The Comprehensive Africa Agriculture Development Programme (CAADP) and agricultural policies in Tanzania: Going with or against the grain?

Brian Cooksey

March 2013

This paper was produced as part of the FAC Political Economy of Agricultural Policy in Africa (PEAPA) work stream

Working Paper www.future-agricultures.org

(Photo credit: SERA 2012)

TABLE OF CONTENTS

Acronyms 3

0.0 Synopsis 4

1.0 Introduction and background 5

2.0 Methodology 6

3.0 Agricultural policy in Tanzania: from ASDP to CAADP 7

- 3.1 The CAADP process in Tanzania, 2003 to date 7
- 3.2 TAFSIP and Tanzanian agricultural policy 9
- 3.3 TAFSIP and 'non-state' actors 13
- 3.4 Coordinating TAFSIP and other policy interventions 16

4.0 CAADP/TAFSIP and external policy linkages 17

5.0 The politics of CAADP/TAFSIP 23

6.0 Summary and conclusions 28

- 6.1 Policy-making, ownership and coordination 29
- 6.2 Finance 30
- 6.3 Donor support 30
- 6.4 Non-state actors 31
- 6.5 Going with or against the grain? 31

7.0 References 32

Appendix 1: Tanzanian agricultural investment intentions, 2012 38

Endnotes 39

Boxes

1: Coordination, an example 17
2: Local and international companies' commitments to NAFSN in Tanzania 19
3: AGRA in brief 20
4: The Africa Enterprise Challenge Fund (AEFC) 20
5: AGRA/AGRF: State and market for the green revolution 21
6: Making the KK-SAGCOT linkage 21
7: SAGCOT, Tanzania's Agricultural Growth Corridor 22
8: Mechanisation and the military 23
9: Public-Private Partnership in action? 26
10: DFID and Monsanto 27
11: Loliondo, an historical precedent? 32

Tables

1: Summary of TAFSIP Cost Estimates by Programme (TShs m) 12
2: Major investments in the agricultural sector (mainland Tanzania) 13
3: G8 members' funding intentions for the New Alliance for Food Security and Nutrition 18

Figures

1: CAADP/TAFSIP timeline 7
2: Tanzania's agricultural policies 2006-2017 10

Chart 1: Structure of TAFSIP 11

Acronyms

AAGITF	African Agricultural Growth and Investment Task Force
AECF	Africa Enterprise Challenge Fund
ASDS	Agricultural Sector Development Strategy
ASDP	Agricultural Sector Development Programme
AU	African Union
CAADP	Comprehensive Africa Agriculture Development Programme
CGIAR	Consultative Group on International Agricultural Research
COMESA	Common Market of Eastern and Southern Africa
EAC	East African Community
ECOWAS	Economic Community of West Africa
FARA	Forum for Agricultural Research in Africa
FTF	Feed the Future
GA	Grow Africa
GAFSP	Global Agriculture and Food Security Program
IFPRI	International Food Policy Research Institute
KK	Kilimo Kwanza
MAFC	Ministry of Agriculture, Food Security and Cooperatives
MIT	Ministry of Industry and Trade
NAFSN	New Alliance for Food Security and Nutrition
NEPAD	New Partnership for African Development
NFRA	National Food Reserve Agency
PPP	Public-Private Partnership
ReSAKSS	Regional Strategic Analysis and Knowledge Support System
SADC	Southern African Development Community
TWG	Technical Working Group
TAFSIP	Tanzania Agriculture and Food Security Investment Plan
WRS	Warehouse Receipt System

0.0 Synopsis

PEAPA's second round of comparative fieldwork examines the relationship between CAADP and agricultural policy in selected countries. The CAADP compact led the Tanzanian government to formulate the *Tanzania Agriculture and Food Security Investment Plan* (TAFSIP, November 2011), which is essentially an enhanced version of the *Agricultural Sector Development Programme* (ASDP 2006-13). While expanding ASDP's scope and projected cost, TAFSIP retained ASDP's overall state-led agricultural development model, focusing on inputs and productivity rather than markets and value chains. In 2008, a Tanzanian private-sector-led agricultural strategy known as *Kilimo Kwanza* (KK) was launched. From mid-2009 the ruling elite embraced KK as the government's vision for agricultural transformation. Nevertheless, in claiming policy leadership, TAFSIP 'incorporated' ASDP while dismissing KK as a mere 'slogan'.

In mid-2012 US President Obama announced a major G8 initiative known as the *New Alliance for Food Security and Nutrition* (NAFSN). Endorsing CAAADP/TAFSIP, NAFSN proposes new investment and regional trade agreements that signal a radical policy shift in favour of multinational corporations. Numerous US departments are involved in a co-ordinated policy initiative to promote global food and energy production and support US agribusiness. *CAADP/TAFSIP is now the US/G8 vehicle for the promotion of large-scale agriculture in Tanzania even though the content of US/G8 policy bears almost no resemblance to the original TAFSIP statist blueprint.* The aid community, philanthro-capitalists and venture capital funds have all aligned with the emerging strategy. Politically well-connected Asian trade cartels are keeping a low profile.

The Tanzanian ruling elite's apparent preparedness to embrace a commercial approach to agricultural policy is explained in part by its large land acquisitions over many years and the prospect of PPPs and JVs with foreign investors. But elite support for radical agricultural liberalisation is by no means guaranteed.

Whereas the original CAADP/TAFSIP blueprint treats the 'private sector' as a junior partner to the state, Kilimo Kwanza promotes the interests of local large-scale farmers. To date, small farmer lobbies have not seriously challenged the unprecedented emerging commercial policy orientation. The main opposition to a greater agribusiness presence comes from international and national NGOs concerned with land issues, GM seeds and the use of chemical farm inputs. The precedent of the mining sector suggests that growing political, civil society and media hostility to 'land grabbing' and the marginalisation of small farmers is likely to force the ruling elite to backtrack on its commitment to a radically 'liberalised' policy regime, particularly in light of declining popular support for the ruling party across the country.

CAADP/TAFSIP's original state-led and coordinated agricultural investment and development model was largely compatible with the ASDP. The US/G8 NAFSN initiative has turned CAADP/TAFSIP on its head, while ignoring Kilimo Kwanza, the government's private-sector-driven policy 'vision'.

It remains to be seen whether one of Tanzania's three contending 'policies'--ASDP, Kilimo Kwanza or TAFSIP--will come to prevail, or whether the present policy incoherence—the result of both exogenous factors and the ruling elite's indecision on 'state versus market' issues--will continue, and with what consequences for Tanzania's farming classes.

1.0 Introduction and background

Endorsed by African Union (AU) heads of state and the New Partnership for African Development (NEPAD) in Maputo in 2003, the Comprehensive Africa Agriculture Development Programme (CAADP) is said to be 'an Africa-led and Africa-owned initiative and framework to rationalise and revitalise African agriculture for economic growth and lasting poverty reduction results.'[1] CAADP is built on four 'pillars': land and water management, market access, food supply and hunger, and agricultural research.[2] CAADP's roll-out is financed through a multi-donor trust fund managed by the World Bank.[3]

By June 2012, 40 African countries had engaged in the CAADP process, some 30 had signed CAADP compacts and 23 had finalised investment plans.[4] CAADP targets the Millennium Development Goal (MDG) of reducing poverty by half by 2015 through *inter alia* the pursuit of a six percent average annual growth in the agriculture sector and allocating an average of ten percent of national budgets to agriculture.[5] Though agriculture's share of total spending has increased significantly in many CAADP countries in recent years, it is generally still well short of the ten percent target.[6] Between 2002 and 2007, spending on Tanzanian agriculture ranged from 4.5 to 6.8 percent of the national budget. In 2010/11 (an election year) it rose to 7.8 percent of total expenditure, falling back to 6.8 percent the following year.[7]

The Government of Tanzania (GoT) signed the CAADP compact in July 2010 and subsequently formulated the Tanzania Agriculture and Food Security Investment Plan (TAFSIP), which was completed in October 2011.[8]

When CAADP arrived on the Tanzanian policy scene it found on-going agricultural policies and programmes at various stages of implementation. This report examines how CAADP was affected by existing and emerging policy initiatives, and how, in turn, it has influenced these. The recent drivers of agricultural policy are described in the following paragraphs.

The Political Economy of Agricultural Policy in Africa (PEAPA)'s recent research on the drivers of Tanzanian agricultural policy found that, despite increasing political competition, the ruling elite has not been able to implement effective 'farmer-friendly' policies in order to retain the rural vote. This is partly because the ruling elite's incentive to secure votes through public or private transfers to farmers is undermined by the counter-imperative to secure the political loyalty of local elites, who are allowed to plunder local development budgets and sometimes extract rents from farmers and businesses. Donor assistance has been instrumentalised to support largely state-centred policy, helping undermine 'private-sector led' agricultural interventions.[9]

This narrative of a patronage-driven agricultural policy backed by donor aid is being rapidly overtaken as a result of important internal and external developments. Rising global food and oil prices have led US and other agribusiness conglomerates to take a keen interest in African countries with supposed land surpluses, including Tanzania. For a decade, Tanzania has sided with the United States in its global 'war on terror', receiving large amounts of American aid in return. Tanzania is one of the first three countries to develop a cooperative framework agreement for the US government-led *New Alliance on Food Security and Nutrition* that was launched at a G-8 summit in May 2012. As part of the agreement, Tanzania commits to policy reforms to create incentives for private sector, including agribusiness, investment.

Tanzanian private sector actors rather than the central government and donors claim responsibility for formulating Tanzania's latest agricultural policy initiative, known as *Kilimo Kwanza* (KK) ('agriculture first'). Described as a 'vision' rather than a policy or a strategy, KK is more concerned with 'market-led' agricultural development than the ASDP (Agriculture Sector Development Programme), which was already underway when KK came onto the policy scene in 2008.[10]

One recent major initiative known as the Southern Agricultural Growth Corridor of Tanzania (SAGCOT) brings together the government and more than twenty global agribusiness interests and international organisations in an ambitious 'public-private partnership.' SAGCOT claims affinity to KK rather than to ASDP.

In this emerging context, bilateral donor agencies are under pressure to align themselves more closely with their national agribusiness corporations, and to carry some of the initial investment costs and risks. The World Bank hedges its bets with both traditional project loans and proposed support for SAGCOT, on whose board it sits. Apparently excluded from the 'private-sector driven' strategic change of policy direction are cartels of Tanzanian Asian agribusinesses said to be extracting monopoly rents from *inter alia* rice, edible oils, sugar and food aid markets.[11]

2 Methodology

The first phase of the (PEAPA) attempted to explain how the functioning of the political system, including the ongoing processes of democratisation, affects agricultural policy and practice, and to show how distinctive social, political, institutional and agro-ecological features of individual countries influence incentives for agricultural policy-making and implementation.[12]

It may be useful to summarise Phase 1's conclusions with regard to the drivers of agricultural policy in Tanzania:

> 'The broad conclusion is that both vote-seeking and patronage incentivise agricultural policy but that the benefits to voters in terms of private and public goods delivered as a result are limited by the same patronage... [D]onors have been unsuccessful in addressing institutional constraints on policy implementation, while lack of coordination has contributed to systematic project failure in the agricultural sector. ... [Phase 1] concludes that patronage and rent-seeking undermine official policies designed to deliver public or private goods to voters, with both public and private sector interests informally capturing the lion's share of the rents created.' [13]

How does CAADP relate to this local policy environment? This case study examines the operationalisation of the CAADP process in Tanzania. In particular, it focuses on the following research questions:

1. How does CAADP relate to existing Tanzanian agricultural strategies and policies?
2. Who and what drive the CAADP process?
    - What are the key external-internal dynamics?
    - How far is the CAADP process 'locally owned'?
    - What were the roles played by politicians, bureaucrats and donors at each stage of the CAADP process?
3. What factors encourage or discourage the involvement of 'non-state actors' in CAADP?
4. Does CAADP add value to agricultural policy formulation and content? [14]

Asking whether CAADP goes 'with or against the grain' involves investigating how those internal and external actors promoting CAADP relate to the pre-existing Tanzanian agriculture policy regime (research question 1). Going 'with the grain' suggests that CAADP may have potential for influencing/reinforcing specific aspects of agricultural policy. Going 'against the grain' implies the opposite: not relating to the dominant policy regime would mean little or no likelihood of CAADP influencing Tanzanian agricultural policy. Intermediate positions (going both with and against the grain) are also possible.[15]

The limitation of this approach is that *it assumes a dominant policy regime*. Above it was suggested that the traditional government-donor domination of the agricultural policy discourse is being increasingly challenged by both internal and external private sector interests with political influence. Thus a more strategic formulation of the question would be how CAADP positions itself with regard to the two contending discourses. Equally important is the 'so what?' question. What indicators could be used to assess what CAADP has changed in the realm of policy, and to what lasting effect (question 4.)?

This study is based on a literature review, web trawls, face-to-face interviews, and email and telephone conversations with key informants both locally and internationally. Those interviewed include staff of CAADP and other international agencies, government and aid officials, politicians, consultants, fellow researchers, civil society and private sector actors.

The report is structured as follows. Section 3 provides a timeline of the CAADP process in Tanzania and examines various linkages with existing policies and actors, including non-state actors in the private sector and civil society. Section 4 does the same for external policy linkages and section 5 looks at the politics of CAADP/TAFSIP, asking how the emerging dominant paradigm relates to the interests and incentives of the country's ruling elite. Section 6 summarises and concludes.

3.0 Agricultural policy in Tanzania: from ASDP to CAADP/TAFSIP

This section examines CAADP in the Tanzanian context. Section 3.1 presents a CAADP timeline; 3.2 summarises CAADP linkages with pre-existing agricultural policy; 3.3 examines relations with the private sector and other non-state actors, and 3.4 reflects on the co-ordination issue.

3.1 The CAADP process in Tanzania

Who were the main actors in the CAADP process[16] in Tanzania, and how was the process managed? **Figure 1** presents a timeline for CAADP/TAFSIP.

Figure 1: CAADP/TAFSIP timeline

March 2003	**CAADP** endorsed by African heads of state in Maputo.
September 2008	**USAID** commit $15m to CAADP over five years. Other donors follow.
March 2010	Joint Mission of **NEPAD**, **CAADP Lead Pillar Institutions** and the **Southern African Development Community** (SADC) visit Tanzania.
April 2010	Follow up mission by **NEPAD Agency**, **FAO Investment Centre** Rome, and **ReSAKSS-EAC**. Multi-sector **Taskforce** established.
May 2010	Stocktaking by CAADP Taskforce.
July 2010	**Roundtable** (6th July) and signing of **Compact** (8th July).
May 2011	Independent **technical review** of the proposed Investment Plan, 25th – 31st May.
November 2011	Investment Plan finalised. The **Tanzania Agriculture Food Security Investment Plan** (TAFSIP) launched by **President Kikwete** on 11th November. **High-level Business Meeting**: technical meeting 10th and the 'political buy-in' and launch on 11th.
December 2011	TAFSIP implementation begins.
May 2012	**Global Agriculture and Food Security Program** (GAFSP) approves a grant of USD 22.9 million to the GoT for input subsidies and rice irrigation scheme rehabilitation.

CAADP is an attempt by the African Union and the New Partnership for African Development (NEPAD) to craft a major African development initiative that is more authentically 'African' than previous continent-wide or global initiatives such as HIPC/PRSP/MDG. But the CAADP process stalled until external donors, led by USAID, began to pledge financial support, starting in 2008.[17]

The Tanzanian stocktaking process was led by a CAADP Task Force (TF) consisting of members from agriculture lead ministries, donors, the private sector[18] and civil society.[19] The TF was coordinated by The Ministry of Agriculture, Food Security and Cooperatives (MAFC) with facilitation from the UN's Food and Agriculture Organization (FAO). The TF's remit was 'to prepare, undertake and manage all the processes for the Tanzania CAADP Roundtable consultation towards signing of Tanzania CAADP Compact.' The TF was supported by four national consultants from Sokoine University of Agriculture (SUA) and the University of Dar es Salaam (UDSM).[20] The stocktaking exercise identified a number of 'gaps' in the agricultural policy framework, including the limited participation of the private sector and inadequate incentives to investors, while ASDP was critiqued for low levels of proposed investment in irrigation, transport, agro-processing, research and marketing development, while food security, nutrition and climate change were 'not well addressed.' [21] The TF ended by proposing a list of 32 'areas of improvement', that would distinguish the CAADP investment plan from ASDP. These included 'incorporating strategies for ... climate change, and integrating food and nutrition security in agricultural development...' [22]

The CAADP Compact was signed in July 2010 by Tanzania mainland and Zanzibar[23] government officials, plus representatives from development partners, the East African Community, SADC Secretariat and the African Union Commission, farmers and the private sector.[24] The compact states that: 'Tanzania is implementing CAADP through the Agricultural Sector Development Programme (ASDP) for Tanzania Mainland and the Agriculture Strategic Plan (ASP) for Zanzibar.' [25]

This claim proved to be a sticking point in the CAADP compact, since the NEPAD-CAADP secretariat did not consider ASDP 'CAADP-compliant', despite its national profile, claims for participatory formulation and detailed costing. In particular, NEPAD-CAADP did not regard ASDP as comprehensive enough to ensure ten percent of budget allocations to agriculture and six percent sectoral growth. In addition, NEPAD-CAADP thought that ASDP did not adequately address private sector development or nutrition, and there was no mention of climate change.[26] NEPAD-CAADP therefore pressured the Task Force to update ASDP with an IP that could be seen to be more a reflection of the principles underlying the Africa-wide CAADP initiative. Reluctance to replace the national flagship agricultural programme by an externally sourced investment plan led to a stand-off, with the Task Force eventually agreeing to prepare a new IP, known as the Tanzania Agriculture and Food Security Investment Plan (TAFSIP).[27]

In November 2011, the costed IP was presented to a two-day High Level Business Meeting, the final milestone before implementation. Almost half of the nearly 300 participants were government officials from Tanzania mainland and Zanzibar, and almost two-thirds (64 percent) had Dar es Salaam addresses. There were only 20 'private sector' participants, including representatives of umbrella organisations such as TCCIA (Tanzania Chamber of Commerce, Industry and Agriculture) and CTI (Confederation of Tanzanian Industries). Twenty-five 'farmers' attended, eight of whom had email addresses. Only one large local agribusiness company was represented, albeit by a relatively junior official. [28]

In his opening remarks to the meeting, Minister of Agriculture, Food security and Cooperatives Prof Jumanne Maghembe said TAFSIP is 'complementary' to Kilimo Kwanza and will be implemented through 'existing frameworks and programmes' including 'SAGCOT, Feed the Future, Market Infrastructure Value Addition and Rural Finance (MIVARF), and the Southern Highlands Food Systems Programme.' Notable by its absence was any mention of ASDP.[29]

In his concluding remarks to the meeting, president Kikwete repeated that the private sector 'should take a central role in the implementation of TAFSIP.'[30] Yet only broad government and donor commitments were forthcoming.[31] What was billed as a 'business' meeting was essentially a government-donor affair.

