



**IDEAL LARGE SCALE AGRICULTURAL INVESTMENT  
CONTRIBUTING TO ERADICATION OF POVERTY  
AND HUNGER**

**Presentation by ANSAF**

**Serena Hotel**

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# About ANSAF

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- ANSAF stand for Agricultural Non-State Actors Forum.
- Member–led forum involving farmer umbrella organizations, private sectors, NGOs (both National and international).
- A forum for non-state players to discuss and work towards solution to improve the agricultural sector performance in the interest of SHFs living in poverty.
- Influence positive policies and practice change using evidence based approach to stimulate growth of the sector focusing on SHFs.
- People lives +vely transformed as a results of agric systems that work for the poor through increased opportunities and capacity of SHFs and utilize them.

# ANSAF-Work With

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- Members, International and local NGOs, and framers associations.
- Agricultural Sector line Ministries.
- Media (4 print, 3 TV, 7 community radio, individual journalists).
- Research Institutions (various).
- Parliamentary committee.
  - ❖ Ministry of Agriculture Food Security and Cooperatives (MAFSC)
  - ❖ Ministry of Industry and Trade (MIT)
- Private sectors.

# ANSAF-Work With...

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- PMO: Agriculture Coordination desk.
- President's Delivery Bureau with the Agriculture Delivery Division.
- SAGCOT Bcentre
- LGA-14, with SAM/BA.
- Tanzania Federation of Cooperatives (TFC).
- Banks/Financial Institutions.
- Commodity Boards, cashew, cotton and coffee.
- Tanzania Warehouse License Board (TWLB).

# Tanzania's Economic Overview

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- Population: 44.9 Million (2012.) Population Growth Rate 2.7 % (2012 ).
- GDP Per Capita \$ 652 (2012).
- Average Real GDP Growth Rate 7.0% (2003 - 2012).
- Annual Average Inflation Rate 8.6 % (2003 -2012).
- Main imports: Capital goods (i.e.. machinery and equipment),vehicles, petroleum products, agricultural inputs, raw materials and other consumer goods.
- Main exports: Agricultural products,(such as cashew nuts, tea ,coffee, cotton, cut flowers & vegetable, minerals, fish and manufactured goods.
- Agriculture employs 80% of the Workforce Annual, majority of youth not employed.
- Agrarian economy- agric contributing about 25% of the GDP.

# Doing Business

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- Some decades of liberalized economy – private sector interest.
- Increased FDI, especially in mining and mineral sector, recently in agriculture.
- Tanzania pursues PPP for infrastructure, agriculture, energy, other strategic investments.
- Policies and laws defining incentives for investment continuously updated and improved.
- Despite some challenges, Tanzania policy environment continues to be competitive.
- In the category “enforcing contracts“ Tanzania is performing well in SSA (rank 45, in 2014)
- The Government is committed to economic growth through private sector development.

# Traditional Farming & Agribusinesses

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- Family size average 5-6 people/HH (female and children headed HH).
- Traditionally small land parcels/holdings between 0.5 - 2.0 acres/HH.
- Characterized by low technology, weak link to market and extension services
- Under-developed agro-industry (export unprocessed products).
- Evident that agric is 11 times efficient in reducing hunger and poverty.

# Agricultural Investments

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- Large scale investment in agric – important element (economies of scale, technology, product quality, market link and easy revenue collection).
- Investment in agriculture is 2.5 to 3.0 times more effective in increasing income for the poor (US\$/day) than is non-agricultural investment.
- Science can help smallholder farmers to feed nations – SHF need connection.
  - ❖ Need to strategically link SHF with big investments (?symbiotic?).
- Smallholder farmers are ALSO investors.



