

SOUTHERN AGRICULTURAL GROWTH CORRIDOR OF TANZANIA

A partnership for sustainable, profitable
development in Tanzania's agriculture

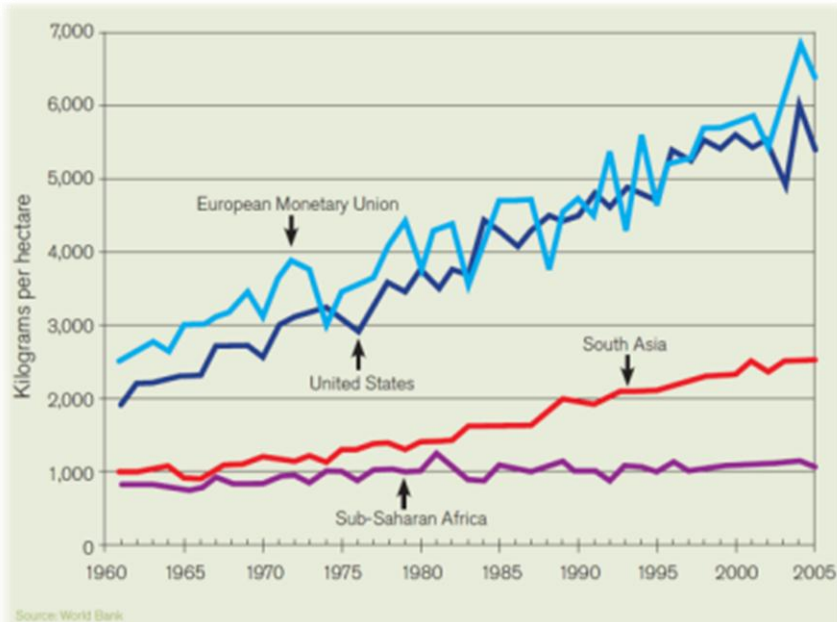
SAGCOT Centre, TANZANIA



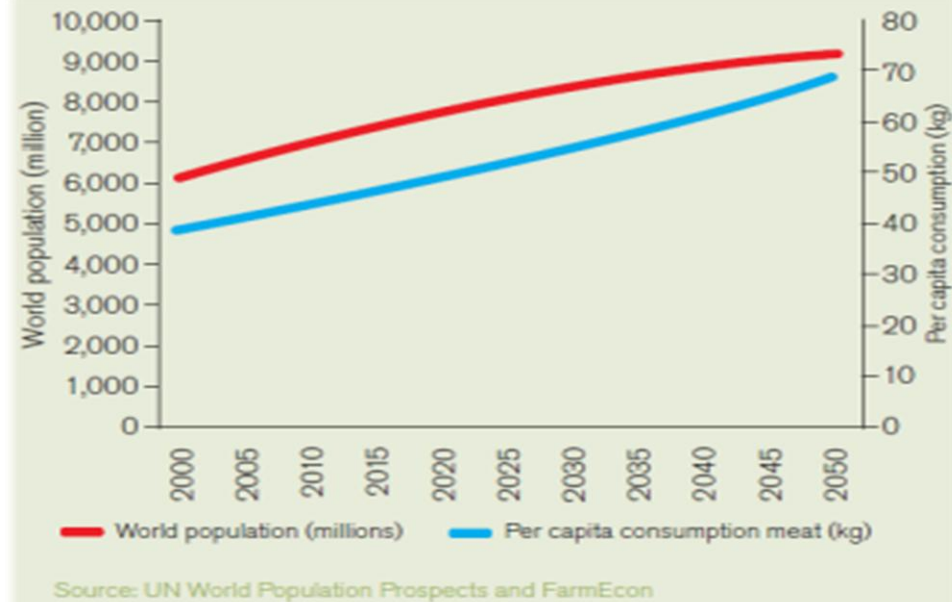
Tanzania Investment Forum
15th September, 2014 at Crowne Plaza Promenade Hotel
The Hague, Netherlands