'Implementation' of TAFSIP started thereafter (December 2011) with the preparation of a road map and composition of Technical Working Groups. This was followed with a proposal for GAFSP (the Global Agriculture and Food Security Program) funds.[32] On 31st May 2012, the GAFSP Steering Committee approved a grant of USD 22.9 million in support of seed and fertiliser subsidies for rice farmers in the SAGCOT area and Zanzibar.[33] 'Problem areas' are being worked on to clear the way for full implementation.[34]

However, 'implementation' of TAFSIP is much more than securing relatively modest ('gap filling') funds for input subsidies and irrigation scheme rehabilitation, administered by the MAFC with no 'private sector leadership' in sight. The serious post-High Level Business Meeting action is to be found elsewhere, as explained below.

3.2 TAFSIP and Tanzanian agricultural policy linkages

'The CAADP framework is intended to be complimentary (sic) to existing national agriculture strategies and frameworks and to focus on the overall development of the sector by providing complimentary (sic) and supplementary inputs to bridge gaps identified in the sector policies, strategies as well as supporting scaling-up successful initiatives in the sector.' [35]

'TAFSIP is a piece of paper on the shelf.'[36]

Tanzania was one of the later CAADP Compact signatories. During 2009, nine African countries signed compacts and a further 19 countries signed in 2010 before Tanzania (July).[37] It is difficult to assess the impact of CAADP on agricultural spending policy, which seems to have followed the election cycle rather than the CAADP 10 percent target (see Introduction above). Tanzania's relatively slow uptake of CAADP after facilitating finance became available from 2008 suggests that there were no overwhelming political or financial imperatives to embrace an externally initiated agricultural strategy. Internal politics prompted the adoption of Kilimo Kwanza in mid-2008, which reflected the emergence of a national commercial farming lobby, discussed below. One problem the analyst faces is to explain how the ruling elite thought KK constituted a vote-winning initiative for 2010, when the more pro-smallholder policy was clearly the ASDP (and CAADP-TAFSIP). One possibility is that 'pro-market' elements in the ruling elite increasingly undermined support for CCM's traditional statist policies.

This section investigates how TAFSIP developed in relation to pre-existing agricultural strategies and policies.[38] CAADP-internal political dynamics are summarised in Section 6.

One of CAADP's key milestones is an agricultural Investment Plan (IP). Officially:

> TAFSIP is a product of a broad based collaborative process involving key stakeholders; including national and sectoral institutions from public and private sector, development partners, members of

> academia, civil society organisations, Regional Economic Communities (RECs), African Union Commission (AUC), NEPAD-CAADP Pillar Institutions and the National CAADP Task Force comprising representatives of all relevant stakeholders, ReSAKSS/IFPRI and other regional and international bodies.[39]

In 2010, TAFSIP entered a policy arena already occupied by two prior, and contrasting, initiatives, the Agriculture Sector Development Programme and 'Kilimo Kwanza'. **Figure 2** summarises these three policy initiatives.

Figure 2: Tanzania's agricultural policies 2006-2017

Policy	Author	Time-frame	Co-ordinator	Cost $ bn	Finance	Key linkages	Main focus
Agricultural Sector Development Programme	Ministry of Agriculture (MAFC)	Phase 1: 2006-13 Phase 2: planned	MAFC	1.9	GoT, donors	Five 'agricultural' ministries; Donor projects	Smallholder production; Irrigation
Kilimo Kwanza	Tanzania National Business Council (TNBC)	2009- (not time bound)	PMO-RALG	Not costed	GoT, donors, private sector	Commercial farmers; SAGCOT	Commercial agriculture
CAADP/Tanzania Agriculture & Food Security Investment Plan	CAADP/MAFC	2012-17	MAFC	5.3	GoT, donors, private sector, philanthro-capitalists	ASDP	Smallholder production; Food security

The ASDP was Tanzania's main agricultural policy of the new century. The ASDP is a 'traditional' joint initiative between the GoT, in particular the MAFC, other natural resource-based ministries, and donor agencies. It prioritises raising land and labour productivity through improved public goods provision (research, extension, and inputs), rural infrastructure, market and trade development, and institutional strengthening.[40] The Programme was slow to take off through disagreements between the Government of Tanzania and donor agencies, who part-financed it through basket funding and a World Bank soft loan. Donors perceived ASDP as a heavily state-centred development strategy focusing on the provision of public goods, a consequent overconcentration of resources for central government ministries and their dependent parastatals, and a subordinate role for markets and private actors.[41]

Shortly after the 2005 elections, President Kikwete announced an ambitious target for irrigated rice production, which then became the main focus of the ASDP. A number of donors subsequently pulled out of the programme, but the WB weighed in with a large project, thus endorsing the focus on small-scale irrigation.

The second major initiative--Kilimo Kwanza--was launched in 2008. KK was formulated by the Tanzania National Business Council (TNBC) rather than the usual MAFC and donor agencies, and enjoys high-level political support.[42] Breaking the GOT-donor mould of previous agricultural initiatives, KK's 'private sector' origins appear to challenge the pro-public sector bias of official policy, including ASDP.[43] For example, KK's support for agribusiness is a dramatic departure from the usual focus on 'smallholder development.'[44]

> 'A clear government policy decision is needed on measures to encourage large scale farming in Tanzania by Tanzanians who may team up with foreign investors; The government should initiate large scale land survey and allocate large pieces of land to Tanzanians who are able to develop them or to foreigners who are willing to team up with Tanzanians.' [45]

Contract farming, linked to commercial estates, is also viewed positively. Yet, although it is said to be 'private-sector driven', KK is formally structured in a surprisingly similar way to the ASDP, with a heavy GoT presence in the majority of components and dozens of activities supposedly involving multiple coordinated actors.[46]

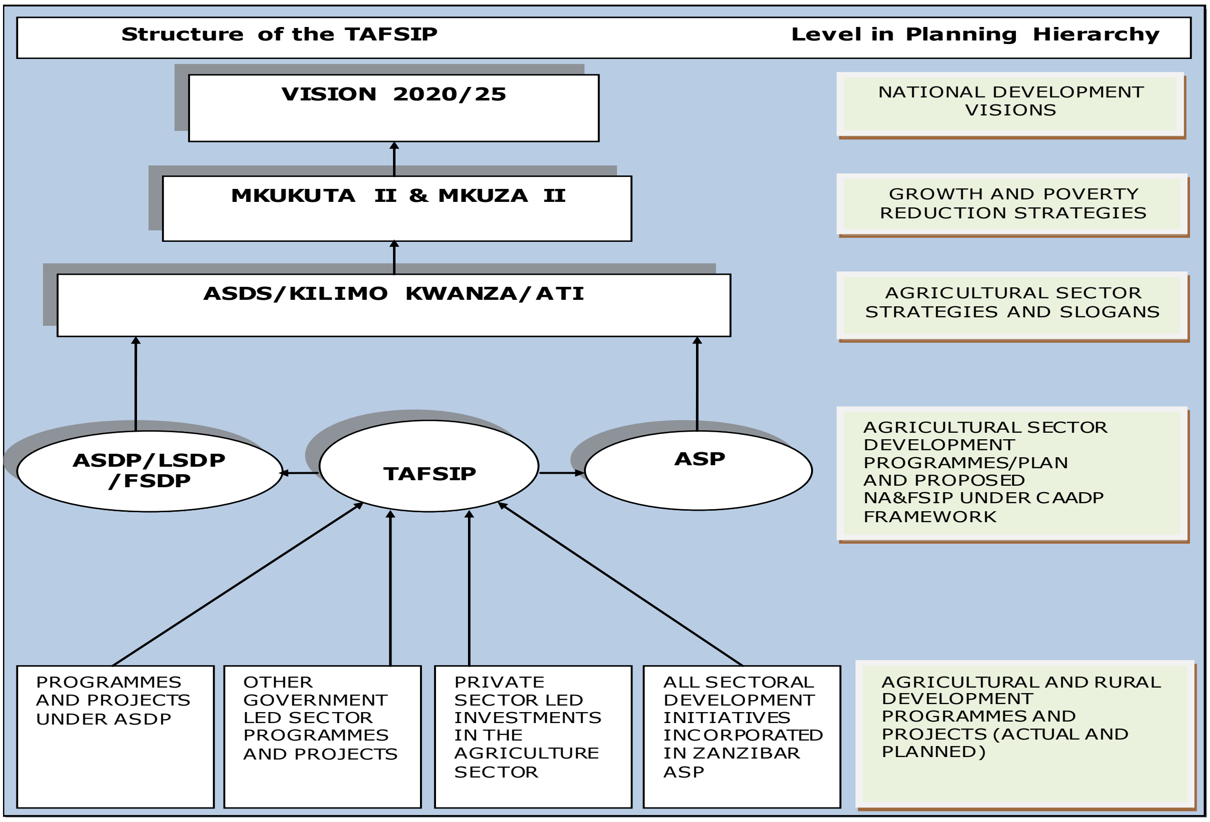
Given the Tanzanian elite's frequently-expressed suspicion of the 'private sector',[47] KK could arguably constitute something of a breakthrough in agricultural policy-making. By contrast, TAFSIP is largely oriented towards state rather than private investment, whether local or FDI. In this and other regards, TAFSIP resembles a traditional agricultural policy, an enhanced ASDP.[48]

TAFSIP describes its relationship with pre-existing policies as follows:

> 'the Plan is anchored to, and aligned with Tanzania's social and economic development aspirations as expressed in Vision 2025 ... together with a number of key policy and strategic statements including: The National Strategy for Growth and Reduction of Poverty (NSGRP/MKUKUTA)[49] ...; Agriculture First (*Kilimo Kwanza)* ...; The Agricultural Sector Development Strategy (ASDS) ...; Tanzania's agenda to meet the Millennium Development Goals (MDGs);[50] The Tanzania CAADP Compact; and Various sub-sector policies, strategies and programmes/projects.'[51]

Chart 1 describes TAFSIP's claimed relationship with pre-existing policy initiatives.

Chart 1: Structure of TAFSIP



Source: GOT 2011:8.[52]

Chart 1 shows that 'programmes and projects under ASDP' are now 'under' TAFSIP, as are all other 'agricultural and rural development programmes and projects...' [53] In other words, TAFSIP claims to replace ASDP as the country's agricultural policy framework. What does this mean in practice?

The Investment Plan document explains why it '*must'* take over policy leadership from the ASDP:

> 'ASDP... represent an attempt to implement a sector-wide development programme, which is beginning to bear fruit after five years of implementation, but only accounts for about half of public investment in the sector, does not incorporate a number of substantial internationally funded programmes, and has not been very successful in engaging the private sector. Against this background it is apparent that TAFSIP must become an overarching coordination mechanism for harmonising investment decisions and implementation modalities (procedures, targets, indicators, work plans, reporting and M&E).' [54]

TAFSIP's strategic priority areas and financial targets are listed in **Table 1.**

Table 1: Summary of TAFSIP Cost Estimates by Programme (TShs billion)

PROGRAMME	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL	PERCENT
Production and Commercialisation	958	1,148	1,254	1,361	1,500	6,221	71
Irrigation development	187	214	236	265	298	1,200	14
Policy & Institutional Reforms and Support	104	170	131	145	131	681	8
Rural Infrastructure, Market Access & Trade	62	76	79	72	63	357	4
Food and Nutrition Security	23	49	49	44	46	211	2
Disaster Management and CC* Mitigation	9	11	19	16	12	66	<1
Private Sector Development	4	3	3	3	3	16	<1
Total	1,351	1,672	1,770	1,906	2,05	8,752	100
USD million equivalent	819	1,013	1,073	1,155	1,245	5,304	

Source: Adapted from TAFSIP 2011:50 (Exchange rate 1USD=TShs 1,650). CC* = climate change

TAFSIP is estimated to cost over five billion USDs in its first five years in public and private investments. It focuses heavily on production and commercialisation (71 percent of all programmes), followed by irrigation (14 percent).[55] Therkildsen (2011) and Cooksey (2012a) cite the numerous critical voices raised against ASDP's overambitious irrigation targets, now further compounded by TAFSIP and GAFSP, as explained above. TAFSIP activities that are not in ASDP include food and nutrition security, Disaster Management, and Climate Change Mitigation and Adaptation, but these are relatively minor spending components.[56]

TAFSIP broadens the ambit of the ASDP to achieve investment rates commensurate with CAADP state investment goals. An interesting silence in the TAFSIP blueprint is any discussion of the KK strategy, which is referred to dismissively as a 'slogan'.

It is not at all clear how TAFSIP 'engages' the private sector more effectively than ASDP. In both ASDP and TAFSIP 'private sector development' (PSD) is seen as a 'capacity building' issue, since the private sector is said to be 'weak'. Nevertheless PSD is a very minor budget item. Research--one of four CAADP 'pillars'--is not stressed in either ASDP or TAFSIP.[57]

Table 2 summarises the main current and planned investments in agriculture for mainland Tanzania.[58]

Of the multilateral organisations, the WB is the major player, with USAID leading the bilaterals. The Southern Agriculture Growth Corridor for Tanzania (SAGCOT)--a major potential player--is costed as a multiple of all other interventions except ASDP. It is worth repeating in passing that the project mode of 'doing agricultural development' has been widely criticised over many years. Recently, African Union (AU) Commissioner for Rural Economy and Agriculture, Ms Tumusiime Rhoda Peace stated bluntly that: "It is high time Africa stopped implementing small projects that can never realise any goals in its economy."[59]

Table 2: Major investments in the agricultural sector (mainland Tanzania only)

Activity	Donors	Timeframe	Cost ($m)
Agricultural Sector Development Programme (ASDP)	URT, WB, JICA, Ireland, AfDB, IFAD	2006-2013	c200 pa
Accelerated Food Security Project (AFSP)	WB	2008-10	160
Feed the Future	USAID	2011-2015	300
Tanzania Bread-Basket Transformation Project	URT, AGRA	2010-2015	173
Southern Agriculture Growth Corridor for Tanzania (SAGCOT)	URT, private sector, WB, other DPs	2011-2031	3,400
Marketing Infrastructure, Value Addition and Rural Finance Support Programme (MIVARF)	URT, IFAD, AfDB, AGRA	2011-2018	150
Southern Highlands Food Systems Programme (SHFSP)	FAO	2011-2012	5.3
Rural Micro, Small and Medium Enterprise Support Programme (MUVI)	IFAD	2007-2013	25
National Rice Development Strategy (NARDS)	JICA	2009-2018	NA
Rural Livelihoods Development Programme (RLDP)	SDC	2005-2011	21
Accelerating Progress Towards the MDGs: Country Action Plan 2010-2015	UNDP	2010-2015	NA

Source: Adapted from URT 2011: Annex 4.

In a similar vein, in December 2012, Melinda Gates opined that:

> "Most of the agricultural projects in Africa which are financed by developed countries miss their targets because most programme managers know very little about Africa and the continent's farmers."[60]

TAFSIP can be seen as an attempt to take over Tanzanian agricultural policy leadership from ASDP, while dismissing KK as a mere slogan. The following section examines CAADP/TAFSIP's engagement with private sector and civil society actors.

3.3 CAADP/TAFSIP and 'non-state' actors

> 'I think CAADP has been almost entirely government (African and Donor) driven. Few private sector operators would venture too close.' [61]

> 'Tanzania is a showcase for public-private partnership in agricultural growth...' [62]

TAFSIP formally recognises the 'private sector' as the 'engine of growth', but privileges state-led activities. For example, the IP document argues that:

> '[The] private sector is the engine of the growth and it is expected to play a great role in stimulating increased investments in agricultural production, processing, marketing and overall commercialization of the sector**.** However, the private sector in Tanzania is still nascent with limited capacity to drive growth of the agricultural sector. Among the factors limiting the performance of the private sector in agriculture [are]: (1) Inadequate capacity to discharge the anticipated roles ...; (2) Limited long-term financing at affordable interest rate; (3) Un-conducive taxation system; excessive taxes and their inconsistent application by local governments; (4) Cumbersome procedures for accessing land and business licensing; (5) Poor infrastructure such as feeder roads, electricity, communication network; (6) inadequate capacity of institutions supporting the private sector; (7) Low human resource capacity.' [63]

The list is more a comment on state than private sector capacity.[64] Despite the claimed weakness of the national private sector, ASDP and TAFSIP earmark very limited funding for 'private sector development', although TAFSIP does contain proposals to support small and medium enterprises.[65]

The implication of the view stated above is that a weak private sector needs to be supported by a strong state.[66] The problem is, of course, that state capacity (to deliver public goods and to regulate the private economy efficiently and effectively) is assumed rather than demonstrated.[67]

In sum, the overarching 'priority' of both ASDP and TAFSIP appears to be support for central government public goods and service provision.[68] Of the investments listed, only SAGCOT is intended to be primarily privately financed.

