Tanzania Agrodealer Strengthening Program (TASP)

Project Name and Duration: Tanzania Agrodealer Strengthening Program, June 1, 2007 - May 1, 2010

Funding Source and Amount: The Alliance for a Green Revolution in Africa (AGRA)

Location: Tanzania

Success Stories: Agrodealer Profile: Mrs. Kente Mtei

Summary:
The goal of the Tanzania Agrodealer Strengthening Program is to transform Tanzania’s fragmented input distribution system into an efficient, commercially viable input supply infrastructure, thus enabling smallholder farmers greater access to productivity enhancing inputs and technologies.

The Tanzania agricultural production market is faced with numerous challenges in its efforts to provide economic opportunity for the millions of Tanzanian farms and establish food security for the nation at large. Among these challenges are market-distorting government subsidies, a fragmented input supply network, lack of output markets and poor knowledge of effective agronomic practices among farmers. In its effort to apply the Agrodealer Strengthening Program model to Tanzania, CNFA/TAGMARK worked to address all of these issues.

CNFA/TAGMARK will achieve the creation and strengthening of a network of rural agrodealers through a holistic approach, working with all stakeholders. This approach will remove the Ministry of Agriculture from a direct role in inputs purchase and distribution, foster the growth of a commercially based rural distribution network of private agrodealers, facilitate agrodealers’ access to commercial credit, and stimulate smallholder demand for improved agricultural inputs.

The basic agrodealer development model used here was based on CNFA’s highly successful Rockefeller-funded input supply programs in Malawi and Western Kenya, and has been tailored to meet the specific needs of Tanzanian smallholder farmers. The use of a guarantee facility to stimulate access to finance, agrodealer market development activities through demonstrations and field days, and business management training programs have proven highly successful in Western Kenya, which faces similar distance, logistics, and poverty challenges to the selected Fast Track districts of Tanzania.

Activities:
CNFA focused on the five districts targeted by the Government for its subsidy program (Fast Track Districts) and Arusha and Meru Districts in Northern Tanzania. Around Arusha, CNFA integrated agrodealer development efforts with efforts to improve Tanzania’s local seed industry, including foundation seed enterprises and local seed companies.

Year One activities focused on the design of a voucher program for implementing government subsidies in a sustainable manner, and on developing a network of agrodealers in the Fast Track districts to enable the implementation of this voucher program. These activities, combined with activities around Arusha focused on linking agrodealers to the local seed industry, will be scaled up in years Two and Three to foster development of a nationwide rural market network.

In addition, TASP achieved a great deal of success in the areas of its core components aimed at...
strengthening the agrodealer network. Notable among these efforts are the expansion of agrodealerships to distressed areas through matching grants, technical trainings to strengthen agrodealer capacity, agrodealer association development, and linking agrodealers to financial institutions.

Through all of the above mentioned activities, TASP has improved the access to agricultural technologies, knowledge, productivities and incomes for an estimated 880,000 Tanzanians.

Accomplishments:

Year One TASP Accomplishments (as of June 30, 2008):

- 243 Agrodealers trained and certified in Business Management Skills
- 7 associations advocating agrodealer issues established and supported
- Government input subsidy program redesigned to sustainable, market-friendly voucher program
- 74 matching grants valued at $177,110 issued to support agrodealer start-ups, add-on services and output market development
- 16 technical trainings involving 8 supply companies organized on product handling and safe use

Agrodealer Profile: Mrs. Kente Mteti, Wilken Agroservices, Usa River

Manyatta Village, Tanzania - When we asked Mrs. Mteti what was the most important thing the CNFA Business Management Training (BMT) taught her, she responded, "It gave me confidence." This new found confidence becomes apparent in the first few minutes you spend with her. She is brimming with confidence and entrepreneurial spirit. She took the most recent visit as an opportunity to show off her newest project, an Agricultural Promotion Center (APC) in Manyatta village, and her vision for the future.

From Auditor to Agrodealer

Mrs. Mteti is a relative new-comer to the agro-services industry. In 1997, after 12 years as an auditor at Tanzania Breweries’ Arusha Plant, she retired and returned to her true passion, farming. However, despite her strong work ethic and love of farming, she found it difficult to practice farming due to the lack of access to improved farm inputs like fertilizer and maize seeds. She had to travel 6km to the nearest agrodealer, and even then there was no guarantee that they would have what she needed.

Tired of waiting for someone else to solve this problem, early 2007 she opened her own agrovet shop, Wilken Agroservices, and strategically located it on the edge of the town, 2km closer to the farmers than any other shop in Usa River. The shop was immediately popular because it shortened farmer’s trips to access inputs by at least 4km.

Initially the store sold only fertilizers, but has since expanded to sell seeds, animal feeds, agrochemicals and it even serves as a small output market for maize and dairy produce. She began selling animal feeds and buying maize and milk to counter the cynical nature of demand of the agricultural input market. Mrs. Mteti’s business savvy, bolstered by what she learned in the BMT, encouraged her to expand her business, which is exactly what she is doing in Manyatta Village.

Agricultural Promotion Center (APC)

Despite having fertile soil and a highly concentrated farming community, Manyatta Village and the surrounding area is home to over 4,000 farming families, whose access to inputs is Mrs. Mteti’s Usa River agrovet shop, 7km away. This means that the farmers in Manyatta and surrounding villages have to travel at least 14km, usually on foot to purchase inputs, a fact that has discouraged most of them from using farm inputs.

The APC is Mrs. Mteti’s plan to address the vast needs of the farmers by combining the three essential aspects of improving agricultural production into one area: an input supply store, a demonstration plot and the neighboring school house for training and education. She believes that farmers have the best chance to succeed after being educated in the modern farming techniques through training and on-farm demonstration.

To make this a reality, she applied for and received a CNFA matching grant valued at $3,859 which she is using for the construction of the APC in the Manyatta village. And as the construction of the APC is underway, farmers cannot hide their excitement. Mrs. Mteti explains that this demand and interest comes from the awareness created as a result of better education and her maize demonstration plot which she planted with
CNFA collaboration. “The maize demonstration has had a very big impact. Everyday people pass through here and everyone wants to plant these seeds now”, says a delighted Mrs. Mteti.

**Big Plans**

Mrs. Mteti plans are to open an additional three branches reaching deeper into the surrounding villages where they are no agro-service providers. She is also quick to credit her success to the CNFA support and intervention; particularly for the business management course which she says helped her improve her business management. She believes that improved access to inputs is crucial to the development of the area. She says that after her new agrovet shop opens, “productivity is going to shoot up and people will have an opportunity to improve their household incomes.” The future looks bright for Mrs. Mteti and the Manyatta Village community.

**For more information, please contact:**
Kelly Setnhoff, Africa Program Officer:
kstenhoff@cnfa.org

http://www.cnfa.org/tasp