Initial Background Document on the Status of Organic Agriculture in Tanzania.

Prepared by:
Tanzania National Team
Presented at the First National Stakeholders Workshop
Held at Protea Courtyard Hotel on 25th October 2005.
Dar es Salaam, Tanzania

OUTLINE

- 1. Introduction
- 2. Overview of organic agriculture
- 3. Methodology
- 4. Status of Organic agriculture
- 5. Indigenous knowledge
- 6. Potential and Prospects of OA
- 7. Challenges
- 8. Way forward
- 9. Conclusion

1.1 Background

- Tanzania has a total land area of 994,800 sq.km
- Area under cultivation is 10.8 mil. Ha, out of 44.0 mil. Ha. of arable land
- Estimated population 34,569,232
- Over 80% of the population live in the rural and depend on agriculture which contributes to 50% of GDP
- 54% of the nation's foreign exchange
- Majority of Tanzanian are living below poverty line and poverty is increasing
- OA is crucial to national economic development and poverty reduction

Major Agro ecological Zones of TZ

- Western highlands
- Central plateau
- Rukwa-Rift Zone
- Ufipa plateau
- Southern highlands
- Eastern plateau and mountain blocks
- Inland sedimentary plateau
- Coastal zone
- Northern zone and volcano highlands

Background cont'd

Crops produced include:

- Cash crops: e.g. coffee, cashew nuts, cotton, sisal, tea, tobacco etc
- Fruits: e.g. pineapple, bananas, mangoes, pawpaw, oranges etc
- Vegetables: e.g. cabbages, tomatoes, amaranths, eggplants, black night shade, etc
- Various herbs and spices e.g. cloves, cinnamon, cardamom, etc.

Livestock: 18m heads of cattle, sheep(3.5m) and goats(12.5m)

Background cont'd

- OA garden started 1898 – Peramiho Mission.
- In 1990s, collaboration initiated by Pelum-Tz, Sunnhemp Seed Bank, Kihata, Egaj, Inades-Tz and ADP Mbozi.
- Projects involved are: SECAP-GTZ, Meatu Cotton Project, HIMA and LAMP.

1.2 Problem statement

- Lack of capacities to carry out organic agriculture initiatives, that is attributed by lack of policy and regulations on OA
- Lack of coordination in the OA industry has affected proper planning of OA activities and availability of information and data

1.3 The Overall Objective

- To generate baseline information and data for carrying out the integrated assessment on promoting production and trading opportunities for organic agricultural products in Tanzania.

1.3.1 Specific Objectives

- To review past studies and assessment on OA undertaken in the country, analysis of methodologies used, National institution, international organizations and donors involved
- To describe the current status of the national organic sector including; production export, price certification, domestic market, standards, yield/productivity and main actors.

1.4 Justification

- To provide overview of the organic agriculture activities in the country
- To establish a source of information and data that will be used in the Integrated Assessment project.

2.0 Overview of the Study

2.1 Organic Agriculture:

Is an advanced form of a sustainable agriculture that promotes uptake of traditional knowledge while incorporating modern knowledge on farming techniques and ecological systems

2.2 Principles of OA, International initiatives and National policies

- **2.2.1. Principles of OA**
- **The Principle of Health** – OA to sustain and enhance the health of soil, plant, animal and human as one and indivisible.
- **The Principle of Ecology** - OA should be based on living ecological systems and cycles, work with them, emulate them and help sustain them.
- **The Principle of Fairness** - OA should build on relationships that ensure fairness with regard to the common environment and life opportunities.
- **The Principle of Care** -OA should be managed in a precautionary and responsible manner to protect the health and well being of current and future generations and the environment.

2.2.2 International initiatives

Some intern. Organisations have shown concern on OA issues through various studies and meetings e.g. ITC, FAO, CAC, UNEP, UNCTAD, WB, etc.

