Moderator:</b> David Nyange, Coordinator, Policy Analysis Group (PAG)</p> <p>Steve Kisakye, Associate Director and co-Office Director, Dalberg</p> <p>Michael Olabisi, Assistant Professor, MSU</p> <p>Honest Mseri, Project Officer, ANSAF</p>

	<p><b>Panelists:</b>  Gilead Teri, Director of Policy, TPSF  Michael Kairumba, Technical Director, AMDT  Josephat Kweka, Independent Consultant  Ringo Iringo, Sunflower Oil Processors Association</p>	
1700 - 2000	<p>Cocktail Reception</p> <p><b>Special Featured Session:</b> The Rise of Medium Sized Farms: Implications to Agricultural Sector Transformation</p> <p><b>Panelists:</b>  Franklin Bagalla, Operations Director, Tomoni Farms Ltd,  Jennifer Bash, Co-founder &amp; CEO, Alaska Tanzania Mwami Mlangwa, Founder and MD, Mwami Green Veggies  Martin Shem, Managing Director, Mgolole Agro-processing Company  Mfaume Simba, Technical Manager - Poultry Division, Silverlands Tanzania Ltd</p> <p><b>Entertainment</b></p>	<p>Secretariat</p> <p>Moderator: Titus Awokuse, Professor and Chairperson, Department of Agricultural, Food and Resource Economics, MSU</p>
<b>Day One Ends.</b>		
<b>Day Two: Thursday, February 15<sup>th</sup>, 2018 Downstream Value Chain Activities and Policy</b>		
<b>TIME</b>	<b>ACTIVITY</b>	<b>RESPONSIBLE PERSON/ ORGANIZATION</b>
0830 - 1000	<p><b>THEMATIC AREA 1: AGRICULTURAL SECTOR POLICY: NUTRITION IN CHANGING FOOD SYSTEMS</b></p> <p><b>Paper 1.1:</b> Evaluating Policies and Public Investments to Transform Tanzania's Agriculture-Food System</p> <p><b>Paper 1.2:</b> Indicators of Affordability of Nutritious Diet in Africa (AINDA): Evidence from Tanzania</p> <p><b>Paper 1.3:</b> Food Systems for Nutrition: The Roles of Policies, Programmes and Research</p>	<p><b>Moderator:</b> Joyce Kinabo, Professor, SUA</p> <p>James Thurlow, Senior Research Fellow, IFPRI</p> <p>Fulgence Mishili, Applied Economist, SUA</p> <p>Tumaini Charles, Senior Nutrition Specialist, ASPIRES</p>

	<p><b>Panelists:</b>  John Msuya, Associate Professor, SUA  Joyceline Kaganda, MOHCDGEC  Vincent Assey, Acting Managing Director, TFNC  Bjorn Ljungqvist, Independent Consultant</p>	
1000- 1030	<b>Tea/ Coffee Break</b>	
1030 - 1230	<p><b>THEMATIC AREA 2: AGRICULTURE MARKETS AND TRADE</b></p> <p><b>Paper 2.1:</b> Informal Maize Markets: The effect on Producer Prices and Storage Investments</p> <p><b>Paper 2.2:</b> Reducing Trade Barriers in Agriculture Sector: Case study by TMEA</p> <p><b>Paper 2.3:</b> Rapid Assessment of Pigeon Peas Market Situation in Tanzania: Evaluating the Impact of India’s Pigeon Pea on Tanzania’s Pigeon</p> <p><b>Paper 2.4:</b> Competition in Agricultural Markets in Tanzania: Application of Structure, Conduct and Performance Model</p> <p><b>Paper 2.5:</b> An Assessment of Economic Benefits of Reforming Issuance of Export Permits</p> <p><b>Paper 2.6:</b> Status, Challenges and Prospects of Smallholder Dairy farming in Tanzania</p> <p><b>Panelists:</b>  Neema Mrema, Project Director - Soya ni Pesa Project, Catholic Relief Services (CRS)  Devang Vussonji, Founding Partner, Dalberg Tanzania  Emmanuel Lyimo, Program Coordinator, SAGCOT  Andrew Temu, Technical Advisor, ENGINE  Josephat Kweka, Independent Consultant</p>	<p><b>Moderator:</b> Blandina Kilama, Senior Researcher, REPOA</p> <p>Cephas Taruvinga, Technical Advisor on Post-Harvest Losses, AU/ FAO</p> <p>John Ulanga, Country Director, TMEA</p> <p>Kim Mhando, Trade Policy Analyst, EAGC</p> <p>Anasia Maleko, Independent Consultant</p> <p>Liston Njoroge, Project Officer, AGRA</p> <p>Gilbert Msuta, Livestock Research Scientist, TALIRI</p>
1230 - 1400	<b>Lunch Break</b>	
1400 - 1600	<p><b>THEMATIC AREA 3: ENABLING POLICY FOR PRIVATE SECTOR INVESTMENT</b></p> <p><b>Paper 3.1:</b> Key Constraints Inhibiting Competitiveness in Tanzania’s Dairy and Poultry Sectors</p>	<p><b>Moderator:</b> Gerald Masila, Executive Director, EAGC</p> <p>Hans Shrader, Senior Private Sector Specialist, World Bank Group</p>



	<p><b>Paper 3.2:</b> Enabling the Business of Agriculture</p> <p><b>Paper 3.3:</b> Enabling the Business Environment for Industrial-Led Economy through Livestock Sector</p> <p><b>Paper 3.4:</b> Developing Service Providers for Tanzania's Export Market: TPSF's Experience</p> <p><b>Paper 3.5:</b> The Role of Public-Private Dialogue (PPD) in Enabling Private Sector Investment in Tanzania's Agriculture Sector</p> <p><b>Panelists:</b> Audax Rukonge, Executive Director, ANSAF John Ulanga, Country Director, TMEA Godfrey Simbeye, Executive Director, TPSF Ahmed Simba Mfaume, Silverlands Tanzania</p>	<p>Farbod Youssefi, Programme Coordinator, World Bank Group</p> <p>Lucas Yamat, Livestock Policy Officer, ANSAF</p> <p>Gilead Teri, Director of Policy, TPSF</p> <p>Daniel Ngowi, Independent Consultant</p>
1600 - 1630	<b>Tea/ Coffee Break</b>	
1630 - 1700	Recap and closing of Day 2	Andrew Temu, Technical Advisor, ENGINE
1800 - 2000	Evening Reception	
<b>Day Two Ends.</b>		
<b>Day Three: Friday, February 16th, 2018 Upstream Value Chain Activities and Policy</b>		
<b>TIME</b>	<b>ACTIVITY</b>	<b>RESPONSIBLE PERSON/ ORGANIZATION</b>
	<p><b>THEMATIC AREA 4: AGRICULTURAL LAND ACCESS DYNAMICS &amp; LAND TENURE POLICY</b></p> <p><b>Paper 4.1:</b> Access to Productive Land and Youth Livelihoods: Factors Influencing Youth Decisions to Exit from Farming and Implications for Industrial Development in Tanzania.</p> <p><b>Paper 4.2:</b> The Rise of Medium-Scale Farms in Africa: Causes and Consequences of Changing Farm Size Distributions</p>	<p><b>Moderator:</b> Isaac Minde, Policy Advisor, ASPIRES</p> <p>Ntengua Mdoe, Professor, SUA and Christopher Magomba, Agricultural Economist, SUA</p> <p>Milu Muyanga, Assistant Professor, MSU</p>
0830 - 1000	<b>Paper 4.3:</b> Synergies between Medium and Small-scale Farmers	Roselyne Alphonse, Lecturer, SUA

