Working Paper

What difference has CAADP made to Tanzanian agriculture?

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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
DADP	District Agricultural Development Plan
EAC	East African Community
ECOWAS	Economic Community of West Africa
FARA	Forum for Agricultural Research in Africa
FDI	Foreign Direct Investment
FTF	Feed the Future
GA	Grow Africa
GAFSP	Global Agriculture and Food Security Program
IEG	Independent Evaluation Group
IFPRI	International Food Policy Research Institute
KK	Kilimo Kwanza
MAFC	Ministry of Agriculture, Food Security and Cooperatives
MCA	Millennium Challenge Account
MDG	Millennium Development Goal
MIT	Ministry of Industry and Trade
NAFSN	New Alliance for Food Security and Nutrition
NEPAD	New Partnership for African Development
PPP	Public-Private Partnership
PSD	Private Sector Development
ReSAKSS	Regional Strategic Analysis and Knowledge Support System
RUBADA	Rufiji Basin Development Authority
SADC	Southern African Development Community
TWG	Technical Working Group
TAFSIP	Tanzania Agriculture and Food Security Investment Plan
WRS	Warehouse Receipt System

0.0 Synopsis

What difference has CAADP made to Tanzanian agriculture?

Policy-making, ownership and coordination

CAADP in Tanzania is enshrined in the *Agriculture and Food Security Investment Plan* (TAFSIP) which President Kikwete launched in November 2011. But TAFSIP has played a very secondary role in Tanzania's agricultural policy processes compared to the earlier *Kilimo Kwanza* (2009) and later *Big Results Now* (BRN, 2013). TAFSIP is an expanded version of the *Agricultural Sector Development Programme* (ASDP, 2006-13), adding components (food security, climate change) and more than doubling the proposed budget. TAFSIP is a traditional agricultural policy, privileging discrete state and donor initiatives with the 'private sector' playing at best a subordinate role. By contrast, Kilimo Kwanza is promoted as the product of Tanzania's nascent commercial farming class, favouring public-private partnerships and joint ventures with foreign investors. The ambitious *Southern Agricultural Growth Corridor of Tanzania* (SAGCOT, 2011) is dubbed 'Kilimo Kwanza in action.' Big Results Now (BRN 2013) has also enjoyed high level political buy-in. In agriculture, BRN targets ambitious 'quick wins' in both smallholder and commercial agriculture. In mid-2012, President Obama launched the *New Alliance for Food Security and Nutrition* (NAFSN). Aligning with CAADP/TAFSIP, NAFSN proposes sweeping new investment and regional trade agreements bringing G8 and other global agribusiness interests into the policy frame. But the US/G8 policy has little in common with the state-centred TAFSIP, and the main focus of G8 investor interest is SAGCOT. The TAFSIP coordination team is located in the Ministry of Agriculture, Food Security and Cooperatives (MAFC) along with the overseers of the ASDP, while KK is under the Prime Minister's Office (PMO) and BRN under State House. The proliferation of donor and other non-profit initiatives further challenges coordination efforts. In sum, attempts to localise CAADP ownership through TAFSIP have been overshadowed by the policy dominance of KK.

Finance

Although spending on agriculture has doubled as a proportion of total spending since CAADP was launched in 2003, it is not possible to say with confidence that CAADP/TAFSIP has leveraged more public expenditure or sector growth, both of which depend on multiple factors. One unambiguous gain from engagement in the CAADP process is the receipt of UDS 22 million from the *Global Agriculture and Food Security Program* (GAFSP) for small-scale irrigation rehabilitation and expansion in the SAGCOT area.

Donor support

Kilimo Kwanza and NAFSN may yet have a profound impact on donor strategies, meaning less direct support for the state and more for foreign investors, including provision of seed capital for risky ventures. By contrast CAADP/TAFSIP has had little impact on donor strategies or commitments.

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. 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.

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CAADP/TAFSIP is firmly in the tradition of top-down government-donor policy making that has failed consistently to transform agriculture or reduce rural poverty in the past. KK/SAGCOT challenges statist policies by bringing local and foreign capitalist interests on board. Tanzania is still a long way from crafting an agricultural policy in which state and market work together to realise a common vision.

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 described as '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, including Tanzania, had finalised investment plans.[4]

CAADP targets the Millennium Development Goal (MDG) of reducing poverty by half by 2015 through *inter alia* allocating an average of ten percent of national budgets to the 'agriculture' sector in pursuit of six percent annual growth.[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 (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, October 2011).[8]

When CAADP arrived on the Tanzanian policy scene in 2010, its promoters found on-going agricultural policies, programmes and projects 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 research on the drivers of Tanzanian agricultural policy found that, despite the challenge of 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 empowered to plunder local development budgets and 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 ineffectual donor aid is being rapidly overtaken as a result of important internal and external developments. Rising global food 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, including two rounds of Millennium Challenge Account (MCA) grants, 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 unprecedented 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 home-grown 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). It appears that the draft ASDP targeted 'private sector' development more clearly than the final programme document. Dissatisfaction with being crowded out by ASDP led Tanzanian (African) agribusiness interests close to the president to assert their policy interest, with the added incentive provided by the rise in global food prices in 2008.[10]

One recent major initiative--the Southern Agricultural Growth Corridor of Tanzania (SAGCOT)-- brings together more than twenty global agribusiness corporations and international organisations in an ambitious Public-Private Partnership (PPP) with the government. 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 significant monopoly rents from *inter alia* rice, edible oils, sugar and food aid markets.[11]

2.0 Methodology

The first phase of the PEAPA programme 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 is 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'? Who are the local 'owners'?

- What roles did politicians, bureaucrats and donors play 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]

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. Interviews included 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 polic; 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[15] in Tanzania, and how was the process managed? **Table 1** presents a timeline for CAADP/TAFSIP.

CAADP is an initiative of the African Union and the New Partnership for African Development (NEPAD) designed to craft a major African development policy that is more authentically 'African' than previous continent-wide or global initiatives such as HIPC/PRSP/MDG. But the CAADP process did not take off until external donors, led by USAID, began to pledge financial support, starting in 2008.[16]

The Tanzanian stocktaking process was led by a CAADP Task Force (TF) consisting of members from agriculture lead ministries, donors, the private sector[17] and civil society.[18] 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).[19] 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 investment targets in irrigation, transport, agro-processing, research and marketing development, while food security, nutrition and climate change were 'not well addressed.'[20] 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...'[21] The IP is not an operational document

Table 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	Taskforce stocktaking.
July 2010	Roundtable (6th July) and Compact signing (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 at a High-level Business Meeting: technical meeting (10th) and 'political buy-in' (11th November).
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.

in the sense of identifying investment priorities and providing investor incentives.