PEAPA's first effort to analyse the political economy of agricultural policy in Tanzania was at pains to point out that state promotion of the private sector is highly problematic.[69] Official policies and unofficial practices frustrate potential investors and, for certain crops, accord virtual trade monopolies to cooperative unions and societies through the Warehouse Receipt System (WRS). Far from supporting private sector development, state actors routinely frustrate it.

It is unhelpful to talk of *the* private sector as a single entity, however. A number of policy relevant 'private sectors' can be identified. First, small-scale farmers and the so-called 'informal' sector constitute the large majority of 'private sector' actors in Tanzania. Over the years, agricultural policy and attendant crises, particularly in the late 1970s and 1980s, have served to keep most small farmers 'informal', with one foot in the market and the other in subsistence, and to drive rural households into a range of non-farming informal activities.[70] State policy focuses on formalisation, in part in order to increase the tax base. In agriculture, the process of land surveying and titling is progressing slowly, while the issue of taxing small farmers through produce 'cesses' continues to be controversial. Although national and global agricultural policies routinely 'target smallholders', lack of a political voice leaves them largely at the mercy of external forces. PEAPA has found that in most cases democratisation has not improved their status.[71]

Second, the Tanzanian formal private agricultural sector is segmented by function (production, processing, local marketing, and external trade) and by race. For functional[72] and racial reasons, this 'private sector' does not speak with one voice. The Tanzania Chamber of Commerce, Industry and Agriculture (TCCIA) was established In 1988, followed by the Confederation of Tanzanian Industries (CTI) in 1991 and the Tanzania National Business Council (TNBC) in 2001. Other business lobbies include the CEO Club and the Tanzania Private Sector Foundation (TPSF) and numerous sector-specific organisations in mining, tourism, agriculture, horticulture, the timber trade, and so on. The World Bank, DFID (UK), USAID, SIDA (Sweden), and other donors have supported the process of setting up umbrella organisations. Mwapachu flags the likelihood that donors play too large a role in sponsoring these bodies, undermining their accountability to members and long-term financial viability.[73]

According to Mwapachu, the TCCIA, which attended the 2011 Business Meeting representing the 'private sector', represents only commercial interests, not industry or agriculture. More to our point, the TPSF, author of Kilimo Kwanza, has been challenged for the rather narrow interests it represents. For example, Ali Mufuruki, chair of the CEO Club, recently argued that "TPSF has so many shortcomings and is so poorly represented that it is not fair to say it is a representative of the private sector in Tanzania." TPSF, he continued, has a 'weak revenue base that depends heavily on funds from development partners. Also TPDF functions are conflicting and overlap with those of other associations.'[74] The weakness of formal business institutions contrasts with the powerful informal mechanisms that reduce competition and capture monopoly rents.[75]

Third, local agro-industry cartels control key sectors of the agricultural economy, but they are rarely mentioned in the documents reviewed for this paper. The 'partial state capture' practiced by cartels, which generates massive rents, is clearly incompatible with the emerging 'market-driven' policies proposed by both KK and external actors.[76]

Finally, the external private sector is also multidimensional. The component that interests us most consists of US agribusiness corporations producing food, seeds and chemicals and trading in commodities. Tanzania has enjoyed considerable inflows of FDI for over a decade in mining and tourism, and more recently in oil and gas. The country's generous tax incentives for foreign investors have been criticised on the grounds that trying to attract FDI in this way constitutes a 'race to the bottom' as countries in the East African region compete for investors.[77] These issues are also relevant for agricultural policy, of course.[78]

When analysing 'private sector led' policy it is important to be clear on which 'private sector' one has in mind. State-led engagement with smallholders accounts for the lion's share of TAFSIP's proposed investments, as with ASDP. TAFSIP, like ASDP, fails to engage effectively with Tanzania's private sector, which is itself split along racial and functional lines. The above institutional malaise has implications for coordination, discussed below.

What of TAFSIP's engagement with civil society? Non-state actors (NSA) were formally incorporated into the 'broad-based consultations' leading to TAFSIP, but not KK. NSA organisations attending Task Force meetings included the Agricultural Non-State Actors Forum (ANSAF) and MWAVITA, a small farmers' umbrella organisation based in Morogoro. The target of these groups is largely the small-holder. There is no way of knowing whether the interests of the smallholder have been better addressed by TAFSIP as a result of their participation in the overall process. ANCEF members[79] have lent their support to 'key pillars' of KK, endorsing "a paradigm shift from production-led to market-led agricultural transformation..." [80]

Issues of 'land grabbing' and GMO seeds have prompted the local and external NGO community to mobilise. The land question is of course key to agricultural commercialisation and FDI policy. According to a recent report 'Tanzania recorded at least 58 deals involving an estimated 2.2 million hectares. The main investors are from Germany, UK, Norway, Sweden, Korea and Holland.'[81] At present, non-Tanzanian investors can only lease land with Tanzanian partners (there is no freehold land tenure in Tanzania). Land surveying, demarcation and titling policies have been in place for some time, but the rate of implementation (with donor support) is slow and costly. In a 2012 survey, REPOA found that only four percent of farmers had a land title, making them potentially vulnerable to dispossession.[82]

Critical observers see the coming together of G8 donors, local and external agribusiness and the GoT as proof that the 'land grab' is well underway. Land rights organisations actively challenge specific land acquisitions, while agriculture-based organisations have yet to take up the issue in a systematic way.

In sum, civil society 'non-state actors' in agriculture have yet to make a major difference to the overall scenario described above, though this might change if controversial large-scale land appropriations take place and significant numbers of farmers are 'relocated'.[83] This topic is revisited in section 4. The following section addresses the issue of how TAFSIP plans to coordinate its activities. The time-challenged reader may want to proceed to the discussion of relations with external actors in section 4.

3.4 Coordinating TAFSIP and other agricultural policy interventions

What is TAFSIP's coordination strategy? How does TAFSIP propose to 'incorporate' internationally funded programmes and projects into its IP? A 2008 review of external support to Tanzanian agriculture found that routine lack of coordination between agencies contributed to systematic project failure.[84] TAFSIP proposes the following coordination mechanisms:

> '**The involvement of many Ministries requires high-level responsibility for management and implementation oversight.** The proposed coordination mechanism will comprise the Cabinet, a Presidential Retreat, an Inter-Ministerial Coordinating Committee, a Technical Team. The ICC will maintain close communication with Cabinet with regard to TAFSIP implementation as needed.' [85]

The formal 'proposed coordination mechanism' refers almost uniquely to state and state-related actors and processes. The IP is treated like any other politico-bureaucratic initiative: there is little evidence of the private sector or other 'non-state actors' playing a strategic role. Yet without close and 'developmental' relations between state and business actors, no economic and socially transformational policies are feasible.

No priority investment areas (crops, locations, business models) are identified in TAFSIP. According to one respondent, TAFSIP:

> 'is supposed to constitute a "sector-wide approach to coordinate and harmonize the resources needed to accelerate implementation of existing initiatives and to launch new initiatives..." TAFSIP, however, is seen to be so broad and comprehensive as to fail to provide a clear articulation of priorities. The government and donors could justify almost any activity under the TAFSIP.' [86]

History suggests that TAFSIP's inclusive 'blueprint' nature precludes the likelihood of effective overall 'coordination', and that donors will not feel constrained to fall in line with any new GoT investment priorities. In other words: business as usual.[87] The new element is the possibility of major private investments, as described below.

The GOT does not have an effective coordinating mechanism for agricultural projects. Concerted attempts to coordinate aid to the sector through a donor basket are undermined by externally driven 'green field' initiatives like FTF.[88] The example in **Box 1** may help illustrate the nature of the problems created by multiple, independent initiatives (see also **Table 2**).

The conclusion is that the agencies involved in developing and implementing agricultural projects generally attach little priority to the need to coordinate their activities. What coordination there is usually fails to incorporate 'private sector' interests.

But if coordinating projects and programmes within an overall strategy is difficult enough, 'coordinating' contending strategies is even more challenging. What status does ASDS/ASDP have if (as appears to be the case) CAADP/TAFSIP takes over the national agriculture strategy space? What happens to the ASDP basket fund, coordination, and reporting mechanisms, and so on? For the moment, the signs are that ASDS/ASDP will continue. Indeed, in September 2012, the GoT and development partners started preparing Phase 2 of both the strategy and the programme! [89]

Box 1: Programme coordination: an example

In 2010, the **Norwegian Embassy** in Tanzania funded the **Tanzanian Agricultural Partnership** (TAP) to prepare an investment blueprint for **SAGCOT, the Southern Agricultural Growth Corridor of Tanzania**, a public-private consortium of 23 official organisations and large international corporations, farmers' groups and the GoT. With ambitious plans to develop market chains for smallholders and large-scale farms, SAGCOT was the first activity to be launched under the **Kilimo Kwanza** banner. **YARA**, Norway's giant fertiliser corporation, is one of SAGCOT's partners, early investors and aid beneficiaries. At the time SAGCOT was being conceptualised, **USAID** was developing the Tanzanian programme for **Feed the Future** (FTF). FTF aims to support poor countries reach the MDG of reducing malnutrition by half by the year 2015. With support from other G8 countries, FTF raised 22 billion US dollars to support over 20 of the world's poorest countries, 13 of them in Africa. Tanzania was to receive $300 million over four years. The Tanzanian programme consists of seven projects spread throughout the country. Implemented by mostly US consultancy companies, these projects target agricultural production, marketing and processing, and improved nutrition, for example, through fortifying maize flour and cooking oil. Despite the potential geographical and thematic synergies between these two initiatives, there was virtually no coordination, despite numerous overtures from SAGCOT. At the January 2011 **World Economic Forum** meeting in **Davos**, **President Kikwete** was a high profile guest promoting Kilimo Kwanza and SAGCOT. It appears that YARA's representative at the Forum brought USAID's chief **Rajiv Shah** face to face with Mr Kikwete to ask why USAID was proceeding with FTF as if KK/SAGCOT did not exist. Kikwete is reported to have requested USAID to support SAGCOT with FTF. Subsequently, USAID Tanzania has made great efforts to follow the presidential directive, although it involves an elastic geographical coverage of SAGCOT regions and districts.

Simbeye 2011; respondent J, former donor desk officer, 09/06/12; Byiers 2013.

An even greater coordination challenge involves linking agriculture to wider trade and industrial growth. As the head of UNIDO points out, since agricultural stakeholders:

> 'all take independent decisions in their resource allocation processes ... they must be guided by strong coordination signals in the form of clear and predictable public policies, as well as adequate physical and institutional infrastructure.' [90]

Both remain highly problematic.

To anticipate what follows, the whole idea of 'coordination' will now have to adapt to an apparent G8 agribusiness take-over of the CAADP/TAFSIP process. This take-over is the main focus of the following section.

4.0 CAADP/TAFSIP and external agricultural policy linkages

One might conclude from the above discussion that, as well as claiming to absorb and go-beyond the ASDP in terms of coverage, CAADP/TAFSIP challenges the 'private-sector' emphasis of KK and virtually returns agricultural policy-making to the state-centred, small-holder oriented format of the ASDP. In fact, things are much less clear. To understand this 'NAFSN', the New Alliance for Food Security and Nutrition, must be added to a growing list of acronyms.

In May 2012 US President Barack Obama told a G8 meeting in Chicago that 45 African and transnational private companies had committed USD three billion 'for various agricultural projects in the continent.' Tanzania, Ghana and Ethiopia, whose respective presidents and prime minister were in attendance, were among the first likely 'beneficiaries'. Not only did G8 members make pledges worth almost USD 900 million to support CAADP, but private companies announced ambitious investment intentions, and the GoT committed to substantial policy reforms, including reducing trade barriers, a new element in our increasingly complicated policy mix.[91]

President Obama proposed a potentially 'game-changing' Trade and Investment Partnership with the EAC, calling for:

> 'a regional investment treaty, trade facilitation, enhanced trade capacity building assistance and very importantly, a new US-EAC Commercial Dialogue to fully engage the private sector in our shared efforts to support a competitive regional platform that can help Tanzanian and other East African business access global markets.' [92]

In exchange for investment pledges, both private investors and GoT made wide-ranging and unprecedented policy commitments. On its part, GoT committed to policies that would increase 'private sector confidence to increase agricultural investment significantly...' Specifically, the GOT pledged to:

> '... increase stability and transparency in trade policy; improving incentives for the private sector; developing and implementing a transparent land tenure policy; developing and implementing domestic seed policies and encourage increased private sector involvement...; and aligning the National Food and Nutrition Policy with the national Nutrition Strategy.'[93]

In exchange, G8 members committed 'to align their investments to the Government of Tanzania's TAFSIP.'

> 'Private sector representatives have communicated that they intend to invest in ... agriculture ... in support of the ... TAFSIP. [They] intend to advise, shape, and participate in broad, inclusive and sustained private sector consultative mechanisms with the host government.'[94]

The G8 backed these pledges with financial commitments. **Table 3** gives the breakdown.

Table 3: G8 members' funding intentions for the NAFSN (USD million)

Country	Commitments	Period (years)	Sectors
USA	315	5	Agriculture
France	50	4	Agriculture, food security, rural development, nutrition
Germany	95	2	Rural energy & water infrastructure, biodiversity conservation
Japan	178	3	Agriculture and agriculture-related areas
Russia	30	1	No details
UK	99	3	Agriculture, food security, and nutrition
E Union	130	2	Ongoing and planned programmes
Total	897		

Source: G8 2012:7.

The USA, Japan and the EU made the largest pledges. Grants from G8 countries will be used in the southern highlands 'big four' regions, plus Coast and Morogoro to improve 'infrastructure, electricity supply and supporting agricultural development.' The Minister for Agriculture Mr Christopher Chiza is quoted as saying that: "The funds will be directed towards boosting projects to produce rice, maize and cane with the aim of increasing sugar and ethanol." [95] Pledges from the US, France and UK were 'subject to the availability of funding.' Most significantly, a number of agribusinesses, including Monsanto and Syngenta (seeds, pesticides), Unilever (consumer products), Diageo, Armajaro Trading Ltd and SABMiller (drinks), AGCO (farm machinery), Swiss Re (insurance), United Phosphorous and Yara International (fertilisers), and Vodafone, declared their investment intentions in Africa.[96]

As part of the proposed 'cooperation framework', nine Tanzanian or Tanzania-based and eleven international agribusiness companies expressed their investment intentions (**Box 2**). **Appendix 1** gives the full list of local commitments.

Box 2: Local and international companies' commitments to NAFSN in Tanzania

A number of Tanzanian and international companies have declared their investment commitments in support of the **New Alliance for Food Security and Nutrition**. Most Tanzania-based investors are in the SAGCOT area or show interest in investing there. As of May 2012, Tanzanian companies declaring commitments include seed, rice, sugar and tea producers and a dairy company, all with outgrower/collection schemes. Representatives of these companies attended the NAFSN meeting in the US. The biggest proposed investments are in sugar (**Agro EcoEnergy**) and rice (**Agrica/KPL**). The investors are either national in coverage or are located in SAGCOT regions, the southern highlands in particular. Absent from the list are Tanzania's main agricultural produce purchasing and processing and import-export companies.

At the international level, **Monsanto** commits to helping improve nutrition in the SAGCOT area, focusing on maize and vegetable value chains. The introduction of 3-5 maize hybrids 'suitable for Tanzania' is planned. **Diego** is planning a sorghum value chain project worth \$2m, aiming to produce 20,000 MTs of sorghum by 2016. **Armajaro Trading Ltd** plans to invest \$1m in coffee production and marketing 'in the **Mbeya** and Mbina (sic!) Regions.' **AGCO, SABMiller** and **Swiss Re** plan to invest in a number of African countries but have no immediate plans for Tanzania.

G8 Cooperation Framework 2012.

Through the G8's initiative, CAADP has been given an additional remit: reducing trade barriers. The TAFSIP blueprint gives no hint of the radical new potential involvement of external, private and public sector actors in Tanzanian agriculture envisaged by the US and the G8. [97]

Our discussion to date has situated the TAFSIP process firmly in the MAFC, but the New Alliance gives the Ministry of Industry and Trade (MIT) a central role. This reflects the importance accorded to freeing up inter-regional trade as a means of increasing 'stability and transparency in trade policy, with reduced tariff and non-tariff barriers.' [98]

It is also highly significant that GOT commits to securing:

> 'land rights (granted or customary) for small holders and investors. This includes demarcating all village land in Kilombero and the SAGCOT and clarifying the roles of land implementing agencies, namely TIC (Tanzanian Investment Centre), RUBADA (Rufiji Basin Development Authority) and the Ministry of Lands and Local Government in order to responsibly and transparently allocate land for investors in the SAGCOT region.' [99]

At the NAFSN meeting President Kikwete attempted to pre-empt the criticism that such pro-investment policies as those he claimed to support was risking a take-over of Tanzanian farm land, claiming that "The private large farmers are coming to support smallholders, not to replace them."[100]

NAFSN is the latest and most ambitious external policy initiative with implications for Tanzanian agriculture, but a number of other multi-country initiatives are also relevant to our policy story line. These include the Alliance for a Green Revolution in Africa (AGRA), the Africa Enterprise Challenge Fund (AECF), the African Green Revolution Forum (AGRF), Feed the Future (FTF), Grow Africa (GA), and the Global Agriculture and Food Security Program (GAFSP).[101] These initiatives and activities and their putative relations with CAADP/TAFSIP are summarised below. **Box 3** describes AGRA.

