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#### MESSAGE FROM THE MANAGING DIRECTOR

Dear readers

Greetings,

I take this opportunity to welcome our readers to the 5th edition of the Agribusiness Magazine. We are thrilled that the agribusiness magazine continues to gain readership in the country, signifying that more people are getting interested with what is happening around them on the agribusiness front.

We are delighted that we continue to provide our readers with updates on news and analysis on topical issues of national and international importance in the agricultural sector.

While sticking to our core mandate, the agribusiness magazine shall strive to provide the latest information and stories touching on the sector's key issues such as the climate smart agricultural practices, biotechnology, farm mechanization, seeds, fertilizers, farm credit, research and extension, marketing, high tech agriculture among other topical issues.

I am confident that our readers will enjoy the captivating pieces of stories that have been produced by our competent team of professionals, under the guidance of the magazine's editorial board. I have no doubt that the stories will provide lessons, challenges, and best practices that the sector needs for development.

I take this opportunity to thank all our partners, advertisers, the production team as well as the editorial board for making the production of the 5th edition possible.

Wishing you all an enjoyable read, as we look forward to the 6th edition in the year 2023!

Thank you

Yohane Kaduma Managing Director-PASS 7RUS7



#### A WORD FROM THE EDITOR

Dear readers

t is with great pleasure that I welcome you to the 5th edition of the agribusiness magazine. It has been an enjoyable period reading your feedback about our previous editions. On behalf of the production team, I take this opportunity to thank our readers across the country for the support towards having this production. Your feedback and words of encouragement have given the team the vigor to make the subsequent productions even more thrilling. We are grateful to the PASS Trust Managing Director Yohane Kaduma, for the infrastructure that is in place to ensure that our readers receive this publication on time.

In this production, we have featured stories and feature articles touching on the various sub sectors of the agricultural sector. Some of the stories were suggested by our readers through our feedback mechanism. I want to acknowledge and thank all our readers who have reached out to us with suggestions on the kind of stories that they would want the agribusiness magazine to feature. This is encouraging and shows that our readers are keen on the content and the production process.

We commit to maintain the highest levels of professionalism, even as we engage with experts in various topical issues of the sector.

We encourage your feedback and suggestions in making the agribusiness magazine more captivating in content and look. Feel free to reach as at agribusinessmagazine@pass.or.tz.

Thank you **Bevin Angellah Bhoke** 

agribusinessmagazine@pass.or.tz



**Bevin Bhoke - The Agribusinesss Editor** 

#### New Youth Agribusiness Program to create 12,000 profitable enterprises

As PASS-AIC incubates poised as role models



President Samia Suluhu Hassan receives a report on PASS-AIC youth incubation program from Agriculture Minister Hussein Bashe at a recent function in Mbeya. ouths' unwillingness to get involved in agribusiness in Tanzania could soon be a thing of the past following the launch of a new government program to address the problem.

The Building a Better Tomorrow (BBT-YIA) Program is an initiative championed by the Minister for Agriculture, Hussein Bashe, to promote youths engagement in agribusiness for sustainable and improved livelihoods.

The program, also supported by private sector institutions in Tanzania and development partners led by the USAID -SERA Bora project, aims at among other things making the agribusiness sector youth-friendly and appealing.

It sets out to empower youths through training, mentoring, and coaching in preparation for employment or management of their own agribusinesses.

"This is a tool for attaining Agenda 10/30 that envisages increasing youth employment by one million and growing the agricultural sector by 10 percent by 2030," says minister Bashe.

The program was launched by Prime Minister Kassim Majaliwa during the 2022 NaneNane agricultural exhibition in Mbeya.

It also entails pushing for improved policies and a conducive legal and regulatory environment for youth projects to thrive, plus facilitating development of business development services for youths in agribusiness.

During the launch, premier Majaliwa called on the youths to embrace agribusiness to be able to transform their social economic status and improve the country's agricultural sector.

"Through this program we hope to have an economically empowered youth demographic that will also be ready to support the government's efforts in further transforming the sector through creation of jobs," he said.

Youths from across the country have welcomed the project, terming it timely and important, and one that will benefit the youth in a big way.

"I am interested in block farming. I see the



building a better tomorrow project by the government as one that will help expand my agribusiness. I currently do open filled tomato farming on a 10-acre piece of land and also, I have 4 screen houses, I have always dreamt of expanding but due to financial constraints, I am unable to. I am looking forward to this project as one that will get me out of this. I want to scale up to 50acres farming since I know I will make profit. I also need markets for my produce" says Elisha Otaigo, a young farmer from Chalinze.

Dorothy Nengai, a young horticulture farmer from Arusha is upbeat that the new project will help increase her production.

'As a horticulture farmer, I see this as a platform for me to be able to increase my production. If I happen to be a beneficiary, the training and capacity building I will receive will enable me to get enough skills to expand my business. I will have the networks to secure financing which has been my biggest problem which will enable me to invest more by adding value to my products and expanding my market' says Dorothy

While Octavian Lasway, the young CEO and founder of Green Agriculture, an agribusiness

company in Morogoro believes the new program by the government is the game changer for the youth in the country.

"I see this program as one that is aimed at building a better Tanzania for tomorrows youths. Tanzania's population is increasing at an alarming rate. I thank the government for this project because to me, if well implemented, this project will help many unemployed youths through creation of jobs. This project has focused more on technology which is what we as youths want. We hope the project will enable us to produce sustainably, create employment and help more youths change their attitude towards agribusiness". Says Lasway.

At least 75% of Tanzania's 60 million population consists of people below the age of 35 years. The youths of Tanzania account for 56% of the labor force even though the majority of them are unemployed, underemployed, or working in precarious conditions.

The BBT-YIA program seeks to address the myriad of challenges that have hindered youths from engaging properly in agribusiness activities, among them negative perceptions towards

President Samia Suluhu
Hassan visits PASS Trust
exhibition booth in Dodoma accompanied by Prime
Minister Kassim Majaliwa,
agriculture minister
Hussein Bashe. With them
is PASS Trust managing
Director Yohane Kaduma,
PASS Leasing Managing
Director Killo Lusewa,
Director of Business Development Adam Kamanda
among other PASS staff.



agriculture, limited agro entrepreneurial skills, poor access to land, and limited access to financial support.

For the first eight years the program has a target of creating not less than 12,000 profitable youth enterprises in villages across the country. This, according to the Ministry of Agriculture, can only be achieved through enhanced partnerships between the government, private sector, development partners, civil society and youths in agriculture.

"The private sector and other stakeholders must be fully committed to the implementation of the program for the benefit of the youth. To attain our objectives we shall all need to embrace transparency, accountability and innovation in the implementation process," says Bashe.

The program overseers believe that sustainable livelihoods for the youth can be achieved through a systematic implementation of activities that inspire, empower, engage, and enable youth-led

agribusinesses while creating as many employment opportunities as possible.

In its implementation, the program will borrow heavily from tested youth-in-agribusiness initiatives, one of them being the Private Agricultural Sector Support Trust's Agribusiness Innovation Centre (AIC), a model innovation engaged in building entrepreneurial attitudes among youths by transferring agribusiness knowledge, skills, and experience.

Mr Bashe said youths who have passed through PASS Trust-AIC incubation centres in Morogoro and Kongwa will be used as role models in mentoring other youths in agribusiness across the country. An estimated 879 youths have benefited from the AIC incubation process since 2018.

According to the BBT-YIA program concept report, at least 200,000 youths will be trained in agribusiness ventures, another 20,000 will undergo internship programs and 15,000 others will undertake mentoring and coaching through incubation programs.

"We hope to attain these milestones through public-private partnerships and engagements with NGOs, farmers and development institutions in the youth agribusiness ecosystem," reads part of the report.

An estimated 160 non-governmental organizations have been promoting youth in agribusiness with at least 235,000 youths reported to have benefited in the past five years, according to a May 2022 report from ASPIRE.

This report says about USD 62 million has been spent on mobilizing the NGOs to support youth projects in agribusiness. Up to 59% of NGOs with youth-in-agriculture components are focusing on skills enhancement through short-term trainings while another 19% are dealing with inspiring youths to change their negative perceptions and attitudes towards agribusiness.

"But this initiative is less monitored and evaluated, thus its effectiveness remains unclear" the ASPIRE report says.

The agricultural sector accounts for 66.6% of employment in Tanzania and contributes 26.1% to the national GDP. This relatively low contribution and subsequent high imports of processed foods is partly associated with low youths engagement in agricultural activities.

#### ARTICLE



If I happen to be a beneficiary, the training and capacity building I will receive will enable me to get enough skills to expand my business.

**Dorothy Nengai** 



I am interested in block farming. I see this program as one that will enable me achieve my dream in block farming.

Elisha Otaigo



I see this program as one that is aimed at building a better Tanzania for tomorrows youths. Tanzania's population is increasing at an alarming rate and the youths need to be effectively involved in agribusiness

Octavian Lasway



program supported by the government of Denmark through the Agricultural Markets Development Trust (AMDT), known as Making Markets Work For The Poor (M4P), is enabling rural farmers and small and medium enterprises (SMEs) in Tanzania to compete and prosper in selected agricultural markets.