Tanzania mainland and Zanzibar[22] government officials signed the CAADP Compact in July 2010, along with representatives from development partners, the East African Community, SADC Secretariat and the African Union Commission, farmers and the private sector.[23] The compact stated that: 'Tanzania is implementing CAADP through the Agricultural Sector Development Programme (ASDP) for Tanzania Mainland and the Agriculture Strategic Plan (ASP) for Zanzibar.'[24]

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.[25] 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 IP 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).[26]

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.[27]

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.[28]

In his concluding remarks to the meeting, president Kikwete repeated that the private sector 'should take a central role in the implementation of TAFSIP.'[29] Yet only broad government and donor commitments were forthcoming.[30] 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 the Global Agriculture and Food Security Program (GAFSP) funds.[31] 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.[32] Officially, 'problem areas' are being worked on to clear the way for full implementation.[33]

However, implementation of TAFSIP is much more than securing relatively modest funds for input subsidies and irrigation. 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.'[34]

> 'TAFSIP is a piece of paper on the shelf.'[35]

This section investigates how TAFSIP developed in relation to pre-existing agricultural strategies and policies.[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. Tanzania's relatively slow uptake of CAADP after facilitating finance became available from 2008 suggests that there were no urgent financial imperatives to embrace a new externally sourced agricultural strategy. The emergence of a proto-national commercial farming lobby challenging the MAFC's dominance of agricultural policy prompted the official adoption of KK (mid-2008). One problem the analyst faces is to explain how the ruling elite conceived of KK as a vote-winning initiative for the 2010 elections, when the more pro-smallholder policy was clearly the ASDP (and by extension CAADP-TAFSIP). KK virtually relegates the small farm household to out-growers and contract farmers. CAADP-internal political dynamics are discussed in Section 5.

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.[38]

appear to challenge the pro-public sector bias of official policy, including ASDP.[42] For example, KK's support for agribusiness is a dramatic departure from the usual focus on 'smallholder development.'[43]

'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.'[44]

Table 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)	Phase1: 2006 -13 Phase2: planned	MAFC	1.9	GoT, Donor basket	Five 'agricultural' ministries; Donor projects	Smallholder production; Irrigation
Kilimo Kwanza	Tanzania National Business Council	2009 - (not time bound)	PMO-RALG	Not costed	GoT, donors, private sector	Commercial farmers; SAGCOT	Commercial agriculture
Tanzania Agriculture & Food Security Investment Plan	CAADP/ MAFC	2012-17	MAFC	5.3	GoT, donors, private sector, philanthro-capitalists	ASDP	Smallholder production; Food security

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

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), inputs, rural infrastructure, market and trade development, and institutional strengthening.[39]

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 loan. Donors perceived ASDP as a heavily state-centred development strategy, with a consequent overconcentration of resources for central government ministries and their dependent parastatals, and a subordinate role for markets and private actors.[40]

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 plus donor agencies, and enjoys high-level political support.[41] Breaking the GOT-donor mould of previous agricultural initiatives, KK's 'private sector' origins

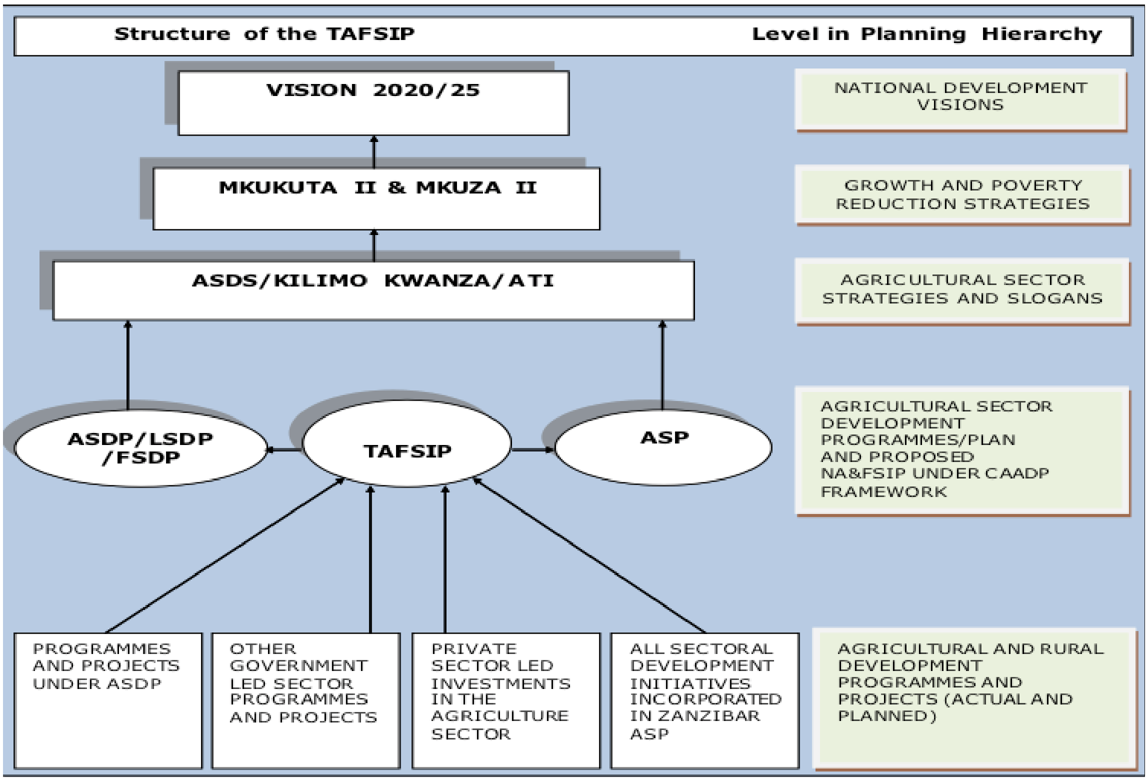
Contract farming, linked to commercial estates, is also viewed positively. Yet, although it is said to be 'private-sector driven', KK is formally structured in a surprisingly similar way to the ASDP, with a heavy GoT presence in the majority of components and dozens of activities supposedly involving multiple coordinated actors.[45] This report gives numerous examples where public policy and informal practices undermine productive private sector initiatives, serving as disincentives to both local and foreign, large- and small-scale producers and other market actors.

Given the Tanzanian elite's frequently-expressed suspicion of the 'private sector',[46] 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.[47]

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)[48]...; Agriculture First (*Kilimo Kwanza*) ...; The Agricultural Sector Development Strategy (ASDS) ...; Tanzania's agenda to meet the Millennium Development

Figure 1. Structure of TAFSIP



Source: GOT 2011:8.[51]

Goals (MDGs);[49] The Tanzania CAADP Compact; and Various sub-sector policies, strategies and programmes/ projects.'[50]

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

Chart 1 shows that 'programmes and projects under ASDP' are now 'under' TAFSIP, as are all other 'agricultural and rural development programmes and projects...'[52] 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... represents 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

Table 3: 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.

implementation modalities (procedures, targets, indicators, work plans, reporting and M&E).'[53]

TAFSIP's strategic priority areas and financial targets are listed in **Table 3.**

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).[54] 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.[55]

TAFSIP broadens the ambit of the ASDP to achieve investment rates commensurate with CAADP's investment goals. An interesting silence in the TAFSIP blueprint is any discussion of the KK strategy, which is referred to dismissively as a 'slogan'. This could be interpreted as an attempt by MAFC bureaucrats to recapture the policy high ground lost to KK in 2007-08. By virtually ignoring the policy significance of KK, the IP team was committing an act of political insubordination, since KK had only recently received formal endorsement by the president and ruling party. This suggests competing rather than coordinated sources of agricultural policy.