Box 3: AGRA in brief
The **Alliance for a Green Revolution in Africa** (AGRA) 'works to achieve a food secure and prosperous Africa through the promotion of rapid, sustainable agricultural growth based on smallholder farmers. Smallholders --the majority women--produce most of Africa's food, and do so with minimal resources and little government support. AGRA aims to ensure that smallholders have what they need to succeed: good seeds and healthy soils; access to markets, information, financing, storage and transport; and policies that provide them with comprehensive support. Through developing Africa's high-potential breadbasket areas, while also boosting farm productivity across more challenging environments, AGRA works to transform smallholder agriculture into a highly productive, efficient, sustainable and competitive system, and do so while protecting the environment.' 'With support from **The Rockefeller Foundation**, the **Bill & Melinda Gates Foundation**, the **UK's Department for International Development** and other donors, AGRA works across sub-Saharan Africa and maintains offices in **Nairobi** ... and **Accra**.'
Guardian Reporter 2012; AGRA website accessed 01/01/13.

AGRA's Tanzanian partners are MAFC, NMB, Kilimo Trust, Sokoine University of Agriculture, private seed companies, farmers cooperatives, 'and others.'

At first sight, AGRA appears to be akin to the state-led (ASDP) strategy and the donor-financed project mode of implementation described above.[102] On closer inspection, AGRA's ASDP/TAFSIP narrative elides into a more private-sector advocacy mode as the description of the AGRA offshoot the *Africa Enterprise Challenge Fund* in **Box 4** makes clear.

Box 4: The Africa Enterprise Challenge Fund (AECF)
The **Africa Enterprise Challenge Fund** (AECF) 'is a $120 million multi-donor private sector fund, hosted by AGRA. The aim is to encourage private sector companies to compete for investment support for their new business ideas that will lead to growth in the rural economies of Africa, generate employment and create new opportunities for systemic change in the markets that serve them. The AECF provides grants and interest free loans to businesses who wish to implement projects in Africa. The maximum amount the AECF can award to a single business idea in the form of grant or interest free loan is $ 1.5 million and the minimum amount is $ 250,000. The average amount is around $ 750,000.'
AECF website, accessed 01/01/13; interview M 15/12/12.

> 'The Tanzania Agribusiness Window competition was launched in November 2010. In September 2011, 20 projects were loaned USD 12 million. The business ideas selected for funding include out grower schemes for smallholders, livestock, seed and fertiliser projects, and agricultural transport logistics.' [103]

Another related initiative, the *African Green Revolution Forum* (AGRF):

> 'focuses on promoting investments and policy support for driving agricultural productivity and income growth for African farmers in an environmentally sustainable way.' 'The forum is a private-sector led initiative which brings together ... African heads of state, ministers, private agribusiness firms, financial institutions, farmers, NGOs, civil society organisations and scientists to discuss and develop concrete investment plans ...'

AGRF consists of AGRA, YARA, IFAD, Rockefeller Foundation, SAA (Sasakawa Africa Foundation), IDRC, AU, NEPAD, FAO, Bill and Melinda Gates Foundation, NORAD, AfDB, OCP (French fertiliser/animal feed company) and Econet Wireless.[104]

In advance of a meeting of the Forum in Arusha in September 2012 (**Box 5**) to address issues of food security, USAID head Dr Rajiv Shah met Tanzania's Minister of Foreign Affairs Bernard Membe in New York and 'expressed satisfaction with President Jakaya Kikwete's leadership in championing the [New Alliance for Food Security and Nutrition] programme.' [105]

Box 5: AGRA/AGRF: Biodiversity versus GM for the green revolution

At the AGRF meeting **President Kikwete** opined that 'African governments alone do not have the capacity to improve agriculture without the participation of the private sector. He stressed the importance of mechanisation and irrigation in transforming agriculture', mentioning **Kilimo Kwanza** 'initiatives' to put 'smallholder farmers in the front line'. For his part, **Kofi Annan** stressed investment in rural infrastructure and credit to farmers in order to achieve food security. "We need seeds that are resilient to drought and diseases," Mr Annan said. 'Mr Annan warned against the danger of turning thousands of hectares of arable land in the continent for cultivation of biofuels crops.' During the meeting, AGRA and **SIDA** (Sweden) announced a $10 million grant to be channelled to the **African Agribusiness Window** of **the African Enterprise Challenge Fund**, hosted by AGRA. SIDA representative **Henrik Riby** said that "by sharing the financial risks of private investments in agribusiness, we hope to encourage new sustainable ways of raising rural incomes."

In an open letter to the Forum an alliance of 28 CSOs from eight African countries led by **ActionAid** highlighted the lack of a **gender dimension** to AGRA ('women produce 70% of Africa's food') and claimed that 'AGRA and other philanthropic and corporate initiatives in the region are promoting corporate control over seeds, with negative implications for 'local agricultural systems, farmers' rights and food sovereignty.' The letter said AGRA's focus on biotechnology, synthetic fertilisers and credit is challenged by the **World Bank/UN's International Assessment of Agricultural Knowledge, Science and Technology for Development** (IAAKSTD) undertaken by 400 scientists from 60 countries, that concluded that 'industrial agriculture is no solution for poverty and hunger.'

Guardian Reporter 2012; Mtweve and Ubwani 2012; Actionaid 2012; Mungai 2012; www.agaassesmnt.org

Meetings of the Global Economic Forum (GEF) in recent years have assured high-level buy-in for a number of agribusiness initiatives. Sponsored by the GEF, *Grow Africa* is an alliance of seven African countries (Ethiopia, Ghana, Rwanda, Burkina Faso, Kenya and Mozambique and Tanzania). These countries 'have expressed and demonstrated interest to engage the private sector in their agriculture revolutions.' In a meeting of Grow Africa held in Dar es Salaam in August 2012, the Africa Union (AU) spokesperson singled out the KK rather than the TAFSIP policy narrative:

> 'African Union (AU) Commissioner for Rural Economy and Agriculture, Ms Tumusiime Rhoda Peace, said the AU has been contented with Tanzanian leadership in promoting agriculture with its "Kilimo Kwanza" agenda *which is now a model in the entire continent*. She said Tanzania was on the right track in promoting agricultural revolution that paves the way for other countries, particularly members of "Grow Africa" to emulate.'[106]

The reader will recall that the TAFSIP blueprint dismissed KK--here touted as a *model for the entire African continent*--as a mere 'slogan'. [107] The 2012 G8 meeting brought CAADP/TAFSIP back to the centre of the policy discourse, replacing KK as the reference national policy. However, the G8 singled out the SAGCOT area for special attention, and SAGCOT is more discursively associated with KK than with ASDP. **Box 6** explains.

Box 6: Making the KK-SAGCOT linkage

"The agricultural potential of the southern corridor is enormous, but remains largely dormant or highly underexploited. With a rapidly growing population in the Eastern and Central African region and global food shortages, serious market opportunities for agricultural produce abound. It is time for the Agricultural Sleeping Giant [Tanzania] to awake. SAGCOT can play an important role in making that happen, and thereby contribute in achieving the objectives of Kilimo Kwanza." Salum Shamte, Chairman, Agricultural Council of Tanzania. According to Jannifer Baarn, Deputy CEO of the SAGCOT Centre: "SAGCOT is Kilimo Kwanza in action, targeting Tanzania's south-central 'granary' region... SAGCOT is looking forward to work with the Tanzanian government in addressing specific policy reforms that will enable both local and foreign investors to make sustainable investments in the corridor.'

Guardian Reporter 2012b.

At the same Grow Africa meeting described above, the MAFC Permanent Secretary Mr Mohamed Muya said:

> '... that [Tanzania] ... introduced TAFSIP ... [as] part of the CAADP operationalisation [showing] the country's commitments to make agriculture a priority with ... seven major investments programmes. However, Mr Muya said huge financial resources needed in implementing the programmes was a challenge the country has to face, noting TAFSIP requirement of 5.3bn US dollars (about 8tril/-) for the next five years ...' [108]

Then Mr Muya segued into a 'KK mode', revealing that 'plans were underway for the Rufiji Basin Development Authority (RUBADA) Act to be reviewed so as to expand its mandate to facilitate allocation of land for SAGCOT.[109] RUBADA covers a large area of prime agricultural land, much of it coterminous with SAGCOT, described in **Box 7**.

Box 7: SAGCOT, Tanzania's Agricultural Growth Corridor
'The AGC concept was launched at the **UN General Assembly** in New York in September 2008.' AGCs are described as 'an innovative private partnership that can be used to encourage investments in agricultural development to the benefit of smallholder farmers.' The governments of **Norway, Tanzania and Mozambique**, Norwegian fertiliser giant **Yara, AGRA**, the **World Bank**, **Prorustica** and **Infraco** came 'together to promote the implementation of AGCs in Africa.' SAGCOT is Tanzania's first AGC and the second to be established in the region after **Mozambique Beira AGC**. SAGCOT 'was born out of the deliberations of the **World Economic Forum** on Africa held in May, 2010 in Dar es Salaam.' 'Building on Tanzania's *Kilimo Kwanza* ... strategy, the SAGCOT Investment Blueprint describes how $2.1 billion of private investment will be catalysed over a twenty year period, alongside public sector commitments of $1.3 billion. The result will be a tripling of the area's agricultural output. Approximately 350,000 hectares will be brought into profitable production, much of it farmed by smallholder farmers, and with a significant area under irrigation.' SAGCOT's partners are: **the GoT** and the government of **Norway** and **Norfund;** international/aid organisations **AGRA, FAO** and **USAID**; global food and drink, seed and fertiliser corporations **Unilever, YARA, DUPONT, General Mills, Monsanto, Syngenta, SAB Miller**, and **DIAGEO Africa**; banks **STANBIC** and **National Microfinance Bank** (NMB Tanzania), Tanzanian umbrella organisations the **Agricultural Council of Tanzania** (ACT), **Confederation of Tanzania Industry** (CTI), **Tanzania Sugarcane Growers Association**; **AgDevCo**; the **Tanzania Agricultural Partnership** (TAP), and **Prorustica**, a consultancy. AgDevCo, a British firm, manages SAGCOT's 'Catalytic Fund.'
Guardian Correspondent 2009; SAGCOT Investment Blueprint 2010; Byiers 2013.

RUBADA, said Muya:

> 'will become the land bank of the Corridor where ... YARA Tanzania Limited is set to construct a bulk fertilizer handling facility with the storage capacity of 45,000 tonnes worth 20 million US dollars. Deliberations of the meeting will be forwarded to the World Economic Forum meeting in Addis Ababa and later at the G-8 Summit in Chicago, US in May.'[110]

It may not have escaped the reader's attention that many of the projects mentioned above have focused all or in part on the four southern highlands regions, where commercial farmers are concentrated. It seems likely that in these regions' larger farmers have benefited disproportionately from both state and aid-sourced transfers, and look likely to continue to do so.[111] Byiers suggests that investors' apparent objective of working with smallholders may prove elusive:

> 'The Maputo Development Corridor experience suggests that the focus on small-scale producers and traders can get lost due to other more immediate concerns. The time and financial costs involved in working with smallholders and their representatives are high. For SAGCOT to achieve its development objectives, investors will have to be willing to absorb these costs...'[112]

In sum, NAFSN and a plethora of other external initiatives have come on stream with the primary objective of opening Tanzania to agribusiness investments, while providing seed capital for some commercial investments. The G8's endorsement of CAADP/TAFSIP challenges the national policy dominance of KK, while effectively giving TAFSIP responsibility for implementing policies that are much more in line with the spirit of KK than with ASDP/TAFSIP!

Given the above competition for policy dominance, does the ruling elite have any incentive to endorse CAADP/TAFSIP rather than KK? Section 5 examines the politics of TAFSIP and Tanzanian agricultural policy more broadly.

5.0 The politics of TAFSIP

Does TAFSIP offer opportunities for the ruling elite to make political capital? Is it a vote winner or an opportunity for patronage and rent seeking, or both? President Kikwete has a high profile in African agricultural policy circles, where he is perceived to be sympathetic to large-scale foreign investment. In meetings of the GEF and investment promotion fora worldwide, Mr Kikwete has consistently promoted the KK 'policy'. In June 2009, he chaired the Tanzania National Business Council (TNBC) meeting that launched Kilimo Kwanza. But when opening the meeting, instead of endorsing KK, he railed against exploitative businessmen ("their days are numbered"), and singled out the ASDP for analysing "why Tanzania's agriculture is backward and what needs to be done. What remains is doing what is envisaged in the programme..." Mr Kikwete cited the irrigation, fertiliser and improved seeds components of ASDP, but did not mention Kilimo Kwanza.[113]

It was left to President Karume of Zanzibar to praise the 'team of ... home-grown experts which drew up ... Kilimo Kwanza...', insisting that "The Kilimo Kwanza programme can be implemented." By the end of the two-day meeting, which endorsed TNBC's proposals for taking KK forward, Kikwete was exhorting TNBC members to "Take up this initiative. Do not wait for the government... If we had one million acres under ... large-scale farms, we could do wonders. ... Invest in large-scale farming" he is quoted as saying.[114] Prime Minister Mizengo Pinda embraced KK with enthusiasm, referring to it as his 'bible', though implementing KK required abandoning "our negative mindset", a theme raised initially by President Karume. [115] Suddenly, agricultural modernity is associated with large-scale, mechanised farming, not uplifting the smallholder/peasant through research, extension, inputs and credit.

During the subsequent parliamentary budget session in Dodoma 'nearly every minister ... regurgitated the catchphrase ['Kilimo Kwanza'] when discussing the ... new budget' leading critics to dismiss KK as '... politically motivated ... meant to win votes and milk support from rural citizens.'[116] In fact, KK constitutes a dramatic reversal of previous agricultural policy, appealing to private, large-scale farmers and advocating the repeal of the Village Land Act 'to facilitate alienation of village land.'[117]

At the annual 'Nanenane' agricultural show In Dodoma in August 2009, Mr Kikwete launched the KK strategy, claiming that:

> 'the private sector has been the only missing link in past agricultural declarations and initiatives, but was now incorporated in the 'Agriculture First' strategy. He said the private sector is critical in meeting the Agriculture First goals and the engine in bringing a green revolution to the country by investing in large scale farming.'[118]

Mr Kikwete declared that the "government will privatise national ranches for [the private sector] to engage in large-scale farming."[119] Gone is the president's concern with 'greedy' middlemen and the

ASDP/TAFSIP/MAFC argument that the local private sector is 'weak'. Yet on cashewnut marketing he is quoted as saying (December 2012): "We know some buyers want WRS [Warehouse Receipt System] to fail, but we can't go back on this. Private dealers who fail to comply with the new system will lose their licences." The President 'would rather see the Cashewnut Board of Tanzania (CBT) take over bulk purchasing than allow traders to exploit smallholders.' [120]

KK is designed to empower the national (non-Asian) commercial agriculture sector, but the Asian cartels have more political influence. The GoT's 2011 Agricultural Marketing Strategy states that: 'The Government, in collaboration with other stakeholders, will put in place a framework to address anti-competitive market practices, including cartels and monopolistic tendencies.' [121] It is perhaps significant that the marketing strategy was produced by the Ministry of Industry and Trade, not MAFC.

KK's concern with mechanisation was quickly turned into a major rent-seeking exercise involving local Asian traders and the army in the importation and sale of Indian-made tractors and power tillers (**Box 8**).

Box 8: Mechanisation and the military
In January 2010 the Tanzanian government borrowed USD 40 million from **India's Export-Import Bank** to import tractors and power tillers under Kilimo Kwanza. The loan is being administered by **SUMA-JKT,** the commercial wing of the military's National Service (JKT). The power tillers are to be assembled by the **Tanzania Automotive Technology Centre**, also a military interest, which had been virtually dormant for years. The **Ministry of Agriculture** was not involved. The bulk of the tender was awarded to **Escorts Agri Machinery** with the remainder to the **Mahindra group**. Escorts Agri Machinery was represented by **Jeetu Patel**, who faces six corruption charges related to the embezzlement of USD 120 m from the Bank of Tanzania in 2004. Mahindra's agent is **Yusuf Manji**, head of Tanzania's **Quality Group**. When the tender was first launched in July 2009, the state-owned Indian company **HMT** complained of an 'ongoing scam' and accused the Tanzanian government of colluding with Indian companies and local businessmen to fix the terms of the tender. Dissatisfied with the outcome, Manji has been accused of instigating delays in processing the loan. Prime Minister **Peter Mizengo Pinda** called for a review of the tender award. Army Chief of Staff Lieutenant-General **Abdulrahman Shimbo** told the parliamentary **Public Accounts Committee** that the army was going ahead with the project.'

Source: Africa Confidential 2010.