Pioneered in the past five years, theprogram's achievements include overseeing a transformation in technology adoption among farmers and agricultural value chain stakeholders, thus allowing them to benefit from increased production of targeted crops such as sunflower, maize and pulses.

The program has also helped support extension services in the agro value chain through partnerships with the government and the private sector.

"We have remained true to our goal of increasing incomes, creating employment opportunities and ensuring sustainable livelihoods

AMDT Chief Executive Officer Mr. Charles Ogutu

#### ARTICLE

for people living in poverty in the areas we have reached so far," says Mr Charles Ogutu, AMDT Chief Executive Officer.

The targeted areas so far include the Lake, Northern, Southern, Western, Eastern and Southern Highlands zones.

According to Mr Ogutu, the program has helped increase production of sunflower in selected areas through the introduction of hybrid seeds for smallholder farmers.

"We also worked with private companies to provide the farmers with better farming equipment to make their work easier," he adds.

Abdul Zuhura Mpinga, processor sunflower under the micro-SMEs umbrella in Wanging'ombe village, Njombe region, is a living testimony of the program's success among the women folk of the Southern Highlands. She was facilitated by an AMDT intervention in 2017 and has seen her business grow fast alongside a tremendous income boost.

"When the project first noticed Zuhura, it was onlythree months since she had installed her single sunflower processing machine in a tiny room and was still organizing herself. AMDT guided her on the best ways of setting up the processor and organizing storage space in line with required hygiene standards. That was just the start," says Mr Ogutu.

He explains that the program also helped Zuhura have her business properly registered and her products properly labeled with the trademark 'Heshima ya Mama', meaning a mother's honor.

After AMDT's intervention,



Zuhura Mpinga, selling her sunflower oil, "Fahari ya Mama", at Nane Nane Exhibition 2022 in Mbeya. Zuhura is a sunflower farmer and oil processor based in Njombe.



Ms. Zuhura Mpinga packaging her products at her premise.

"

We have remained true to our goal of increasing incomes, creating employment opportunities and ensuring sustainable livelihoods for people living in poverty in the areas we have reached so far.

Mr. Charles Ogutu, AMDT Chief Executive Officer.



Zuhura through her increased income now owns two processing machines with a total daily milling capacity of 494 tonnes of sunflower seeds. She has also built a bigger storage facility for her products.

She says: "Because I know I have gained the necessary and requisite knowledge to run my business, I have gone ahead and bought an extra piece of land in readiness for further expansion." She also acknowledges how the capacity development she received from AMDT-initiated engagements on sunflower growing and processing has further empowered her as a sunflower farmer and processor, and even given her self-confidence to speak in public without fear.

In the past, she says, she would shy away from tax and regulatory inspectors and lock up her store whenever she saw them approaching in their vehicles. But now she faces and engages them with conviction. Her awareness of contractual agreements has also increased and she has also discovered that the secret to sunflower productivity lies in using quality seeds.

"I now have a contractual arrangement with my local Twilimba Farmers Group where I access more raw materials for my farming and processing activities. I also supply the group with farm inputs," she says.

An estimated 14,000 smallholder farmers have also been linked with markets for their products through contract buying under the AMDT-DANIDA supported program. "This has gone a long way to giving farmers confidence that there is a ready market for their produce,"



says Ogutu.

He explains that farmers dealing in sunflower, maize and common beans have been the biggest beneficiaries of the program's contract buying scheme, with women comprising 44% of the total beneficiaries. Another estimated 53,000 farmers have been empowered and trained on contract purchases of their products but still await expressions of interest.

On building the capacity of the country's extension officers,



AMDT's program manager for results measurement Athman Zuberi and Senior Strategic Communications Officer Hamis Adam speaking to the Agribusiness team recently

AMDT partnering with the ministry of education has been able to train several public extension officers with the aim of supporting farmers access to knowledge and information that leads to increased agricultural production. An estimated 1350 public extension officers were reached with AMDT on this program in 46 districts across the country. These trainings according to AMDT complements government efforts on increased and enhanced extension services. Currently, the country's extension

#### ARTICLE

officer: farmer ratio is below the recommended world bank standard of 1: 200 farmers.

With several activities being implemented by AMDT to support farmers across the country, the government of Denmark has been the biggest funder of the organization. The objective of this financing has been to support a sustained increased rate of growth in rural population incomes as a whole. Also through the DANIDA funding, AMDT has developed guidebooks that have instrumental in providing helpful information to farmers regarding planting seasons. fertilizers suitability for specific crops, available markets, and the like. Some of these booklets have been incorporated on a national scale.

"AMDT is contributing towards solving one of the farmers' biggest problems which is availability of markets for their produce. We appreciate the ripple effect that the program has created in terms of promoting contractual farming and ready markets," Ogutu says.

The program's enabling environment activities have also helped create platforms for farmers to join forces with other agricultural stakeholders on issues such as discouraging importation of crude palm oil to support local production and removal of excessive taxes on farming activities.

"We will continue to create sustainable systems that will benefit the Tanzanian farmer, open up the value chain and encourage partnerships with the private sector for further development of crop markets," says Ogutu.

## Govt targeting 50,000-plus jobs from new investments by close of 2022

n estimated 53,000 Tanzanians will by the end of this year have benefited from jobs created as result of new investments in various sectors of the economy.

The industrialization sector tops the list of these sectors in terms of a capital investment of 662.31million US dollars from new investments in 2021/2022 and is expected to generate an estimated 15,310 new jobs by the end of the year.

According to the National Economic Empowerment Council report prepared in the Prime Minister's office, following a close second is the construction sector at 503.34million US dollars (expected to provide 13,225 jobs), the transportation sector at 373.9 million (5,573 jobs) and the agricultural sector at 273 million.

Others are communications (176.94 million US dollars), the financial sector (72.74 million US dollars), the services sector (USD 71.65 million US dollars), tourism (58.21 million US dollars), administration (46.5 million US dollars) and energy (10.03 million US dollars).

According to NEEC secretary Beng'i Issa, there has been a 17% increase in the number of newly registered investment projects in the country

She attributed this to several factors including enhanced publicity and advertising of Tanzania as a safe business and investment hub.

"A lot of information on available investment opportunities has been shared to investors and this has had a positive impact. Also, the improvement of the evaluation system for new project

registrations and applications has also made it easy for investors to reach out and apply for various opportunities," said Ms Beng'i Issa.

The report said the Tanzania Investment Centre recorded 274 new projects in 2021/2022 compared to 235 projects in 2020/21, signifying a 17% increase. Out of these projects, 83 projects are owned by locals and the rest are either owned by foreigners or individuals working with foreigners.

"The improvements in the TEHAMA system that now allows an investor to get an investment certificate in three days from the previous three months and the reduction on the number of days taken to approve a project from 44 to 7 days has played a big role in these improvements," reads the report.

The NEEC performance report is published annually with the aim of providing information on government efforts to economically empower wananchi.

It provides highlights of citizenship engagement in strategic projects through employment or on contract basis. The report also shows how financial institutions and available empowerment funds are being utilized for purposes of economic empowerment.

Calls were made to the government during the report launch to ensure participatory wananchi involvement in tendering processes and that they are awarded some tenders to implement.

"Since many Tanzanians lack the funds needed to apply for big tenders, the government and financial Improvements in the TEHAMA system that now allows an investor to get an investment certificate in three days from the previous three months and the reduction on the number of days taken to approve a project from 44 to 7 days has played a big role in these improvements.

Report





# auli Mbiu: "Uwezesh i Wananchi Uwekezaji"

Prime Minister Kassim Majaliwa displays the 2021National Economic Empowerment Report that was launched September in Dodoma. With him is Trade and Industrialization minister Dr. Ashatu Kijaji, NEEC chairperson Prof. Aurelia Kamuzora and CEO Dr. Beng'i Issa

institutions in the country should support them through loans and capacity building that will allow them to compete with foreigners for those tenders," said Prof Aurelia Kamuzora, the NEEC chairperson.

Prof Kamuzora also called on Tanzanians to acquire more knowledge about trading in the Dar es Salaam Stock Exchange and venture capital issues so more local companies may be able to work jointly with foreign companies. "This will ensure that our local companies get the opportunity to support the development of Tanzania's economy as opposed to all the plum jobs going to foreigners," she added.

ARTICLE

President Samia Suluhu Hassan has promised reforms to improve the business climate and identified attracting foreign direct investment as a key priority. With this in mind, the Samia government has sought to engage stakeholders, including local private sector organizations and development partners, for views sharing on this issue.

The NEEC report also analyses the environment created by the government for citizens participation in economic building such as road networks for transporting farm produce to markets, the role of Saccos in development, women and youth involvement among many other issues.

To ensure that as many individuals as possible are involved in economic development, the government wants the council to open empowerment centres in all regions of Tanzania.

Prime Minister Kassim Majaliwa also told institutions with empowerment funds to choose strategic areas as advised by the council and focus on research and development.

He instructed government institutions to ensure full private sector involvement in the various areas of economic development.