	<p><b>Paper 4.4:</b> Land Conflicts in Tanzania: Causes, Impacts and Resolutions</p> <p><b>Paper 4.5:</b> Joint Village Land Use Planning in Tanzania and its Contribution to Land and Food Security</p> <p><b>Panelists</b>  Steven Nindi, Director General, Land Use Commission  Bohela Lunogelo, former Executive Director, ESRF  Geoffrey Kirenga, CEO, SAGCOT  Zakaria Faustin, Acting Executive Director TNRF</p>	<p>Judith Valerian, Assistant Lecturer, SUA</p> <p>Victor Mwita, Assistant Director – Land for Livestock Development, Ministry of Livestock and Fisheries</p>
1000 - 1030	<b>Tea/ Coffee Break</b>	
1030 - 1230	<p><b>THEMATIC AREA 5: ACCESS TO FINANCE AND TECHNOLOGY</b></p> <p><b>Paper 5.1:</b> Access to Financial Services in Tanzania: The Case of Farmers, 2017 FINSCOPE</p> <p><b>Paper 5.2:</b> Reaping Richer Returns: Public Spending Priorities for African Agriculture Productivity Growth</p> <p><b>Paper 5.3:</b> Social accountability – Investing where there is potential and great outcomes: A case of extension services and agricultural resource allocation in Tanzania</p> <p><b>Paper 5.4:</b> Drones in Agriculture</p> <p><b>Panelists:</b>  John Kyaruzi, Executive Secretart, SAGCOT Catalytic Trust Fund  Nikomed Bohay, Managing Director, PASS Ltd  Joseph Nyamboha, Policy &amp; Budget Analysis Coordinator, ANSAF  Mathew Ngwahi, Managing Director, Litenga Holding Ltd  Neema Mwingu, Private Sector Specialist, WBG</p>	<p><b>Moderator:</b> Jacqueline Mkindi, CEO, TAHA</p> <p>Mwombeki Baregu, Head of Finance and Rural Development, FSDT</p> <p>Peter Goodman, Senior Agricultural Economist, WBG</p> <p>Sizya Lugeye, Policy Coordination/ AWG Secretariat, FAO</p> <p>Rose Funja, Founder, Agrinfo</p>
1230 - 1400	<b>Lunch Break</b>	

1400 - 1530	<p><b>THEMATIC AREA 6: CROSS CUTTING ISSUES</b></p> <p><b>Paper 6.1:</b> Tracking CAADP Indicators: Tanzania's Progress</p> <p><b>Paper 6.2:</b> Women and Industrialization Economy in Tanzania</p> <p><b>Paper 6.3:</b> Youth Participation in Agribusiness in Tanzania</p> <p><b>Panelists:</b>  Maureen Gitata, Consultant, Dalberg  Neema Lugangira, Director of Policy, SAGCOT  Hussein Nassoro, Lecturer, Institute of Finance Management (IFM)</p>	<p><b>Moderator:</b> Gilead Teri, Director of Policy, TPSF</p> <p>Prudence Lugendo, Policy Analyst, PAPAC</p> <p>Sophia Mlote, Coordinator, PAPAC</p> <p>Hafidh Kabanda, Researcher, ESRF</p>
1500-1530	<b>Commodity Briefs Handover</b>	
1530-1630	Emerging Issues from the 4th AAPC	Andrew Temu, Technical Advisor, ENGINE
<b>1800-2000 SPECIAL SESSION: Capital for Industrialization   <i>By invitation only.</i></b>		
<b><i>Day Three Ends.</i></b>		

## ABOUT AAPC:

The Annual Agricultural Policy Conference (AAPC) is organized by the Policy Analysis Group (PAG) in collaboration with the Ministry of Agriculture. PAG is an informal (community of practice) and voluntary group with members working on agricultural policy projects and initiatives, academia, local and international policy think tanks. Established in 2013, the group has about 20 members and provides a platform for sharing information on policy research findings so as to enhance coordination, collaboration and synergy. PAG also aims at ensuring consistency in policy messaging.

The 4<sup>th</sup> AAPC will bring together over 150 participants from academia, research institutions, policy-makers, advocacy groups and development practitioners from Tanzania, in the region and beyond. The Conference will provide an opportunity to assess progress in implementation of policy reforms under the CAADP framework of the New Alliance on Food Security and Nutrition. In addition, the conference will discuss successes, lessons learned and identify remaining gaps and emerging issues in agricultural policies.

Policy Analysis Group (PAG) members include:

- Africa Lead
- Agricultural Markets and Development Trust (AMDT)
- Agricultural Non-State Actors Forum (ANSAF)
- Agricultural Sector Policy and Institutional Reforms Strengthening Project (ASPIRES)
- Alliance for a Green Revolution in Africa (AGRA)
- Dalberg
- Eastern Africa Grain Council (EAGC)
- Economic and Social Research Foundation (ESRF)
- Enabling Growth through Investment and Enterprise Program (ENGINE)
- Financial Sector Deepening Trust (FSDT)

- International Food Policy Research Institute (IFPRI)
- International Livestock Research Institute (ILRI)
- Monitoring and Analysing Food and Agriculture Policies (FAO-MAFAP)
- Platform for Agricultural Policy Analysis and Coordination (PAPAC) representing the Ministry of Agriculture Livestock and Fisheries
- REPOA
- Regional Strategic Analysis and Knowledge Support System (ReSAKSS)
- Southern Agricultural Growth Corridor of Tanzania (SAGCOT)
- Tanzania Horticulture Association (TAHA)
- Trademark East Africa (TMEA)
- Tanzania Private Sector Foundation (TPSF)

## THE CONTEXT: STRUCTURAL TRANSFORMATION IN TANZANIA

There is compelling evidence that structural transformation is beginning to take root in a number of Sub-Saharan African economies including Tanzania. For example, in Tanzania the share of agriculture labor force has declined from 80 percent in the 1990s to 65.5 percent in 2017. Concurrently, agriculture GDP has declined from 50 percent to 26 percent in the same period (Benson et al. 2017). Although the discussion has centered around “the missing middle” or medium sized enterprise in Africa, there is compelling evidence that transformation is beginning to take root with live examples being the rise of medium-sized farms. According to a recent study (Jayne et al. 2017), medium sized farms are estimated to account for approximately 39 percent of the total farmed land in Tanzania. While downstream the value chain, evidence on food systems transformation is also mounting (Tschirley. et al 2017) with examples including the rise in consumption of processed and perishable foods. Another trend is the increase in percentage of household depending on the market as their main source of food.



Despite the observed structural transformation in Tanzania, the growth of the agricultural sector seems to be lagging behind other sectors of the economy. In the course of the last 15 years, GDP growth rate has averaged at 7 percent while agricultural sector growth has stagnated at 3 percent. Economic growth is mainly attributed to service, construction and manufacturing whose growth rates have exceeded 6 percent. Hence, it is clear that the agricultural sector during the last decade has been a follower rather than a driver of economic growth. There is consensus that poverty level has remained high despite the rapid economic growth. Although agricultural and manufacturing sectors have potential to promote inclusive growth, they tend to lag behind. One-third of Tanzania's population still lives below the national poverty line and 38 percent of under 5-years children are stunted. Since 65.5 percent of Tanzanians are employed in agriculture, it is therefore imperative that agricultural sector holds the key to poverty and hunger eradication and in promoting broad-based growth through creation of jobs. Accelerating agricultural sector growth is also critical for sustaining the momentum in the sector's transformation.

The current administration which is the fifth government since independence, has resolved to promote industrialization and hence catapult the country into a middle income status by 2025.