To sell the tractors, SUMA-JKT had to reduce their original prices, which were well above market prices for similar products. [122] SUMA-JKT have not set up regional centres to provide maintenance and spares services. In February 2013, President Kikwete reminded SUMA-JKT that the Indian loan had to be repaid, though it was unclear where the farmers, cooperatives and district councils would find the money to pay for the tractors they received on credit.[123] Despite the apparent poor financial performance of the scheme, the GoT requested a further loan from the Indian government to implement 'Phase 2'.[124]

In April 2012, Mr Kikwete attended the Grow Africa Investment Forum in Addis Ababa, organised jointly by the WEF, the AU and NEPAD. 'Participants noted … tremendous growth potential to investors which can strengthen food security and economic opportunity… Greater private sector investment and improvements to the business enabling environment are needed to capture that potential.' Mr Kikwete said:

> "We are ready to do business, that's why we came to this meeting. ... When we bring in the private sector, it is to benefit the smallholder farmers. We need to modernize agriculture and make it more attractive to youth." [125]

Putative benefits for 'smallholder farmers' are the justification for both state- and private-sector driven policies, and for both local and foreign investors. Not surprisingly, local and international civil society lobbies have been vocal in denouncing the more dubious aspects of the recent rapid rise in interest in Tanzania and in other African countries blessed with large amounts of 'underutilised' land. Issues raised include the prospect of landlessness and inadequate compensation for the 'resettled', the outrageous size of some of the proposed deals, and the likelihood of speculative or opportunistic motives among potential 'investors'. Green lobbies point out the risks of opening the nation to patented GM seeds.[126]

Since 2008, the GoT has made considerable efforts to popularise KK--by early 2012 over three-fifths (61%) of rural Tanzanians had heard of it.[127] The media, in particular the IPP group, have lent major support to KK. The *Guardian* has a weekly supplement dedicated to KK. Donors, however, have been sidelined. 'Talk in recent years of alignment, policy dialogue and harmonisation seems to have gone out the window. *Kilimo Kwanza* … has only been discussed with donors in the agriculture sector once. This fuels speculation that the policy meets the ruling *Chama cha Mapinduzi*'*s* needs in an election year rather than those of farmers in a dry one.'[128]

Part I of this research programme demonstrated that Tanzania's elite bargain is under stress, and that rural voters are threatening to abandon the ruling party *en masse*.[129] Arguably, KK is not a vote-winning policy, its populist veneer notwithstanding. The obvious puzzle is why Tanzania's increasingly besieged ruling elite would suddenly abandon its established pro-smallholder policy discourse in favour of one promoting capitalist farming--including foreign-owned estates and farms--which has been anathema to the Tanzanian public for many years.[130]

One may look for a partial explanation in the perceived interests of Tanzania's ruling elite. Since well before liberalisation, the ruling elite has been accumulating prime urban and rural land, through both market and non-market transactions. Public institutions such as the army and prisons own substantial amounts of land, as does the ruling CCM. Numerous commercial estates allocated to cooperative societies have been leased to private investors. State-owned ranches and estates covering hundreds of thousands of hectares have underperformed as public assets but are yet to be privatised. [131]

Land controlled privately by members of the ruling elite or retained by the state has generally not been developed commercially because of the high risks and costs involved stemming from the poor condition of infrastructure, power supply and other aspects of the 'investment environment', and inadequate state market coordination capacity. The same constraints also discourage foreign investment in agriculture.[132]

Rising global food and energy prices have changed all that. So perhaps KK can be seen as an attempt by an indigenous capitalist class in formation,[133] with close links to, or forming part of, the ruling elite, to capitalise on the huge commercial potential for food and (perhaps) bio-fuels that 'Tanzania' enjoys. Strategically placed Tanzanians see their best chance of capitalising on their access to land in JVs with external partners, taking advantage of the unprecedented pro-market reforms that the US and the G8 are attempting to leverage through support for CAADP/TAFSIP.

Some aspects of market-driven policy reform favour commercial farmers and prospective investors. Both local investors and the G8 are actively lobbying for the abolition of agricultural cesses and taxes.[134] Private sector lobbies target trade bans and non-tariff barriers to regional trade, in which Tanzania is perceived to be out of step with the rest of the EAC.[135] For example, 'in 2011 Tanzania imposed an agricultural export ban, which significantly worsened food shortages in Kenya.' [136]

Box 9 is an example of (apparently successful) private sector lobbying in action on the export ban issue.

Box 9: Public-Private Partnership in action?
A two-day seminar hosted by the **Agricultural Council of Tanzania** (ACT) held in Dar es Salaam in early September on 'accelerating agricultural transformation through multi-stakeholder partnership' ... 'attracted senior government officials, development partners, local and international private investors in addition to farmers' associations among other stakeholders.' At this meeting, ACT Chairman **Salum Shamte** said 'the council is committed to working with local and foreign partners to bring about agricultural transformation.' "It was the local private sector that worked with the government to formulate the **Kilimo Kwanza** initiative..." In his subsequent 'keynote address' the **Prime Minister Mizengo Pinda** pledged his government to 'make use of the findings' of consultancy reports commissioned by ACT suggesting that export bans were damaging producers, 'the poorest rural households the most'. The US Ambassador to Tanzania, **Alfonso Lenhardt**, who is chair of the donor agriculture working group, said: "What is needed now is to accelerate the progress through mobilizing private capital, taking innovation to scale and managing risks..."
Mwakyusa 2012.

As it is not possible to know in advance who among Tanzania's diverse rural communities may win or lose under a more market-driven policy regime, it is idle to speculate on the possible impact of the new policy regime on rural voters' incomes and voting intentions. PEAPA's earlier work discounted the possibility of the input voucher scheme (which in recent years has been the main vote-seeking component of agricultural policy) delivering benefits to many voters (the commercial farmers capture most of the available inputs). One recent press report claims that:

> '…small and middle-scale farmers seem to have given it [KK] a wide berth…' like they did with Ujamaa. 'While some farmers have benefited from the project's voucher system …, few take advantage of the attractive prices to buy power tillers because they are often not suitable for the soil or area being cultivated. The resistance has forced agriculture experts and researchers to review the project design.'[137]

Readers may recall that the voucher system is part of the ASDP, *not* KK.[138] But the mistake is worth reflecting on: only a very few specialists could be expected to understand the intricacies of Tanzania's current 'agricultural policy.'[139] Is it ASDS/ASDP, KK, or CAADP/TAFSIP? It is not enough to argue that these various initiatives are 'aligned' and 'coordinated' because in numerous fundamental ways they are incompatible. For example, both ASDP and TAFSIP are premised on largely public investments, whereas KK foresees massive FDI driving sectoral investment and growth.

However, systematic patronage at all levels constitutes a powerful source of resistance to a KK/SAGCOT 'solution' to agricultural transformation in Tanzania.[140] In PEAPA part 1 it was suggested that the ruling elite tolerates widespread lower level corruption and inefficiency in the use of transfers from central government in exchange for local elites staying onside and helping to 'bring in the vote' (by fair means or foul). A distinction was made between policy on food and on traditional export crops.[141] Broadly, discrete agricultural elites are allowed to control 'traditional' export crop markets in exchange for their political loyalty, while greater efficiency characterises markets for grains, pulses, fruit and vegetables where retail food prices for the urban poor are politically important. Addressing food shortages also needs to be handled with some degree of efficiency if the

GoT is to avoid criticism for failing to protect food-insecure groups. This is generally not a major problem, since Tanzania's food crises tend not to be as serious as in many other African countries, and the National Food Reserve Agency (NFRA) seems to work tolerably well, though farmers complain of low prices.[142] However, there are suggestions of high level patronage/rent-seeking, involving grain procurement for on-selling to international food relief organisations.[143]

The new MNC-driven policy and KK will have to address key 'governance' issues before too long if a coherent agricultural strategy is to emerge. The main crop focus of KK/SAGCOT is maize, rice and sugar, so there is no immediate imperative to confront state patronage in poorly managed sub-sectors such as cashew. Nevertheless, a market-driven agricultural strategy will sooner or later have to confront vested interests. This is difficult for the ruling elite to accept since it is complicit, formally and informally, in the rent-seeking, plunder of state resources, and 'state capture' that currently undermine the market rationale, while helping bolster the ruling party's chances of staying united and winning elections. As usual, what makes political sense is economically sub-optimal.

Tanzania's ruling elite clearly sees major benefits from alignment with the US's foreign policy, diplomacy, aid, and commercial interests, but the policy reforms to which it has signed up are unprecedented and it remains to be seen what will change and how rapidly.

The dynamics of the new constellation of external forces (MNCs, G8 governments, aid agencies, investment funds, global and regional bodies...) and the main Tanzanian actors (politicians, officials, traders, big and small farmers...) in terms of policy leveraging through patronage, rent-seeking and state capture (to name but these) could provide a promising subject for future PEAPA research. A starting hypothesis is that the conditions for achieving a tolerable level of market coordination and the promotion of healthy competition (where appropriate) as pre-requisites for the implementation of a more 'market-driven' agricultural policy are not yet in place. There are too many disparate and potentially hostile 'endogenous' and 'exogenous' actors involved for coordination to be a realistic possibility, as argued above.

Global civil society may be influential in framing critical policy narratives on gender, land alienation/employment/poverty, water rights, biodiversity, GM seeds, pesticides, and other ideologically loaded issues. Whether such influence frustrates 'desirable' transformative policy innovations remains to be seen, but it is surely vital that private investors and aid agencies be exposed to critical independent perusal.

A recent report[144] gives an insight into how rapidly aid has adjusted to the emerging 'multinationalisation' and privatisation of agricultural policy. **Box 10** gives a summary.

We have seen that DFID also funds agricultural investments through PPP arrangements including AGRA, SAGCOT, Grow Africa and the New Vision for Africa. Unilever benefits 'massively' from various DfID-funded initiatives. War on Want documents in some detail the 'revolving door' practices that see senior staff moving back and fore between DfID, Unilever, and other key companies and government agencies.[145]

Box 10: DFID and Monsanto

According to a recent report by **War on Want**, Britain's **Department for International Development (DfID)** 'has spent £102.5m to date on the **Emerging Africa Infrastructure Fund** (EAIF), set up in 2002 ... and registered in **Mauritius**, to attract private investors looking to make profits from construction and infrastructure projects in Africa in agribusiness, water, energy and transport.' A further £100m has been committed up to 2015. The EAIF is managed by **Frontier Markets Fund Managers Ltd**, also incorporated in Mauritius, although both the fund and the management company are run by staff in London. EAIF in turn receives equity from another major vehicle set up with DfID money, the **Private Infrastructure Development Group (PIDG)** and its trust, also established in Mauritius.

'A key plank of DfID policy is to use British aid to create equity funds for Africa that leverage in further private investment.' The department's policy dates back to Tony Blair's government, but under the Conservative-led coalition 'there is a perceived ideological shift to giving partnership with the private sector greater priority and increased funding.'

The report says that DfID-sponsored programmes have funded multinationals including the alcohol companies **Diageo** and **SABMiller** and the food giant **Unilever** and agrochemical companies such as **Syngenta** and **Monsanto**. DfID is 'set to contribute £395m to the **New Alliance for Food Security** and **Nutrition**, an initiative that involves 45 of the largest multinational corporations investing $3bn (£1.86bn) in African agriculture' (see text).

Felicity Laurence 2012; War on Want 2012.

In September, 2012, DfID, the EU and USAID earmarked finance to upgrade the road infrastructure in the southern corridor—"the first component of a significant UK programme of support to SAGCOT".[146]

A growing number of private equity and venture capital funds are investing in agribusiness. For example, the Carlyle Group recently announced that the Pembani Remgro Infrastructure Fund, the Carlyle Group and Standard Chartered Private Equity had agreed to invest USD 210m in Export Trading Group (ETG). ETG is described as a 'Global Agricultural Supply Chain Manager.' [147] ETG are said to be politically well-connected at the highest level in Tanzania.[148] What the Carlyle-ETG deal will mean in practice remains to be seen.[149] Another recent deal saw Rand Merchant Bank (RMB) arrange 'a $100 million syndicated loan facility for the trading arm of MeTL [Mohamed Enterprises Tanzania Ltd], one of Tanzania's largest diversified conglomerates.' The loan is syndicated with China Construction Bank, Citibank and Nedbank.[150]

The dramatic emergence of US and other global agribusiness corporations on the Tanzanian agricultural policy scene threatens to transform the entire CAADP/TAFSIP project from a traditional state-donor-project approach to something much more 'market-driven.'

6.0 Summary and conclusions

CAADP started as a high-profile AU initiative, promising African policy ownership, but there was little practical progress before 2008, when donors, led by USAID, stepped in with some seed capital and technical assistance. In retrospect, this proved to be the point at which the American camel stuck its head into the African (Union's) tent.[151] From 2008 to date, CAADP's 'African-owned' policy narrative has been steadily sidelined by the US-led G8 mobilisation of (support for) global agribusiness, with assistance from aid agencies and philanthropies. AGRA, which targets smallholder farmers, also flirts with agribusiness, to the consternation of civil society activists. The comprehensive nature of this transition to MNC-driven policy—which climaxed with the May 2012 NAFSN G8 meeting described above—reflects the seriousness of the ongoing global food crisis.[152]

Critical observers may ask how two contrasting policy discourses—one stressing state support for small-holder households, the other proposing to open Tanzanian land to multinational agribusiness—can co-exist in the same political space. Moreover, how can the state-support-for-smallholders discourse contained in ASDP and CAADP/TAFSIP be repackaged into the land-for-agribusiness discourse (Kilimo Kwanza/SAGCOT) *but still be labelled CAADP/TAFSIP?* While the ruling party has endorsed KK, the G8 recognises the almost unknown TAFSIP as *the* GoT's agricultural policy! Meanwhile, NAFSN has radically repackaged TAFSIP to make it 'G8 compliant'.

All this points to fundamental coordination problems in Tanzania's agricultural policymaking. The CAADP coordination team works in the MAFC along with the formulators and implementers of the ASDP, while Kilimo Kwanza is 'under' the Prime Minister's Office, and was formulated with private sector oversight. While donors and consultants were heavily involved in crafting ASDP, KK was a much more home-grown product.[153] There is no longer a single agriculture policymaking locus in the GoT.

No local concerns with food security or boosting export earnings from agriculture drove the GoT to embrace CAADP as a strand of its agricultural policy, or policies. No 'existential threat' to the integrity of the state drove the ruling elite to embrace CAADP as a useful ally. The first Joint NEPAD Mission to Tanzania took place in March 2010, an election year, but there is no evidence that politicians embraced CAADP for electoral reasons (they had already embraced Kilimo Kwanza). In 2010, agricultural expenditure rose as more subsidised inputs were delivered to farmers. Some justified extra spending in terms of meeting CAADP targets, but it is unlikely that increased spending was CAADP-driven, and sector spending has fallen as a percentage of the total budget since the elections.[154] Senior politicians and bureaucrats embraced the CAADP process formally, perhaps foreseeing potential financial support and opportunities for patronage, while continuing to implement ASDP and deploy KK to rally the rural masses around the ruling party. The latter's relatively (by Tanzanian standards) poor showing in 2010 did not lead to a serious rethink of agricultural policies and practices. The input voucher scheme continues, though with declining support from the WB. [155]

In such a context, how has CAADP contributed to Tanzanian agricultural policy-making and coordination, finance and donor support? Has it leveraged addition private sector buy-in? These issues are addressed in this concluding section.

6.1 Policy-making, ownership and coordination

Initially, adding CAADP to Tanzania's existing agricultural policy-making processes led to resistance from policy-makers who considered ASDS/ASPD fit for the purpose of developing the country's agricultural sector. After an initial stand-off, the national Task Force agreed to broaden the scope of agricultural policy contained in ASDP to include nutrition, climate change and other elements and to be more ambitious in defining investment targets. Yet TAFSIP's implementation strategy was as state-oriented as ASDP, relying on discrete projects rather than focusing state efforts on providing the public goods, including roads and power, and, crucially, the institutional framework to encourage private initiatives.

The emergence of Kilimo Kwanza and SAGCOT further complicates policy-making and coordination efforts by introducing a new private sector component to the traditional GoT-donor mix. Ironically, it would have made more sense for the US/G8 NAFSN to have allied itself with KK rather than

CAADP/TAFSIP in launching its recent bid to prise open more space for MNC influence on Tanzanian agriculture, since both sets of initiatives privilege large-scale farming and private-sector leadership. This was not feasible, given that the latest US/G8 initiative is Africa-wide and therefore *needs to support the official CAADP framework to gain legitimate policy leverage* across the continent, including using regional economic compacts to leverage policy reform.

CAADP, of course, risks losing its 'Africa-owned' credentials if the G8 strategy is successful in leveraging major reforms out of Tanzania and other countries that have signed up for NAFSN. Since the arrival of CAADP/TAFSIP and KK/SAGCOT GoT agricultural policy 'ownership' has become increasingly unclear. CAADP had to overcome Tanzanian policymakers' resistance to make TAFSIP 'CAADP-compliant'. When the IFIs and other donors behave in this way they are accused of unfair arm-twisting. This has not yet happened to NAFSN.

This report identifies a growing number of important donor agency and philanthro-capitalist initiatives other than CAADP targeting Tanzanian agriculture. The proliferation of external initiatives makes it highly improbable that the country's agricultural bureaucracy will be able to control, coordinate, or monitor them effectively.

6.2 Finance

Tanzanian politicians have used CAADP's ambitious investment and growth targets to press for greater public and private investments in agriculture. It is not possible to say with confidence whether CAADP/TAFSIP has leveraged more public expenditure or sector growth, though there are claims to these effects. One modest gain resulting from the successful completion of the CAADP process is the receipt of UDS 22 m from GAFSP for a small-scale irrigation rehabilitation and expansion project in the SAGCOT area. But this supplementary finance remains within the established ASDP model of a state-managed project approach to sector development, and is vulnerable to all the hazards of the project mode discussed in PEAPA's first round of fieldwork. There are signs that the GoT is trying to leverage more private capital investment by pointing to the large financial gap between government spending and TAFSIP targets.[156] This report questions the rationale for premising sector growth on the level of public investment in agriculture. The growth of agricultural productivity depends on levels of both private and public investment, in transport and power in particularly. To date, available resources have been used inefficiently, and the state's performance must improve dramatically if it is to play its role effectively.

6.3 Donor support

Part 1 of PEAPA's Tanzanian case study concluded that donor aid supported the patronage politics of the ruling elite, and failed to make a serious difference, *inter alia* through lack of coordination. This report speculates that the entry of MNCs as major actors on the Tanzania agricultural policy scene may have a profound impact on donor strategies. MNCs consider the risks involved in investing in Tanzania and the additional infrastructure costs as warranting subsidies for their initial investments. Aid agencies, including the WB and bilateral donors, are providing support. A number of agro-companies have already benefited from concessional loans to set up business in Tanzania or expand on-going projects, though not through CAADP. Donors also finance a range of private-sector and non-profit companies promoting training, research and advocacy activities aimed at supporting private sector and value chain development. Though lacking impact to date, these may enjoy a new lease of life as donors increasingly align themselves with agribusiness.