Prime Minister
Kassim Maliwa
hands over a trophy
to agriculture
minister Hussein
Bashe as recognition
for the ministry's
role in economic
development



#### $oldsymbol{\mathsf{A}}$ rticle

### Why PASS Trust is investing in climate-smart agricultural products



PASS Managing Director, Yohane Kaduma (second left) hands over tree seedlings to Arusha Regional Commissioner John Mwongela during the launch of PASS Trust green guarantee product in Arusha.

hen the Private Agricultural Sector Support (PASS Trust) recently launched its Green Credit Guarantee product, it was fulfilling a desire to stimulate investments that contribute towards a green economy.

The new product provides guarantee cover of up to 80% for agricultural and agribusiness projects in Tanzania to adopt climate-smart agro practices.

"This product is in line with our inclusive green growth strategy and our policy on environmental and social sustainability aimed at increasing the share of green investments in our portfolio," says PASS Trust Managing Director Yohane Kaduma.

PASS Trust's mandate includes increasing access of small-scale agro entrepreneurs to financial services and integrating them into agricultural value chains and markets. Through the green credit guarantee product the Trust will now also support increased resource -use efficiency and greater adoption of clean and environmentally sound technologies in these value chains.

"We have established and continue to

develop proper screening mechanisms that will ensure the projects that benefit from this guarantee have incorporated green technologies," Mr Kaduma adds.

In the checklist, projects that are eligible to benefit from the PASS green credit guarantee include those involved in recycling, recirculation of energy and heat, water harvesting, water re-use, and hydroponics or aquaponics. Others are those that use solar power for pumps or processing, hydropower projects, projects that use bioethanol from by products like sugar molasses, projects that use biogas,



projects that use briquettes from byproducts like paddy husk, projects under irrigation techniques to conserve water, among other environment friendly projects.

"We are joining the rest of the world in addressing matters of climate change by, among other avenues, sensitizing our clients and networks in agricultural value chains to reduce emissions and adopt these climate-smart agricultural practices," Mr Kaduma says.

PASS Trust does not provide credit facilities directly to beneficiaries but through partner banks. Credit guarantees of between 60-80% are available to agribusiness entrepreneurs wishing to take agricultural loans but lack adequate collateral. At least 14 commercial banks in Tanzania have partnered with PASS Trust for purposes of offering these services

To actualize the latest green credit guarantee product, PASS is running an awareness creation campaign for all stakeholders, including financial institutions, on its importance.

Adam Kamanda, director of business development at PASS Trust, says the Trust has a bigger responsibility of ensuring environmental protection and sustainability in view of its work with agricultural entrepreneurs in the country.

"Working with various agricultural stakeholders in the country has placed us in a unique position because we have the networks and linkages to push in certain directions and facilitate knowledge on climate smart agricultural practices. That is why we are placing emphasis on clients embracing smart agricultural practices," says Kamanda.

According to Jonas Dahlstrom, PASS Trust's Inclusive

Green Growth expert, the awareness creation training done so far on climate smart agricultural practices has been beneficial to PASS staff and stakeholders.

"The existence of PASS Trust is dependent on the existence of agriculture in Tanzania. So we have taken up the role of sensitizing our stakeholders on climate smart agricultural practices and reminding them that their businesses would not remain in good shape if they don't pay attention to these details," Jonas states.

He explains that the awareness campaigns have focused on partner banks to build their capacities to unpack the entire climate-smart agriculture component for easy understanding and implementation.

Through its net zero transition commitments, PASS undertakes to support the government efforts towards smart agricultural practices. Among other things, the Trust is committed towards the elimination of plastics in the agro value chain in line with Sustainable Development Goals 1-17 which emphasize on increasing productivity, enhancing resilience as well reduction of emissions.

The Tanzania Development Vision 2025 envisions transformation from a low productivity agricultural to a semi-industrialized economy led by modernized agricultural practices that are effectively integrated and buttressed by supportive industrial and service activities in the rural and urban areas.

While there are still numerous challenges in the agricultural sector, it is envisioned that the sector is likely to change significantly over the coming years, with investments expected to grow at all levels of the agricultural value chain. These investments are



PASS Inclussive Green Growth Consultant Jonas Dahlstrom, offers IGG Training to PASS' stakeholders in Southern High lands Zone.



expected to be in the agricultural practices, technologies and equipment related to both production and processing of agricultural products.

According to PASS Trust's 2021/22 annual report, crop production tops the list of sectors with the highest percentage of credit guarantees issued.

"This means our green credit guarantee product will also target the production and processing sectors to ensure that entrepreneurs in these sectors adopt and use climate smart practices. This will go a long way towards ensuring that crop production targets are fulfilled today while also ensuring that there will be production tomorrow," says Mr Kaduma.

According to the MD, PASS Trust's main goal is to increase access to finance in the sector through business development services and financial linkage services to partner banks and ensure that future investments reflect global challenges related to climate change, environmental degradation and poverty.

At least all PASS staff have been trained in understanding the climate smart agricultural practices. According to the management, the PASS business team is well equipped and ready to serve agricultural entrepreneurs who have embraced the smart practices. With six branches spread across Tanzania, PASS Trust has been able to benefit an estimated 2.7 million agribusiness entrepreneurs with credit guarantee as well as business development services.

PASS has established wide networks with stakeholders in the agribusiness sector and has earned itself a name in the agricultural sector. To ensure climate smart agricultural practices as well as the green technology practices are practiced even in the offices, the trust has appointed champions also known as the Inclusive Green Growth champions in all their offices countrywide to ensure the knowledge and resources shared are put into good use. Below are some of the champions who told us what they think about climate smart agricultural practices



#### ADAM KAMANDA: PASS Trust Director of Business Development

Working with various agricultural stakeholders in the country has placed us in a unique position because we have the networks and linkages to push in certain directions and facilitate knowledge on climate smart agricultural practices. That is why we are placing emphasis on clients embracing smart agricultural practices.



#### **JONAS DAHLSTROM:**

**Inclusive Green Growth consultant** 

The existence of PASS Trust is dependent on the existence of agriculture in Tanzania. So we have taken up the role of sensitizing our stakeholders on climate smart agricultural practices and reminding them that their businesses would not remain in good shape if they don't pay attention to these details.



#### HAIKALAURA SHAYO

**Monitoring and Evaluation Officer** 

climate Smart Agriculture training made me understand more on sustainable agricultural practices and methodologies for increased productivity and food security, linking IGG Principles that PASS lives with three pillars of CSA (Adaptation, mitigation, and food security) and its outputs to increase productivity, net return, efficiency and reduce emissions and how PASS can partner with other stakeholders.



#### **HENRY MCHAU**

Assistant accountant and IGG champion

Agriculture is among human activities that contribute to environment pollution, but with climate smart agricultural practice we can avoid the pollution and increase productivity.



#### **NUHU PHILEMON**

ICT officer and IGG champion

Every farmer needs climate smart agricultural education for increased productivity, net return, improve input use efficiency, resilience, social inclusion and reducing emissions.



21

To purely go green, it's a must to rethink the way we live, organize our societies and businesses, production, consumption and dispose our wastes.

Luyce Mrema- IGG champion Southern zone



t t

Green growth should reduce vulnerability and increase resilience to climate change through climate change adaptation.

Eva Mzelwa-IGG champion, Eastern zone



t c

Protection of biodiversity and ecosystem must be fully imbedded with agricultural development strategies and climate smart actions.

Nossim Samwel -IGG champion, Western zone



PASS Green Champions team receives explanations on waste recycling from an officer from a recycler company during the visit at Mabwepande in Dar es Salaam.



PASS staff listen attemtively to a presentation during IGG Training orgaized by PASS Trust to spread awareness to Agribusiness stakeholders.



PASS Team pose for a group photo during IGG training held in Mwanza after staff team building session.



#### $oldsymbol{\mathsf{A}}$ rticle

#### 5,000 smallholder coffee traders to benefit from a new sustainable green coffee Project



he Mambo coffee company Limited, a Tanzanian local company trading in export coffee is implementing a new green coffee project aimed at supporting small scale coffee traders in Tanzania, to improve on the quality of coffee they produce as well as enable them access international markets.

The new 5-year project dubbed the Sustainable Coffee Trading Project will run from the year 2022-2025 and is focusing on ensuring direct trade between international coffee buyers and local small holder framers through the Agricultural Market Cooperative Societies.

Mambo Coffee Managing Director Athanasio Masenha says the project is aimed at increasing the competitiveness of Tanzania coffee in the world market and contribute towards supporting the implementation of the Tanzania coffee industry development strategy of 2021-2025

"This project is working towards improving the quality of coffee produced by our small holder farmers through ensuring consistency in the quality produced so that we can have them get space in the international markets" Says Masenha.

With an experience of over 10 years working with small holder farmers in Tanzania in the coffee sector, mambo coffee- a rainforest alliance certified, and organic company owns a 6,000 metric ton capacity of coffee export grading factory in Morogoro and a 3,150 MT mechanical coffee drier in Mbinga. In the implementation of the project, Masenha says Mambo Coffee will promote the highly sought Central Pulping Units coffee that will be dried at his premises in Mbinga and processed at his Morogoro factory. "Our aim is to have our farmers maintain a consistent quality of coffee that can target special coffee markets and in return improve on their incomes" Says Masenha.