The Long-Term Perspective Plan (LTPP) targets to increase the share of the manufacturing sector in GDP from the current 10 to 12 percent to 17.5 percent by 2025 while increasing its share of employment from the current 9 percent to 17 percent.

The second phase of the Agricultural Sector Development Programme (ASDP-2) provides a roadmap for national agricultural transformation and industrialization by 2025 and its implementation has been initiated for

Fiscal Year 2017/18.

ASDP 2 addresses the critical constraints and challenges facing the sector and charts out key components to advance the sector's performance including increasing its share in the national GDP. Further, ASDP 2 also aims to address ways to improve growth of smallholder incomes and increase food security by 2025.

Among the main objectives of ASDP-2 include operationalizing transformation of the agricultural sector (crops, livestock and fisheries value chains) into modern, commercial, highly productive, resilient, and competitive in both national and international markets.

The expected outcomes of ASDP-2 include increased productivity, enhanced development of the value chain, development of sustainable market linkages for competitive surplus commercialization, value addition, increased farmer incomes, increased food security and nutrition, and poverty reduction.

The main component/ programme areas of ASDP 2 include:

**a) Sustainable Water and Land Use**

**Management:** Expanded sustainable water and land use management for crops, livestock and fisheries

**b) Enhanced Agricultural Productivity:**

Increased productivity growth rate for commercial market- oriented agriculture for priority commodities (crops, livestock and fisheries value chains)

**c) Rural Commercialization and Value**

**Addition:** Improved & expanded rural marketing and value addition promoted by an inclusive, strengthened and competitive private sector and effective farmer organizations

#### **d) Strengthening Sector Enablers:**

Strengthened institutions, enablers and coordination framework of food security and nutrition.

The inception of ASDP-2 offers a great opportunity to accelerate agricultural sector growth and transformation. The nation's industrialization agenda echoes the need for structural transformation to enhance the quality of economic growth through promoting inclusive growth. In the agricultural sector, this would promote agro-processing and value addition of agricultural produce and thus create employment opportunities downstream the value chain.

In order to achieve such a goal a number of fundamental questions need to be addressed:

- 1) How could food and nutrition security be integrated into the industrialization drive?
- 2) How could agriculture be made the driver rather than follower of economic transformation in Tanzania?

These two key questions make the theme for the 4<sup>th</sup> Annual Agricultural Policy Conference. Discussion on these questions will help to shape policies supporting implementation of ASDP-2, particularly the 4<sup>th</sup> component on enablers which has been prioritized as number one through a consultative process with stakeholders.

#### **4TH AAPC FEATURED SESSIONS:**

The 4<sup>th</sup> AAPC will have three featured sessions, namely the rise of medium sized farms, edible oil industry and nutrition.

##### **The rise of medium sized farms**

According to a recent study (Jayne et al. 2017), medium sized farms are estimated to account for approximately 39 percent of the total farmed land in Tanzania, compared to Kenya (20%), Ghana (32%) and Zambia (more than 50%). This session will explore the emergence

of Tanzania's medium scale farmers across the value chain including crops and livestock, using hydroponic methods and agro-processing.

**The edible oil industry** is one of the most promising sector in Tanzania. The increased demand is associated with rapid population growth, urbanization and rising incomes. The industry offers a great opportunity for integrating agriculture into the nation's industrialization agenda. Oil seed crops are mostly grown in areas with marginal climate for agriculture and where poverty is pervasive, such as the central zone of Tanzania. Oil seed production has also been growing rapidly in recent years. However, the supply oil seeds has not been able to match the increasing demand by oil processors. Domestic oil production is about 180,000 tons per annum while demand stands at 400,000 tons. In this regard, domestic production has barely been able to meet 50 percent of its demand. It is also estimated that Tanzania has a processing capacity of 300,000 tons which is currently underutilized due to inadequate oil seed supply.

While the country has not been able to fully capture its potential, importation of edible oil has been soaring. Currently, Tanzania spends \$ 120 million annually in importing edible oil in an effort to close the supply and demand gap. Import substitution could create employment opportunity for Tanzanians particularly the youth, while also creating a market for farmers. The Government of Tanzania has been instituting various measures to promote domestic edible oil production. The challenge has been how to manage imports in a way that meets the short-term supply gap without undermining long-term domestic production. The featured session on edible oil industry will address some of the key policies necessary to unleash the sector's potential.

**Nutrition:** Tanzania is one of the countries in Africa with highest incidence of stunting. Access to nutritious food is critical for food and

nutrition security. In recent years, some gains have been made where stunting has decreased from 42 percent to 34 percent in a span of seven years. That is approximately one percent reduction per year. The recent gain in stunting reduction is the result of many efforts in the past two decades. However, the presence of many efforts makes it difficult to attribute where the gains came from. Understanding the drivers on nutrition is therefore critical to shaping the current and future nutrition policies and programming so as to accelerate and sustain reduction in stunting and improvement of overall nutrition. On a different note, the changing consumption habits associated with increased incomes as a result of urbanization, have given rise to obesity and hence the term double burden. As the consumption of processed foods and dependency on markets (including supermarkets) increase, it is imperative to have policies to ensure public health particularly with regard to standards (food quality and safety), consumer awareness (including food package labelling) and public education of behaviour change. This featured session will focus on how nutrition could be integrated into agriculture and industrialization (food processing) agenda.

## PARTICIPANTS:

The three-day conference will bring together 150 stakeholders from the agricultural and nutrition sensitive sector. These include representatives from:

- Agriculture Sector Lead Ministries
- Nutrition Specific and Sensitive Sectors/ Organizations
- Regulatory Authorities in Agriculture
- Members of the Parliamentary Committee on Agriculture
- Farmers and Agribusiness Associations
- Development Partners
- NGOs engaged in Agriculture Development
- Research and Training Institutions
- Private Sector

## THE APPROACH:

The first day of the conference will be the official opening and will include a key note presentation on the opportunities, challenges and prospects of the edible oil sector in Tanzania.

There will be a second presentation on the progress in agriculture policy reforms based on the CAADP framework of the New Alliance on Food Security and Nutrition. The Guest of Honour will then officially open the conference. Day one aims to communicate key policy messages around the 4th AAPC theme by interaction with policy makers, reform implementers and the media. The day will culminate with a reception for stakeholders to network and will have a special featured session on the rise of medium sized farms.

The following two days would be more technical with policy research papers where the latest empirical findings will be presented and will be followed by panel discussions to assess progress in agricultural policy reforms, share successes, lessons learned, identify remaining gaps and chart out agenda for future reforms. The format of the conference will be the “Davos” style in which thematic papers will be presented followed by a panel discussion before opening the session to the floor for questions and answers.

Day two thematic areas will focus on upstream value chain activities which include:

- Agricultural sector policy
- Agricultural trade and marketing
- Enabling environment for private sector

Day three thematic areas will focus on upstream value chain activities which will include:

- Agricultural land access dynamics and land tenure policy
- Access to finance and technology
- Cross cutting issues

# ABSTRACTS





## EDIBLE OIL INDUSTRY

### **Title: Demand Analysis of Edible Oils in Tanzania: The Impacts of Changes in Income and the Prices of Substitutes**

**Authors:** Michael Olabisi (MSU), David Tschirley (MSU), David Nyange (ASPIRES) and Titus Awokuse (MSU)

**Summary:** Edible oil imports to Africa grew over 10% per year from 2006 to 2015, and accounted for 34% of the continent's total growth in food imports over this period - the highest share of any food group. In the same period, several African countries experienced a boom in the local production and processing of oil-seeds. The combination of import growth and domestic production booms reveals a gap in the literature on the characteristics of edible oil demand in Africa. We begin to fill this gap by estimating own-price, cross-price, and expenditure elasticities of demand for palm, sunflower, and other edible oils. We apply a QUAIDS model to Tanzania's Household Budget Survey data - focusing on palm, which is mostly imported, and domestically produced sunflower oil. Our main finding is a surprisingly low level of substitution between these two edible oils. We estimate a cross-price elasticity of 0.28 between palm and sunflower. Simulated budget shares from our estimates suggest that a 10% tariff increase on palm oil leads to less than a 0.02% change in the budget share of domestically produced sunflower oil. We identify other potential policy implications from our findings and highlight steps for further research.