It may prove difficult, however, to wean donors off the project mode of operation and to stop financing ineffectual state interventions through the agriculture 'basket' and general budget support that helps fund ASDP. The fact that ASDS/ASDP are being revised for a second phase highlights the inertia inherent in government and donor bureaucracies that lack the democratic accountability required to get them to change track in the face of systemic failure.[157]

6.4 Non-state actors

This study has not found much evidence of civil society influence on the CAADP/TAFSIP process, though the GoT has been careful to formally consult with agricultural CSOs from the outset. The main opposition to the trend towards a greater agribusiness presence in Tanzania and elsewhere comes from national and international NGOs concerned with land issues, GM seeds and the use of chemical fertilisers.[158] As with mining, it is likely that concerted civil society activism could swing public opinion against the emerging MNC ascendency and attendant large-scale land alienation, making it difficult for the current or future ruling elite to lend its unconditional support to a 'private sector-driven' agricultural strategy.

As well as fuelling civil society agendas, 'land grabs' could provide huge political capital for the political opposition. The spectacle of the Field Force Unit (FFU) firing tear gas at impoverished peasants to clear them from their ancestral lands on behalf of US/G8 agribusiness would further undermine the legitimacy of the ruling party. Global and national CSO campaigns and negative media coverage could help precipitate policy reversals, as they did with gold.[159]

It is unlikely that this will happen, so politically charged is the land issue. One interesting sign that the GoT is already taking internal and external 'criticism that major investors are grabbing large chunks of land' seriously is the announcement in November 2012 that investors are to be limited to a maximum 5,000 ha for rice and 10,000 ha for sugar.[160]

6.5 Going with or against the grain?

Going with the grain implies playing patronage politics to elicit support from significant actors and/or to pre-empt or counter opposition. Though this type of politics is practiced widely within Tanzanian agriculture, it is not self evident that the proponents of CAADP, or their latter-day supporters in the G8, are well placed to play the patronage game. Indeed, given that PEAPA has identified patronage as currently practiced as one of the major causes of past policy failure, a predisposition to patronage would not be encouraging. An earlier reference depicted US agribusiness giant Monsanto as a serial bribe-payer to poor-country officials.[161] Some investors can be expected to try to cut corners on taxes and adhering to responsible social and environmental standards, relying on high-level political protection. **Box 11** cites an unseemly historical precedent.

Tax breaks on foreign investments are arguably unnecessarily generous, and the rental value of land extremely low, encouraging speculation. Going with the grain could involve informal lobbying for these advantages, and much more. Since these processes have yet to get very far, it is idle to speculate further, though it is worth repeating that the performance of the mining sector is not a good precedent. Both the GoT and investors will need to be much more transparent in their dealings if they want to gain the trust of a sceptical public.

Box 11: Loliondo, an historical precedent?
In 1992 President **Mwinyi'**s government conceded 5,000 sq km of land in **Loliondo Division**, Arusha Region, to **Brigadier Mohamed Abdulrahim Al-Ali,** a member of the U.A. Emirates ruling family, designating the Division as a **Game Controlled Area** (GCA) under the Wildlife Conservation Act of 1974. The Brigadier's company **Ortello Business Corporation** (OBC) gradually asserted its control over a vast tract of land within the GCA belonging to eight villages of the 19 villages in the Division, until in July 2009, police of the **Tanzanian Field Force Unit** (FFU) burnt down 305 homes making about 3,000 people homeless. People were beaten, one woman raped and one child was lost, presumed dead. One man was shot in the face and lost an eye. In 2011, government wildlife officials were suspended for colluding with Emirates officials in smuggling live animals from **Kilimanjaro** to the **Gulf**. The Division's long-suffering pastoral population has been involved in a drawn-out struggle with local government over their pasture rights, in the iconic Ngorongoro Crater in particular. In March 2013, the Minister of Natural Resources and Tourism and the Minister of Lands and Human Settlements were said to be considering revoking OBC's lease and turning the land into Wildlife Management Areas (WMA).
Sorensen email, April 11, 2010; Lyimo 2010; Ihucha 2013.

Without KK locally and the new G8 food initiative internationally, CAADP in Tanzania would have been a somewhat uninspiring story to relate. This report describes TAFSIP as an 'enhanced ASDP', with the same focus on government provision of public goods as the main policy intervention, with no reflection on why this approach had failed in the past, and why external assistance had not helped. Seen in this light, KK and the G8 provide challenging new initiatives that could shake up the Tanzanian policy mix in unpredictable ways. This assumes that G8 pressure to open up Tanzania to MNC investments and technology will be accepted by CAADP (and TAFSIP) as being in the spirit of local ownership and capable of improving the productivity of small farm households.

Further research may examine whether the Tanzanian state can engage in meaningful public-private partnerships that address small-scale farm productivity, gender, food security and poverty issues while concurrently encouraging and protecting local and external agribusiness investments and property rights.

7.0 References

Actionaid 2012. 'Open Letter to African Governments and AGRA', *Citizen,* Dar es Salaam, 28 September

Addis Abeba 2012. 'Africa ready for business says President Kikwete', *Thisday*, Dar es Salaam, 14 May

Africa Confidential 2010. 'Untoward Indian Tillers'

Afun-Ogidan, Dolly 2012. 'Regional Integration for Food Security in East Africa: the Role of CAADP, ECPDM', GREAT *Insights* Volume 1, Issue 4, June

Afun-Ogidan, Dolly, J. van Seters and F. Rampa 2012. 'Regional approaches to food security in Africa: The CAADP and other relevant policies and programmes in EAC', ECDPM Discussion Paper 128c

Agencies 2013. 'Mohammed Enterprises gets a $100 million loan facility,' *Citizen,* Dar es Salaam, 29 January

Agola, Edwin 2012. 'JK: Private sector to lead in farm initiative', *Guardian*, Dar es Salaam, 4 August

Ally, Mkumbwa 2012. 'Dar wins hefty agriculture deal', *Daily News*, Dar es Salaam, 23 May

Ambali, Ernest 2009. 'Mindset change needed to embrace modern agriculture', *African,* Dar es Salaam, 1 August

Andrew, Felix 2013. 'Malnutrition impedes production, says Chiza', *Guardian*, Dar es Salaam, 26 February

Anon 2011a. 'The African Agricultural Growth and Investment Task Force', Fact Sheet

Anon 2011b. 'The Comprehensive Africa Agriculture Development Programme: Country status, sources of data and suggested readings',12 December

Assoungou, Andre-Michel 2012. 'Ten Years of NEPAD: Africa still fighting that negative image', *African on Sunday*, Dar es Salaam, 8 January

Athumani, Rose. 'Dar adopts new monitoring model', *Daily News*, Dar es Salaam, 23 February

Baha, Bernard (no date). 'The politics of investment in large scale agricultural ventures: case of Panda Rukwa Tanzania', Land Rights Research and Resources Institute/Hakiardhi, Dar es Salaam

Bourgouin, France, Ole Therkildsen with Torsten Geelan 2011. 'The slowly changing structure of Tanzania's ruling coalition', EPP workshop, Dar es Salaam, January

Byiers, Bruce and Francesco Rampa 2013. 'Corridors of power or plenty? Lessons from Tanzania and Mozambique and implications for CAADP', ECDPM Discussion Paper No. 138, January, www.ecdpm.org/dp138

Cabral, Lidia 2012. 'The CADDP Process: Attributes, progress in implementation and achievements', FAC: Political Economy of Agricultural Policy in Africa Planning Workshop, Midrand, January

Carlyle Group 2012. 'The Pembani Remgro Infrastructure Fund, The Carlyle Group and Standard Chartered Private Equity Invest $210m in Export Trading Group, a Global Agricultural Supply Chain Manager,' press release, London, 14 November

Chirimi, Makuna 2011. 'US $40m tractors still gathering dust and rust', *Guardian*, Dar es Salaam, 8 February

Citizen reporter 2012. 'Govt initiates process to restructure TPSF', *Citizen on Sunday*, Dar es Salaam, 12 August

Cooksey, Brian 2009. 'New maize in Old gunny Sacks?' Development Partners Briefing on Kilimo Kwanza, World Bank, Dar es Salaam, 16th November

Cooksey, Brian 2011. 'The Investment and Business Environment for Gold Exploration and Mining in Tanzania', African Power and Politics Programme, Background Paper 03, June

Cooksey, Brian 2012a. 'Politics, Patronage and Projects: The Political Economy of Agricultural Policy in Tanzania', Future Agricultures Consortium, Working Paper 040, March

Cooksey, Brian 2012b. 'Cashew Situation Analysis: Market or State Failure? ANSAF Cashew Nuts Sector Workshop', Colosseum Hotel, Dar es Salaam, 3 April

Daily News Reporter 2011. 'New SAGCOT board inaugurated', *Daily News,* Dar es Salaam, 31 October

Daily News Reporter 2012. 'Grow Africa: an initiative aimed at empowering small scale farmers to become commercial farmers', *Daily News*, Dar es Salaam, 14 February

Daily News Reporter 2012. 'Nation's farming drive big success, says PM', Daily News, Dar es Salaam

Domesa, Sylivester 2013. 'JK to Suma_JKT: 2bn/- loaned to farmers must be repaid', *Guardian*, Dar es Salaam, 28 February

Economic and Social Research Foundation 2011. Agriculture Sector review and public expenditure Review 2010/11, Dar es Salaam, November

Farchy, Kack and Emiko Terazono 2012. 'Carlyle finds cashew group to its taste', *Financial Times*, London, 13 November

G8 2012. 'Cooperation framework to support the "New Alliance for Food Security and Nutrition" in Tanzania', Camp David

Global Agriculture and Food security Program 2012. ‘Technical Advisory Committee Report to the GAFSP Steering Committee under the Second Global Agriculture and Food Security Program, Call for Proposals’, May

Global Development Solutions 2009. ‘Integrated Value Chain Analyses and Implications for Public Private Partnerships: Cases of Maize, Cotton/Textiles, and Tourism’, Government of Tanzania and Japan International Cooperation Agency (JICA), Dar es Salaam, February

Guardian Correspondent 2009. ‘New blueprint for African agricultural growth corridors’, *Guardian,* Dar es Salaam, 16 June

Guardian Reporter 2012. ‘Dar to host biggest agribusiness investment forum’, *Guardian*, Dar es Salaam, 26 November

Guardian Reporter 2012. ‘AGRA spends over USD26m for agriculture in Tanzania’, *Guardian*, Dar es Salaam, 31 May

Ihucha, Adam 2013. ‘Loliondo land could revert to local communities’, *East African*, Nairobi, 9 March

International Press Services 2012. ‘Curbing Tanzania’s “land grabbing race”’, *Guardian*, Dar es Salaam, 20 December

Jomo, K. S. and Rudiger von Arnim 2012. ‘Economic Liberalization and Constraints to Development in Sub-Saharan Africa’, Ch. 17 in Akbar Noman, Kwesi Botchwey, Howard Stein and Joseph Stiglitz (eds). *Good Growth and Governance in Africa: Rethinking Development Strategies*, Oxford: OUP

Joseph, Sylvester 2009. ‘Call for positive criticism of “Kilimo Kwanza” vision’, *African*, Dar es Salaam, 27 October

Kaarhus, R., Haug, R., Hella, J., Makindra, J., 2010. ‘Agro-Investment in Africa - Impact on Land and Livelihoods in Mozambique and Tanzania’, Noragric Report No.53, August

Kasumuni, Ludger 2012. ‘Sugar cartel blamed for abnormally high prices’, *Citizen*, Dar es Salaam, 8 August

Kazingumbe, Mohamed 2012. ‘Africa agro-plan stalled, non-state actors maintain’, *Business Times*, Dar es Salaam, 31 August

Kiishweko, Orton 2012. ‘More foreign agricultural investments target sugar industry’, *Daily News*, Dar es Salaam, 6 December

Kigambo, Gaaki 2012. ‘Tanzania gvt signs off huge tracts of land to foreign investors in secret deals’, *East African*, Nairobi, May 14

Kimenyi, Mwangi, Brandon Routman and Andrew Westbury 2012. ‘CAADP at 10: Progress Toward Agricultural Prosperity’, Brookings Policy Paper, Africa Growth Initiative

Laurence, Felicity 2012. ‘More UK aid channelled via investment funds in tax haven of Mauritius’, *Guardian*, London, 11 December

Lugongo, Bernard 2012. ‘Kikwete steps in to end cashew racket’, *Citizen*, Dar es Salaam, 2 December.

Lwinga, Imani 2009. ‘Govt says “Agriculture First”, critics wary of empty words’, *Guardian on Sunday*, Dar es Salaam, 28 June

Lyimo, Karl 2010. ‘Tanzania: ivory, drugs and surplus harvests…’, *Daily News*, Dar es Salaam, 11th April

Madoshi, Carolyne 2012. ‘Call to make farm work inviting to African youth’, *Guardian,* Dar es Salaam, 6 September

Makene, Prosper 2013. ‘India declines request on “Kilimo Kwanza” tractor project’, *Guardian*, Dar es Salaam, 1 March

Mapalala, Bernard 2009. ‘Long-term financing key to success of Green Revolution’, *Guardian,* Dar es Salaam, 7 October

Mbalamwezi, John and Dorithy Ndeketela 2012. 'Tanzania farmers slow to embrace Kilimo Kwanza', *East African,* Nairobi, 9 July

Mirondo, Rosemary 2012. 'Tanzania gets $897m for food security', *East African*, Nairobi, 25 August

Mtweve, Sturmius and Zephania Ubwani 2012. 'JK, Annan on how to boost agriculture', *Citizen*, Dar es Salaam, 28 September

Muggai, Christine 2012. 'Govts urged to support farmers to advance', *East African*, Nairobi, 29 September

Mwakawago, Tagie 2012. 'Membe, USAID boss hold talks in New York', *Guardian*, Dar es Salaam, 26 September

Mwakyusa, Alvar 2012. 'Export ban hurting agriculture – Study', *Daily News*, Dar es Salaam, 7 September

Mwapachu, Juma 2005. *Confronting New Realities: Reflections on Tanzania's Radical Transformation.* Dar es Salaam: E and D Ltd.

Navuri, Angel 2009. 'Your days are numbered, JK warns cheating crop buyers', *Guardian*, Dar es Salaam, 3 June

Ndii, David 2012. 'Food for thought', special report on food security in East Africa, *East African*, Nairobi, 3 October.

Nsungwe, Tobias 2009. 'Kikwete against massive farmers' exploitation,' *African*, Dar es Salaam, 3 June

Oluoch, Fred 2012. 'US firms are looking at Africa as the next big agribusiness market', *East African,* Nairobi, 13 October

Outwater, Anne 2012. 'Monsanto and Syngenta: Funding AGRA for Africa?', *Sunday News,* Dar es Salaam, June

Policy Forum 2012. 'Tanzania Governance Review 2010-2011: Economic Growth without Poverty Reduction', Dar es Salaam.

Poulton, Colin 2011. 'Democratization and the Political Economy of Agricultural Policy in Africa', Paper presented at the annual conference of the African Studies Association, Washington, November

Regional Strategic Analysis and Knowledge Support System 2010. 'Monitoring and Evaluation System for the Comprehensive Africa Agriculture Development Programme', ReSAKSS Working Paper No. 6, Washington, March

Regional Strategic Analysis and Knowledge Support System 2011. 'The Comprehensive Africa Agriculture Development Programme: Country status, sources of data and suggested readings', 12thDecember

Research on Poverty Alleviation 2013 (forthcoming). 'Views of the People 2012', Dar es Salaam.

Rugonzibwa, Pius 2012a. 'State mulls abolishing crop cess', *Daily News*, Dar es Salaam, 19 September

Rugonzibwa, Pius 2012b. 'Hefty World Bank loan to prop up agriculture', *Daily News*, Dar es Salaam, 12 December

Scott, James C 1998. *Seeing Like a State: How certain schemes to improve the human condition have failed*, New Haven, Yale University Press

Simbeye, Finnigan wa 2011. 'The Southern Agriculture Growth Corridor wins praise from the US government', *Daily News*, Dar es Salaam, 2 December

Simbeye, Finnigan wa 2012. 'Agro-bank should target small farmers', *Daily News,* Dar es Salaam, 13 June

Simbeye, Finnigan wa 2012. ‘Bilal warns thieving coops leaders’, *Daily News*, Dar es Salaam, 10 August

Siyame, Peti 2012. ‘Farmers reject food reserve agency prices’, *Sunday News,* Dar es Salaam, 30 September

Songa wa Songa 2011. ‘Govt, donors commit Sh8.7tr to agriculture’, *Citizen*, Dar es Salaam, 11 November

Southern Agricultural Growth Corridor of Tanzania 2011. ‘Investment Blueprint’, Dar es Salaam, January

Stein, Howard 2013. ‘Africa and the Perversities of International Capital Flows’, forthcoming in Philip Arestis and Malcolm Sawyer eds., *International Papers in Political Economy*, London: Palgrave/Macmillan

Tanzania National Business Council 2009. ‘Kilimo Kwanza paper final report’, Dar es Salaam

Tax Justice Network, ActionAid and Policy Forum 2012. ‘Tax Competition in East Africa. A race to the bottom?’