It is not at all clear that 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 deemed 'weak'. Nevertheless PSD is a very minor budget item. Research--one of four CAADP 'pillars'--is not stressed in either ASDP or TAFSIP.[56]

Table 4 summarises the main current and planned investments in agriculture for mainland Tanzania.[57]

The WB is the major multilateral player, while USAID leads 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." Both donors and governments need to think more strategically. 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."[59]

TAFSIP can be seen as an attempt to take over Tanzanian agricultural policy leadership from ASDP, while ignoring KK. 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.'[60]

Table 4: 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.

'Tanzania is a showcase for public-private partnership in agricultural growth...'[61]

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 ... 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.'[62]

The list is more a comment on state than private sector capacity.[63] 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.[64] The implication of the view stated above is that a weak private sector needs to be supported by a strong state.[65] The problem with this formulation is that state capacity is assumed (or asserted) rather than demonstrated.[66] 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.[67] Official policies and unofficial practices frequently frustrate potential investors and, for certain crops, accord trade monopolies to cooperatives. Far from unambiguously supporting private sector development, state actors routinely frustrate it.

The formulators of TAFSIP only consulted one part of the 'business community', and then only in a perfunctory manner. There is no evidence that private interests lobbied actively for a more business-friendly IP.

The 'private sector' in Tanzanian agriculture does not speak with one voice. Mwapachu (2005) argues that the Tanzania Chamber of Commerce, Industry and Agriculture (TCCIA), which attended the 2011 Business Meeting on behalf of the 'private sector', represents only commercial interests, not industry or *agriculture*. Mwapachu and others argue that umbrella organisations founded with donor funds are necessarily unrepresentative.[68]

The weakness of formal business institutions contrasts with the powerful informal mechanisms--tantamount to partial state capture—which trade cartels employ to reduce competition and capture large monopoly rents, for example, by importing duty-free rice and sugar.

What of TAFSIP's engagement with civil society? Non-state actors (NSA) were formally incorporated into the 'broad-based consultations' leading to TAFSIP. NSA organisations attending Task Force meetings included the Agricultural Non-State Actors Forum (ANSAF) and Morogoro-based MWAVITA, a small farmers' umbrella organisation. 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. ANSAF members[69] have lent their support to 'key pillars' of KK, endorsing "a paradigm shift from production-led to market-led agricultural transformation..." But this endorsement of KK seems not to have influenced ANSAF's subsequent endorsement of the IP.[70]

The TAFSIP team did not engage with civil society on issues of land and water rights, GM seeds, chemical inputs or sustainable agriculture.

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.[71] 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...'[72]

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 transformative 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.'[73]

History suggests that TAFSIP's comprehensive 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.[74] 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.[75] **Box 1** illustrates the nature of the problems created by multiple, independent initiatives.

Subsequently, USAID Tanzania has made great efforts to follow the presidential directive, although it involves an elastic definition of 'SAGCOT' regions and districts. The conclusion is that the agencies involved in developing and implementing agricultural projects generally attach little priority to the need to coordinate their activities, unless politically constrained to do so. Coordination 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 CAADP/TAFSIP takes over the national agriculture strategy space? What happens to the ASDP basket fund, coordination, and reporting mechanisms? The signs are that ASDS/ASDP will continue: in September 2012, the GoT and development partners started preparing Phase 2 of both the strategy and the programme for 2014 and beyond.[76] One consultant confessed to being unable to make much sense of the current official policy 'landscape' (**Figure 2**), which can be compared to **Figure 1** above.

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. **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. Despite the potential geographical and thematic synergies between these two initiatives, there was virtually no coordination, despite numerous initiatives by 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.

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

To add to the confusion, the preparatory mission for ASDP2 noted that MAFC had commissioned the Economic and Social Research Foundation (ESRF) to "*formulate a comprehensive Agriculture Sector Development Phase Two (ASDPII)*", with TOR overlapping those of the mission (emphasis in the original). The preparation of ASDP2 was put on hold while the MAFC tried to sort out the contradictions between the various policy strands.[77]

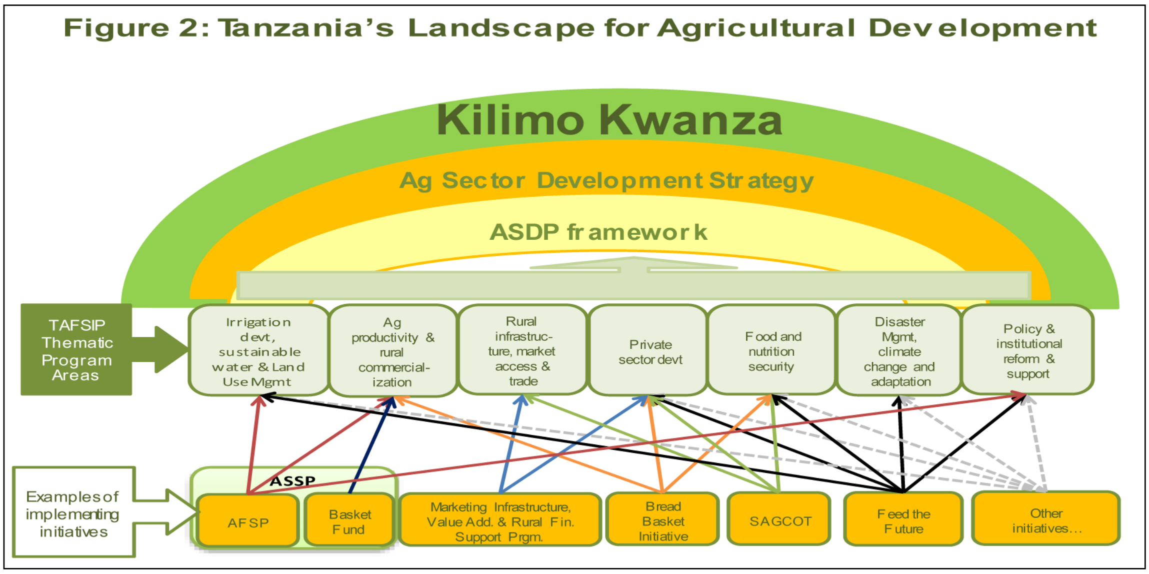
To complete the confusing picture of agricultural policy, in early 2013 President Kikwete endorsed a major new initiative known as 'Big Results Now' (BRN), designed to speed up policy implementation in six priority sectors: education, healthcare, water supply, power, roads, resource mobilisation and agriculture. To plan the BRN strategy, large numbers of senior officials and other stakeholders attended six-week 'labs' managed by Malaysian consultants.[78] BRN, which is costed at nearly USD 9 billion over the first three years for its six components, is implemented through a new Presidential Delivery Bureau (PDB) located in State House. The agriculture lab identified three 'quick wins' for priority implementation: setting up/rehabilitating 78 collective rice irrigation and marketing schemes, signing 25 commercial farming deals for paddy and sugarcane, and creating 275 collective warehouse-based marketing schemes, all within three years. The Minister of Agriculture and his permanent secretary are the key stakeholders for the three priority activities.[79] How BRN relates to pre-existing policy initiatives is not explained: it does not feature in the 'landscape'. The BRN priorities of small-scale irrigation and marketing schemes are straight from ASDP/TAFSIP, while commercial farming deals are more in line with KK/SAGCOT. [80]

When President Kikwete adopted KK in 2009, it was promoted enthusiastically by the prime-minister and other ministers in parliament. Four years later BRN has been given the same ministerial and prime-ministerial treatment. Any future successes attributed to BRN will contribute to Kikwete's political legacy, but cannot be expected to improve his party's chances of staying in power in 2015.