Tanzania has significant agriculture potential

International yields comparison

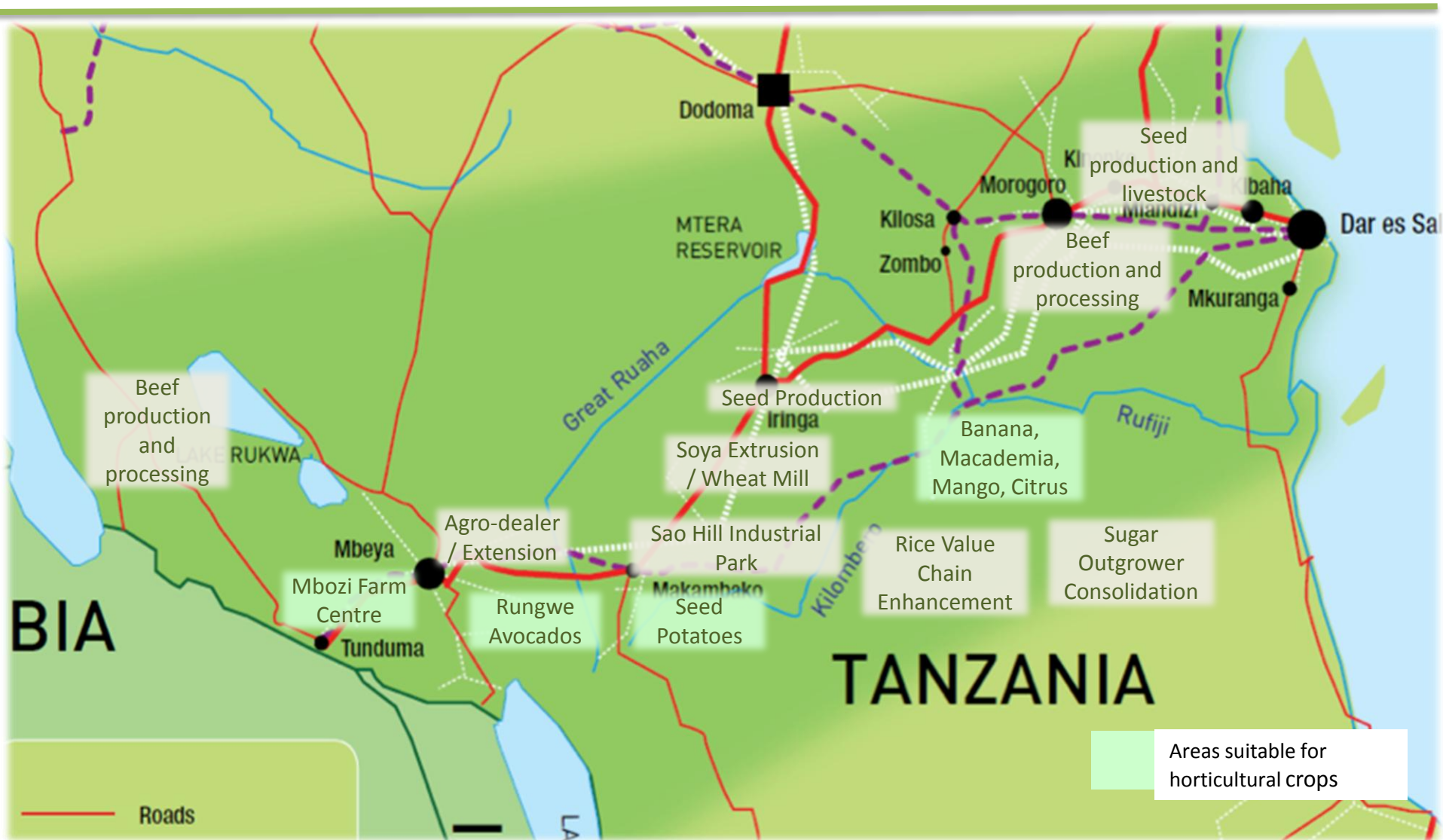


Global consumption and population growth



With regional and global consumption on the rise, how can we best leverage this opportunity?

SAGCOT; a dormant bread basket



Abundance of resources and backbone infrastructure

\$3.5 Bn in
investments is
needed

Objectives we can achieve by 2030

350,000

Hectares in profitable production

420,000

New employment opportunities

100,000

Commercial smallholder farmers

2,000,000

People permanently lifted out of poverty

US\$ 1,200,000,000

Annual value of farming revenues

US\$ 3,200,000,000

Mobilised in public and private investments

Food
Security

Green
Growth

Economic
impact

How will we make this happen?