**Presenter:** Michael Olabisi (MSU)

### **Title: Industrialization and Edible Oils in Tanzania**

**Author:** Dalberg Advisors

**Summary:** The Planning Commission engaged Dalberg to conduct a feasibility study of investment in edible oils, with the goal of expanding domestic production as part of the broader industrialization agenda. This presentation covers the approach, results and recommendations from the study.

Due to a deficit in domestic supply, Tanzania currently imports nearly USD \$300m in edible oils per annum, the second largest use of foreign exchange after petroleum products. Despite local production of several potential sources of edible oils, challenges at the farmer, processors and consumer levels hinder domestic processing. Addressing these challenges would support farmer livelihoods, create jobs in agro-processing, increase government revenues, ease the pressure on foreign currency reserves and improve Tanzania's trade balance.

Market data to support investment recommendations was collected by desk and field research. Secondary sources included official statistics, sector reports and international databases. Primary data was from 150 in-depth interviews with sector actors from farmers to consumers in five regions - Dar es Salaam, Dodoma, Kigoma, Mwanza, and Singida.

Value chain analysis revealed opportunities and challenges in each of three priority crops



(sunflower, palm and cotton) that inform recommendations for sector support, policy interventions and investment facilitation. Given the high potential of the sunflower sector, four specific investment opportunities were put forward, and an example business model developed for one. Realizing the full potential of edible oils will require targeted support from public, private and donor actors, as detailed in the recommendations.

**Presenter:** Steve Kisakye (Dalberg)

### **Title: Tariff Setting for the Development of the Edible Oil Sector in Tanzania: Analysis of the Demand-Supply Gap**

**Authors:** ANSAF in collaboration with the DFID funded Institutions for Inclusive Development (I4ID) Programme

**Summary:** In 2016, the tariff on imported Crude Palm Oil (CPO) was set at 0%. The Government later increased this to 10% in response to lobbying from stakeholder groups, mainly small and medium scale processors. The rationale for raising the tariff was meant to provide an incentive for refiners to use more domestically produced crude oil, and thus lift prices and demand for domestic production of oil seeds. Importers and large scale processors who import CPO to refine or blend with sunflower oil, are of the opinion that the 10% tariff will only lead to an increase in prices, hurting consumers and will do little to increase demand for domestic crude. Recently, the Confederation of Trade and Industries (CTI), backed by large-scale processors, lobbied the Government to resist further increases in the tariff on CPO and to reduce it back to zero.

As a result, the Permanent Secretary to the Ministry of Finance and Planning requested ANSAF to carry out a study to provide detailed information on the production potential of domestic oilseed and edible oils (demand and

supply) including evidence for rational tariff setting on imported edible oil.

This study builds on the findings of a recent study by the Tanzania Private Sector Foundation (TPSF) on the impact of tariffs on domestic edible oil production, as well as a number of other studies that preceded this research. The study aims to provide more comprehensive evidence base and recommendations, as articulated in a request by the Ministry of Finance and Planning to ANSAF, on the most effective policy measures to facilitate greater investment in domestic production, processing and refining, incentivize value chain stakeholders to close the gap between domestic supply and demand in the edible oils sector, and make the sector and the whole value chain competitive in regional and global markets.

This study particularly focuses on the sunflower value chain and the role of smallholders. The sunflower value chain is important for Tanzania's broader economic context. The country is among the eight largest producers of sunflower in the world (and the second largest in Africa after South Africa), accounting for approximately 2.4% of total global production (MITI, 2016). The production of sunflowers and sunflower oil seeds is dominated by small-scale farmers in Tanzania, implying the future development of the sector is especially significant as a potential tool for improving the livelihoods and welfare of poorer Tanzanians (Zeng, 2011).

**Presenter:** Honest Mseri (ANSAF)



## THEMATIC AREA ONE: AGRICULTURAL SECTOR POLICY – NUTRITION IN CHANGING FOOD SYSTEMS

### **Title: Evaluating Investment Priorities to Transform Tanzania's Agriculture-Food System**

**Authors:** Todd Benson (IFPRI), Josee Randriamamonjy (IFPRI), and James Thurlow (IFPRI)

**Summary:** Rising incomes and urbanization are reshaping Tanzania's agriculture-food system. Diets are changing and farmers are commercializing, creating new opportunities for value-addition and job creation in agricultural processing and trading. A broader focus on agriculture-food systems, as opposed to just farming, is reflected in ASDP2's emphasis on market infrastructure investments and value chain development. This does, however, present new challenges for the government. Key amongst these is how to identify priorities for public investment. We present an ongoing study examining the economy wide implications of expanding production in different agricultural value chains. This is done by comparing value chains based on their potential value-addition, job creation, poverty reduction, and dietary diversification. Findings suggest that no single value chain can achieve the range of development objectives in ASDP 2. While cereals contribute positively to pro-poor growth, our analysis suggests that a more balanced portfolio of prioritized value chains would enhance agriculture's contribution to poverty reduction and economic growth, while

also promoting faster rural transformation and dietary diversification. This portfolio should include higher-value export crops, such as coffee and cotton, as well as more diversified foods, such as vegetables and fruits. Ongoing work is assessing the competitiveness and market potential of different value chains, and identifying the policies and public investments needed to expand production.

**Presenter:** James Thurlow (IFPRI)

### **Title: Food Systems for Nutrition: The Roles of Policies, Programmes and Research**

**Author:** Jessica Fanzo (John Hopkins University)

**Summary:** The overarching challenge for food systems in Tanzania is to meet the increasing and evolving dietary needs of a growing population in a sustainable way, in the context of climate change and increased pressure on natural resources. Dietary patterns are changing across the country as well as in the East Africa region. With globalization, urbanization and income growth, Tanzanians are experiencing new food environments, expanding their food choices and diversifying their dietary patterns in both positive and negative directions. However, diets are now one of the top risk factors for morbidity and mortality and Tanzania is left to deal with multiple burdens of malnutrition

including undernutrition (underweight, stunting and wasting); micronutrient deficiencies; and overweight and obesity. If Tanzania is meant to achieve SDG2 and end all forms of malnutrition by 2030, cohesive actions across policy, programmes and research will need to be ramped up. Coherence and scale will require capacity, effective governance, capacity, and effectively using emerging evidence and knowledge in the context of food systems thinking. The purpose of this presentation is three-fold: (i) to analyze how food systems influence people's dietary patterns and nutritional outcomes in Tanzania; (ii) to highlight effective national policies and programmes that have the potential to shape food systems, contribute to improved nutrition and ensure that food is produced, distributed and consumed in a sustainable manner; and (iii) to identify new areas of food systems research that will inform those policies and programmes over the next decade.