2.2.3 **National Policies**

- There is no OA policy; but the Agric. Policy of 1997 has several clauses which supports OA principles which base on ecology and health issues.
- The MAFS is currently reviewing the Agric. Policy; actors in OA have been invited to send contributions for consideration

3.0 Methodologies:

- 1. Preparation of questionnaires: It was participatory
- 2. Information was collected through:
  - Direct interviews to stakeholders
  - questionnaires sent to farmers' groups, companies
  - Various study reports were cited
  - Various websites were visited
  - 3. The draft report was circulated to the NSC and UNEP/UNCTAD-CBTF for comments

4.0 Status of Organic Agriculture in Tanzania

4.1 Organic Agriculture Production

Potential areas include:

Tanga, Shinyanga, Kigoma, Mbeya, Morogoro, Zanzibar, Kilimanjaro, Kagera, Coastal region and Dodoma.

4.2. Livestock development

There are about 18m heads of cattle, sheep(3.5m) and goats(12.5m)

4.3 Stakeholders and actors involved in OA

- These include companies, group of farmers, government institutions, CBOs, Civil societies, cooperative unions, and individuals.
- There are 30,000 certified farmers and 17 firms operating in the country
- There are 32 trained inspectors

4.4 Marketing of Organic Products

Export market

- Products are demand driven; sold to Germany, Netherlands, Sweden, Japan, Switzerland, United Kingdom, Indonesia, USA etc.
- Most products are sold semi-processed or raw
- Organic crops produced are selected basing on:
  - Availability of the market in and outside the country
  - Way of product handling e.g. dried products
  - Multi- use products such as spices, essential oils etc.

Marketing of Organic Products cont'd

- Organic products basically are for export
- There is increased demand but the supply is inconsistent and low
- Premium price up to 37%

  e.g. cotton 32% (refer a case study below)

Table 1.Marketing of Organic Cotton

Season	Organic Cotton		Convention Cotton			% of Org Cotton over total production
	Production and export	Price USD/KG	Production	Exported	Price USD/KG	
1995/96	NA	NA	74126	56291	1.88	NA
1996/97	NA	NA	84383	67995	1.59	NA
1997/98	316	NA	67464	60940	1.72	0.005
1998/99	421	1.7	35059	27373	1.39	0.012
1999/00	316	1.3	33390	31397	0.99	0.009
2000/01	195	1.1	41219	31724	1.21	0.005
2001/02	187	1.4	946	37204	0.92	0.004
2002/03	545	1.5	62664	46412	0.88	0.003
2003/04	363	1.6	46521	34512	1.20	0.008

Table 2. A Sample data for Spice Production and Marketing for 2003/04 Season

S/N	Crop	Where produced	Production (MT) Fresh	Productivity (MT/Ha) Fresh	Price (Tshs/kg) Fresh	Exports	
						Exported (MT) Dried	Price (USD/MT)
1	Ginger	Kasulu, Kigoma	560	10.0	120	70	3,500
2	Turmeric	Coast region	48	8.0	130	8.0	3,300
3	Chili	Unguja North	15	3.5	400	3.0	5,500
4	Black pepper	Muheza	45.5	5.5	200	6.5	4,000
5	Lemon grass	Unguja North	16	8.0	100	4.0	2,700

Source: Envirocare Survey in Zanzibar, 2005

4.4.1 Export Strategy and Market Penetration

Market Entry Strategy

- **Markets & Segments**

  The sector's export target markets are Germany, USA, UK and Netherlands

  European markets have well-established distribution networks and they are among the top economies in the world

- **Positioning Strategy**

  Products presented as exotic in the EU markets and organic in selected niche markets.

  Selling to Diaspora; use our origin as a selling proposition to make the products more appealing to consumers.

  Use partners to position our products in respective markets.

- **Branding Strategy**

  Develop its own brand and ensure that every organic product exported out of Tanzania bears the brand.

- **Product Strategy**

  The Sectors products will be categorised as exotic and organic. These products will conform to the health and safety standards (e.g. EUREPGAP, HACCP, MRLs)

  Our unique selling proposition is the production of quality exotic products grown under tropical climatic conditions.

Export Strategy and Market Penetration cont'd

- **Pricing Strategy**

  The industry will adopt a cost plus pricing strategy, which will ensure farmers are protected against losses as a result of the previous pricing systems and where possible premium prices will be negotiated.

- **Distribution Strategy**

  The current partners shall be used e.g. importers and wholesalers, to take advantage of their existing distribution networks (retail shops, supermarkets, grocery stores).