Leadership Commitment and Partnership is key

SAGCOT partners include major actors from all relevant stakeholder groups.

Government of the United Republic of Tanzania



SAGCOT is supported by President Jakaya Kikwete, donor groups and many private sector actors.

Donors and development finance institutions



Local and international private sector



Unilever



MONSANTO



Million's of public and private investments have been pledged

Key Investments in Infrastructure are in Place and improvements in progress

AIR: Julius Nyerere International Airport

US\$300 million upgrade underway

Songwe International Airport opened and operational (March,13)



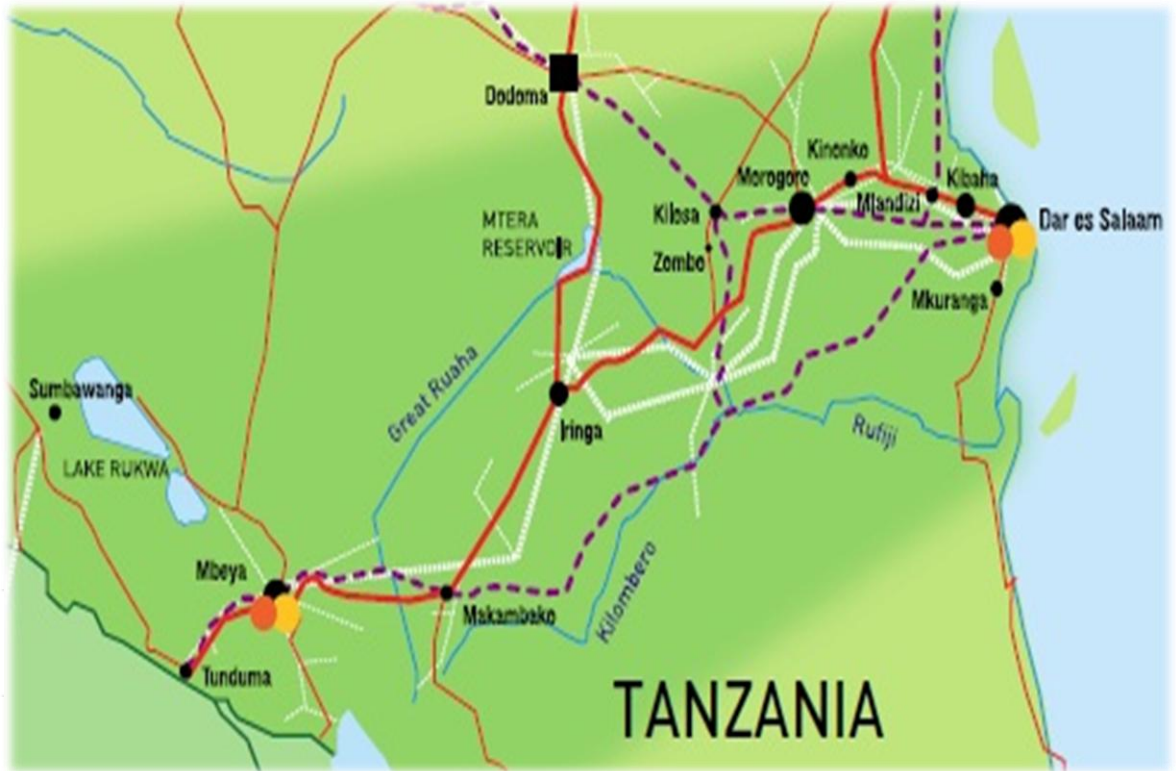
RAIL: Tanzania-Zambia Railway Authority (Tazara)

US\$39m interest free loan from China for upgrade Links Dar to Zambia, DRC and Southern African rail networks



SEA: Port of Dar es Salaam

Tanzania Port Authority has invested US\$18m in upgrades, with a further US\$80m planned. Yara plan a US\$20m dedicated fertiliser facility



POWER: TANESCO electricity grid

Multiple funded and planned electricity upgrade projects, totaling US\$100s of millions