**Presenter:** Tumaini Charles (ASPIRES)

### **Indicators of Affordability of Nutritious Diet in Africa (IANDA): Evidence from Tanzania**

**Authors:** Fulgence Mishili<sup>1</sup>, Anna Herforth<sup>2</sup>, Yan Bai<sup>2</sup>, William Masters<sup>2</sup>, Joyce Kinabo<sup>1</sup>, Zachary Gersten<sup>2</sup>, Rebecca Heidkamp<sup>3</sup>, Jennifer Coates<sup>2</sup>

<sup>1</sup> Sokoine University of Agriculture, Tanzania

<sup>2</sup> Tufts Friedman School of Nutrition Science and Policy, USA

<sup>3</sup> Johns Hopkins School of Public Health, USA

**Summary:** Access to nutritious food is critical for food and nutrition security. Often, food availability and prices are monitored for commodities that are considered to be economically important, with little relationship to nutritional needs. The Indicators of Affordability of Nutritious Diets in Africa (IANDA) project has developed new metrics for

tracking the availability and price of nutritious diets. Our vision is that when we speak of "food prices," we should have measures that reflect the food people need to lead healthy livelihoods.

Every month, the National Bureau of Statistics (NBS) monitors the Consumer Price Index (CPI) for 74 food and non-alcoholic beverage items in Tanzania. This provides a rich source of data that can be analyzed to track the price of nutritious diets. Using NBS food price data, we have applied methods for calculating the cost of nutritious diets in terms of (1) nutrients, (2) food-based dietary guidelines, (3) minimum dietary diversity, and (4) a nutritious food price index (NPI) modeled after the consumer price index (CPI).

Our results show that food price estimates differ depending on whether we are focusing on nutritious or economically important foods, and that the price of nutritious diets varies across seasons and regions. These differences have important policy implications for achieving year-round food and nutrition security in Tanzania. We have demonstrated that existing food price monitoring systems can be improved, with very little added cost, to provide better information about access to nutritious foods. The IANDA project collaborated with government agencies that collect and use food price data in Tanzania, and engaged other national and international stakeholders. The new indicators are obtained using existing monitoring systems, which provide a scalable method to monitor availability and price of nutritious food. These new indicators have the potential to be integrated as routinely monitored statistics in Tanzania.

**Presenter:** Fulgence Mishili (SUA)





## THEMATIC AREA TWO: AGRICULTURE MARKETS AND TRADE

### **Title: Informal Maize Markets: The Effect on Post-Harvest Losses, Storage Investment and Producer Prices: Findings of a Storage Scoping Study on Cereal Losses**

**Author and Presenter:** Cephas Taruvinga  
(FAO/ AU)

**Summary:** Tanzania is endowed with the resources to become a surplus maize producer and major exporter in the region. However, Tanzania's predominantly informal grain markets are not flexible enough to absorb surplus production, efficiently regulate market supply, or provide the needed producer incentives that would drive economic transformation. The existing trade and distribution channels create unnecessarily high post-harvest losses of an average 9%, discourage investment in storage and aggregation facilities, and unfairly distort prices between traders and farmers. The dominance of the informal district markets has resulted in the underutilization of the community level warehouses and a lack of investment in mid-level warehousing and interest in the wholesale market. However, there is a rapidly growing number of medium-scale farmers who are producing a commercial surplus beyond farm-level storage capacity such as silos. Since current household storage options are not cost-effective for grain trading, such farmers would benefit from mid-level (3,000-5,000 tons) warehousing facilities, also considered the backbone of a formalized grain

trading system because they facilitate the operation of commodity exchanges, warehouse receipts systems, inventory credit and contract storage. Mid-level warehousing, regulatory changes, and implementation of grades and standards systems throughout the supply chain will be necessary to increase the scale of grain trade and could catalyse the transformation of the sector to a more commercially oriented one.

### **Title: An Assessment of Economic Benefits of Reforming Issuance of Export Permits**

**Authors:** Liston Njoroge (AGRA), Gungu Mibavu (Ministry of Agriculture) and Joseph Rusike (AGRA)

**Summary:** The process of cross-border export of agricultural commodities in Tanzania is fraught with many challenges. Not only is the process for obtaining export permit long and encumbered with many requirements, but also the government's practice of imposing export bans from time to time creates uncertainties in cross-border trade of agricultural commodities. Moreover, the export permits when issued are only valid for three months, and traders assert that more time is needed to aggregate commodities and ship it out. Often, the export bans are spontaneous and therefore, they create uncertainties and financial losses because traders are forced to cancel contracts and compensate business counterparts in foreign countries affected by the cancellations

of contracts. In this paper, we argue that reforms in the management of cross-border trade of agricultural commodities would enhance efficiency in the commodity market by generating positive financial gains.

The study uses cost-benefit analysis (CBA) to conduct an ex-ante reform impact assessment of forming issuance of export permits and the management of cross-border trade in general. Cost-benefit analysis is the process of assessing whether the gain to the society from the proposed reform is greater than the social sacrifice required to produce the project. The decision rule is that when benefits of the proposed change exceed costs, the change should be implemented. The data used in this analysis was obtained from established businesses that have been in the agricultural commodity exports for a long time. The estimated benefit-cost ratio from reforming the issuance of an export permit is 5.31, an indication that the benefits of changing the management of cross-border trade far exceed the costs involved in implementing the changes. Recommendations include streamlining the process of managing export licenses and export permit. In this regard, the study recommends the establishment of an online export permit application.

**Presenter:** Liston Njoroge (AGRA)

## Status, Challenges and Prospects of Smallholder Dairy farming in Tanzania

**Authors:** Gilbert Msuta (TALIRI), Edwin Oyieng (ILRI), Eliamoni Lyatuu (ILRI), Julie Ojango (ILRI), Raphael Mrode (ILRI), Daniel Komwihangilo (TALIRI) and Okeyo Mwai (ILRI)

**Summary:** Dairying is an important subsector in the livestock industry in Tanzania and has potential to improve livelihoods of most households. A baseline survey was conducted in selected milk sheds namely Arusha, Iringa, Kilimanjaro, Njombe, Mbeya and Tanga. The

survey was undertaken under the Bill and Melinda Gates Foundation (BMGF) funded program known as the Platform for Africa Dairy Genetic Gains (ADGG). The program seeks to provide better dairy cattle to smallholder farmers through establishing performance recording and selecting crossbred bulls and cows of superior genetic merit for artificial insemination (AI) and natural mating. A total of 16,809 dairy farmers were interviewed using a paperless questionnaire coded using Open Data Kit (ODK).

Information regarding general husbandry practices and potential challenges were collected and collated. Data were analyzed using SAS software. Out of the farmers interviewed, 76% and 26% were male and female headed households respectively. Aside from dairy farming, the other livestock mostly reared was chicken. Across the regions, the predominant dairy breed was the Holsten Friesian followed by the Ayrshire. A significant proportion of Jerseys (45.2%) were reported to be preferred in Mbeya than anywhere else. Lack of feeds (17%), high prices of feed (17%), low production (15%), diseases (13%) and lack of proper breeds (12%) were reported as the main challenges faced towards dairy production. There was no significant difference ( $P < 0.05$ ) in the challenges faced between female and male farmers.

However, despite the challenges, prospects for enhanced dairy industry are high. Dairy farmers have relatively enough land for their dairying activities. Most of the households had between 1-5 household members with 0.25 -5.00 ha of land which was mainly used for planting staple crops. Iringa had the highest proportion of farmers with 1.00 – 5 ha of land. Additionally, majority of the farmers belong to producer groups as well as Savings and Credit Cooperative (SACCOs). This study recommends that technical, institutional and socio-economic infrastructures need to be put in place to make sure that smallholder farmers in the surveyed areas realize the potential of their dairy farms.



Therefore, there is a need to strengthen the linkage between farmers, researchers, policy makers and other stakeholders for the enhanced dairy industry in Tanzania.