Currently, coffee drying by AMCOS is undertaken twice a month, but the project seeks improve this to 10 times a month while also saving on the drying costs.

Mambo Coffee
Managing Director
Athanasio Masenha
shows a PASS staff
some of his operating
machines in one of his
premises

#### ARTICLE

"By using our premises, we envisage that the AMCOS will save money from the current TZS 350/ = per kg to an estimated TZS 150/= per kg when using mechanical drying. They are also expected to save the financial loss which may occur after over-drying the coffee beyond 12% moisture content" Adds Masenha.

Mambo coffee intends to use this platform to have AMCOS benefit from certifications such as Fairtrade, Café Practices and Rainforest Alliance. According to Mambo Coffee, Small holder farmers will also access Special Markets that will pay 5% premium price above auction price with sustainable income due to stable markets.

At least 10 AMCOS are participating in this initial 5-year project that is also expected to benefit a total of 5000 smallholder farmers.

The project is being managed by Mambo Coffee in collaboration with Tanzania Coffee Board and the Mbinga District Councils, including Mbina Rural, Mbinga DC and Nyasa DC. AMCOS will also be involved in the project's management activities, as well as group CPU and Private CPU.

In its implementation, mambo coffee says it will enter farming contracts with AMCOS that own CPUs including private companies through the private public partnership arrangement, after which the company will guarantee farmers at financial institutions to allow them access funds or provide coffee advances for cherry collection at CPU. The CPU will then process all cherries delivered.

"We shall ensure that all drained coffee (with 45% moisture content) is delivered to Mambo Coffee drying factory in Mbinga for 24-hour processing. This is also where all parchment with 12.5% moisture content will be discharged and weighed for staking at the warehouse" . Says Masenha

Masenha says in concluding the process, all coffee will be milled based on cupping profiles, and that all coffee will be graded and managed as per contracts entered and cup profile at Mambo export factory in



The new 3,150MT mechanical coffee drier in Mbinga that is under construction.

"

Our aim is to have our farmers maintain a consistent quality of coffee that can target special coffee markets and in return improve on their incomes.

"

Athanasio Masenha Morogoro. His company will then pay the farmers and sell the coffee to buyers who offer premium prices and maintain long term relationships.

Mr. Masenha, now a renowned international coffee trader in Tanzania began his coffee business 12 years ago as a small trader, who spent most of his time mentoring students on coffee farming and trading.

With establishments in Morogoro and Mbinga, the Mambo coffee company has since grown from a company that could take a whole month to manually fill four containers of green coffee for export, to now over 40 containers same period after heavily investing in the company's machinery.

The young entrepreneur continues to support livelihoods through purchase of raw materials from local farmers who are in AMCOS and has also created employment to over 100 people.



Mr. Masenha showing some of the stages of coffee processing



#### **OPINION**

## Unpacking Tanzania's agriculture sector budget

ANSAF's Managing Director Audax Rukonge talks about the budget, the situation, and areas of interventions

he 2022/23 approved agricultural budget for Tanzania reflects a distinct picture on interventions needed to realize the National Development Vision 2025, Long-Term Perspective Plan, 3rd Five Year Development Plan, and Agriculture Sector Development Programme among others. Furthermore, the budget provides a mental picture of delivery expectations on regional and global commitments such as the UN Sustainable Development Goals (SDGs).

The current budget indicates zealous government commitment to accelerate economic growth and recovery from the impact of recent and current challenges such as COVID-19, the Russia-Ukraine war and climate change.

Implications of the aforementioned challenges that include but not limited to an increased inflation due to Ukraine war have worsened the supply challenge.

These implications are reflected in increased oil and food prices; bulging import bills and inflation. Measures by the government to curb and mitigate these impacts are reflected in the 2022/23 fiscal year budget. This budget puts high priority on the productive sectors such as agriculture, livestock, fisheries, energy, investment, and trade.

The sector draws budget components from several ministries and has some links with other ministries such as Lands, Housing and Human Settlement; Energy; Infrastructure Development; Investment, Trade and Markets. This reflection is focused on the ministries of Agriculture, Fisheries and Livestock, and President's Office (Regional Administration and Local Government).

Over the past six years (2016/17 - 2021/22), there has been a significant increase in tax collection, signifying a lessening external dependency. This is because within the mentioned period, tax covered 51% of the country's revenues followed by domestic and external borrowing (23%), grants and loans (12%) and non-tax (12%). However, during 2022/23 there has been a slowdown in all revenue sources partly due to the listed challenges above that the 2022/23 budget plans to address to increase collections.



ANSAF Managing Director Audax Rukonge

Tax revenue is expected to be 11.7% of GDP in 2022/23, a rate that is low considering the IMF recommended standard of 15%. Additionally, inflation has risen tremendously fuelled by Ukraine Russia War that has led to increase in the prices of food and fuel.

Additionally, the national economy in 2021 registered a growth of 4.9% compared to 4.8% in 2020, but agriculture real GDP declined from 4.9% to 3.9% within the same period.

Specifically, crop and livestock subsector were much affected as their economy declined from 5% to 3.6% and 6.8% to 2.5% between 2020 and 2021 respectively. The negative sector's growth is also reflected in its contribution on the economy as the sector's GDP declined from 25.9 in 2020/21 to 19.6 in 2021/22

The 2022/23 national budget puts much emphasis on the agriculture sector in terms of

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#### **OPINION**

budget allocation and tax reforms.

As highlighted during the minister of Finance Speech, the Ministry of Agriculture has been allocated the lion's share of TZS. 954 billion shillings while that of Livestock and Fisheries has received an allocation of TZS. 268.3 billion shillings. PORALG will receive TZS. 1.2 trillion shillings to support TARURA (TZS. 802.29 billion) and other development projects TZS 394.8 billion.

These allocations make the total budget for the Ministry to hit TZS. 8.8 trillion (recurrent TZS. 5.5 trillion, development TZS. 3.3 trillion).

A deep dive into the budget allocation indicates key considerations of major components such as extension services, irrigation, research and development, cooperatives and fertilizer.

These are among major concerns by smallholder farmers that need substantial investment from the public sector. The Ministry of Agriculture budget has increased by 224.49% from TZS 294B in 2021/22 to 954B in 2022/23. The budget is allocated in three key votes: Crop (vote 43) - TZS 368.6 (73% development and 27% recurrent); irrigation (vote 05) - TZS 416.8 (98.7% development and 1.3% recurrent); cooperative (vote 24) - TZS 15.8 (7.0% development and 93.0% recurrent) and additional TZS 100 billion which is yet to be allocated (Figure 5).

The 2022/23 ministry budget is allocated to key strategic areas such as seed production, irrigation, extension, research, warehouse, subsidy on fertiliser and seeds, block farms, access to finance and markets. The budget has highly prioritised irrigation subsector which has covered 43% of the ministry's budget

The Ministry is commended for increased allocation budget especially for the development projects. However, there are still disbursement challenges observed during the implementation of the 2021/22 budget whereby most of the development budget was inadequately disbursed at the rate below 50%.

On the other hand, the ministry has raised its revenue collection target by 265.5% from TZS 34.5 billion in 2021/22 to TZS 126.1 billion in 2022/23. However, the 2021/22 collection target was inadequately achieved as only 14% (TZS 4.9 billion) of the TZS 34.5 billion target, was achieved. Specifically, irrigation subsector achieved only 2.2% (TZS 661 million) out of the annual collection target of TZS 30 billion.

In the proposed budget, the Ministry of Finance, proposes to adjust some taxes and tariffs on a number of areas of interest in the agriculture sector. While there is notable commitment to support agro-industrialization in the country by ensuring productivity and

access to finance for local investors, more needs to be done in sustaining such noble decisions. A few areas that the Ministry of Agriculture needs to keenly monitor include the Kongwa ranch and sunflower production.

With growing edible oil import, the country has demonstrated strong support to transforming production of oil seed crops, such as palm, cotton, sunflower as well as sesame and others. The decision to allocate part of the ranch land to increase area of production is welcome by many well-wishers to edible-oil industry.

Similarly plans to Marshall palm seedlings production and distribution are all geared towards ensuring that in coming years Tanzania will be a net exporter of edible oil.

Present establishment in oil seed crushing operates at only 30% of installed capacity due to shortage of raw materials. Therefore, the decision to establish a mega-sunflower oil processing plant may not be urgent as compared to commitment to step upoil seed production. It is considered that current investment in oil seed crushing can produce sunflower oil, with investment in technology moving from analogy/mechanical to use of oil extractors so as to increase efficiency and produce quality seed cake.

Import substitution for major commodities such as wheat, sugar and edible oil was supported with increase in tariff as a measure to nurture and strengthen domestic investors.

Although some of these commodities have been zero-rated under the East Africa Common External Tariff (EAC-CET) agreement, Tanzania needs to make a choice on commodities of national interest. Reduction of tariffs for these commodities may be a retrogressive step to existing investments in sugar, sunflower and upcoming wheat production.

Fertilizer price spike hard hit the producers and consumers alike. Measures to zero tax domestic fertilizer production is expected to motivate investors. This decision needs to be in sync with renewed commitment among financial (development and commercial) institutions to support.