A final fundamental 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.'[81]

Figure 2: Tanzania's Landscape for Agricaltural Development



Source: Programme Formulation Mission 2013. *Aide Memoire*, Agriculture Sector Development Programme 2 – Basket Fund, April 15-May 3.

Both policies and institutional infrastructure remain highly problematic.[82]

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, smallholder-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 our list of acronyms.

In May 2012 US President Obama told a G8 meeting in Chicago that 45 African and transnational private companies had committed USD 3 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.[83]

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.'[84]

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:

Box 2: Local and international 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. **Diageo** is planning a sorghum value chain project worth $2m, aiming to produce 20,000 MTs of sorghum by 2016. **ArmajaroTrading** 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.

Source: G8 Cooperation Framework 2012.

'... 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.'[85]

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.'[86]

The G8 backed these pledges with financial commitments. **Table 5** gives the breakdown.

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, 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."[87] 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.[88]

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.

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.[89]

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.'[90]

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.'[91]

At the NAFSN meeting President Kikwete attempted to pre-empt the criticism that such pro-investment policies as those he claimed to support were risking a take-over of Tanzanian farm land, claiming that "The private large farmers are coming to support smallholders, not to replace them."[92]

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).[93] These initiatives and activities and their putative relations with CAADP/TAFSIP are summarised below. **Box 3** describes AGRA.

Table 5: 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	USD 897 mill		

Source: G8 2012 'Cooperation framework to support the "New Alliance for Food Security and Nutrition" in Tanzania', Camp David, p12.

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.' AGRA receives support from **The Rockefeller Foundation**, the **Bill & Melinda Gates Foundation**, the **UK's DfID** and other donor agencies.

Source: Guardian Reporter 2012; AGRA website accessed 01/01/13

AGRA works across sub-Saharan Africa and maintains offices in Nairobi and Accra. 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.[94] On closer inspection, AGRA's ASDP/TAFSIP narrative elides into a more private-sector advocacy mode as the description of the *Africa Enterprise Challenge Fund*, now hosted by AGRA, in **Box 4** illustrates.

Box 4: The Africa Enterprise Challenge Fund

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.'

Source: 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.'[95]

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.'

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

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 and Econet Wireless.[96]

Box 6: Making the KK-SAGCOT linkage

According to **Salum Shamte**, Chairman of the **Agricultural Council of Tanzania**. "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." 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.'

Source: Guardian Reporter 2012b.

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.'[97]

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.' Grow Africa 'is taking a coordinating role in all of the new corridors to see that they support the goals of the CAADP.' Mozambique has three corridors and Tanzania one (SAGCOT).[98]

In a meeting of Grow Africa held in Dar es Salaam in August 2012, the African Union (AU) spokesperson highlighted 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.'[99]

The TAFSIP blueprint dismissed KK--here touted as a model for the entire African continent--as a mere 'slogan'.[100] 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 SAGCOT for special attention, and SAGCOT is more associated with KK than with ASDP.[101] **Box 6** explains.

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 ...'[102]

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.'[103] RUBADA covers a large area of prime agricultural land, much of it coterminous with SAGCOT, described in **Box 7.**

RUBADA, said Muya:

Box 7: SAGCOT, Tanzania's Agricultural Growth Corridor

'The AGC [agricultural growth corridor] concept was launched at the **UN General Assembly** in New York in September 2008.' AGCs are described as 'an innovative public-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 joins three AGC's in **Mozambique**, including the **Beira** and **Maputo** AGCs. 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.'

Source: Guardian Correspondent 2009; SAGCOT Investment Blueprint 2010; Byiers 2013.

Box 8: DFID, Unilever and Monsanto

According to a report by **War on Want**, Britain's **Department for International Development** (DfID) 'has spent £102.5m [over $150m] 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**. Unilever benefits 'massively' from various DfID-funded initiatives. DfID is 'set to contribute £395m [nearly $600m] to the **New Alliance for Food Security and Nutrition**, an initiative that involves 45 of the largest multinational corporations investing $3bn in African agriculture' (see text). 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. The report 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. DFID also funds agricultural investments through PPP arrangements including AGRA, SAGCOT, Grow Africa and the New Vision for Africa (see text).

Source: Felicity Laurence 2012; War on Want 2012 quoting British High Commissioner Diane Corner.

> '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.'[104]

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...'[105]

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!

Bilateral aid agencies have adjusted rapidly to the emerging 'multinationalisation' of African agricultural policy by financing equity funds to help 'crowd in' further private investments and by financing targeted infrastructure out of aid budgets. **Box 8** gives an example from the UK's DfID.

Aid agencies have begun channelling development money into public goods that help support agribusiness investments. For example, 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". [106]

Section 5 examines the politics of TAFSIP and Tanzanian agricultural policy more broadly.

5.0 The politics of TAFSIP

Section 5.1 sketches the political context in which agricultural policy is articulated. Section 5.2 attempts to justify the propositions elaborated below with some empirical evidence.

5.1 An overview of Tanzanian agricultural policy ownership

This section tries to demonstrate that Tanzania's ruling elite embraces both state- and market-led agricultural policies. The policies under review tend towards pro-state leadership of agricultural investments (ASDP/TAFSIP) or privilege the private sector as the key to agricultural development (KILIMO KWANZA/SAGCOT). A neo-liberal strategy to attract FDI has been in place since the 1990s. Yet, during the '00ies, the GoT passed numerous laws re-empowering cooperatives. The re-empowerment failed as crop apex bodies and boards undermined the rationale for membership-based cooperative unions. Bulk procurement through input funds is routinely abused at the expense of farmers. In an attempt to reduce 'political interference' in agricultural cooperatives, the government recently enacted the Cooperative Societies Bill (October 2013) which *inter alia* disbands cooperative apex bodies. In parliamentary debates the Tobacco cooperative apex was singled out for particular condemnation for mishandling procurement and overpricing inputs.