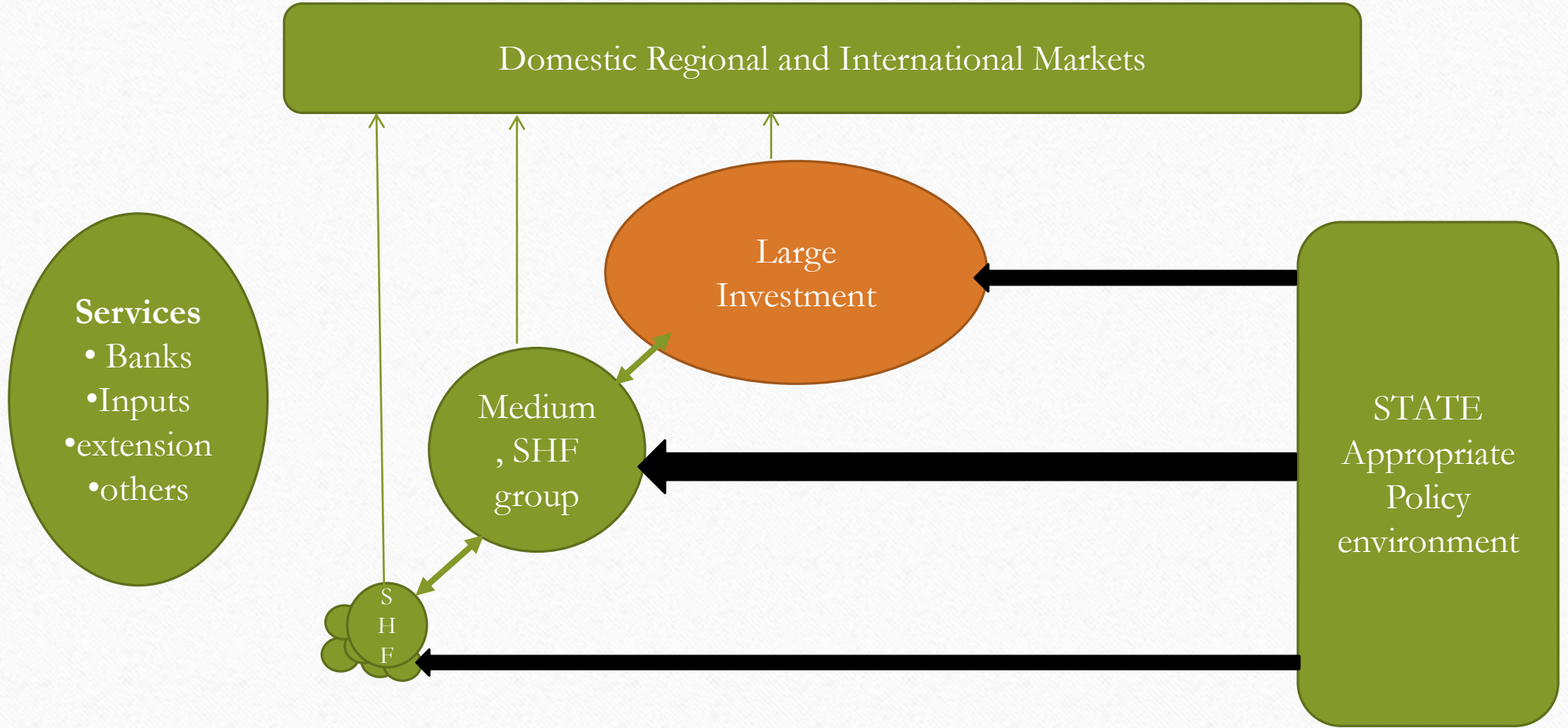
# Ideal Agro-invest-Poverty/Hunger Reduction

- To break out of the vicious cycle of hunger and poverty, Tanzania needs to increase agricultural production and productivity.
  - ❖ Productivity can be demonstrated through large and small-scale investment
  - ❖ Large investments could depress commodity prices and farm incomes if they are not linked to market opportunities for smallholder farmers.
  - ❖ Success in market-led agric growth depends on the expansion of domestic, regional and international market opportunities.
- Investments in agric technology and dissemination (e.g. biological control of insects, improved seeds and other inputs and resource serving technologies).

# Ideal Agro-invest-Poverty/Hunger Reduction

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- Invest in better post-harvest management
  - Total of 30-40% of the annual national production of cereals is lost (both quantitative-mostly weight loss and qualitative (loss in quality)).
  - The need to reduce post harvest losses of food grains for improved food security and income.
  - More efforts are needed to help the farmers to understand the better crop preservation and storage techniques
  - Farmers have limited capital to afford modern storage equipments, reflecting the need for subsidization to obtain the basic storage facilities.



# Important Issues to address

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- Land

- Enough budget for survey, demarcation & titling.
- Set aside agric land (prime land for food crops and marginal land for others activities).
- Protection of rights for SHFs-fairness, promptness, livelihoods .
- Protect environment and other resources.
- Soil, forest, biodiversity and ecosystem.
- Transparency throughout across the spectra.
- Land acquisition .
- Contracts (viz contract farming, taxes, application of chemicals.

# THANK YOU

Prepared by  
Secretariat,  
AGRICULTURAL NON STATE ACTORS FORUM – ANSAF  
EMAIL: [info@ansaf.or.tz](mailto:info@ansaf.or.tz)