



GARICULTURAL POPLICIES AND SMALLHOLDER FARMERS

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Agricultural policy

An Agricultural policy is a set of statements relating to development of domestic agriculture and imports of agricultural products from foreign countries.

It is a set of general statements on how the SUA of agricultural commodities in given country can be balanced.

Smallholder farmers

- Who is a smallholder farmer?


Definition varies (e.g. By crop, area cultivated, ..)
Probably, a person who participates in the day to day activities by providing labour and management of the farm/livestock.

- In Tanzania a farmer operating less than 50ha or 50 heads of cattle (local breed) is considered to be small (depending on the crop),
- More than 80% of Tanzanians depend on agriculture for their livelihood;
- Small farmers use approximately 85% of cultivated land;
- Thus, any effective policy cannot ignore the needs of small farmers in Tanzania

Characteristics of Agriculture in Tanzania

Our agriculture is characterised by,

- Subsistence and farmers who operate 0.2 to 2.0 hectares (on average)
- Low productivity: 0.88 tons /ha compared to World average of more than 5tons/ha;
- Low use of *modern* inputs e.g. 9kgs/ha of fertilizer Vs 100 kgs/ha; demand for improved seed stands at 120,000tons Vs 13,000 tons supplied annually;
- Traditional livestock breeds;
- Small agricultural plots

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- Large numbers of cattle Vs carrying capacity of most areas;
 - Heavy reliance on a hand hoe as a the main cultivating tool;
 - Fragmented market & high marketing costs due to poor infrastructure;
 - A multitude of crops which are produced in a disorganised manner

Need for a policy

- Food
- Feed
- Income to farmers
- Export earnings;
- Raw materials for industries;
- Market for non-agricultural economy;
- Conservation of environment;
- Political convenience : Lobby groups etc.

Implementation of a Policy

The following instruments are important for implementation of a policy at various levels;

- Strategies
 - Programmes
 - Projects e.g. DASIP
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- Conducive regulatory regime
 - Appropriate Institutional set up

Measures to implement the Policy

- A policy can be effectively implemented if;
- There is active participation of rural people;
- Decisions and resources are Decentralised down to level of target beneficiaries;
- legal rights and obligations are clearly defined;
- Supporting sectors e.g. Infrastructure, electricity etc play their role properly;
- Supportive systems and infrastructure that will ensure resources reach beneficiaries are in place.
- Priorities are right (ensure proper allocation of resources)

Tools for implementing a policy

The following tools can affect positively or negatively implementation of policies;

- Subsidy,
- Taxation/Tariff barriers
- Administrative measures/ Non tariff barriers;
- Laws and regulations

Obstacles

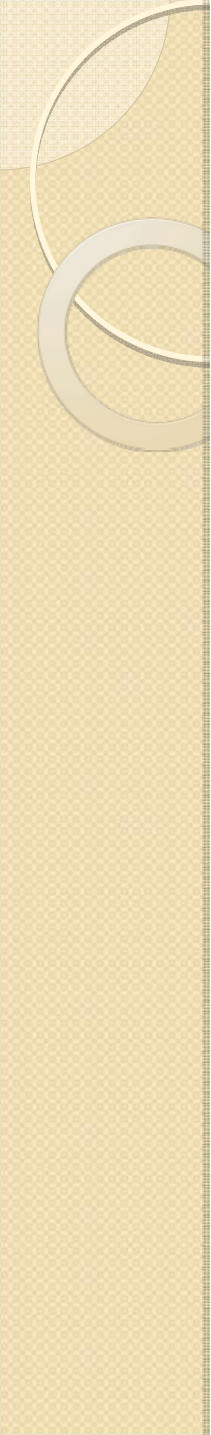
Obstacles to policy implementation may include;

- Over centralization of decisions,
- Fragmented/weak coordination;
- Unclear communication lines;
- Lack of clear organisational framework;
- Unstable budget;
- Weak managerial and technical capacity;
- Corruption; and
- Non-responsive administrative structures (may protect inefficiency).

Focus of Agricultural Policy

Our agricultural policy Should focus;

- Increase in production through gain in productivity and area expansion;
- Extension work;
- R&D;
- Training;
- Irrigation;
- Supply of agricultural inputs;

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- Supportive Infrastructure;
 - Ensuring inputs are accessible, affordable and are timely supplied in sufficient quantities;
 - Select few **priorities** & concentrate resources on **selected priority areas**

Sustainable Agricultural Production


Sustainable changes in agricultural production systems should aim at;

- Ensuring food security;
- Providing employment and boosting incomes of farmers;
- Ensuring natural resources and environmental conservation;
- Establishing robust systems & institutions that serve interests of farmers;
- Increase targeted resource flow into the agricultural sector