According to Mtei: 'lawmakers said that most cooperative leaders embezzled ... cooperative funds knowing that there are ... big shots to defend them...' [107]

At the same time, members of the elite and their families have individual interests in commercial agriculture, seeking to profit from PPPs and JVs with foreign investors. But state capacity to promote private sector competition (the 'level playing field') and policy coordination is undermined by the informal influence of individual trading companies and cartels, as well as the elite's own cronyist tendencies. Depending on context, therefore, members of the ruling elite can be seen to support *contradictory policy positions:* collectively largely pro-state, individually pro-market, at least in theory. On this reading, it is quite possible for the elite to endorse both the ASDP/TAFSIP and KK/SAGCOT, albeit to discrete audiences. Policy 'ownership' is therefore a highly contextual and contingent matter. One cannot identify unambiguous interest groups since elite members 'straddle' different and sometimes contradictory interests.

The state bureaucracy is a key player as regards policy 'ownership'. After education and health, the agricultural ministries and their parastatals account for the largest group of workers in the Tanzanian state apparatus. Though figures are not readily available and critical analysis is largely lacking, this cadre of central and local government officials, researchers, trainers and extension workers constitutes a formidable lobby in its own right. It is hardly surprising, then, that agricultural development programmes designed by the MAFC (and its consultants) should allocate the majority of planned resources to itself!

The sudden emergence of Kilimo Kwanza in 2009 challenged the autonomy that the MAFC enjoyed in initiating agricultural policy, particularly during the '00s. Critical members of the ruling elite and the donor community would like to see the MAFC permanently demoted from its key policy-making and implementation roles, given its poor performance record and the growing cost of cooperative losses to the Treasury. The reduction of aid resources allocated to the MAFC bureaucracy that may result from the current reconfiguration of the aid relationship threatens to further weaken MAFC's policy bargaining position.

The other side of this trend is the commitment of aid to NAFSN and to (the KK-inspired) SAGCOT. Lending agencies may begin to focus more finance on private investors than on government, while bilaterals support their respective agri-businesses. Loans and grants for targeted rural infrastructure could increase. New financial players, including venture funds, are joining the mix, for better or worse. Given the inertia inherent in large bureaucracies, however, it may be some time before donor support for the MAFC and other agriculture-relevant ministries falls off significantly.

The following section tries to demonstrate empirically the effects of the continuing 'state versus market' contradiction on agricultural policy.

5.2 ASDP/CAADP/TAFSIP versus KILIMO KWANZA/SAGCOT

President Kikwete (2005-15) 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 'vision', yet he also vacillates between 'pro-state' and 'pro-market' policy positions.

In June 2009, President Kikwete 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.[108]

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.[109] 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.[110] 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.'[111] 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.'[112]

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.'[113]

Mr Kikwete declared that the "government will privatise national ranches for [the private sector] to engage in large-scale farming."[114] Gone is the president's concern with 'greedy' middlemen and the ASDP/TAFSIP/MAFC argument that the local private sector is 'weak'.

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."[115]

One may contrast these pro-market sentiments with Mr Kikwete's December 2012 views on cashewnut marketing:

> "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.'[116]

Thus, in different contexts, President Kikwete supports smallholders, local capitalist farmers, foreign capitalist farmers/agribusiness and cooperative monopoly crop purchasing against private traders. **Table 6** summarises the above narrative.

KK is designed to empower the national (non-Asian) commercial agriculture sector. However, some of the ruling party's major private funders are precisely these local Asian family conglomerates that are heavily involved in commodity trade and processing, and often referred to as 'monopolists' and 'cartels'. These include some of the leading beneficiaries of tax exemptions mentioned by Therkildsen (2012) and Hoffman (2013). For example, ostensibly to make up for recent shortfalls in local sugar and rice production, the government awarded trading companies permits to import huge volumes of these commodities *duty free,* leaving local estates and outgrowers with large unsold stocks and severe cash-flow problems. Ugandan rice traders complained they were losing their markets to cheap imports from Tanzania.[117]

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.'[118]

The strategy was produced by the Ministry of Industry and Trade, not MAFC.

KK's concern with mechanisation as a key element of agricultural transformation was quickly turned into a major, highly dubious, deal involving local Asian traders and the army's commercial wing SUMA-JKT in the importation and sale of Indian-made tractors and power tillers financed with a soft loan from India's Exim Bank (**Box 9**). The middleman in the deal, Jeetu Patel, was implicated *inter alia* in the EPA scandal, in which over $100 million was stolen from the Bank of Tanzania to finance CCM's 2005 election campaign.

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.[119] Despite the apparent poor financial performance of the scheme, the GoT requested a further (and larger) loan from the Indian government to implement 'Phase 2'.[120]

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.[121] The media, in particular the IPP group, have lent major support to KK. *The Guardian* has a weekly supplement dedicated to KK. Still KK fails as a policy since its numerous 'pillars' are not

Table 6: Summary of President Kikwete's agricultural policy pronouncements

Policy	Pronouncement	Nature of incentive
• Agriculture Sector Development Programme (ASDP)	• GOT support for small-scale irrigation projects	• Appeal to rural voters • Resources channelled to sub-elites
• New Alliance for Food Security and Nutrition (NAFSN)	• Encourage foreign agribusiness	• Credit with G8 governments, investors, donors
• Kilimo Kwanza (KK)	• Endorse local agribusiness	• Promote class of proto-capitalists farmers
• Warehouse Receipt System (WRS)	• Support co-operatives/boards against private buyers	• Garner support from sub-elites; • Public support in attack on Asian middlemen

Box 9: 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 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.' To sell the tractors, SUMA-JKT, had to reduce their uncompetitive prices. SUMA-JKT have not set up regional centres to provide maintenance and spares services as promised.

Source: Africa Confidential 2010.Chirimi 2011; Respondent J, 02/02/13.

operationalised or funded. Consequently, former elements of ASDP have been 'rebranded' to become 'KK-compliant' in the official policy discourse. For example, at the Nanenane agricultural show in Dodoma in 2012, Vice President Dr Bilal: '... said there has been significant improvement in agriculture production especially among smallholder farmers, thanks to subsidized inputs under "Kilimo Kwanza." In fact, the subsidies are 'under' ASDP.[122]

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*.[123] 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 as enshrined in ASDP in favour of one promoting capitalist farming--including foreign-owned estates and farms--which has been anathema to the Tanzanian public for many years.[124]

Strategically placed members of the elite see their best chance of capitalising on their access to land in Joint Ventures 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. 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 state-owned estates and ranches have been leased to private investors. Other state-owned ranches and estates covering hundreds of thousands of hectares have underperformed as public assets but are yet to be privatised.[125]

Much of the land controlled privately by members of the ruling elite or retained by the state has not been developed commercially because of the high risks and costs involved, stemming *inter alia* from the poor condition of infrastructure, power supply and other aspects of the 'investment environment', and inadequate market coordination capacity. Tanzania was ranked 133 out of 185 countries in the World Bank's ease of doing business index in 2012, falling to 145th in 2013.[126] The same constraints discourage both indigenous and foreign investment in agriculture. An elite strategy targeting rent capture from control of valuable land resources requires at a minimum formal commitment to a market-led development policy, including secure land-rights for foreign investors.