ROAD: Tanzania-Zambia Highway

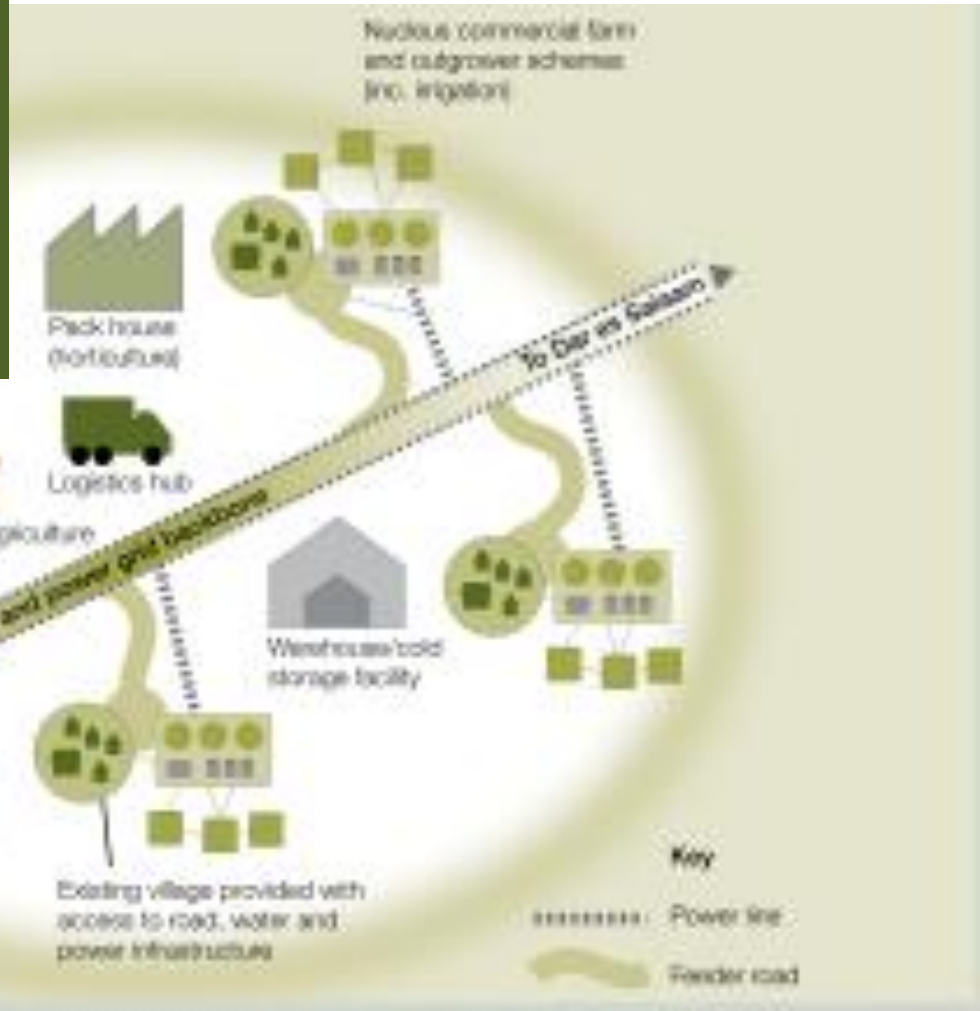
1,762km paved highway linking Dar to Kaniri Mposhi



An infrastructure priority plan will to be developed

Clusters will build a diversified farming landscape

- PPP Cluster Development Planning
- Commodity Investment Plans
- Brokering Partnerships
- Policy Reforms
- Infrastructure Planning
- Investor Promotion
- Monitoring & Evaluation



Large, medium and small farmers will be facilitated

GOVERNMENT COMMITMENT

The Government of Tanzania is an active partner in SAGCOT through a number of key institutions:



Key Government commitments:

- Promotion of global and intra-African trade;
- Establishment of a fast, efficient and transparent system of securing titled land;
- Building on current infrastructure development;
- Promotion of innovative finance;
- Increasing access to agricultural inputs;
- Inter-ministerial Coordination ;
- Addressing Taxation Issues and non tariff barriers to trade.