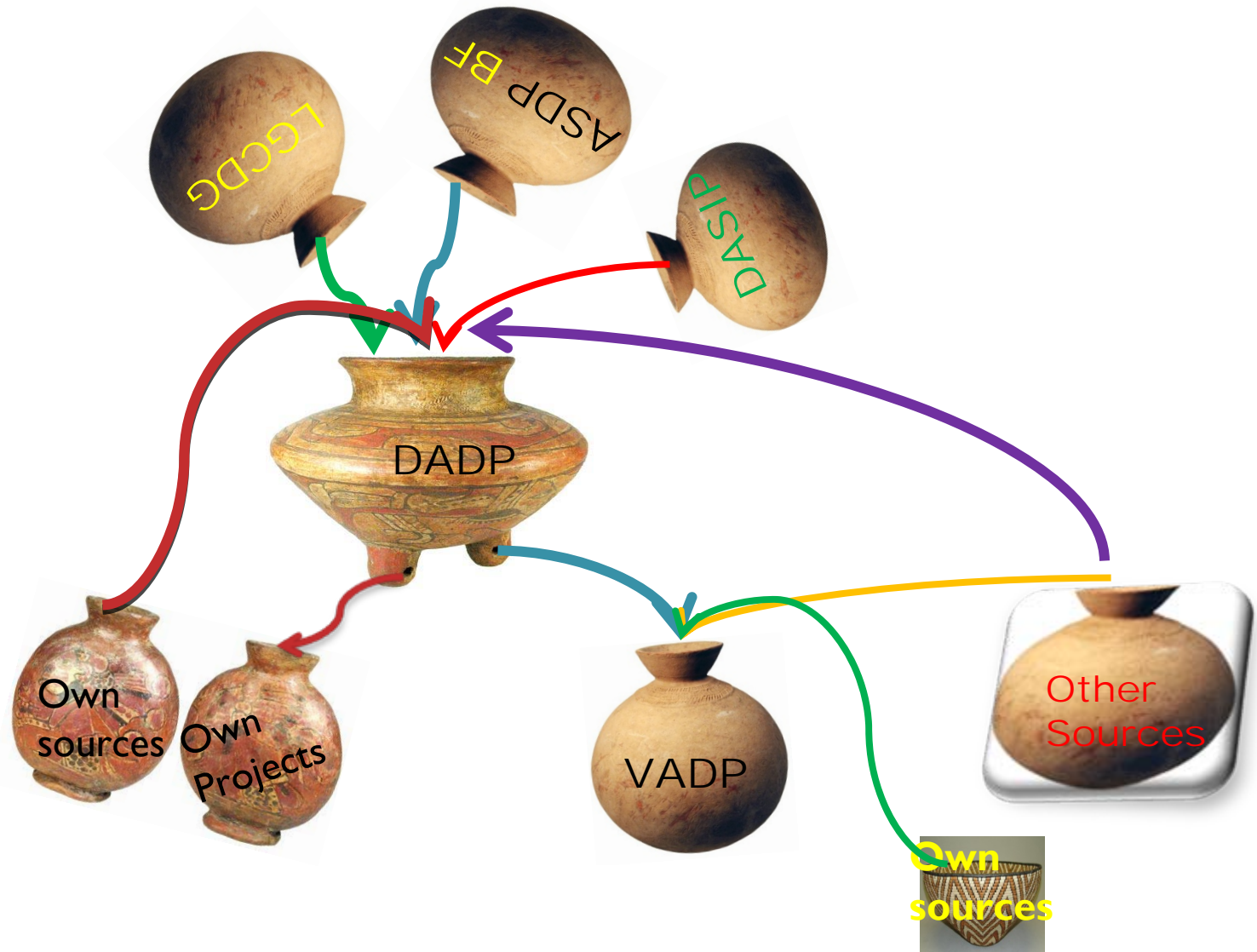
Way Forward

Building capacity of farmers is essential for Agricultural growth. Focus should be placed on;

- Formation of voluntary farmer groups,
- Training of farmers in their groups on improved farming practices;
- Concentrating resources on few priority areas (matching scarce resources with *critical* priorities);
- Investment in agriculture mainly infrastructure and agricultural technologies;

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- Strengthening of formal rural financial services;
 - Establishing effective marketing systems (DASIP has already constructed 111 village markets & is planning to construct 6 strategic border markets & build marketing system in the project area)
 - Emphasize Participatory Planning: Preparation of Village Agricultural development Plans (VADPs) and District Agricultural Development Plans (DADPs)

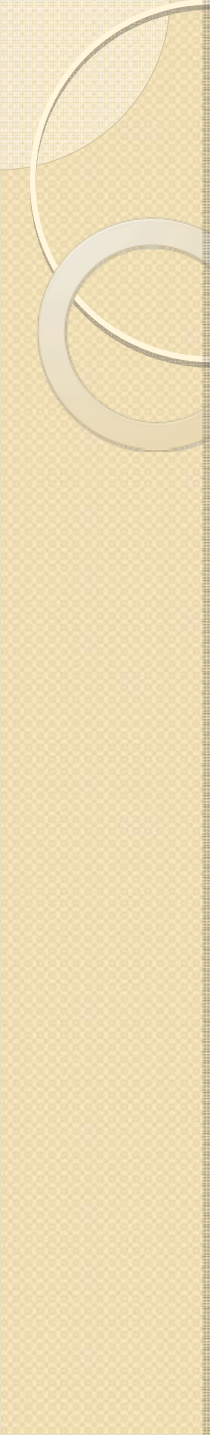
FUNDING OF DADPs and VADPs



Challenges

Major challenges facing the agricultural sector include;

- Increasing productivity through *appropriate* farming practices;
- Establishing an efficient and *effective* extension system;
- Increasing utilization of improved planting materials, fertilizer and agrochemicals;
- Mechanisation of agriculture: Area expansion & agro-processing;
- Establishing effective marketing systems;

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- Strengthening bottom-up participatory planning methods,
 - Establishing agricultural financing system that addresses the needs of small farmers;
 - Selecting few crops that should be promoted;
 - Allocating more resources for R&D activities;
 - Establishing accountable and responsive institutions.

Conclusion

- Transforming agriculture in Tanzania has to focus on smallholder farmers, focus on few crops, concentrate available resources on few critical priorities, and build systems and institutions that will address the needs of famers and livestock keepers.
- Quantity and quality must be emphasized in the production equation (economies of scale);
- Political will cannot be overemphasized.

- Agro-processing is extremely essential and should be given special attention;
- Look for markets which we can supply more competitively and take deliberate steps to penetrate them/ Road map.
- Yield x Area x Price = Income
- \uparrow Income x No. of people = Better std of living

Merci



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