Women and youth are among vulnerable groups -that need strong attention in decisions and resources committed. Although a few banks and development partners have developed projects that are friendly and attractive to these groups, the government needs to have a pool fund from ALL ministries to support youth and women employment

The author is the Managing Director of the Agricultural Non State Actors Forum (ANSAF)



The current budget indicates zealous government commitment to accelerate economic growth and recovery from the impact of recent and current challenges such as COVID-19, the Russia-Ukraine war and climate change.



## Tanzanian product certification body gains global accreditation for horticultural crops

anzania's first home-grown certification body GREENCERT has been accredited by Germany's national accreditation organization DAkkS, which is a member of the International Accreditation Forum , to certify the country's horticultural products for export, offering a ray of hope to the multi-million-dollar industry.

GREENCERT has been awarded accreditation certificate ISO 17065:2012 after meeting the requirements for conformity assessment activities, the certificate being signed by Ms. Sandra Schulte, head of the technical unit at DAkkS which stands for Deutsche Akkreditierungsstelle.

GREENCERT is a third-party certification company established in 2020 as a neutral organization in Tanzania for inspection, certification, and testing services within the framework of differing standards systems in major global production sectors.

The accreditation sanctions it to perform its work competently and in accordance with the requirements of internationally applicable standards, legal bases, and relevant rules as a subsidiary under the TAHA sustainability wing.

It becomes the first Tanzanian certification body to get global accreditation for horticultural crops destined for global markets. It is defined as a standalone, independent and impartial entity established to deliver accredited certification services for product, personnel, and management systems.

GREENCERT'S General Manager Eric Mwesigwa affirmed that the accreditation with a five-year lifespan, gives it endorsement to offer unlimited certifications of Global Good Agricultural Practices (GLOBALG.A.P.) for both individual producers and farmer



Conformity Assessment
Services in the
agricultural sector
are of paramount
importance and pivotal in
allowing market access.
Service providers like
GREENCERT, a subsidiary
of TAHA, should be
applauded for realizing
the market access agenda
through provision of
affordable certification
services in East Africa.



Dr. Jacqueline Mkindi, Chairperson, Agricultural Council of Tanzania.





groups.

"We will play our role in driving sustainable supply chains at both the production and consumption ends," said Mr Mwesigwa, adding that the accreditation also allows GREENCERT to expand the scope of certification to other standards like EU Organic, Rainforest Alliance and forestry related standards.

More significantly, he explained, the accreditation will give farmers breathing space by reducing product certification costs by 60 percent compared to the charges they have had to incur in engaging foreign certification companies.

"For instance, a farmer with less than 10 acres of farmland has been paying \$5,000 for a foreign body to certify the farm, but GREENCERT will offer similar conformity assessment and certification services for just \$2,000," Mr Mwesigwa said.

TAHA Group CEO and GREENCERT'S chairperson Dr Jacqueline Mkindi described the accreditation of GreenCert as a milestone for the multi-million-dollar horticultural industry as it would ease the certification process for crops destined for international markets.

She said conformity assessments

improve operational efficiencies through

better processes, reduce financial risk

through more stable business practices,

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Laboratory analysis and testing of the plant as one of the services to be offered by GREENCERT to the Horticultural Industry in the near future.

"Certification more critically keeps you ahead of your competition, win and retain more business as it ensures local growers produce in compliance with international market standards" Dr Mkindi explained.



Horticulture Crops varieties.



GREENCERT trainer Caleb Lang'at in one of the training sessions during a Social Compliance training in Arusha.



GREENCERT General Manager Mr. Eric Mwesigwa in a Group photo with Social Compliance course participants.

and improves producer and consumer relationships.

"One of the biggest impediments of Tanzanian farmers accessing regional and international markets has been the lack of compliance capacity with international quality and market standards," Dr Mkindi stated. "These standards act as a code of conduct in ensuring that food produced and consumed is safe and in line with basic principles of hygiene and health," she added.

Standards and food quality have always represented a challenge for producers and exporters seeking to access national, regional, and international markets. The change in consumer attitudes has considerably been influenced by certain incidents related to food safety which clearly showed that more attention should be paid to certification.

"Everyone from food producers, primary and final, consumer associations, international organizations, big retailers and the government should work together on this issue," Dr. Mkindi said.



Kongwa District Commisioner, Remedius Emmanuel (third right) and PASS Leasing Company's Managing Director, Killo Lusewa (second left) hand over tractors to farmers at Kibaigwa

## PASS Leasing Company flying high after one year of operation

total of 81051 agribusiness entrepreneurs in Tanzania have benefited from PASS Leasing Company Limited through improved access to agricultural equipment and machinery since the company began formally operating in June 2021.

Working with selected equipment suppliers countrywide, PASS Leasing has distributed equipment worth Tshs 16 billion as it goes about promoting growth of commercial agriculture and agri-businesses in the country through provision of competitively priced leases for the equipment and machinery.

"We have recorded tremendous progress in this exercise and we owe our success to our partner suppliers with whom we have worked closely from the start," said PASS Leasing Managing Director Killo Lusewa.

The company opened its doors to the public soon after obtaining a financial leasing license from the Bank of Tanzania in March 2021. Having entered into partnership with various agricultural machinery companies, it has targeted small and medium agricultural

entrepreneurs, resulting in a growing number of beneficiaries.

"This has been the work from a dedicated team of PASS Leasing staff, with support from our mother company PASS Trust. I wish to thank the board of directors and all those who supported us in this endeavor," Mr Lusewa says, adding:

"Together we have created a vision and strategy based on our shared passion for this country's agricultural sector development, with full understanding of the role that the sector plays in securing national food security."

Besides the high number of beneficiaries who received equipment through the company's leasing scheme, the PASS Leasing model has also created an estimated 889 jobs in the agricultural sector and its value chain. And according to Board chairman Linus Gedi, the company is heading in the right direction.

"The company was able to focus on its objectives of reaching small and medium agribusiness entrepreneurs across the country and supporting them towards accessing



This has been the work from a dedicated team of PASS Leasing staff, with support from our mother company PASS Trust. I wish to thank the board of directors and all those who supported us in this endeavor.

Managing Director Killo Lusewa



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machinery to increase production and create many jobs. This is what our country needs in order to develop the economy," says Mr Gedi.

He adds that such innovations are important to allow Tanzania to become sustainable due to its increasing population, estimated to hit the 80-million mark by the year 2030, according to the National Bureau of Statistics. Currently the population stands at approximately 60 million.

"We shall continue to work closely with our mother company PASS Trust, our development partners and the government to ensure that we deliver high quality equipment needed by farmers to sustain their operations while increasing yields to meet ever-growing demand," Mr Gedi says.

PASS Leasing Company, whose vision is to become an innovative leasing institution that improves the quality of life for small and medium scale agribusiness entrepreneurs in Tanzania, has outlined several plans aimed at further supporting this vision. These include the introduction of a traditional micro leasing instrument and further support to the value chain financing lease for small farmers



Coast Regional Commissioner Abbubakari Kunenge (second right) hands over a tractor key to a farmer who was facilitated by PASS Leasing Company. First right is PASS Leasing Operations Manager, Neema Nyangaramela.

who operate under contract farming arrangements.

The company is also developing products that will enable more women and youths to lease agricultural machinery which traditionally would have been difficult for them to obtain. According to Mr Lusewa, the objective is that by 2026 at least 50% of total beneficiaries will be women and 20% youths.

"This will encourage even more women

and youths to get involved in

agricultural activities through these new products and initiatives," said Mr Lusewa.

The launch of the PASS Leasing Company Limited was held in Dodoma in the presence of agricultural sector stakeholders including financial institutions, agricultural mechanization companies, farmers, processors, government officials and the media.



PASS Leasing officer Ayca Msoma, Senior Operations Officer Maria Wambura, Chief Operations Officer Neema Nyangaramela and Leasing Officer Delight Aminiel hand over tractors to PASS Leasing beneficiaries at Kibiti in Coast region.

# More Newholland tractors to reach small holder farmers in new expansion plans

ughes Motors, the supplier, and distributor of the most popular brand of tractors in Tanzania, New Holland, is planning a huge expansion in the country after increasing annual sales from 80 tractors in 2018 when it launched local operations to 700 tractors currently.

Hughes Motors Tanzania country manager Stuart Leishman attributes the expansion idea to the company's recently launched partnership with PASS Leasing Company Limited that has already changing the country's agricultural landscape through competitively priced tractor leases.

"Through PASS Leasing, clients are cushioned against collateral requirements and other bureaucratic hurdles that often make it difficult for them to access financial support. Our partnership has brought increased sales of our products." says Stuart.

From operating in just two regions - Dar es Salaam and Arusha – at the outset, Hughes Motors has since launched three other bases in Kibaigwa, Kibaha and Kilombero to get to more clients.

"We are opening new branches because we know farmers will only buy what they see. Our plan is to draw farmers closer, interact with them, monitor the progress of those who are already using our machines, and offer timely maintenance and servicing," Stuart explains.

