

BRIEF REPORT OF THE 7:30 BREAKFAST DEBATE – JULY 29th 2011

AGRICULTURE BUDGETING IN TANZANIA: DOES IT WORK FOR THE SMALL HOLDER?

Agriculture consists of three main actors in Tanzania, smallholder farmers, small commercial farmers and largescale capitalist enterprises owned by private and parastatal companies and transnational corporations but it is dominated by small scale holders who face the problem of low technology in agricultural practices and is aggravated by poor rural infrastructure and access to markets, high reliance on the handhoe is another major constraint to smallholder agriculture in Tanzania as well as lack of favourable agricultural finance, This being the case then how does the government budget cater for these needs of small holders?

This is why Policy Forum dedicated its July 2011 debate on the issue of agriculture budgeting in relation to small holders, the debate is titled: **Agriculture Budgeting in Tanzania: Does it work for the small holder?**

The debate included two presentations:-One was done by Dr. Damian Gabagambi who is a Lecturer at Sokoine University of Agriculture (SUA) at Morogoro and the other was done by Mr. Audax Rukonge who is the Executive Coordinator of Agricultural Non- State Actors Forum (ANSAF) and also Policy Forum Board Chairperson.

The Debate was facilitated by Alex Ruchyahinduru from Policy Forum.

The first presentation was done by Dr. Damian Gabagambi, who focused on budget trends and the fate of small holder farmers in Tanzania. He started by giving an outline of his presentation which was the Global status of Millennium Development Goals 1, Local status of Millennium Development Goals 1, Oversights and the way forward.

He said that, the global status of MDG is about eradicating extreme poverty and hunger, the targets for this are to reduce by half the proportion of people living on less than a dollar a day, achieve full and productive employment and decent work for all, including women and young people and reduction of the proportion of people who suffer from hunger. It is evident that a large proportion of 36.8% of the hungry people in the world are found in Sub Saharan Africa followed by Asian and the Pacific. The local trends of poverty line from 1992, 2201, 2007 shows that if things remain the way they are we are going to miss the target of reducing poverty while the poverty trend at the global picture is on track. In the local trend we have think of rational ways of speeding up the development process.

He said that, the national budget for this year shows that the allocations of agriculture have declined this year. If u factor in inflation, you find that the money allocated to agricultural sector is very minimal and if you also look at the money going at the district level you find that we are speaking of indirect expenses so this raises a question on the 10% increase.

He further said that, poor regions only receive 4.3% of budget allocations different from the so called rich regions.

He also named some of the issues which require critical debates such as: there are so many interventions going on to the farmers, programs come and go but there are no changes.

Farmers should be assisted to develop blocks rather than them being in small plots.

Large scale farming is not necessary, some counties such as China have made it by organizing and supporting small holder farmers, if kilimo kwanza is not well regulated it may promote enslavement.

Lastly he gave some of his recommendations (way forward) which were that, Investors should hire land to the locals or they can enter partnership with the locals, farmers should also be organized into blocks that's when sustainable development will occur.

The second presenter, Mr audax Rukonge focused on effective value chain in Tanzania: How to activate local markets.

He started by giving an background of his presentation which was: Production in Tanzania remains agrarian with small holder farmers playing the major role, there is no precise way of classifying cash crops and food crops, limited understanding on value chain development (VCD) among actors at the local level, emphasis on production-limited attention to market, infrastructure and forms of products.

He further said that some of the emerging issues are as follows: there is a need of assessing the potential collaboration and engagement of public, private and communities (producers), the use of contract farming as an entry point of VCD, the issues of gender or groups with varying needs such as women, youth, SME, and issues of environment, land and policy engagement.

Lastly, he recommended that, value chain should be a platform to meet at the same level, there should be a well managed process of contract farming, engagement in policy discussions, need to influence value chain financing, the role of CSOs in VCD should be to empower producer organizations, which would gradually diminish as the latter become empowered, strategic planning through LGA/DADPs funds.

The discussant of the event was the Agricultural Advisor of Irish Aid, Mr Sizya Lugeye, who started by commenting on the two presentations that they should have addressed specific issues instead of focusing on two different wide topics

He further pointed out that instead of farmers being made selective on what to grow we should allow options to them, we should not limit their choice. He said that, he is in support of kilimo kwanza since it had accomplished its goals, he continued to say that kilimo kwanza is not a project or plan rather it is a political resolution.

He suggested that Mr. Audax presentation should have focused more on policies, issues of taxation, crop burn.

He said that, the ministry of agriculture should be given mandate, all coordination should be brought under this ministry.

Lastly, he ended by saying that there is a reasonable improvement of agricultural budgeting working for the small holders.

Comments and Questions from Plenary Discussion:

- If we want to advocate for freedom of options to the farmers then, if they are free to produce they should also be free to sell.
- The approach used by the government to plan everything concerning small holders is not satisfactory and the money allocated to small holders is very minimal.
- Some of the problems of small holder's farmers are centered within themselves.
- Some of the external problems such as the pricing of our agricultural produce by the foreign investors hinder our agriculture.
- The farmers should be allowed to plan at all levels especially at the rural areas where they are concentrated and do not know their rights.
- The issue of corruption is also a big hindrance to the agricultural sector.
- From the topic of the debate, it is clear that the answer is no, so there is the need of the government to increase its support to the agricultural sector.

Respond to the comments and Questions:

- Opportunities for farmers should be made available.
- There should be a clear guideline on how to spend on agriculture
- There are certain political influences which hinder agriculture that needs to be addressed.
- As CSOs we need to enter the villages and face the problems that they encounter so that we can resolve them.
- Village phasing should be advocated that is, villages should be divided into zones.
- Tanzania has a good framework in developing agriculture but the problem is the implementation.
- Planning should not only be based in urban areas.
- Countries do not develop because of plans but because of people developing the plans.
- Farmers should produce certain crops of priority i.e they should produce selected crops.
- We can always put our comments, critics into researches.

Mr. Alex Ruchyahinduru closed the discussion and he welcomed again participants for the next 7:30 Breakfast Debate.