Despite potential conflicts of interest, both local investors and the G8 have started to lobby for the abolition of agricultural cesses and taxes.[127] Also, 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.[128] For example, a 2011 export ban is said to have 'significantly worsened' food shortages in Kenya.[129] Occasional bans on sugar and maize exports to Kenya encourage smuggling and bribery.[130]

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 new MNC-driven policy and KK will 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, 'state capture', and plunder of state resources that currently undermine the market rationale, while helping bolster the ruling party's chances of staying united and winning elections.

A growing number of private equity and venture capital funds are investing in Tanzanian agribusiness. For example, in late 2012, the Carlyle Group announced that they, the Pembani Remgro Infrastructure Fund, 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.'[131] ETG are said to be politically well-connected at the highest level in Tanzania.[132] What the Carlyle-ETG deal will mean in practice remains to be seen.[133] Another more 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.[134]

Only a few specialists could be expected to understand the intricacies of Tanzania's current 'agricultural policy.' Is it ASDS/ASDP, KK, or CAADP/TAFSIP? Where does BRN fit in? 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. The coordination requirements for the two approaches are quite distinct.

6.0 Summary and conclusions

> "[S]o little of what happens at the centre has any influence in the ... real world.
> For the moment, uncertainty and confusion are the [order of the day] and everyone in the real world just plods along as best they can."[136]

CAADP started as a high-profile AU/NEPAD initiative, promising African agricultural 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 AU/NEPAD tent.[137] From 2008 to date, CAADP's Africa-owned policy narrative has been steadily sidelined by the US-led G8 mobilisation of (support for) global agribusiness, with assistance pledged by aid agencies and philanthropies. AGRA, which targets smallholder farmers and criticises 'land grabs', also flirts with agribusiness and GM seeds, 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 with which the US government takes the ongoing global food crisis.[138]

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 was in March 2010, an election year, but there is no evidence that politicians adopted CAADP for electoral reasons (they had already embraced *Kilimo Kwanza*). In 2010, agricultural expenditure rose as more subsidised inputs were delivered to farmers. Some politicians justified extra spending in terms of meeting CAADP targets, but it is unlikely that increased spending was CAADP-driven, and sector spending has fallen dramatically as a percentage of the total budget since the elections.[139] Senior politicians and bureaucrats embraced the CAADP process formally, perhaps foreseeing potential financial support and opportunities for patronage, while continuing to implement ASDP to their own advantage 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.

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

6.1 Policy-making, ownership and coordination

Since the arrival of CAADP/TAFSIP and KK/SAGCOT, GoT agricultural policy 'ownership' has become increasingly unclear.

Initially, adding CAADP to Tanzania's existing agricultural policy-making processes led to resistance from MAFC 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 (also under MAFC) agreed to broaden the scope of agricultural policy contained in ASDP to include nutrition, climate change and other issues and to be more ambitious in defining investment targets. TAFSIP's implementation strategy was as state-oriented as ASDP, relying on discrete, largely uncoordinated, projects rather than focusing state efforts on providing the public goods and the institutional framework to encourage private initiatives.

One may legitimately 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 rebranded into the land-for-agribusiness discourse (Kilimo Kwanza/SAGCOT) *and still be labelled CAADP/TAFSIP?*

It is striking how little public discussion there has been on these issues. Is it likely that the KK/NAFSN initiatives will undermine the traditional statist narrative on the dynamics of agricultural development, redefining the role of the state to focus on policymaking, coordination and regulation, facilitating the development of priority sectors and areas through tax policy, public goods, credit and controlling arbitrariness and cronyism in decision making?

The emergence of KK and SAGCOT puts additional demands on Tanzania's weak policy making and coordination capacities by introducing a new private sector component to the traditional GoT-donor mix. In addition, proliferation of new donor and philanthro-capitalist initiatives further complicates policy-making and coordination. The TAFSIP coordination team works in the MAFC along with the formulators and implementers of the ASDP, while KK is 'under' the PMO. Coordination mechanisms proposed for TAFSIP are purely formal. In such a context, where large investments and rents are at stake, informality and uncertainty are likely to flourish.

Although it would have made more technical sense for the US/G8 NAFSN to ally itself with KK rather than TAFSIP--since both privilege large-scale farming and private-sector leadership--this was not feasible, given that the 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 promote policy reform.

CAADP, of course, risks losing its 'Africa-owned' credentials if the G8 strategy succeeds.

6.2 Finance

This report questions the rationale for premising sector growth on the level of public investment in agriculture. To date, available public resources (including aid) have been used inefficiently and ineffectively, benefiting only a limited number of (better-off commercial) farmers. To be fair, Tanzanian politicians have used CAADP's ambitious investment and growth targets to press for greater public *and* private investments in agriculture, but 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.[140] One modest gain resulting from the successful completion of the CAADP process is the receipt of UDS 22 million 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 research.

6.3 Donor support

Donors were sidelined by the arrival of KK. According to Africa Confidential:

> '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.'[141]

Part 1 of PEAPA's Tanzanian case study concluded that donor aid supported the informal patronage politics of the ruling elite, and failed to make a serious difference, *inter alia* through lack of coordination or learning from past mistakes. This report concludes that the entry of MNCs as major actors on the Tanzanian 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 (limited) number of agro-industrial 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 significant 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 part-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 accountability required to get them to change track in the face of systemic failure.

6.4 Non-state actors

Local and international civil society lobbies have been vocal in denouncing the recent rapid rise in investor 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.

Global civil society organisations are increasingly 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 more critical independent perusal.

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. 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.[142] As with mining, it is possible 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 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 mining.

It is unlikely that this will happen, so politically charged is the land issue. One interesting sign that the GoT is already taking '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.[143]

Multinational corporations do not always walk their formal anti-corruption and corporate social and environmental responsibility talk.[144] Some (local and foreign) investors can be expected to try to cut corners on taxes, regulation and adherence to their stated social and environmental commitments, relying on high-level political protection to secure their property rights. The cartels that control important aspects of local and international trade set the standards in this respect.[145]

6.5 Research implications

KK and the US/G8 are challenging new initiatives that could shake up the Tanzanian policy mix in unpredictable ways. But in the absence of a coherent and consistent dominant policy discourse and clear ownership and coordination of the policy and its implementation, the chances that CAADP/TAFSIP will add value to the policy process in Tanzania are quite slim.

These issues constitute a virtual green-field for researchers. Past research has focused almost exclusively on the state and donor agencies as drivers of agricultural policy. Academic and policy analysis of agriculture has more or less ignored underlying political factors influencing policy formulation and implementation. In recent years, the forces of globalisation and philanthro-capitalism have brought new actors onto the scene, making 'policy' an increasingly difficult concept to operationalise.

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 provide promising subjects for future PEAPA researchers.

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. How much coordination is feasible when multiple, disparate, and frequently hostile actors are involved?