He says since the partnership took off, PASS Leasing Company Limited is providing more than 50% of lease financing for Hughes Motors products, the rest being divided amongst other financial institutions.

"We are looking to scale up the partnership to greater heights to benefit the entire Tanzania population," he adds.

According to Stuart, the government's annual agricultural budget increases have also helped boost company sales through other commercial banks.

"But we still have a long way to go for banks and other financial institutions to have an appetite for agricultural financing," he noted.

The Agriculture Ministry budget increased by 224.49% from Tshs 294 billion in fiscal year 2021/22 to Tshs 954 billion in 2022/23, a move seen by analysts as aimed at reclaiming the sector's position as the backbone of the country's economy.



#### ARTICLE



PASS Leasing
Company Limited
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Motors products,
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institutions.

"

**Country** Manager Stuart Leishman

Hughes Motors Country Manager Stuart Leishman showing the agribusiness team some component of the newholland tractor



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Stuart is also optimistic of this happening eventually as agribusiness entrepreneurs in Tanzania continue to embrace mechanized agriculture as the best approach to increasing productivity.

Also amongst the company's key priorities is the diversification of its agricultural mechanization portfolio and open a one-stop centre where all agri equipment and inputs can be obtained at a go. Stuart says this will be done through partnerships with other like-minded institutions.

He also says that when all is said and done, the company will venture into its own commercial farming.

"When we move around the country and see our tractors building the nation, we also see mostly smallholder farmers contributing towards the success of most commercial agro ventures such as sugar production. Our big plan is to be the best at what we do to help keep this agricultural revolution on track," Stuart explains.



Mr. Leishman onboard one of the tractors at the hughes yards in Dar es Salaam

## New university in Mara to push agriculture and technology agenda in Tanzania



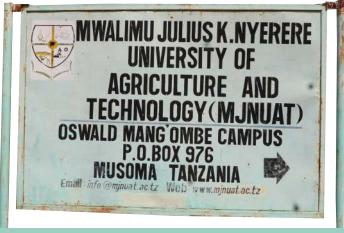
t least 5620 students will be able to join the new Mwalimu Julius Nyerere University of Agriculture and technology once the university opens its doors to the public for the first time in the coming 2 years.

Once its fully operational, the Butiama based university in the Mara region will have the capacity to admit between 10,000-15,000 students at a given period.

According to the acting Vice chancellor of the University who also serves as the Director of Academic Research and Consultancy Prof. Lesakit Mellau, preparations to have the university begin operations are in top gear and the public should not expect less from the only public university in the lake zone.

"This is going to be a university with a difference. Through this university, we are going create technical and business skilled graduates who will be producers and job creators as opposed to job seekers" Says Prof. Mellau, who is currently leading the team in readiness for the grand and official opening.

The University, which is being constructed in honour of the late founding father of the nation Mzee Julius Kambarage Nyerere, aims at being at the centre stage of agricultural transformation in Tanzania as well as regional and global



player in innovative and societal responsive agricultural education training.

"We are prepared to make this university a 3rd and 4th generation university where technology will take an upper hand and agribusiness will entrenched in our curriculums" Adds Prof. Mellau.

Situated in Butiama District, 3kms aweay from the home of the founding father Mzee Julius Nyerere, the main campus lies on a 573.5-acre piece of land, initially earmarked for Butiama Artificial Insemination Centre. The land was later donated to Oshwal Mang'ombe high School and later to Mwalimu

"

"We are all aware of the country's increasing population. As the population increases, the demand for professionals is also increasing. We are moving not just to fill the job market but produce graduates who can assist in job creation as opposed to job seekers.

"

Prof. Lesakit Mellau

Julius Nyerere University of Agriculture and Technology due to public demand.

"The construction of this university is going to change the lives of people living around the university as well as the agricultural community that is around us. This is because we are going to have a lot of investments here including hostels, hotels, among many other investments. Further, the farming community will benefit from our student services who will be visiting them to ensure good agricultural practices" Says Prof Mellau.

The university estimates that out of the 5620 students that will be admitted in the campus, only a handful of about 1200 students will be accommodated within the school. The rest will have to find accommodation outside the school hence an opportunity. "This is a huge investment opportunity for people to grab and move with speed, so that by the time we get moving, our students should have enough hostels or accommodation facilities to choose from" He said.

To further boost the university and enhance its infrastructural development, the university is also a beneficiary of the Higher Education for economic transformation Project- (HEET) which is a world bank and government of Tanzania project, aimed at increasing enrolment and improvement of the quality and labour market relevance degree programs in priority disciplines of 18 selected public universities and institutions.

MJNUAT has already received an estimated USD 44.5M as concessional loan from the World Bank meant for this venture. "We are investing on infrastructure development, staff capacity development, university equipment and all facilities for requisite programs" He says.

In its establishment, the university says it is giving the college of Agriculture a priority. The college shall encompass other schools within it that includes the school of agricultural and bioprocessing engineering,

the school of engineering and technology, school of ICT and business studies, among others. At least 80 staff are already in place currently. By the time of the first intake, the university envisages to have an estimated 800 staff, 600 consisting of the teaching staff, while the rest non-teaching staff.

"We are all aware of the country's increasing population. As the population increases, the demand for professionals is also increasing. We are moving not just to fill the job market but produce graduates who can assist in job creation as opposed to job seekers" Added Mellau.

By producing the 3rd and 4th generation graduates from the university, the management envisages that the university graduate will be distinguished from other universities through their ability to employ themselves as well as create jobs for other people, that the graduates will be able to do agricultural production, processing as well as packaging their produce for sale, they will be competitive in the job market, and well as have the capacity to provide state of the art advisory on

extension services

to farmers and the

agricultural



Acting Vice chancellor-Mwalimu Julius Nyerere University of Agriculture and Technology Prof. Lesakit Mellau

sector at large. Further, the university intends to make entrepreneurial skills mandatory for all its students.

"We are already preparing our academic staff to be practically oriented. This will ensure that they are hands on even while imparting knowledge to our students. That is why currently, most of our teaching staff are away undertaking various courses, in preparation for this opening" Says Prof. Mellau.

To further ensure that students get the right practical skills required to be jobs creators and fit in the 3rd and 4th generation graduates, the university will have business incubation centres, production ventures in agriculture as well as aquatic farming. It will establish strong linkages with the private sector, non-governmental organizations, industry players, prospective employers and the community within which it will be operating. "It is our desire that all the students who will go through our incubation program will have bankable business plans alongside their degrees upon completion of studies. This business plans are to be presented to financial institutions for financial support, to enable them to start their own businesses" He savs.

Even as it plans to launch and have its first intake, the University already has earmarked campuses in several other areas in the Mara region including Rorya, Musoma, Mugumu-Serengeti and is also building a campus in Tabora. The university admits that the government has been very supportive throughout the process, through provision of funds for infrastructural development.

"By setting aside funds for this university in the various allocations since it was included in the CCM Manifesto shows how the government is committed towards ensuring that this university is up and running. I want to thank the government for this commitment" Adds Prof. Mellau.

## KANU Equipment leading the way in promotion of mechanized agriculture in Tanzania



KANU equipment head of Agribusiness Lucas Botha showing the agribusiness team the 600 horsepower tractor at the company yard.

at least 120 farmers acquire agricultural machinery for increased agricultural production in 2022, KANU Equipment continues to provide what it calls the most supportive kind of equipment to enable farmers reach their maximum production potential.

The company has recorded tremendous progress in its five years of operations in Tanzania with demand for their products, particularly tractors, said to be increasing every year. "We have moved from selling between 30 to 40 tractors a year and now we are talking about 100-plus tractors a year. This is a great improvement for us," says Lucas Botha, KANU Equipment's head of agribusiness in Tanzania.

The company's tractor yard in Dar es Salaam's Nyerere Road Industrial Area is full of essential machinery tools for large-scale commercial farming, with a 600-horsepower tractor costing an estimated 677,000 US dollars being a particular eye-catcher.

"We supply and serve small-holder farmers, but our main targets are the bigger commercial enterprises. That's what this tractor is for, and right now we are preparing to transport to one of our commercial clients," Botha explains.

He believes that there is a need for agribusiness entrepreneurs in Tanzania to understand the value of mechanization and change their mindsets from smallholder to commercial farming.

"We have positioned ourselves to support

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Photo of newholland tractors at the company's yard Mr. Leishman onn one of the tractors at the yard.



We have moved from selling between 30 to 40 tractors a year and now we are talking about 100-plus tractors a year. This is a great improvement for us.

Lucas Botha



Tanzanian farmers into adopting mechanization full-scale and are sure that in the coming years this country will have made great strides in this direction," says Botha.

As part of the private sector drive to develop machinery markets and service provision to meet Africa's mechanized agriculture needs, KANU Equipment prides itself in its ability to provide topof-the-range machinery with world-class maintenance teams and high spare parts availability across 19 African countries.

In Tanzania it has three distribution stations where farmers can collect machinery from: Morogoro, Mafinga and Dar es Salaam.

The company's 600-horsepower tractor is said to be the country's current and most popular single agricultural unit and, according to Botha, eight of them have been sold in recent months to commercial farmers in Sumbawanga, Matibwa, Kagera, and Kateshi.