Therkildsen, Ole 2011. ‘Pushing for agricultural transformation. Irrigated rice in Tanzania’, draft, January

Tibbett, Steve. 2011. ‘ActionAid: A toolkit for civil society, organization, engagement and advocacy’, ActionAid International

Twiga, Gloria 2009. ‘Is “Kilimo Kwanza” bearing seeds of its own failure?’ East African, Nairobi, 14 December

United Republic of Tanzania 2010a. ‘The Comprehensive Africa Agriculture Development Programme Compact for Supporting Agriculture (CAADP) Development in Tanzania’, Dar es Salaam, July

United Republic of Tanzania 2010b. ‘The Comprehensive Africa Development Programme (CAADP), Post Compact Road Map for Tanzania’, Dar es Salaam, July

United Republic of Tanzania 2011a. ‘Agricultural Marketing Strategy’, Ministry of Industry and Trade, January

United Republic of Tanzania 2011b. ‘Evaluation of the Performance and Achievements of the Agricultural Sector Development Programme (ASDP)’, Second Draft, April

United Republic of Tanzania 2011c. ‘Tanzania Agriculture and Food Security Investment Plan (TAFSIP)’, 2011-12 to 2020-21, October

United Republic of Tanzania 2011d. ‘Tanzania Agriculture and Food Security Investment Plan’, TAFSIP Business Meeting Report, Ministry of Agriculture, Food Security and Cooperatives, Pearl Hotel, Dar es Salaam, 10-11 November

United Republic of Tanzania, no date. ‘Creating an enabling agricultural policy environment’, NEPAD Planning and Coordinating Agency, Brief No. 1

United Republic of Tanzania, no date. ‘Strategic investment priorities for agricultural growth and poverty reduction’, NEPAD Planning and Coordinating Agency, Brief No. 2

United Republic of Tanzania, no date. ‘Financing agriculture sector development in Tanzania’, NEPAD Planning and Coordinating Agency, Brief No. 3

United Republic of Tanzania, no date. ‘Achieving food and nutrition security in Tanzania’, NEPAD Planning and Coordinating Agency, Brief No. 4

United Republic of Tanzania, no date. ‘Improving market access and value addition for sustainable agricultural development’, NEPAD Planning and Coordinating Agency, Brief No. 5

United Republic of Tanzania, no date. ‘Institutional strengthening in the agricultural sector’, NEPAD Planning and Coordinating Agency, Brief No. 6

US State Department Official Blog 2011. ‘Planting the Seeds to Feed the Future’, posted by Cindy Huang, June 14

War on Want 2012. ‘The Hunger Games: How DFID support for agribusiness is fuelling poverty in Africa’, London

Wolter, Denise 2008. ‘Tanzania: The Challenge of Moving from Subsistence to Profit’, Business for Development, OECD/DAC Development Centre

Yumkella, Kandeh 2012. ‘Strong industrial growth to propel African farming’, *Citizen on Saturday,* Dar es Salaam, 8 September

Appendix 1: Tanzanian agricultural investment intentions, 2012

Company	Amount	Description
Agricultural Council of Tanzania	Not stated	• Efforts to improve the business environment, address policy constraints on commercialisation, including taxation. • Preparation of papers on constraints to realisation of KK, TAFSIP and SAGCOT objectives. • Support for policy dialogue, information platform for all stakeholders.
Agrica/KPL	$30m by 2016	• British, US and Norwegian investors in Kilombero Plantations Ltd, $35m to date in 5,000 ha commercial rice production with successful smallholder programme. • Plan to scale up irrigation to produce 33,000 MT of rice and 5,000 MT of beans & pulses. • 500 KW biomass power plant planned. • Scale up smallholder programme to 5,000 farmers. • Investment depends on roads and tax regimes.
AgroEco Energy	$425m	• Aims to produce sugar and renewable energy in a truly sustainable manner. • Irrigated 7,800 ha sugarcane estate, 3,000 ha outgrower programme. • Sugar mill and bio-refinery. • 125,000 MTs sugar, 8,000-15,000 cubic metres ethanol, 100,000 megawatts electricity.
Tanseed International Ltd	Not stated	• Improving availability and quality of affordable rice and maize seed varieties, improved crop management practices. • Expect to purchase $12 m of certified seeds from contract growers. • Sale of 12,000 MTs certified rice and maize seeds to 1.26 million farmers. • Training contract growers and supervising seed production
Selous Farming	$7m	• Livestock, seed, feed and tree crops in southern highlands. • Expand livestock from 500 beef breeding cows to 900. • Expand abattoir and butchery for meat and poultry products. • Expand production of seed maize and soya. • Establish an animal feed mill.
Shambani Graduate Enterprise	$0.28m	• Expand milk collection, processing and marketing. • Build production and quality capacity of 400 milk producers. • Increase farmer income by $900 a year.
Tanzania Horticultural Association	Not stated	• Promotes the interests of farmers, exporters, processors and service providers through advocacy, technical support, marketing and information. • Value chain upgrading. • Extension of activities to the SAGCOT corridor.
Tanzania Seed Trade Association	Not stated	• Represents seed producers, importers, farmers and agricultural service providers, advocates reducing import duties and VAT on imports, cesses; tax treatment of seeds. • Preparing Policy Position Paper on the above.
Tanzania Tea Packers Ltd	$5m	• Rungwe District, also Wakulima Tea Company and Rungwe Avocado Company. • Plan Suma Hill Small Hydro Project to generate 1.5 MW for above companies. • Benefits from TATEPA group to 20,000 smallholder families.

ENDNOTES

1. Essoungou 2012.
2. www.nepad.org and www.nepad-caadp.net accessed 10/12/11.
3. Donors committed $48 million for a period of 5 years; this was expected to rise to $60-70 million in 2012 (Cabral 2012). In 2008 USAID committed $15m, the Netherlands and the European Commission ($6.5m each), Ireland (2009, $2.2m), France (2009, $1.3m) and the UK (2010, $15.9m) (http://www.donorplatform.org/activities/caadp/donor-support-to-caadp/multi-donor-trustfund). The fund's steering committee consists of representatives of the AU, COMESA, the Coordinating Conference of Ministers of Agriculture in Central and West Africa, USAID and the World Bank. See: http://www.caadp.net/pdf/GPAFS%20brief%20to%20high%20level%20meeting.pdf
4. Kimenyi et al. 2012:6: http://www.brookings.edu/~/media/Research/Files/Papers/2012/12/africa%20agriculture/12%20CAADP.pdf
5. Regional Strategic Analysis and Knowledge Support System 2010.
6. Eight of the 26 countries have reached the target of 10 percent of national budget allocations to agriculture, and nine have reached 5 to 10 percent (http://www.donorplatform.org/activities/caadp, accessed 08/06/12).
7. Cooksey 2012a citing ESRF 2011; Simbeye 2012; Policy Forum 2012.
8. ReSAKSS website: http://www.resakss.org/, visited 10/01/12.
9. Cooksey 2012a, b, c. Quotation marks indicate that this is a loaded concept: both state and private sector are needed to create markets and transform economies.
10. According to Felix Mosha of the TNBC, and key architect of KK, "In the past, it was as if it was just the task of the Ministry of Agriculture. ... Kilimo Kwanza is a collective task of all the institutions of government, in partnership with the private sector. ... We have common objectives and desires" (Mapalala 2009).
11. Interviewee H, 15/09/12. See also Kasumuni 2012 and Therkidsen 2011.
12. Poulton 2011. Concept Note, 5 December.
13. Cooksey 2012a:4.
14. Terms of Reference for Country Case Studies, 12 January, 2012.
15. The issue is whether CAADP influences policy, not whether policy benefits farmers.
16. The seven stages of the CAADP national implementation process ('roadmap') are: official launch of CAADP by government, stocktaking and diagnostic process, roundtable and signing of compact, IP formulation, independent technical review of the IP, high-level business meeting, and implementation (with annual review meetings). Cabral 2012, slide 12.
17. "For the first five years or so, not much progress was made." (Tibbett, 2011, cited by Kimenyi et al. 2012:7). http://www.actionaid.org/sites/files/actionaid/caadp_toolkit_to_print.pdf
18. URT CAADP Task Force and secretariat, mimeo, no date. Private sector representatives were the Tanzania Chamber of Commerce Industry and Agriculture (TCCIA) and the Agricultural Council of Tanzania (ACT). ACT's executive director is a former Director of Planning in MAFC.
19. The main civil society representative was the Agriculture Non-State Actors Forum (ANSAF), an umbrella of international and local civil society organisations, focusing in particular on marginal and smallholder farmers. Both ACT and ANSAF work with GoT through the Tanzania Agricultural Partnership (TAP). Defined as a Public-Private Partnership, TAP is a founder member of SAGCOT, the Southern Agricultural Growth Corridor of Tanzania (see text).
20. United Republic of Tanzania 2010b:4. The consultants are recruited from a narrow band of academics and consultants who can be counted on to adopt a pro-state discourse, despite the prefatory claim that policy should be 'private-sector driver'. http://www.caadp.net/pdf/Tanzania%20Post%20Compact%20Road%20Map.pdf
21. United Republic of Tanzania 2010b:4.
22. Ibid. One would imagine that listing 32 'areas' for additional attention would be of little strategic use in drafting TAFSIP, but in the event TAFSIP was also very broad in its proposed investments (see text).
23. Zanzibar has its own Ministry of Agriculture. The researcher did not look into the Zanzibar dimension of TAFSIP.

24. URT 2010. 'Farmers' were represented by the Tanzanian Federation of Cooperatives while 'the private sector' was represented by TPSF (Tanzania Private Sector Foundation), TNBC (Tanzania National Business Council) and TANGO (Tanzania Association of NGOs). Presumably, TANGO signed on behalf of civil society (not mentioned), since it represents neither farmers nor the private sector. For the GoT, signatories were the Ministers of Finance, Agriculture and Foreign Affairs. There were three signatories from Zanzibar.
25. URT 2010:3.
26. Respondents A and S (civil society activist and donor desk officer, 06-07/06/12).
27. Respondent S (donor desk officer, 07/06/12).
28. URT 2011b. This suggests they are commercial farmers. Other farmers were attached to MVIWATA, a small-farmers umbrella organisation based in Morogoro.
29. Songa wa Songa 2011. 'Govt, donors commit Sh8.7tr to agriculture', *Citizen*, Dar es Salaam, 11 November.
30. "I call upon the private sector investors from both within and outside Tanzania to make use of the numerous investment and trade opportunities in the agricultural sector..." (URT 2011b:51).
31. URT 2011b, pages 6-8. The WB pledged an additional USD 50m in support of SAGCOT; the Irish and Japanese would continue to support existing programmes (ibid pages 45-6).
32. GAFSP was established to fund agriculture and food investment projects following the commitment of nearly $1 billion at a G8 summit in 2009. Donors to the fund include Australia, Canada, the Gates Foundation, Korea, Spain and the US. The fund is managed by the World Bank. In Africa, GAFSP supports countries that have advanced through the CAADP process. Six African countries have received $270m to date (Cabral 2012).
33. GAFSP 2012:2. 55% of funds are for input subsidies, 33% for 'irrigation rehabilitation'. Despite the TAC report's conclusions that: 'over half the proposed budget is allocated for 50% input subsidies on private inputs' which is deemed 'not likely to be sustainable', 'criteria for beneficiary selection are unclear', and so on, the proposal was rated the second best out of 18 reviewed.
34. Respondent M, government official, via email, 12/06/2012.
35. URT 2010b. 'Complimentary' should read 'complementary'.
36. Respondent S (donor agency desk officer, 07/06/12).
37. Kenya, Ivory Coast and Mauritania signed in the same month as Tanzania. A further seven countries signed in 2011/12. Eighteen countries are yet to reach the compact stage. See www.caadp.net/library-country-status-updates.php, accessed 08/03/13.
38. The list of potentially relevant official policy initiatives influencing agriculture includes: Vision 2025, the MKUKUTA (Tanzania's PRSP), and the recently published 5-year plan (see text). Space precludes a treatment of how all these and the numerous other potentially relevant policies (including trade, regional integration, transport, gender, formalisation and local government) relate to 'agriculture', or the degree of coordination between them.
39. URT 2011:3. One may note the absence of farmers, farmers' associations or cooperatives in the list of 'key stakeholders'. One-day zonal workshops were held in Dar es Salaam, Morogoro, Zanzibar, Arusha, and Mwanza, but were cancelled in Tabora and Mtwara. According to Respondent A (civil society activist, 6/6/12), these workshops were frontloaded with four formal presentations, leaving little time for discussion or soliciting local stakeholders' views. Respondent S (donor agency desk officer, 6/6/12) estimated that 90% of workshop participants were local government officials.
40. Cooksey (2012a) describes and critiques ASDP in some detail.
41. Rugonzibwa 2012b quoting WB Country Director. The USD 25m is additional support for the NAIVS. In December 2012, the WB committed an additional USD 55m to the ASDP to enable farmers across the country to have better access to 'agricultural knowledge, technologies and marketing systems' (USD 30m) and USD 20m to increase 'food production and productivity' through improved access to 'critical agricultural inputs like seeds and fertilizers.'
42. Bypassing normal policymaking channels meant that 'Talk in recent years of alignment, policy dialogue and harmonisation seems to have gone out the window. *Kilimo Kwanza* was officially launched in June 2009 and has only been discussed with donors in the agriculture sector once.' (Africa Confidential 2010).
43. KK is dismissive of most 'traditional' export crops as a main policy focus and rejects the artificial distinction between 'food' and 'cash' crops. See Cooksey (2012) for a discussion of the policy

implications of the declining importance of traditional exports and the rise of grains for both local consumption and export.

44. Felix Mosha, chairman of the TNBC argues that “The principle target of Kilimo Kwanza is the peasant”, with the objective of making agriculture “a viable business activity” (Mapalala 2009). The new policy is couched in terms of assisting the smallholder. It remains to be seen whether the target is transforming or eliminating ‘him’ as a class.
45. TNBC 2008:13-14. Also: ‘The Derivative rights conferred to TIC where foreigners can alone own land must be abolished, and TIC should play a role of linking foreigners and Tanzanians.’
46. Cooksey 2009. KK contains 62 proposed ‘activities’ and 151 ‘tasks’. MAFC is the lead in 26 (40%) of the activities listed. However, KK is ‘under’ the PMO-RALG, which means that the Prime Minister is KK’s key political promoter, a role he takes seriously (see text).
47. Meaning local Asian and foreign agro-companies and corporations.
48. There is little or no discussion of commercial estates, biofuels or horticulture (a sector with substantial growth potential) in the TAFSIP blueprint but multiple references to research, extension and cooperatives.
49. MKUKUTA is the Swahili acronym for the National Strategy for Growth and the Reduction of Poverty (NSGRP), Tanzania’s Poverty Reduction Strategy Paper.
50. This ‘agenda’ is essentially NSGRP/MKUKUTA.
51. GoT 2011:7. Zanzibar references deleted. Emphasis in the original. A quick scan showed that the recent Five Year Plan did not discuss agriculture as an investment priority at all.
52. ‘ASP’, ‘ATI’ and ‘Mkuza II’ refer to Zanzibar’s agricultural policies. Unlike ASDP, TAFSIP aspires to include both the mainland (former Tanganyika) and Zanzibar.
53. GOT 2011:8.
54. GoT 2011:32.
55. TAFSIP does not prioritise in the sense of identifying a limited number of sectors, crops and activities. The TAFSIP document (GOT 2011, Annex 2) lists over 30 ‘Proposed Areas for Improvement’ rendering its status as an *Investment Plan* rather problematic. Still, the overall state rather than private focus remains quite clear.
56. Andrew (2013) describes a ‘5-day CAADP East and Central Africa Regional Workshop on nutrition capacity development. Over 100 delegates came from 17 African countries ‘and beyond’. This was the second of a series of such workshop. Note that ‘nutrition’ accounts for only two percent of TAFSIP’s notional budget. Space precludes an assessment of the putative impact of national and international bureaucratic politics and patronage on the CAADP process and the capture of the rents it generates.
57. An email respondent questioned whether there was any likelihood of practical private sector buy-in to CAADP through research. The relevant agricultural research organisations tend to pay lip service to the private sector, he said, but have little or no practical engagement. ‘The AECF (and AGRA?)'s connection with CAADP is, as far as I can see, pretty theoretical.’ Respondent G, international consultant, 31/12/11. This opinion has yet to be investigated. The GoT’s budget for agricultural research has increased significantly in recent years.
58. This list does not include a large number of purely private ventures, foreign, local and JV.
59. Daily News 2012. Ms Peace was attending a CAADP/TAFSIP function, discussed further below. It is worth noting that CAADP lends itself to a project rather than a business mode (or model), and that the GAFSP funds received by the GoT were allocated in project mode.
60. Nkwambe 2012. Mrs Gates was talking at the AGRA meeting in Arusha on 27 September 2012.
61. Respondent J, ex-WB project task manager, 20/12/11.
62. G8 Cooperation Framework, p2. Kimenyi et al. (2012) review CAADP’s shortcomings in integrating non-state actors in the compact process.
63. URT 2011:28. Note the reference is to the *Tanzanian* private sector, thus excluding FDI from the discussion.
64. Limiting factor (1) is simply a reformulation of the stated ‘problem’; (2) is arguably partially a state weakness, since some banks are entirely or partly state-owned; (3),(4), (5) and (6) are evidence of the limited capacity of the state, not the private sector. Point (7) partly reflects poor education standards, another state rather than market failure.
65. See Cooksey 2012a, URT 2011.
66. This argument has been used for many years as a justification for state involvement in agricultural marketing.