The underlying issue is how current and emerging political relationships and forces influence the processes of investment and accumulation, both internally and externally. The policy processes described above are largely irrelevant for large swathes of the rural population, in whose name policies are historically formulated and justified. Very little of the discussion is concerned with what impact policy and policy shifts have had on the real world, though some potential trends have been predicted. Further research on the political economy of Tanzanian agriculture should focus more on what happens on the ground in various localities in relation to specific crops and value chains. Case studies will include a discussion of policy, but only as one ingredient in the political-economy mix.

ENDNOTES

1 Essoungou 2012.

2 http://www.nepad.org and http://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 The CAADP Compact is the result of a consultative process that produces a 'road map' for the agricultural sector. The roadmap involves identifying priority investment areas that are enshrined in the compact agreement which is signed by all key partners. See: www.caadp.net/library-country-status-updates.php

5 Regional Strategic Analysis and Knowledge Support System 2010. Defining agricultural spending is one issue: equally or more important are the quality and equity of public spending on agriculture and other complementary public investments, including rural roads. In a 2012 survey (REPOA 2013: 22), more than half the rural respondents (54 percent) said the roads they generally use had deteriorated in quality in recent years, compared to 26 percent who noted improvements.

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 2012a; Policy Forum 2012.

8 ReSAKSS website: http://www.resakss.org/, visited 10/01/12.

9 Cooksey 2012a, b, c.

10 Respondent G (24/10/13). 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 Therkildsen 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 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.

16 "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

17 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.

18 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).

19 United Republic of Tanzania 2010b:4. The consultants are recruited from a narrow band of academics and consultants who share the pro-state discourse of the bureaucracy, despite the prefatory claim that policy should be 'private-sector driver'. http://www.caadp.net/pdf/Tanzania%20Post%20Compact%20Road%20Map.pdf

20 United Republic of Tanzania 2010b:4.

21 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).

22 Zanzibar has its own Ministry of Agriculture. The researcher did not look into the Zanzibar dimension of TAFSIP.

23 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.

24 URT 2010:3.

25 Respondents A and S (civil society activist and donor desk officer, 06-07/06/12).

26 Respondent S (donor desk officer, 07/06/12).

27 URT 2011b. This suggests they are commercial farmers. Other farmers were attached to MVIWATA, a small-farmers umbrella organisation based in Morogoro.

28 Songa wa Songa 2011. 'Govt, donors commit Sh8.7tr to agriculture', Citizen, Dar es Salaam, 11 November.

29 "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).

30 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).

31 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).

32 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.

33 Respondent M, government official, via email, 12/06/2012.

34 URT 2010b. 'Complimentary' should read 'complementary'.

35 Respondent S (donor agency desk officer, 07/06/12).

36 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). Other potentially relevant policies not discussed in this paper include trade and regional integration, transport, gender, formalisation/land titling and local government.

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 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.

39 Cooksey (2012a) describes and critiques ASDP in some detail.

40 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.'

41 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).

42 KK is dismissive of most 'traditional' export crops as a main policy focus and rejects the artificial distinction between 'food' and 'cash' crops.

43 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.

44 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.'

45 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).

46 Meaning local Asian and foreign agro-companies and corporations.

47 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.

48 MKUKUTA is the Swahili acronym for the National Strategy for Growth and the Reduction of Poverty (NSGRP), Tanzania's Poverty Reduction Strategy Paper.

49 This 'agenda' is essentially NSGRP/MKUKUTA.

50 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.

51 'ASP', 'ATI' and 'Mkuza II' refer to Zanzibar's agricultural policies. Unlike ASDP, TAFSIP aspires to include both the mainland (former Tanganyika) and Zanzibar.

52 GOT 2011:8.

53 GoT 2011:32.

54 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.

55 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.

56 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.

57 This list does not include a large number of purely private ventures, foreign, local and JV.

58 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.

59 Nkwambe 2012. Mrs Gates was talking at the AGRA meeting in Arusha on 27 September 2012.

60 Respondent J, ex-WB project task manager, 20/12/11.

61 G8 Cooperation Framework, p2. Kimenyi et al. (2012) review CAADP's shortcomings in integrating non-state actors in the compact process.

62 URT 2011:28. Note the reference is to the Tanzanian private sector, thus excluding FDI from the discussion.

63 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.

64 See Cooksey 2012a, URT 2011.

65 This argument has been used for many years as a justification for state involvement in agricultural marketing.

66 The weaknesses of the research-extension system are spelled out in detail (URT 2011:31). These weaknesses are to be addressed with TAFSIP finance.

67 Cooksey 2012a.

68 Mwapachu 2005: 386-7.In turn, 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, argues 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 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.' (Citizen Reporter 2012).To argue that KK is the brainchild of Tanzania's 'private sector' is therefore to overstate the case.

69 ANSAF members include 'pro-poor' NGOs, farmers' associations, green activists, and private companies, so a common policy position is not easy to forge.

70 Joseph 2009. ANSAF members were also keen to support ASDP and DADP (District Agricultural Development Plans) as means of 'making Kilimo Kwanza work for all.' Kenny Manara (2012). 'The Instrumental versus the Symbolic: Investigating Members' Participation in Civil Society Networks in Tanzania.' REPOA Special Paper 12/2.

71 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.

72 URT 2011:8. Emphasis in the original.

73 Respondent B, independent consultant, via email (06/01/12). The quotation is from the IP.

74 Critics of blue-print based development practices include William Easterly, Goran Hyden, and James Scott.

75 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.

76 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).

77 Big Results Now 2013. National Key Results Area, Agriculture Lab (Powerpoint presentation).

78 The BRN exercise is funded by DFID (and now USAID) and coordinated by US consultants McKinsey. The template for BRN is the successful Malaysian model of policy implementation in which senior officials, including ministers, are held accountable for performance. In a presentation to the REPOA Annual Research Workshop in February 2013, the head of the Malaysian BRN team, Datuk Chris Tan informed the audience that 'policy making is not an issue' and that policy debates produced 'diminishing marginal returns.' Success in Malaysia's Performance management and Delivery Unit (PEMANDU) was premised on 'strong directive leadership' and a 'strong set of policymakers.'

79 Respondent C (May 2013). Programme Formulation Mission 2013. Aide Memoire, Agriculture Sector Development Programme 2 – Basket Fund, April 15-May 3.

80 Big Results Now, National Key Results Area 2013.

81 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.

82 Space prevents a discussion of wider (tenuous or non-existent) linkages with MKUKUTA (the Poverty Reduction and Growth Strategy), the Mini-Tiger Plan, MKURABITA (Formalisation Programme), and the Five-Year Development Plan (2011-2016).

83 CAADP compacts with Regional Economic Communities (REC) are designed to address tariff and non-tariff trade barriers (Afun-Ogidan2012). 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.'

84 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).

85 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.'

86 G8 2012.

87 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).

88 Additional country-specific pledges have also been forthcoming. For example, the World Bank has pledged USD 50m in support of SAGCOT.

89 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.orgaccessed 01/01/13).

90 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.