KANU Equipment peddles CASE IH brand products which the company considers the best in the market for agricultural needs, delivering unmatched power and performance.

"Beyond offering a full line of industryleading equipment, we have dedicated and knowledgeable CASE IH experts who will match the farmer with the right equipment for specific needs, along with spare parts and service expertise for maximum productivity and optimum return on investment," Botha says.

As part of its expansion strategy, KANU Equipment is now engaging with selected commercial banks in order to supply more equipment to agro entrepreneurs.

"Because of the popularity of our tractors and other products, our customers ask banks to secure the products from us. We are happy that it is the customers who are bringing the banks to us because they understand the quality of our products," says Botha.

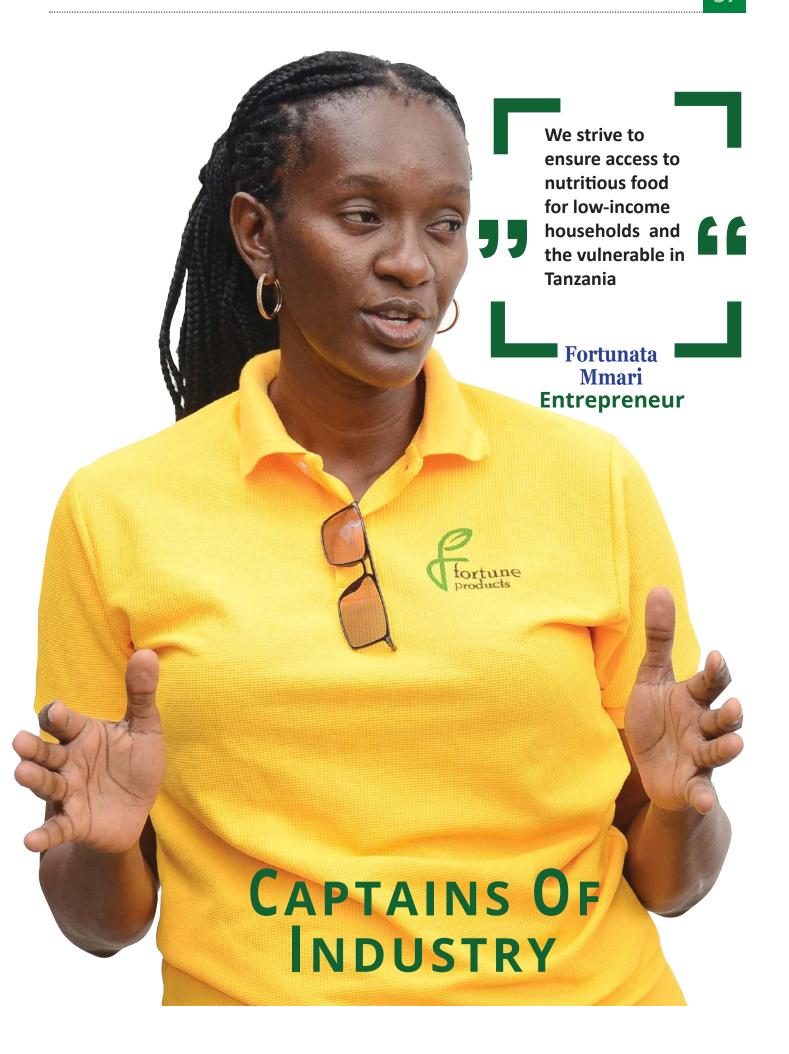
Asked about the tractors' affordability, Botha says the cheapest model retails at between 22,000 and 23,000 US dollars. Currently the company enjoys an estimated 85% market share on agricultural equipment above 110-horsepower.

"We can proudly say that almost all the large sugar estates in Tanzania are using our machinery. We want more banks to come forward and support such acquisitions of proper agricultural machinery for enhanced productivity because as a company, we believe that Africa and more so Tanzania needs more of such machinery," concludes Botha.









## $oldsymbol{\mathsf{A}}$ rticle

# From company accountant to supplying society with nutritious foods

Meet woman Processor who is passionate about nutritious food for the Vulnerable



such as vitamins, minerals and proteins for consumption by pregnant women, breastfeeding mothers, children above the ages of six, and people who need special diets.

"Since we began we have been guided by our core aim of wanting to ensure access to nutritious food for low-income households in Tanzania. This we continue to do todate, keeping in mind that those who suffer malnutrition are mostly from low-income families," says Mmari.

> Equipped with a processing factory, the company based in Dar es Salaam's Mbagala area sells Pro-Vitamin A maize flour for cooking ugali and nutritious orange-

Workers at the AFCO investments process flour for onward packaging

n 2016, 39-year-old Fortunata Mmari left her accounting job to concentrate on her own business, establishing a company that would go on to have great impact in transforming the lives of vulnerable people through food.

Not interested in getting another employment job, she opted to direct her efforts towards her private social enterprise company AFCO Investments that works to ensure access to nutritious food to lowincome consumers and vulnerable women and children in society.

Through the company, Ms Mmari is involved in processing biofortified crops that have essential micronutrients

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Ms. Fortunatha Mmari displays a certificate of recognition awarded to her company for her efforts in promoting biofortification in the country

fleshed sweet potato flour for preparing deficiency alone among children aged 6-59 porridge under the trade brand Fortune months is 33% and 42% among women of Flour. It supplies its products to over 200 reproductive age. Ironically, regions which supermarkets and retail shops within and constitute the country's food basket have outside Dar es Salaam. Every month, the the highest number of children with stunted company produces not less than seven growth. They include Njombe 49%, Rukwa tonnes of the nutritious flour.

supply this amount of flour every month wants to change. means that our targets have accepted the product," Fortunata says.

The plan according to Ms Mmari is to increase the supply from seven to 15 tonnes monthly by 2025. She however notes that even with the increased production, the company is still not able to meet the full demand for nutritious food required to tackle rising malnutrition in the country.

Hidden hunger - which is characterized by chronic deficiency of essential vitamins and minerals in food - is a major public health concern in Tanzania. An estimated 42% of children less than five years of age have stunted growth because of long-term nutritional deprivation. It is particularly severe among poor, rural, and vulnerable populations.

According to the Tanzania Demographic Health Survey, the prevalence of Vitamin A

56%, Iringa, 42%, Ruvuma 44%, Katavi 39%, "The demand for our flour has been Morogoro 33%, Kigoma 38% and Mbeya 38%. increasing tremendously, the fact that we It is these trends that Ms Mmari's company

> "AFCO's expansion plan began when we introduced our products to regions



Some of the packed and branded products ready for sale



Dodoma, Arusha, Kigoma Zanzibar. Institutions such as PASADA and kindergarten schools have also embraced our products and are using them for the sick and school-going children respectively," she says. At least five institutions that include NGOs have placed orders from AFCO for the Fortune Flour product. Six kindergarten schools in Dar es Salaam are also on the company's supply list. Ms Mmari says she has even developed a network of 14 women who sell the product from house to house to reach women who need the products but cannot access company sale points for various reasons.

"The network works from our Mbagala headquarters. I give them the products on credit and they pay back after selling. This has helped us have one-on-one discussions with clients on the nutritional value of the products," adds Mmari, while stressing that by taking the products to household doorsteps AFCO is also reducing the burden of activity for busy clients who may not find time to go to the market in search of the flour.

According to Mmari, AFCO is certified by both the Tanzania Food and Nutrition Centre (TFNC) and the Tanzania Food and Drugs Authority (TFDA), and was recognized by the government as a champion in promoting nutritious food in Tanzania after it got the

opportunity to pilot Pro Vitamin A maize countrywide in 2018.

A total of 16 young men and women have found employment at AFCO and directly depend on the company for their livelihoods. AFCO has also created a market for up to 200 farmers who supply the company with raw materials such as yellow maize, sorghum and orange-fleshed sweet potato, among others.

"My dream is to be the number one complimentary baby food provider in Tanzania and the region. We also plan to introduce instant foods into or product portfolio in the future. This expansion means more employment for youths," she adds.

The accountant-turned-food processor says another company priority is to install cleaning machines to help ease work and be able to process more.

She is happy with the progress that the company has made so far, and says she has no regrets about quitting formal employment. Her previous accounting job paid her a gross salary of Tshs 3 million shillings a month, but through her efforts directed at her own company, she says she now turns a monthly profit of Tshs 12 million.

"I believe I made the right decision and I have since realized that had I started earlier, I would be even further ahead in terms of my objectives," Mmari says.

Ms. Mmari and some of her staff displaying their products

# Lake Zone farmer reaps big from solar lamp technology adoption

hen he decided to introduce the use of solar-powered lamps in his fishing business, Pascal Masoli Kalalu of Bwiru village in Mwanza region thought it would only help him save business costs. Little did he expect the other benefits that came from dumping his old, kerosene-consuming lamps.

It is only later that the 30-year-old fisherman realized that he had also contributed a great deal to reducing emissions into the environment by switching to a clean energy lighting alternative.

Kalalu, who began his fishing career in 2013 with a single boat and using paraffin lamps, is now a renowned businessman with fishing investments across the Lake Zone. He is now a proud owner of 19 boats, all fitted with solar-powered lamps.

