

**STATEMENT BY HON. Eng. CHRISTOPHER K. CHIZA (MP) MINISTER FOR
AGRICULTURE FOOD SECURITY AND COOPERATIVES OF THE UNITED
REPUBLIC OF TANZANIA AT THE 38TH SESSION OF FAO CONFERENCE,
ROME, 15th – 23rd JUNE 2013.**

**Chairperson,
Director General,
Distinguished delegates,
Ladies and Gentlemen.**

Chairperson, It is my pleasure and honour to address this 38th Session of FAO Conference on behalf of the Government of the United Republic of Tanzania.

Chairperson, allow me to take this opportunity to congratulate you and the distinguished members of the Bureau. I trust that through your able leadership our deliberations will be successful. Allow me also to register my country's commitment to being a member of FAO, an organization with significant role in increasing food security and fighting poverty.

Chairperson, we all agree that, agriculture is an important preoccupation for the majority of our people and will remain central in Africa's effort to address poverty alleviation and in realizing the continent's food security targets. In Tanzania, agriculture accounts for about 95 percent of the country's food basket during years with adequate rains and also accounts for 75 percent of rural employment. In 2012, the sector accounted for 26.8 percent of the country's GDP. However, the growth of the sector is still not appealing averaging to an annual growth rate of 4 percent which is still below the CAADP target of 6 percent.

Performance of agricultural sector is still constrained by a number of factors including low production and productivity due to use of inappropriate technology, overdependence on rain fed agriculture compounded by negative effects of climate change, inadequate research and extension services, low utilization of improved seeds, poor infrastructure

especially rural roads, weak network of inputs and output markets and very low prices netting to low returns.

These problems are further compounded by inadequate and weak financial services in rural areas. *However, the solution does not lie in listing them rather but in embarking on measures to solve them. The Government is determined to solve them, not each in isolation but in an integrated, selective and cost effective approach.*

Chairperson, As we all know, development of a competitive agricultural sector requires financial services, technological and information services, marketing services and capacity building. The Government of Tanzania is still constrained by inadequate budgetary allocations and credit facilities directed to agricultural production. Other support services such as standardization and quality control are also inadequate. For example, Tanzania has not yet accomplished the Maputo Declaration of allocating 10 percent of her national budget to agriculture but a commendable success has been achieved to the tune of 7.4 percent. Another major constraint is the rather unfriendliness of commercial banks in financing agriculture coupled with price volatility. I remember we discussed this problem of price volatility at length in our last meeting.

However, crisis of our important cash crops are frequently affected by the trend of the world market, a situation which is always beyond our control. In Tanzania we have started a process for setting up “Price stabilization Funds” as a fallback position. In this regard, I would like to know what other government are doing.

Chairperson, through the existing framework of National Strategy for Growth and Reduction of Poverty (NSGRP) - MKUKUTA & MKUZA, Agricultural sector Development strategy (ASDS), the Agricultural Sector Development Programme (ASDP)- Tanzania Mainland, the Agriculture Strategic Plan (ASP) for Tanzania Zanzibar and KILIMO KWANZA (Agriculture First) initiative we have addressed some of the challenges. The Government of Tanzania has set some priority areas for intervention within the Tanzania Agriculture and Food Security Investment Plan

(TAFSIP) with a view to increasing agricultural productivity and quality production through the second phase of ASDP, ASP and Southern Agriculture Growth Corridor of Tanzania (SAGCOT) among others. The objective is to catalyze investment in commercial agriculture, linking producers with domestic and international markets and putting in place attractive key policy issues including abolishing nuisance taxes.

Chairperson, within AU framework, the Government is determined to increase agricultural productivity and commercialization through the Comprehensive Africa Agriculture Development Programme (CAADP) operationalized through the TAFSIP framework. In this regard, I would like to commend the African Union Commission and FAO, in collaboration with Lula Institute, for convening a meeting with African and International Leaders on “New Unified Approaches to end hunger in Africa in Addis Ababa, Ethiopia from June 30th to 1st July, 2013.

Chairperson, Tanzania recognises the critical role played by the **private sector** in the growth of the agricultural sector. However, our private sector is still weak compared to roles vested in it. Cognizant of this fact, African representatives to the World Economic Forum (WEF 2012) in Davos, Switzerland echoed the importance of enhancing transformation and modernisation of agriculture to ensure that it contributes to economic growth and transformation.

In line with this, the New Alliance for Food and Nutrition Security is also designed to increase private sector investment in the agriculture sector in the participating countries Tanzania inclusive. This initiative in Tanzania came timely in support of overarching ‘Kilimo Kwanza’ (Agriculture First) resolve and its implementation is being implemented through the ASDP and the TAFSIP. A key milestone from the New Alliance roadmap is the development of the Second Phase of ASDP which is an expanded sector-wide program allowing participation of both basket and non-basket financing and recognising private sector contribution to the sector’s development. In this regard, Tanzania reiterates the need for continued support for FAO’s budget framework as the organization will in turn adequately support the implementation of TAFSIP, and hopefully the new phase of ASDP.

Chairperson, In recognizing this, the Government plays a role of creating a conducive environment that encourages Public Private Partnership (PPP), and continues to catalise private sector investment in the agricultural production value chain. In recent years, through a corridor approach – SAGCOT already initiatives in rice and sugar partnerships are at an advanced stage with an objective of increasing production of **rice** by 290,000MT, sugar 150,000MT and **maize** 100,000MT from the current levels by 2015.

Chairperson, Tanzania is very well blessed with available local resources like natural gas, which can be utilized to promote local industrialization in fertilizer and electricity production; water for both irrigation and fisheries/aquaculture; land for crop production and processing among others. Opportunities are also available for cashewnut, textiles and oil product processing factories complemented with incentive schemes such as the just adopted mechanism of abolishing food (maize) trade ban and tax relief.

Chairperson, In conclusion, allow me to congratulate the out-going Independent Chair of the FAO Council, Mr. Luc Guyau, for the job weldone. I am looking forward to a new Chairperson to do the same. Let me also finnish by congratulating Brunei, Singapore and The South Sudan for joining FAO; my words to them are – **“Welcome to the family”**

I THANK YOU FOR YOUR ATTENTION