91 G8 2012 ibid. (emphasis added). This should read 'Ministry of Lands, Housing and Human Settlements Development' and PMO-RALG (Prime Minister's Office, Regional and Local Government). Zanzibar has a Ministry of Lands and Local Government.

92 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).

93 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.

94 At the same time, AGRA is the harbinger of Africa's 'green revolution', which is also touted by Kilimo Kwanza, as described below.

95 The selection process was sub-contracted to KPMG, a major accountancy firm with a Dar es Salaam office.

96 www.agrforum.com. OCP is a French fertiliser/animal feed company.

97 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. Guardian Reporter 2012 lists the following guests in Arusha: 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.

98 Anon. 2013. 'Grow Africa is developing partnership initiatives in Burkina Faso, Ethiopia, Ghana, Kenya, Mozambique, Rwanda and Tanzania' and 'introducing potential partners to clusters and value chains that incorporate small producers.'

99 Daily News Reporter 2012. Emphasis added.

100 To our knowledge, none of the country's opinion leaders have commented on this amazing contradiction to date.

101 SAGCOT was originally the outcome of work done by the UN on the corridor concept, of experience with the Tanzanian Agricultural Partnership (TAP) and the example of the Mozambican Beira Corridor. Only subsequently was SAGCOT rebranded as 'KK in action'. There is a view that president Kikwete's endorsement of KK/SAGCOT and the subsequent involvement of the WB in the corridor risk turning the initiative into just another GOT/donor 'project', with the much hyped 'private sector' driven aspiration seriously undermined (Respondent L, 01/0313). The CEO of the SAGCOT Centre Ltd is a presidential appointee (see text for flagging the dominant role accorded to the GOT in the KK concept).

102 Daily News Reporter 2012.

103 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.

104 Ibid. '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.'

105 Byiers 2013:vii. The other strategy is to pass on as many of these 'transaction' costs as possible to aid agencies and philanthrocapitalists. Whitfield (2012:3) argues that 'Smallholders and small-scale processors ... can actually undermine the performance of the formal sector, as the case of the palm oil industry in Ghana illustrates.'

106 War on Want 2012:11. Quoting Diane Corner, British High Commissioner. Note the apparent coordination between agencies. Bilaterals also support 'their' multinational directly: Norway and Yara are an example.

107 Interviewee G, 24/10/13; Special Correspondent 2013. 'Removal of Apex, politicians from coops hailed', Daily News, 10 September; David Mtei 2013. 'Politicians, poor leadership, lack of stringent laws killing co-op societies', Guardian, 3 October; Elisha Magolanga 2013. 'Cooperatives Bill endorsed after widespread criticism', Citizen, 5 October; Reporter 2013. 'Passed bill bans politicians from cooperative unions', Daily News, 6 October.

108 Navuri 2009. Kikwete railed against 'some buyers [who] had started to complain to bodies like the World Bank about our intervention policies' (Nsungwe 2009).

109 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."

110 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.'

111 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."

112 TNBC 2009.

113 Agola 2009. Kikwete linked KK to the MDGs, MKUKUTA, and the ASDP.

114 Agola 2009.

115 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.'

116 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/taxpayer/donor. President Kikwete has a commercial pineapple farm and is actively promoting exports by Tanzanian investors (Respondent J, 05/01/13).

117 Africa Confidential 2013; interview C, 07/11/13. Local sugar production shortfalls were estimated at about 80,000 tonnes, while duty free imports permitted during 2012 were 200,000 tonnes (Reporter 2013 '15 years of Kilombero Sugar Company Ltd under privatisation', Guardian, 14 September). Recently, the Tanzania Sugar Producers Association claimed members were holding 82,000 tonnes of sugar worth USD 62.5 million. Minister of Agriculture Christopher Chiza defended the imports on the grounds that they brought down retail prices. In addition, ' "... producers are complaining because the decision to import denies them an opportunity to maximise from the shortfall," he said.' (Ray Nalugaya 2013. 'Sugar producers in cashflow crisis over imports', East African, 5 October).

118 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).

119 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.

120 Makene 2013. The request was turned down. The tractors were procured from Escorts, one of India's largest farm machinery companies, who also provided technical support for assembly and maintenance. A respondent with inside knowledge claimed that the tractors were being well looked after and there were no horror stories. In contrast, the power tillers, failed overall as they were more appropriate for wetland agriculture, and soon broke down. (Interview I, October 2013). Many power tillers were allocated to up-country district councils on the orders of the Prime Minister.

121 By contrast, only 36 percent of farmers have heard of MKUKUTA, Tanzania's anti-poverty framework policy, which is over a decade old (REPOA 2013 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.

122 Simbeye 2012b; Mbalamwezi and Ndeketela 2012. Irrigation improvements are also credited to KK. The claim for the success of the input program is strongly contested in policy and research circles. KK endorses targeted input subsidies, but they are not a core component of the strategy.

123 Cooksey 2012a.

124 Cooksey 2011b discusses contemporary land conflicts between villagers and estates in Arumeru District (Arusha). Before a 2012 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.

125 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.

126 Alawi Masare 2013. 'Tanzania decreases further in WB's doing business ranking', Citizen, 30 October.

127 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.

128 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.

129 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).

130 Mjema 2011. Afun-Ogidan (2012) 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.'

131 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.

132 Interview K, investment risk analyst, November 2, 2012.

133 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'.

134 Agencies 2013. It is likely that the duty-free importation of Pakistani rice in early 2013 was financed by this credit line.

135 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).

136 Respondent L, 01/04/13. The respondent continues: 'The elite, the donors and GoT know about ASDP, TASIF, KK, SAGCOT, CAADP, Nepad and the rest. However, none of the people that do the proper work and take the real risks know or care a fig about all that.'

137 The global food crisis began in late 2007 (Jomo and Arnim 2012:522). Feed the Future took off in early 2009 (www.feedthefuture.gov).

138 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 increased US oil production from 'fracking' oil shale. Continuing to produce biofuels from US maize only serves to push up food prices.

139 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 (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.

140 Respondent A, civil society activist via e-mail, 26/09/12.

141 Africa Confidential 2010.

142 Some of these NGOs were among the signatories of the open letter to participants at the AGRA meeting in Arusha in September 2012.

143 IPS 2012, November.

144 Outwater (2012) challenges the likely influence of GMO seed producers on AGRA (see text). Monsanto's turnover was $11.7 billion in 2009. Monsanto, Dupont and Syngenta account for nearly half the branded seeds sold worldwide. 'Again and again [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.'

145 Cooksey 2011. Some existing investors resort to bribing local politicians, officials and journalists to cover up their dubious practices. Small and medium-size investors are vulnerable to risks emanating from the local business environment. A recent example involving media tycoon Reginald Mengi, his brother, and a small-scale British investment is described at: http://thesilverdalecase.blogspot.com/. Many other examples could be quoted of small- and medium-scale investors becoming the victims of their local 'partners', their lawyers, and the legal system. Large operators can usually buy their way out of trouble.

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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.
AgroEcoEnergy	$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.

Source: G8 2012.

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