"My business began to improve the moment I made the decision to move away from paraffin to solar power. It was like a life-changing decision and I will never look back again," he said.

To better understand how the solar lamps have impacted his business, the Agribusiness Magazine team toured his fishing projects in areas of Bwiru and Sengerema on the banks of Lake Victoria. He explained that the solar powered lamps are actually quite cheap and easier to operate than kerosene lamps.

"They are rechargeable and when fully charged they can stay longer in the field. This makes them cheaper to use than kerosene



My own story is a clear testimony of the usefulness of new technologies. I no longer have to put up with the smell of kerosene and can therefore fish with more concentration, which is important for better yields.



Pascal Masoli Kalalu



Paschal Masalu displaying his solar lamp and how the technology works along lake Victoria.



A fisherman, Paschal Masalu operates his solar lamps that have transformed his living standards through increased productivity in his agribusiness.

in the long run," says Paschal.

Experts in the fishing industry say solar power as the main source of energy for fish-attracting lights can reduce the use of fossil fuels and carbon emissions into the water while also reducing noise levels and eliminating the cost of kerosene fuel.

Solar lamps are also eco-friendly, a perfect fit for the government's lobby for wider adoption of clean fishing technologies including solar LED lights to help sustain fish availability in the lake.

Of the estimated 75,000 fishing boats out in Lake Victoria every night, some still use kerosene but the switch to solar power is gaining momentum fast. Paschal is just one of many fishermen who have already heeded the call. He explains: "My own story is a clear testimony of the usefulness of new technologies. I no longer have to put up with the smell of kerosene and can therefore fish with more concentration, which is important for better yields."

"Since I started using solar lamps, my income has increased and I have been able to not only expand my business but also develop myself personally, build a decent home for my family, and send my five children to private schools."

"I am also now in a position to offer steady employment to the youths around here who now look up to me to give them jobs. And I am still working hard to expand even more." Through his fishing profits, Paschal has also built 10 modern houses, including guest houses, and bought two vehicles to support the business. He also supports various government and community projects aimed at providing social services to the communities where his

businesses are situated.

He tells us, for example, that he financed the construction of Mnarani Primary School in Bwiru and bought construction materials for the construction of AIC Church, also in Bwiru.

Long will Paschal Kalalu remember the day he bought his solar lamps from Simsolar, a company in his neighborhood that works towards improving incomes through increased productivity by use of clean energy solutions for agribusinesses.



Mr. Joseph Bulengela, a small scale farmer shows how he benefits from using his solar lamp technology on his fish farm.

# Climate-smart agricultural practices deliver life-changing benefits for women farmers in Tanzania

# Courtesy of UNwomen in Tanzania

Mariam Ntungu, tending to her crops. (Photo by UNWOMEN)



ariam Ntungu, a woman farmer from Singida's Ikungi district in central Tanzania, spent decades cultivating the small piece of land behind her home and had resigned herself to yielding only enough to sustain her family."If we got lucky, we had a little extra to sell and give our children some meat or eggs that week, but sustaining this didn't seem possible at the time".

Mariam's story is similar to that of many women farmers in the country, where—although women are the majority of the agricultural labour force—multiple barriers stand in the way of their empowerment.

Women have limited access to and control over productive resources like land and capital.

Only 8 per cent of women in the country own land independently, and only 4.1 per cent of land has a woman's name on the title. Because of discriminatory norms, only men traditionally inherit land. This means women are often only able to farm their spouse's land—or rent land, with limited access to capital and no collateral to access loans. This inadequate access to financing further impacts their ability to purchase the tools and other necessary resources, such as seeds and fertilizer.

Climate change, reflected in changing weather patterns and decreasing crop yields across the country, is already taking a toll on Tanzania's agricultural sector. It is also deepening inequalities within the sector: women are less



The Warehouse constructed in Ikungi Singida through support of UNWOMEN and UNFPA joint program to improve storage of crops for stronger post harvest sales.

likely to have access to the knowledge and technology they need to build their resilience against these shocks.

In the face of these challenges, women from Mariam's district decided to join forces. They organized themselves into producers groups, pooling their resources to cultivate larger pieces of land and farm sunflowers—the most profitable crop farmed in that region. By selling their crops as a collective, the women have been able to attract larger customers.

### **INSERT MARIAM PHOTO**

In 2020, Mariam joined one of the producers groups. That same year, as part of the UN Women and UNFPA joint programme "Realizing Gender Equality through Empowering Women and Adolescent Girls", UN Women partnered with Farm Africa to build the capacity of her group, along with 15 other women's producer groups in surrounding villages, on modern, climate-smart agricultural practices. The women received training on drip irrigation, methods for better water management, and sustainable

strategies to improve the productivity of sunflower farming

They were also given hybrid sunflower seeds, which are more resilient to climate change, and linked with agricultural marketing cooperatives to enhance their access to markets. Through a warehouse constructed under the programme, they will also be able to store their crops longer and boost post-harvest sales.

### **INSERT WAREHOUSE PHOTO**

To date, over 300 women have benefited from the programme, increasing their income almost two-fold. Mariam's producer group has used the new revenue to diversify their crops, adding tomatoes, onions and watermelons, and Mariam was able to start a small chicken farm of her own.

As a result of a partnership between UN Women and the Tanzanian Government, she is now also a proud landowner.

With evidence showing that increasing women's land ownership improves their farming productivity, UN

Women partnered with the Tanzanian Ministry of Lands, Housing and Human Settlements as well as local authorities to draft village land-use plans. These plans help protect women's land ownership rights under customary law, allowing women to legally register the land they own, either independently or under co-ownership, by obtaining certificates of customary rights of occupancy (CCROs).

"Over 5,000 CCROs were issued in four villages of the Ikungi district, most of which were issued to women," said Ms. Hodan Addou, UN Women Representative in Tanzania. "By increasing women's access to land, they have been able to cultivate larger crops, increase their access to loans and expand and diversify their farming activities."

As beneficiaries of the capacity building on land rights, Mariam and her husband agreed to register both their names on the CCRO for the land they owned, giving her joint ownership rights "Now, if anything happens to my husband, my rights will be protected. I couldn't hope for a greater blessing."



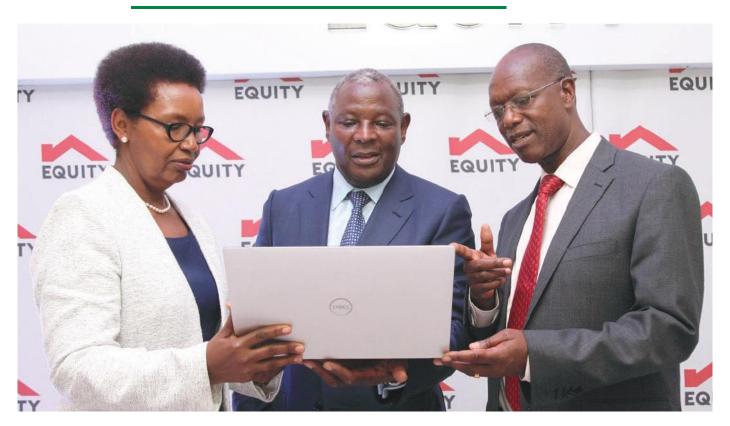
PASS Managing Director Yohane Kaduma with CRDB Managing Director Abdulmajid Nsekela Get his second name during a bilateral meeting on Digital Credit Guarantee

Head of Azania bank's agribusiness section Augustino Chacha Matutu receives the 4th edition of the agribusiness magazine from magazine editor Bevin Bhoke during a courtesy call at the bank





Members of the Agribusiness magazine editorial board pose for a photo with the PASS Trust Managing Director Yohane Kaduma. From right is Lucas Liganga, Joyce Shebe, Bob Karashani and Editor Bevin Bhoke



Evelyn Rutagwenda, Equity Group Board Vice – Chair (left), Dr. James Mwangi, Equity Group Managing Director and CEO (centre) and Prof. Isaac Macharia, Equity Group Board Chairman (right) engage during the 2022 quarter one investor briefing and release of financial results.

# PICTORIAL

President Samia Suluhu Hassan, gives a key to the Agriculture Minister Hussein Bashe to signify official handing over of motocycles and other supportive materials to 700 extension officers in the country.



PASS Director of Business Development Adam Kamanda, speaks to the Speaker of the National Assembly, Dr. Tulia ackson when she visited PASS' pavilion during Nanenane exhibitions in Mbeya in August 2022.

# **PICTORIAL**



Azania bank's digital services Manager Vinesh Davda (Centre), Marketing Manager Allan Msalilwa and Customer customer relations Manager Halima Semhunge display a POS machine during the launch of the machine reatly.



PASS Trust Business Development Manager Hamis Mmomi talking to clients during the Tanzania Poultry Show in Dar es Salaam.

# **PICTORIAL**



Stakeholders during the launch of PASS Trust's Digital Credit Guarantee product in Dar es Salaam.



PASS Leasing staff pose for photo with equipment suppliers.

Producer & Editor - Bevin Bhoke Graphic designer - Issa Miraji Photographer - Philbert Francis

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