



SMALL FAMILY FARMS COUNTRY FACTSHEET



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THE CONTEXT OF AGRICULTURE AND THE ROLE OF SMALL FAMILY FARMS

Tanzania is a low-income country in Eastern Africa with a population reaching nearly 56 million inhabitants. Agriculture remains a cornerstone of the economy, providing 31 percent to GDP and contributing 24.9 percent of annual export earnings, in particular through the main export crops cashew, tobacco, sugar, coffee and cotton. Tanzania records a continuous agricultural sector growth and is considered largely self-sufficient in its main staple crop maize. Cassava, paddy, sorghum and bananas are the second most widely grown staple crops by farmers.

68 percent of Tanzania's work force engage in farming, both in rural and urban areas. However, 83 percent of all holdings are run by small family farmers who dominate the agricultural sector by contributing around 75 percent of the total agricultural output. Livestock and poultry play an important role in the economy of a Tanzanian small family farm; the second source of income.

KEY CHARACTERISTICS OF SMALL FAMILY FARMS¹

General aspects

Crop cultivation is the main agricultural activity of Tanzanian small family farms, who consist on average of more than 5 household members with a mean land holding capacity of around 1.2 hectares. Besides agricultural production, livestock keeping and poultry production play an important role and account for the second largest source of income; Tanzanian smallholders hold on average 3 Tropical Livestock Units (TLU). Around one fourth of the small family farms are female-headed (26 percent), usually engaging in crop production rather than in livestock keeping. The governments' dedication to the improvement of the country's educational system over the last decades has likely increased the average educational level of a household head, which amounts up to 5 years.

Economic situation and diversification

An average small family farm in Tanzania generates a gross income of about USD 5 032² per year, whereby the majority is acquired through on-farm activities (56 percent), particularly through the growing and selling of crops (47 percent). Although on farm income is still the most important source for livelihood, a growing share of smallholders engage in non-agricultural employment (e.g. manufacturing or the retail sector); almost one third of the annual income is generated through non-agricultural wages. Nevertheless, income poverty remains high and 39 percent of the smallholders in Tanzania live below the national poverty line. Local, often informal markets remain the main selling channel for smallholders. 98 percent of the sales take place in those local settings while 99 percent of smallholder households rely on these local markets to buy their agricultural inputs, too.

AT A GLANCE

- Almost **half of Tanzania's population live below the poverty line** of USD 1.9 a day (2011 PPP), predominantly in rural areas.
- The country's **political stability** is basis for an overall strong economic performance (GDP growth averaging 7 percent per year).
- **Poor working conditions and low wages** remain main characteristics of the rural labour market.
- A rapidly growing labour force and fast urbanisation will further exacerbate high **un- and underemployment** rates in the country.

Source: World Bank, 2017.

¹ Unless indicated specifically, the data in this factsheet is taken from the LSMS survey 2013, analyzed by the SMALLS Team in FAO ESA. A detailed methodology description can be found online on the FAO Family Farming Knowledge Platform. The SMALLS Team would like to acknowledge the country office of Tanzania for having provided valuable feedback.

² All monetary values in this factsheet are expressed in constant 2009 international dollar.

Productivity and technology

Despite an ongoing agricultural growth in the country, limited access to agricultural inputs exacerbates smallholder productivity. While the majority of farmers relies on traditional farming methods, only 1.4 percent of smallholder households use motorized equipment. Provision of extension services or other knowledgeable sources are similarly weak. On average only 1.9 percent of a smallholders' farmland is irrigated, although farming in Tanzania is highly dependent on rainfall and have been affected by severe drought periods over the last decade. Compared to other East African countries, Tanzanian farmers have a less intensified application of fertilizers (16 percent of the households use fertilizers), whereas almost half of the households have access to improved seeds (42 percent). Almost 80 percent of the annual crop production is dedicated to food production, underlining the potential that improved agricultural productivity could have to diminish poverty of Tanzanian family farms.

Although the average smallholder farmer partially allocates labour to off-farm activities, agriculture production remains the main household domain with most of the households' available labour allocated to (0.56 person days).

Constraints

The average distance of smallholders to the nearest road of 1.3 km is remarkably low, while smallholders in other East African countries face distances up to 40 times higher. However, this possible access to markets is predominantly favourable for those smallholders who produce a surplus, but Tanzanian family farms sell only 35 percent of their agricultural products on average, indicating the high share of domestic consumption. Regarding financial services, only 6 percent of Tanzania's smallholders have access to credit. The average credit of USD 1 036 which is almost 21 percent of the annual income is an important source for investments, as small family farms in Tanzania spend around 7 percent of their value of production for agricultural inputs.

SMALL FAMILY FARMS IN TANZANIA		SMALL FARMS	OTHER FARMS
Farm aspects	Average farm size (ha)	1.2	5.3
	% of smallholders on total farmers	83	17
	% female headed households	26.2	27.3
Income and poverty	Household income (const. 2009 Int.\$)	5 032	6 918
	% of income from crop production	47	54
	% of income from on-farm income	56	67
	% of income from agricultural wage labour	7	3
	% of income from non-agricultural wages and self-employment	30	26
Labour	Smallholder poverty rate (national poverty line)	39	40
	Family labour-days supplied on farm over a day period (person days)	0.56	0.99
Production	Family labour-days supplied off-farm over a day period (person days)	0.14	0.11
	Value of crop production (const. 2009 Int. \$)	895	2 549
	Amount of food produced (const. 2009 Int. \$)	693	1 876
Capital and inputs	Value of food production per ha (const. 2009 Int. \$)	1 103	505
	Livestock (TLU; pastoral households only)	2.8	4.8
	% of households using motorized equipment	1.4	10.4
	% of households using fertilizer	15.5	4.6
	Fertilizer per hectare (kg)	39	8
	Seed per hectare (kg)	80	23
Markets	Irrigation (% of land)	1.9	1.7
	% of households selling crops through informal channels*	98	98
	% of households selling crops in the local markets* * 73 percent of households reported this information	98	98
Innovation and technology	% of households buying ag. inputs in the local markets * 57 percent of households reported this information	99	99
	% of households using improved seeds	41	45
Constraints	% of households recipient of extension services	9	17
	% of agricultural production sold	35	48
	% of expenditure for inputs on value of production	7	5
	% of credit beneficiary households	6	9
	Credit (const. 2009 Int. \$)	1 036	1 243
	Distance of land from road (km)	1.3	1.4

Source: FAO. 2018. Smallholders data portrait (available at www.fao.org/family-farming/data-sources/dataportrait/farm-size/en).

REFERENCES

- FAO. 2014. *Tanzania Country Programming Framework January 2014 – June 2016*. Rome.
 FAO. 2015. *The economic lives of smallholder farmers: An analysis based on household data from nine countries*. Rome.
 National Bureau of Statistics. 2014. *Basic Demographic and Socio-Economic Profile, Tanzania*. Zanzibar, Tanzania.

SMALLHOLDER FARMERS' DATA PORTRAIT

The Smallholder Farmers' Data portrait is a comprehensive, systematic and standardized data set on the profile of smallholder farmers across the world. It can generate an image on how small family farmers in both emerging and developing countries live their lives. It is about putting in numbers, the constraints they face, and the choices they make so that policies can be informed by evidence to meet the challenge of agricultural development. Currently, the data portrait provides information for nineteen countries.

For more information about SMALL FAMILY FARMS

Please visit: www.fao.org/family-farming/themes/small-family-farmers

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