- **Promotional Strategy**

  Promotion of the industry through the following channels:

  -Trade fairs

  -Trade missions abroad

  -Sector Catalogues

  -Websites

  -Advertisements

4.5 Local Market for Organic Products

- It is not well developed; no promotion
- Few products from uncertified producers available in s/markets and groceries
- Some products are sold at premium price e.g. local chicken and local chicken eggs are sold at 50-100%
- Most products are sold as conventional

4.6 Organic Agriculture Certification

- The certified organic area is approx. 14,500 Hectares with 30,000 certified farmers
- Five foreign certification bodies operate in the country e.g. IMO, SACert, Bio inspector, etc.
- Limitation: high inspection costs
- The local certification body TanCert was launched in 2004
- At present Africa has eight organic certification bodies and TanCert is the eighth

4.7 An Overview of Organic agriculture standards

- Local and export standards formulated 2003
- TBS prepares national stds to provide national framework as guidelines for OA production, processing, marketing and labeling
- Currently there are efforts by stakeholders to harmonize standards for EA

4.8 Indigenous knowledge

- Traditional knowledge and kills used; No formal technical solutions to problems
- Currently some institutions, NGOs, CBOs work on various OA activities based on indigenous skills
- Documentation indigenous knowledge moderately done and shared
- Local knowledge is a base for developing OA; hence valued and promoted

Studies on OA Undertaken in Tanzania

Table 3. Studies on Organic Agriculture Conducted in Tanzania

S/N	Title of the report	Methodology used	Individual/ Organisation/Institution conducted the study/ assessment
1	Feasibility study on the establishment of certification bodies for organic agriculture in Eastern and Southern Africa. Commissioned by Sida/INEC; 2002.	-Desk work (secondary data) -Interview with actors Missions to study countries e.g. Kenya, Tanzania, Namibia, South Africa etc	Sida
2	Basic Data on Certified Organic Production and Export in Tanzania; 2004	-Questionnaires -Secondary data -Interview	EPOPA
3	A feasibility study on organic coffee information system. A study Report: 2002.	-Questionnaires to certifiers -Country studies (survey with questionnaires) -Internet -Personal interviews	Sida
4	Waste composting for urban and peri-urban agriculture closing the Rural-Urban Nutrition cycle, 2002.	A book (comprise of various findings)	City Commission, Dar es Salaam, Tanzania
5	The European market for organic cashew nuts. Summary of a market study:2002.	-	EPOPA
6	*Effects of* Green Manure and Compost Amended with Phosphate Rock on Soil Properties, Yield and Quality of Amaranth and Tomato; 2004 at SUA.	PHD Thesis	Dr. Ruth Minja

5.0 Potential and Prospects of OA

- Abundant labour force
- Involvement of research and training institutions, civil societies to support OA
- Large and unpolluted land available for expansion
- Massive crop, animal by products and natural materials e.g. minjingu phosphate for making organic fertilizers
- Increase in demand of OA products; due to investors coming in

6.0 Challenges

- Limited R&D on OA
- Most products are sold unprocessed
- Barriers limit OA development e.g. high certification costs, lack of natural pesticides, untrained personnel
- Lack of capita and marketing skills
- Lack of information and data on OA
- Inadequate extensionists knowledgeable in OA

7.0 Way Forward

- The government/donors to assist in:-
  -Activation of the mechanism for linkages between research - extension - farmers.
  -Setting a mechanism for data collection and documentation
  -Mobilising organic stakeholders to form functional bodies e.g. cooperative societies
  -To develop/adopt appropriate technologies to meet technical obligations e.g. commercial manure and natural pesticide making
- To conduct market campaign to stimulate domestic market
- Take inventory of available technologies, improve and disseminate

8.0 Conclusion

- Organic farming is on the increase in Tanzania
- Important growth factor for OA products is the demand from the industrialized countries
- Capacity building for extensionists, research and training institutions, private sector is emphasized
- Certification and OA movement bodies should be strengthened
- The local market potential should be explored for effective OA market growth and stability

THANK YOU FOR YOUR ATTENTION