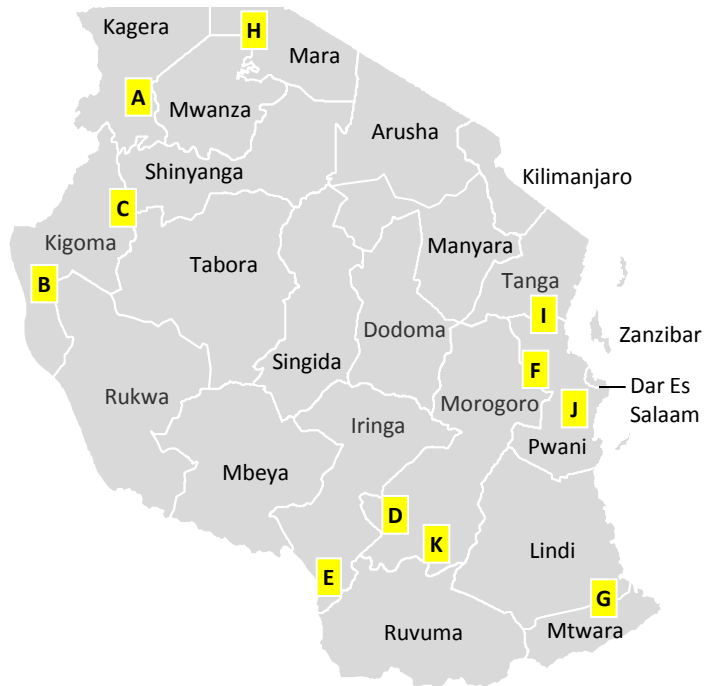
What is next?

- Assets are being promoted to large scale investors in cereals, livestock and sugar
- About 60 Companies and Institutions are partnering with SAGCOT
- A US\$ 50-100million Catalytic Fund design is near completion
- G8 and African Union have committed to Tanzania's Agriculture Growth
- Tanzania Rice, potatoes, horticultural, water, green growth and last mile Partnerships have been formed
- Infrastructure planning and strategy is underway

How will we make this happen?

25 commercial sites for rice and sugar have been identified

Pilot sites



District		Site No	Site	Crop	Land size of nucleus farm	Land size of smallholder
A	Karagwe	1	Kitengule	Sugarcane	16,000	2,000
B	Kasulu	2	Kasulu	Sugarcane	20,000	2,000
C	Kibondo	3	Kumsenga/Kibwie	Sugarcane	20,000	5,000
D	Kilombero	4	Kiberege	Sugarcane	20,000	10,000
		5	Kihansi,	Paddy	5,200	8,000
		6	Mpanga-Ngalimila	Paddy	5,128	16,203
				Sugarcane	13,000	6,500
		8	Kisegese	Paddy	10,000	15,188
E	Ludewa	9	Manda	Sugarcane	20,000	5,000
F	Morogoro	10	Kisaki	Sugarcane	20,000	10,000
		11	Mkulazi	Sugarcane	50,000	25,000
		12	Mkulazi	Sugarcane	50,000	25,000
		13	Mvuha	Sugarcane	20,000	10,000
		14	Mahurungu	Sugarcane	3,000	2,000
G	Mtwara	15	Ikongo	Sugarcane	12,000	3,000
I	Pangani	16	Pangani	Sugarcane	3,200	1,200
J	Rufiji	17	Lukulilo	Paddy	8,000	4,000
		18	Mkongo	Sugarcane	22,000	7,000
		19	Muhoro	Sugarcane	20,000	16,000
		20	Rufiji Delta	Paddy	5,000	13,500
		21	Tawi/Utunge	Sugarcane	20,000	5,000
K	Ulanga	22	Itete	Paddy	10,000	30,000
		23	Kilosa kwa mpepo	Paddy	5,000	18,000
		24	Misegese	Paddy	5,000	15,000
		25	Ngohelanga	Paddy	6,000	15,000



"I know there will be challenges, but I am optimistic that through our cooperative endeavours we will overcome them. In the end we will create a corridor of highly productive and competitive agriculture..."

President Jakaya Kikwete

THANK YOU FOR YOUR ATTENTION

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