**Presenter:** Gilbert Msuta (TALIRI)



## THEMATIC AREA THREE: ENABLING POLICY FOR PRIVATE SECTOR INVESTMENT

### **Title: Key Constraints Inhibiting Competitiveness in Tanzania's Dairy & Poultry Sectors**

**Authors:** V.F. Mugittu, (Muvek Development Solutions); K. Mugittu (Muvek Development Solutions); N. Mwingu (WBG); and H. Shrader (WBG).

**Summary:** Around 50 percent of households in Tanzania are engaged in livestock production, with this proportion increasing to 60% in rural areas. Demand for livestock products in Tanzania is growing. Demand for milk and meat is expected to grow at a compounded annual rate of 2.8% while that of eggs is expected to grow at 2.5% between 2000 and 2030. However, production of livestock products is not keeping pace with consumption growth. Our paper highlights key constraints that inhibit the competitiveness of the dairy and poultry sectors. Our paper highlights

constraints (including policy, regulatory and institutional hurdles) in the markets for dairy and poultry inputs and products that limit the competitiveness of dairy and poultry pre-commercial and commercial farmers; input importers, distributors and agents; off-takers; and processors. The paper also highlights the current support of the World Bank Group (WBG) to the Government of Tanzania in addressing some of the regulatory and institutional constraints through the Tanzania Livestock Micro-Reforms in Agribusiness (L-MIRA) project.

**Presenter:** Hans Shrader (WBG)

### **Title: Improving Policy and Regulatory Environment for Agricultural Inputs, Finance, Services and Market Access**

**Author:** The World Bank Group

**Summary:** *Enabling the Business of Agriculture (EBA)* is a World Bank Group Report and an

important tool for examining and monitoring regulations that impact how markets function in the agriculture and agribusiness sectors. The ultimate aim is to promote smart regulations that ensure safety and quality control as well as efficient regulatory processes that support thriving agribusinesses. EBA scoring serves as a proxy indicator for the strength of the regulatory environment for agriculture in each of the African countries covered by EBA thus far. This session will describe the importance of the policy and regulatory framework for private sector investment and performance, the elements which shape the enabling agribusiness environment, the use of EBA to measure strengths, weaknesses and address potential improvements within the regulatory framework, and the relevance of an integrated approach to addressing regulatory challenges within a policy framework. Issues addressed by EBA and findings from the latest EBA 2017 report will be presented and discussed, country case studies on reforms will be presented, and input from participants on the relevance and use of regulatory evidence to influence policy dialogue, analysis and reform, will be sought.

**Presenter:** Farbod Youssefi (World Bank)

### **Title: Enabling Business Environment for Industrial-Led Economy through Livestock Sector**

**Author and Presenter:** Lucas Yamat (ANSAF)

**Summary:** Livestock is central to the livelihoods of rural Africa and is strategically important to the continent's food and nutrition security as well as intra-African and global trade opportunities. The African livestock sector contributes between 30% and 50% of the agricultural Gross Domestic Product (GDP), and has the potential to deliver both agricultural-led growth and the socio-economic transformation. Tanzania has a great investment opportunity for investment in the livestock sector which needs to be exploited to deliver business gains and thus

build an industrial-led economy.

Despite the potential that the livestock sector has in the world economies, it only receives 4% of agricultural financial assistance from the global community. It is also a case in Tanzania as the sector receives about 0.2% of the national budget at all times. Besides that, available evidence reveals that the sector's investment is currently dispiriting in Tanzania due to a number of business environment related challenges owing it to insignificantly growing and low contribution to the GDP. This presentation analyzes and synthesizes available information on enabling the business environment for the livestock sector in Tanzania to trigger policy discussion and actions to be taken to promote industrial-led economy.

### **Title: Agents/ Brokers of Wealth – ‘Developing Service Providers for the Export Market’**

**Presenter:** Gilead Teri (Tanzania Private Sector Foundation)

**Summary:** While a kilo of cashew in Whole Foods Supermarket at Foggy Bottom sells for around \$10-15, a farmer in Tandahimba (a district in Mtwara region) earns around \$1.5 for his raw kilo of export. An argument can be made for low value addition and predominance in raw exports. Our all-time high performer, tobacco, earns us around \$350m in forex each season; and the trend is similar to other major exports such as cashews, coffee and cotton to name a few. Recently, new sectors have emerged to dominate agriculture exports. The Tanzania Horticulture Association (TAHA) estimated horticulture export to have surpassed the half a billion dollars' mark. According to the Tanzania Private Sector Foundation's (TPSF) diagnosis, an extensive value addition can be undertaken in-country especially with the surge in industrial development. However, penetrating in high end markets require more than a good product

alone. In this presentation, TPSF will make a case for development of service providers specifically for export markets. This will be a practical experience sharing presentation from various TPSF works while identifying existing service gaps and proposing policy solutions to spur this class of service providers. Apart from aggregating role, the 'brokers' can support SMEs to answer key questions such as the determinants of export readiness to facilitate their access to international markets. Elements of the presentation shall highlight the potential, in statistical terms, of the development of such services.

### **Title: The Role of Public-Private Dialogue (PPD) in Enabling Private Sector Investment in Tanzania's Agriculture Sector**

**Authors:** Andrew E. Temu (Diligent Consulting Ltd) and Daniel Ngowi (Consultant)

This paper provides a brief discussion on the role of public-private dialogue (PPD) as an approach to enhance greater public, private and other stakeholders' investments in the transformation of the agriculture sector. We argue that an increasing number of policy and governance challenges facing Tanzania and other developing countries such as inclusive growth, poverty reduction, government accountability, business integrity, and innovation; demand private sector participation in order to generate viable solutions.

Tanzania's experience reveals that PPD is used in most cases to set policy priorities, improve legislative proposals, and incorporate feedback into regulatory implementation. Dialogue appears to help reveal to government the likely micro-economic foundations for agricultural value chain growth and enhancement, and facilitates the creation of a sense of ownership of the ASDP-2 reform program among the business community. Further, PPD can be used

to define public-private roles in the sector in the redesigned PlanRep implementation, as well as specify agricultural service providers and outputs. Further, PPD can be used to build transparency and accountability into the policy-making and policy implementation process. The key lesson from this review is that PPD can play a critical role in leveraging public and private investments, facilitate improvement in agricultural service delivery as well as address governance challenges that hinder agricultural value chain improvements.

**Presenter:** Daniel Ngowi, Consultant





## THEMATIC AREA FOUR: AGRICULTURAL LAND DYNAMICS AND LAND POLICY

### **Title: Access to Productive Land and Youth Livelihoods: Factors Influencing Youth Decisions to Exit from Farming and Implications for Industrial Development in Tanzania**

**Authors:** N.S.Y. Mdoe (SUA); T.S. Jayne (MSU); M.C. Muyanga (MSU); I. J. Minde (MSU); C.G. Magomba (SUA) and T.Mwisomba (NBS).

**Summary:** Migration has been seen as a means of diversification of livelihood strategies. This is especially true when a household cannot diversify from on farm to off-farm activities in the rural areas. Poor households send one of their members away with one of the reasons being low agricultural productivity. Poor soil quality and the associated low crop productivity are linked to pervasive rates of poverty and malnutrition affecting much of Africa in which Tanzania is not excluded. Our paper addresses the gap that is always forgotten of migration being a livelihood strategy induced by poor soil fertility and inadequate access to productive agricultural land. Our paper highlights five main findings: First, exit from farming among youth is most prevalent in densely populated rural areas. Second, exit from farming among young adults declines as parents' landholding size increases. Third, household distance to motorable road increases the probability that youth will exit from farming. Fourth, the higher the land and labor productivity the less likely are youth to exit from farming. Fifth, young

men are more likely than young women to exit from farming if land productivity declines.