67. The weaknesses of the research-extension system are spelled out in detail (URT 2011:31). These weaknesses are to be addressed with TAFSIP finance.
68. Though research is a CAADP pillar, it is not independently costed in the TAFSIP.
69. Cooksey 2012a. Arguing for a 10% budget in order to achieve a 6% growth in agricultural production reveals an implicit faith in state capacity. For two decades now governance discourses have challenged the argument that the state is constrained by lack of funds rather than lack of 'capacity'.
70. REPOA (2012 forthcoming) survey findings indicate that even better-off farmers produce most crops for subsistence. For example, 89 percent of the best-off tercile (one third of the sample of nearly 2,000) produce most of their maize for home-consumption, compared with 98 percent of the poorest third. For rice, the comparable figures are 74 and 83 percent respectively. Purely commercial farmers are a small minority of all farmers.
71. Poulton 2011.
72. For example, sugar producers and importers have different interests.
73. Mwapachu 2005: 386-7.
74. Citizen reporter 2012.
75. Though it is likely that a successfully coordinated agricultural strategy would involve the massive creation of rents for learners and innovators, large risk takers, and big investors. Many potential investments in Tanzania are high-risk. Nobody seems to be interested in jetropha any more, for example.
76. The main G8 agricultural markets are characterised by huge market-distorting subsidies and attendant rents, of course.
77. Tax Justice Network, ActionAid and Policy Forum 2012. The authors claim the investors would invest without the tax breaks.
78. Afun-Ogidan 2012. www.ecdpm.org/dp128. The author stresses the importance of facilitating East African trade in foodstuffs from a food security perspective. To date, the EAC has not been a major player in coordinating CAADP in the region. However: 'The EAC Secretariat is now keenly interested in and working towards developing a regional CAADP compact in 2012.'
79. ANSEF members include 'pro-poor' NGOs, farmers' associations, green activists, and private companies, so a common position is not easy to forge.
80. Joseph 2009. ANSEF members were also keen to support ASDP and DADP (District Agricultural Development Plans) as means of 'making Kilimo Kwanza work for all.'
81. Gaaki Kigambo 2012. 'Tanzania gvt signs off huge tracts of land to foreign investors in secret deals', *East African*, Nairobi, May 14.
82. REPOA 2013 (forthcoming).
83. A cognate issue—water rights—is also germane in the context of potential major land acquisitions for commercial agriculture.
84. Wolter 2008. See also Cooksey 2012a (Appendix 4) for a critical review of aid to Tanzanian agriculture with an historical perspective. Wolter also observes that lessons learned from project implementation are not shared among stakeholders or used to improve further interventions.
85. URT 2011:8. Emphasis in the original.
86. Respondent B, independent consultant, via email (06/01/12). The quotation is from the IP.
87. Critics of blue-print based development practices include William Easterly, Goran Hyden, and James Scott.
88. The growing number of global initiatives in agriculture and other aid-financed sectors raises the question of how much a given policy can be (expected to be) locally 'owned'. Globalisation means one-size-fits-all, in agriculture, industry or services. Harrison (2004) and Karkkainen (2004) lay out the cases for 'post-sovereignty' in relation to governance and environmental management respectively. Space precludes an exploration of this dimension of the topic.
89. Respondent M, 15/10/12. At the Business Meeting discussed above the representative of the Irish Embassy stood out as the only development partner prepared to pledge continued support for ASDP 'implementation and coordination' rather than TAFSIP (Business Meeting Report 2011:47).
90. Yumkella 2012. The author continues: 'In a close partnership with the FAO and the IFAD, UNIDO has launched the Accelerated Agribusiness and Agro-Industries Development Initiative or 3ADI programme to promote value addition to agricultural commodities, with the added value being realized in domestic markets and through global supply networks.' 3ADI is operational in Tanzania and 11 other countries.

91. CAADP compacts with Regional Economic Communities (REC) are designed to address tariff and non-tariff trade barriers (Afun-Ogidan 2012). The author notes that: 'In spite of the fact that all partner states have endorsed the CAADP framework, the regional dimension was not properly articulated in the national compacts.'
92. G8 2012 Commitments, Annex 2. To date, only ECOWAS has completed the compact process. Afun-Ogidan et al. (2012) observe that "the EAC Secretariat … was not strongly active in supporting its partner states ... at the national level." Prior to the arrival of CAADP, the EAC had already launched an Agriculture and Rural Development Policy (EAC-ARDP) and an Agriculture and Rural Development Strategy (EAC-ARDS).
93. G8 2012:3. G8 Cooperation Framework 2012:3. The preamble (p3) reads in part: 'The GoT intends to ... build domestic and international private sector confidence to increase agricultural investment significantly, with the overall goal of reducing poverty and ending hunger.'
94. G8 2012.
95. Mirondo 2012. The Sugar Board of Tanzania claims to have nine projects in the pipeline that will triple sugar production by 2016. Importation licenses will no longer provide a major rent as sugar shortages, both real and created, are eliminated. It is common for imports to suddenly swamp the local market, leading to unsold sugar accumulating in local factories and incentives to smuggle abroad (in the case of TPC) to maintain liquidity (Kiisweko 2012).
96. Additional country-specific pledges have also been forthcoming. For example, the World Bank has pledged USD 50m in support of SAGCOT.
97. The US government is making efforts to coordinate policy implementation. The Corporate Council on Africa (CCA) is part of the US Department of Commerce, and is mandated to 'link American companies with investment opportunities in the African agricultural sector.' CCA claims to have a 'strong record' for bringing together business and policy makers both in the US and Africa. The Centre's US-Africa Agribusiness Investment Forum has been promoting trade with Africa through AGOA '[b]ut we still have to work hard to strengthen it [AGOA] now that the US and the East African Community are working on new trade and investment relationships that will move the partnership to a different level.' The key policy issue is defining and securing land rights for foreign investors. (Oluoch 2012 quoting CCA director Katrin Kuhlmann). The CCA website informs us that 'Tanzania [is] recognized among top consultancies as the next frontier for U.S. business & investment.' (www.africacncl.org accessed 01/01/13).
98. G8 2012, Annex 1: Government of Tanzania Key Policy Commitments. The GOT also commits to reducing or lifting 'cess' at the farm gate and VAT on spare parts for farm machinery.
99. G8 2012 ibid. (emphasis added). This should read 'Ministry of Lands and Human Settlement' and PMO-RALG (Prime Minister's Office, Regional and Local Government). Zanzibar has a Ministry of Lands and Local Government.
100. Ally 2012. Byiers (2013:vii) argues that 'the challenge to help small-scale operators benefit from corridors [such as SAGCOT] is enormous' since 'only around 10 percent of smallholders can generally benefit from such approaches.' By way of rejoinder, the chief of RUBADA is quoted as saying: "There will be youth camps near big plantations where ... young people will get agricultural skills and get prepared to engage themselves in the sector…" (Citizen Reporter 2011).
101. FTF and GAFSP are global programmes. Other relevant initiatives not discussed in this report include: the African Agricultural Growth and Investment Task Force (AAGITF), the Forum for Agricultural Research in Africa (FARA), the Regional Strategic Analysis and Knowledge Support System (ReSAKSS), the Food, Agriculture and Natural Resources Policy Analysis Network (FANPRAN) and the Charter to End Extreme Hunger. FANPRAN 'in collaboration with ESRF and the [MAFC]' is instrumental 'in creating awareness and sensitising non-state actors on CAADP processes' (Madoshi 2012). ReSAKSS supports CAADP across Africa, but has not been active on the Tanzanian CAADP engagement since April 2010, at least judging from the last time its website (accessed 09/08/12) was updated.
102. At the same time, AGRA is the harbinger of Africa's 'green revolution', which is also touted by Kilimo Kwanza, as described below.
103. The selection process was sub-contracted to KPMG, a major accountancy firm with a Dar es Salaam office.
104. www.agrforum.com
105. Mwakawago 2012. "The United States government is ready to expand the beneficiaries of this programme to include Burkina Faso, Ivory Coast and Mozambique," he pointed out. Tanzania and

Ethiopia are the first African countries to benefit from the programme. Guardian Reporter 2012 lists important guests in Arusha as Melinda Gates of the Gates Foundation, the president of IFAD Dr Kanayo Nwanze, Nigerian Minister of Agriculture Dr Akinwumi Adesina (himself an agricultural scientist and former AGRA CEO), World Food Prize laureate Prof Gebisa Ejeta, retired UN Secretary General Kofi Annan, and Yara International president and CEO Jorgen Haslestad.

106. Daily News Reporter 2012. Emphasis added.
107. To our knowledge, none of the country's opinion leaders have commented on this amazing contradiction to date.
108. Daily News Reporter 2012.
109. Established in the 1970s to manage a large investment in hydro-power on the Rufiji, RUBADA has recently become a major broker for both local and foreign investment in land for agriculture in the vast Rufiji basin, with projects ranging from 50 hectares up to many thousands.
110. Ibid.
111. JICA 2009 found that large maize farmers' yields in Njombe were more than three times those of smallholders (4,448 versus 1,420 kg/ha). Profit per ha was almost five times higher (Shs 519,000 versus Shs 109,000).
112. Byiers 2013:vii. The other strategy is to pass on as many of these 'transaction' costs as possible to aid agencies and philanthrocapitalists.
113. Navuri 2009. Kikwete railed against 'some buyers [who] had started to complain to bodies like the World Bank about our intervention policies' (Nsungwe 2009).
114. Ambali 2009. He is also quoted as saying: "Leave the small-scale farmers to the government, while you plan on your own." Creating centres of excellence "can also attract President Obama's government support."
115. Ambali 2009. President Karume referred to an "old-fashioned mindset", a "passive way of life", that was common 'along the coastal belt.' The rest of Tanzanian farmers are implicated by association in this 'passive way of life', thus absolving the state for any responsibility for 'the problem.'
116. Lwinga 2009. Mbozi MP Godfrey Zambi is quoted as saying "Although I'm a member of the ruling party, I also believe this has only to do with politics—definitely next year's elections."
117. TNBC 2009.
118. Agola 2009. Kikwete linked KK to the MDGs, MKUKUTA, and the ASDP.
119. Agola 2009.
120. Lugongo 2012. Cashew cooperatives are building up large debts with the commercial banks, which finance the costly and inefficient WRS. The losses are passed on to the treasury. President Kikwete has a commercial pineapple farm and is actively promoting exports by Tanzanian investors (Respondent J, 05/01/13). Thus, his views on trade liberalisation (and one imagines those of other members of the elite) are mediated by national/racial/ethnic considerations. This helps explain the apparent ambiguity of the elite regarding 'private sector development.' It is not simply that there is a struggle between pro- and anti-liberalisation factions in the ruling party, but that the 'struggle' also takes place *at the level of the individual*. The same is also true, *a fortiori,* in relation to external investors.
121. UTR 2011a:10. Neither should one expect the emerging African commercial interests to be 'friends of the free market' since they are also likely to try to 'distort markets by seeking special regulations, financial support, tariff protection ... anything that will give them an advantage over the competition...' (Twiga 2009).
122. Chirimi 2011; Respondent J, 02/02/13.
123. Domasa 2013. Only Shs 16bn has been repaid to date. Daily News reporter 2012 relates that the GoT was negotiating a further loan of USD 92m to procure a further 3,000 tractors.
124. Makene 2013. The request was turned down.
125. Addis Ababa 2012. 'President Kikwete added that governments have an important role to play in providing support in areas of irrigation, inputs and building commodity markets. However, private sector investment is also essential to avoid over-dependence on subsidies.'
126. Outwater 2012 asks whether we want our AGRA 'green revolution' to include the likes of Monsanto, the world's leading GM seed producer. Between them, Monsanto, Dupont and Syngenta account for nearly half the branded seeds sold worldwide. Monsanto's turnover was $11.7 billion in 2009. 'Again and again they [Monsanto] have to pay fines for bribing government officials. In Indonesia … they

were found to have bribed 140 government officials or their families, to allow the entry ... of Bt corn without a legally required environmental impact assessment.'

127. By contrast, only 36 percent of farmers have heard of MKUKUTA, Tanzania's anti-poverty framework policy, which is over a decade old (REPOA 2012 forthcoming). It is a fair bet that even fewer rural Tanzanians will have heard of the ASDP, and only a few citizens of CAADP or TAFSIP.
128. Africa Confidential 2010.
129. Cooksey 2012.
130. Cooksey 2011b discusses contemporary land conflicts between villagers and estates in Arumeru District (Arusha). Before a recent by-election in Arumeru, both ruling and lead opposition parties vowed to repossess by force land leased to foreigners for recreational purposes (a golf course!). The ruling party narrowly won the election and the promised invasion duly took place. Such invasions (there have been others) are said to be instigated by senior/local politicians.
131. Agola 2012. The KK blueprint (2008:11) cites a figure of over two million ha 'of good agricultural/livestock/irrigation land' owned by public institutions.
132. Anecdotal evidence suggests that numerous potential foreign investors, some of them sizeable, have found Tanzania an unpromising investment destination, despite formal pro-investor polices, land availability and peaceful politics. Tanzania's position in the WEF's annual Global Competitiveness Survey is poor and getting worse.
133. Though it may turn out to be a 'rentier' class if the example of minerals is anything to go by (Cooksey 2011b).
134. Rugonzibwa 2012. At a 3-day non-state actors' forum, SAGCOT Coordinator Dr Mary Shetto said the [cess] issue was raised with 'representatives of Group 8 (sic) countries and the government ahead of SAGCOT implementation...' "even local investors were not happy with the system...", she said.
135. Mwakyusa 2012. Numerous donor-funded projects and programmes support private sector development, through research and advocacy. The multi-donor funded BEST-AC sponsors research/advocacy on private sector policy and regulatory issues. Technoserve, Fintrack, and Match Maker are among the leading donor-funded private research and project implementers. The DfID-funded Trademark East Africa promotes EAC integration through research, advocacy and projects.
136. Kimenyi et al. 2012:8. The authors add: 'These extreme examples of regional dynamics in regards to food insecurity sadly correspond with long-term trends' (that is, dependence on food aid rather than regional trade to address local food shortages).
137. Mbalamwezi and Ndeketela 2012.
138. The Vice President makes the same 'mistake.' Talking at Nanenane in Dodoma: 'Dr Bilal ... said there has been significant improvement in agriculture production especially among smallholder farmers, thanks to subsidized inputs under "Kilimo Kwanza."' (Simbeye 2012).
139. Margareth Ndaba, CAADP coordinator in MAFC, maintains that CAADP 'is little known to the majority of stakeholders, including those closely handling issues in the agriculture sector' (Kazingumbe 2012).
140. The objectives of different policy strands are not always well articulated. AGRA, for example, focuses on small-holder productivity, but is the main objective food security or increasing marketable surpluses? If the latter, then crop diversification is implied, since producing more stables will simply depress prices and profit margins. Transformation also implies changes in scale, winners and losers, and the eventual elimination of the (very) small-holder as a 'class'. Yet much of the AGRA and INGO discourse is about protecting the smallholder against the logic of transformation. See Ndii 2012 for a critique of AGRA.
141. Cooksey 2012b.
142. In Rukwa farmers are reported to have refused to sell maize to NFRA for Shs 400/kg when the open market price was Shs 500 (Simaye 2012).
143. There is also evidence that food crises are invented or exaggerated and subsequent imports sold on the open market (Respondent M, no date). This involves the trading house cartels mentioned earlier.
144. War on Want 2012.
145. Ibid. War on Want claim that DFID funds GM food initiatives through the African Agricultural technology Foundation and HarvestPlus. DfID provided GBP 7 million in core funding to AGRA during 2008-11.
146. War on Want 2012:11. Quoting Diane Corner, British High Commissioner.

147. Carlyle Group, press release 2012. The Carlyle Group (NASDAQ: CG) is described as 'a global alternative asset manager with $156 billion of assets under management in 99 funds and 63 fund of fund vehicles as of June 30, 2012. The Standard Chartered investment is USD 74m.
148. Interview K, investment risk analyst, November 2, 2012.
149. Farchy and Terazono (2012) report that the 'capital injection will be used to fund … processing facilities that produce … vegetable oils, flour or ground coffee.' Cashew processing and trading will be worth watching, since the WRS imposed by the CBT is widely seen to be 'private-sector unfriendly'.
150. Agencies 2013.
151. It is probably no accident that the global food crisis began in late 2007 (Jomo and Arnim 2012:522).
152. Stein (2013 forthcoming) puts the food crisis (high and volatile prices) down to financial deregulation and speculation in global commodity futures markets, including food. Concern with future fuel shortages in the US has declined significantly with the discovery of new gas deposits around the world and the prospect of increasing oil supplies from Canada. But producing biofuels from US maize only serves to push up food prices.
153. By professional standards, the KK blueprint (TNBC 2009) is not a very polished or internally consistent document. Elsewhere we cite a local businessman criticising TNBC for being too close to donors rather than to members.
154. At a risk of repetition, the ten percent spending target makes little sense on at least three grounds. First, non-agriculture spending is equally or more important than sector spending in terms of promoting productivity growth (think roads, electricity, information). Second, patronage and informality in national and local institutions compromise equity and efficiency. Last, targeting 6 percent sector growth requires major private-sector commitments to support state efforts. Even then the 6 percent growth target is potentially misleading since it does not distinguish between high and low growth sectors. Growth (and accumulation) may be high in (say) rice, sugar and horticulture, but not in (say) maize, bananas or cassava. As with extractive industry-based economies in general, enclave development characterises large-scale FDI in agriculture.
155. Somewhat belatedly perhaps, State House has initiated a new performance-based system to monitor government service provision, including projects. Financed by DfID, senior officials underwent six weeks of intensive training based on the apparently successful Malaysian monitoring model (Athumani 2013). Agriculture is one of the first sectors to try out the new model.
156. Respondent A, civil society activist via e-mail, 26/09/12.
157. It is striking how little public discussion there has been on the critical issues discussed in this paper, for example, the challenge that KK poses to traditional ways of making agricultural policy. A very important aspect of the new policy thrust is whether it generates a 'counter-hegemonic' narrative to challenge the implicit state discourse on the dynamics of agricultural development, redefining the state role to focus on coordination and regulation and limiting arbitrariness and cronyism in decision making.
158. Some of these NGOs were among the signatories of the open letter to participants at the AGRA meeting in Arusha in September 2012.
159. Cooksey 2011. Not all investors can be expected to live by the high social and environmental standards to which they subscribe. Some existing investors resort to bribing local politicians, officials and journalists to cover up their dubious practices. Note that the more responsible investors are also vulnerable to risks emanating from the local business environment. A recent example involving media tycoon Reginald Mengi, his brother, and two small-scale British investors is described at: http://thesilverdalecase.blogspot.com/
160. IPS 2012, November.
161. Beyond bribery, multinational companies routinely practice transfer pricing and tax evasion, much of which is legal.