**Presenter:** Ntegua Mdoe (SUA)

### **Title: The Rise of Medium-Scale Farms in Africa: Causes and Consequences of Changing Farm Size Distributions**

**Authors:** M.C. Muyanga (MSU), I. J. Minde (MSU); T. S. Jayne (MSU) and D. Nyange (MSU)

**Summary:** This presentation highlights the causes of changing farm size distributions in sub-Saharan Africa and their potential influence on the midstream and downstream stages of agrifood systems. Medium- and large-scale farms account for a rising share of total farmland, especially in the 5 to 100 hectare range where the number of these farms is rapidly growing. Medium-scale farms control roughly 39% in Tanzania, 20% of total farmland in Kenya, 32% in Ghana, and over 50% in Zambia. The rapid rise of medium-scale holdings in most cases reflects increased interest in land by urban-based professionals or influential rural people. Nationally representative Demographic and Health Survey (DHS) data from six countries (Tanzania, Ghana, Kenya, Malawi, Rwanda, and Zambia) show that urban households own 5% to 35% of total agricultural land and that this share is rising in all countries where two or more DHS surveys were compared over time. Given current trends, medium-scale farms will soon become the dominant scale of farming in many African countries.

The rise of these farms is affecting the region in diverse ways that are difficult to generalize. Among other effects, evidence shows that the rise of bigger farms is encouraging new entry and investment by large-scale traders and more concentrated marketing channels. This raises important questions about the influence of farm-level structural change on the scale of processing and retailing enterprises in Africa's agrifood system, with potentially important effects on urban consumers' food environment, diet choices, and nutritional outcomes. We conclude by considering alternative scenarios of agrifood system evolution in the region and how alternative policy strategies might influence these scenarios.

**Presenter:** Milu Muyanga

### **Title: Synergies between Medium and Small-scale Farmers**

**Authors:** R. Alphonse (SUA); M. Muyanga (MSU) and J. Minde (MSU)

**Summary:** The GoT introduced, encouraged, motivated and facilitated the idea of anchor investments using corridor approach with a view to accelerate the pace of uplifting smallholder farmers from poverty. The theory of change was that employment of smallholders in agro-industry-land preparation, planting, weeding, harvesting, processing, packaging and transportation at reasonable wage rates would uplift the income level of smallholders while at the same time assure the agro-industry investors with consistent availability of labor. In a way this would lead to a win-win situation.

The rise of medium scale farming in Africa, now controlling roughly 39% in Tanzania, 20% of total farmland in Kenya, 32% in Ghana, and over 50% in Zambia, our study strives to assess the synergies between small scale and medium and large scale farms; and specifically use distance to examine the impacts of medium/large scale commercial agricultural operations

on the welfare of rural communities around them.

The study uses a sample of 1200 households comprised of small, medium and large scale farmers. The distance between small and medium, small and large are measured and attempts to determine the degree of association and or relationship of the technologies used among the farm sizes is determined.

**Presenter:** Roselyne Alphonse (SUA)

### **Title: Land Conflicts in Tanzania: Causes, Impacts, and Resolutions**

**Authors:** J.R. Valerian (SUA), N.S.Y. Mdoe (SUA), and M. Muyanga (MSU)

**Summary** Land is the major source of livelihood and identity for majority of the rural people in Tanzania. Rights to use and control land are therefore central to small farmers' livelihoods in Tanzania. Despite being seen as a land abundant country in Sub-Saharan Africa, land disputes are still a great challenge in the country regardless of various efforts made by the government to handle them. This study examines the causes of different types of land conflicts, their impacts and attempts made to resolve these conflicts. The study uses data collected from 1,200 households in eight districts with differing levels of land resource constraint. These data were triangulated using information from Key Informant Interviews (KII) and Focus Group Discussions. Types of conflicts reported by the respondents include boundary conflicts between districts and between villages, boundary conflicts between villages and reserved land authorities, village communities versus large scale investors and conflicts between individual farmers and households. At the household and individual farmer level, most of the conflicts arise from boundary disputes, family disputes on land inheritance and destruction of property in one's land. Land surveying and land use plans



appear to be important in reducing land conflicts as most (72%) of the reported conflicts were in areas where land was not surveyed. This suggests that attempts made to resolve land conflicts are likely to succeed if land is surveyed, land use plans are developed and individual land use rights are provided and recognized.

**Presenter:** Judith Valerian (SUA)

### **Title: Joint Village Land Use Planning in Tanzania and its contribution to land and food security**

**Authors:** Victor Mwita (Ministry of Livestock and Fisheries), Deus Kalenzi (consultant), Stephen Nindi (National Land Use Planning Commission) and Fiona Flintan (International Livestock Research Institute)

Land insecurity is a structural cause of food insecurity particularly for pastoralists, agro-pastoralists and small-scale crop farmers leading to land use conflicts, compromised access to resources including grazing and water and rangeland degradation. In Tanzania

recent conflicts over land use is a threat to food security in the rural areas. Land use conflicts are aggravated by population growth and poor land use planning including poorly organised large commercial-based investments. Though Tanzania has facilitating policy and legislation village land use planning has only been undertaken in a small percentage of villages due to a lack of resources and capacity. From 2010 the Sustainable Rangeland Management Project (SRMP) has been working with villages on village land use planning in Dodoma and Manyara regions. The project successfully piloted the implementation of joint village planning across four of these, leading to the protection through certification of a shared grazing area called OLENGAPA, found in Kiteto District, Manyara Region. This has resulted in the protection of 31,455 hectares of grazing land and the establishment of a cross-village Livestock Keepers Association. This Association is now working together towards developing a rangeland management plan in order to improve the productivity of the rangeland.

**Presenter:** Victor Mwita (Ministry of Livestock and Fisheries)



## THEMATIC AREA FIVE: ACCESS TO FINANCE AND TECHNOLOGY

### **Title: Access to Financial Services in Tanzania: The Case of Farmers, 2017 FINSCOPE**

**Presenter:** Mwombeki Baregu (FSDT)

**Summary:** Tanzanian farmers (including livestock and fisheries) and the agricultural sector in general, remain financially underserved. According to Finscope Tanzania 2017, only 60% of all farmers are formally financially included compared to 73% for non-farmers. Because farming activities account for 41% of income generated in Tanzania (as compared to 6% for formal and informal employment and 15% enterprises) the importance of financial inclusion for farmers cannot be understated for improved welfare and economic growth.

There are positive developments in the story of access for farmers that also offer opportunities. Farmer formal financial access grew from 44% in 2013 to 60% in 2017, driven largely by growth of mobile money. Cooperative society membership, is largely driven by agricultural societies and offers a very strong financial inclusion and aggregation role potential. Between 2015 and 2016, membership grew by 700,000 members from 1.5 million members to 2.2 million. By December 2017, membership was estimated to reach five million. Outcomes of reforms in the agricultural and financial sector have seen the emergence of new institutions that can play a strong role in financial inclusion including Tanzania Cooperative Development Commission (TCDC), Tanzania Agricultural

Development Bank (TADB), Cereals and other Produce Board (CPB).

The challenge to achieve greater financial inclusion for farmers is significant and will need to contend with a struggling financial sector that has seen industry level Non-Performing Loans (NPLs) rise to 12.52% from the regulatory recommended level of 5.00%. The sector has also seen its contribution to real GDP growth fall from 19.5% in 2016 to 4.6% in 2017. Further, it has experienced anemic credit growth from -8.7% (reduction) in 2016 to mere 1.1% growth in 2017, and has experienced the closure of six small, mostly community based, banks in the past 12 months.

In this context, policy has a crucial role to enhance the benefits of financial inclusion, facilitate capital to the sector, and to increase confidence of Tanzania's farmers, rural communities and the agricultural sector as a whole towards financial institutions.

### **Title: Reaping Richer Returns: Public Spending Priorities for African Agriculture Productivity Growth**

**Presenter:** Peter Goodman<sup>1</sup> (The World Bank)

**Summary:** Enhancing the productivity of agriculture is vital for Sub-Saharan Africa's economic future and is one of the most important tools to end extreme poverty and boost shared prosperity in the region. How governments elect to spend public resources

has significant development impact in this regard. Choosing to catalyze a shift toward more effective, efficient, and climate-resilient public spending in agriculture can accelerate change and unleash growth. Not only does agricultural public spending in Sub-Saharan Africa lag behind other developing regions but its impact is vitiated by subsidy programs and transfers that tend to benefit elites to the detriment of poor people and the agricultural sector itself. Shortcomings in the budgeting processes also reduce spending effectiveness. In light of this scenario, addressing the quality of public spending and the efficiency of resource use becomes even more important than addressing only the level of spending. Improvements in the policy environment, better institutions, and investments in rural public goods positively affect agricultural productivity. These, combined with smarter use of public funds, have helped lay the foundations for agricultural productivity growth around the world, resulting in a wealth of important lessons from which Tanzania's policy makers and development practitioners can draw. 'Public Spending Priorities for Agriculture Productivity Growth - A Regional Perspective' will be of particular interest to policy makers, development practitioners, and academics. The rigorous analysis presented in this book provides options for reform with a view to boosting the productivity of African agriculture and eventually increasing development impact.

**Title: Social accountability – Investing where there's potential and great outcomes: A case of extension services and agricultural resource allocation in Tanzania**

**Author:** Sizya Lugeye (IFAD) and Amon Mattee (SUA)

<sup>1</sup> Goyal, Aparajita; Nash, John. 2017. Reaping Richer Returns : Public Spending Priorities for African Agriculture Productivity Growth. Africa Development Forum;. Washington, DC: World Bank. © World Bank. <https://openknowledge.worldbank.org/handle/10986/25996> License: CC BY 3.0 IGO."

**Summary:** African governments have committed themselves to allocate at least 10 percent of their national budgets to the agricultural sector in order to spur growth of the sector and to contribute to poverty reduction especially of rural communities. In Tanzania, despite the financial investments to the sector, questions remain as to why is the agricultural sector not contributing significantly to the improvement of the livelihoods of the rural population, and how might resources be allocated and utilized so as to make an impact on the performance of the sector. This study is focused on establishing the link between the agricultural potential, resource allocation and agricultural productivity of LGAs.

Three regions were selected for the detailed study representing three levels of agricultural potential: high, medium and low potential. In addition, the study involved field visits for Key Informant Interviews and Focus Group Discussions with relevant staff and stakeholders at national and local level. Secondary data were obtained from various sources such as Budget Speeches, Rapid Budget Analyses and project reports.

The major challenge encountered was the difficulty of getting reliable financial data with different sources providing different figures on budget allocations and disbursements. This report outlines key findings on: budget allocation, sources of funding and extension services performance. Recommendations are made on strategies for budget allocation, adopting extension reforms and staff professional development.

**Presenter:** Sizya Lugeye (IFAD)



## **Title: Drones on the Horizon: Transforming Africa's Agriculture**

**Presenter:** Rose Funja, Founder of Agrinfo

**Summary:** In January 2018, the African Union Summit decided to follow the recommendation made by the Specialized Technical Committee on Education Science and Technology (STC) to promote drones for agriculture as one of three emerging technologies of relevance for African development. Unmanned aerial vehicles or UAVs (also known as drones) are a flying form of technology that carry a sensor camera and works either in visible or invisible spectrum. The images collected by these sensors can be analyzed by softwares and algorithms to give various pieces of information and data according to the project plan, such as agriculture, which employs over 60% of Tanzania's workforce.

Among the challenges facing small-holder farmers include lack of accurate information on areas such as farm size, potential yield and how yields are being affected by pre-harvest losses. As a result, farmers and industries (whose raw materials depend on agriculture) face the challenge of estimating yields. While the application of drones for agriculture is still a new phenomenon, readily available drones and specialized sensors for data acquisition can facilitate early detection of plant diseases, improve land tenure, and allow monitoring of crops such as fertilization and irrigation channels for farmers.

Drones map areas in an effective and affordable way for smallholder farms. Not only will usage of this technology allow farmers to obtain real time data, but can potentially save them bucks, time and also data for land rights' preparation.



## **THEMATIC AREA SIX: CROSS CUTTING ISSUES**

### **Title: Enhancing Enabling Environment to Increase Youth Participation in Agribusiness in Tanzania**

**Presenter:** Hafidh Kabanda (ESRF)

**Summary:** HEIFER international is implementing the East Africa Youth Inclusion Program (EAYIP) in which the Economic and Social Research Foundation (ESRF) was commissioned to participate in a study that identifies and recommends policies that will catalyze youth participation and inclusion in economic activities particularly in the agricultural sector.



## **Title: Women and Industrialization Economy in Tanzania**

**Author and Presenter:** Sophia Mlote (Ministry of Livestock and Fisheries)

**Summary:** Agriculture is the mainstay of the Tanzanian economy. The agenda for industrial economy, desires for about 40% of Tanzania's employment coming from industrial sector by 2020, construct agro-processing (middle, large and basic industries that use domestic raw materials, strengthen existing industries and increase sector GDP contribution from 9.9 percent in 2013 to 15 percent in 2020, mobilize private sector to invest in middle and large industries, increase sub-regional, regional and global preferential market access.

In order to achieve the industrialization economy, there is a need for agricultural transformation fueled by increased production and productivity; improved marketing, processing, and input delivery technologies, improved institutions as well as better farm-level technologies and improved agricultural related infrastructures. In Tanzania, 53 percent of farmers are women important for improving production and productivity. Most of these women are involved in value addition. Over 2000 women are agricultural professionals employed by agricultural related sectors. Therefore, women are key players for industrialization economy.

## **Title: Tracking Key CAADP Indicators and Implementation: Tanzania's Progress**

**Authors:** Stella Massawe (ReSAKSS/ILRI), Prudence Lugendo (PAPAC), Sophia Mlote (PAPAC), Joseph Karugia (ReSAKSS/ILRI), and Steven Michael (Ministry of Livestock and Fisheries)

**Summary:** Tanzania is one of the countries in Africa that is implementing the Comprehensive Africa Agriculture Development Programme (CAADP). The country signed CAADP compact in July 2010. CAADP is a framework that adds value to national and regional strategies for the development of agriculture. Some of its key principles that are expected to add value are: the building of partnerships, evidence base policy making, dialogue, peer review, and mutual accountability at all levels as well as exploitation of regional complementarities. Use of evidence in planning, progress review and priority setting is one of the core principals of CAADP. African countries are therefore encouraged to generate knowledge products that provide information about the sector for use in agricultural planning and decision making. This paper contributes towards that endeavor. It provides monitoring and evaluation (M&E) information to inform agriculture stakeholders about the performance of the country as far as the key agriculture and rural development indicators are concerned. The report presents status and trends of some key CAADP indicators to inform policy and planning in the agriculture sector. The assessment was mainly based on desk research work and collation of secondary data. Data and information were gathered from the national bureau of statistics, ministry of finance and planning and the Agricultural Lead Ministries (ASLMs), National Research Centers and to a limited extent international data sources such as African Development Bank, FAO, World Bank where it was not possible to get data from national data sources. Analysis was mainly through descriptive statistics and content analysis of qualitative data.

**Presenter:** Prudence Lugendo (PAPAC)

