

Government of Tanzania

Danish Ministry of Foreign Affairs  
DANIDA

**Agricultural Sector Programme Support Phase I**

**Programme Completion Report**

**TANZANIA**

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Ref.No. 104.TANZ.805

R/1/Prog.103/1  
August 2003

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## EXECUTIVE SUMMARY

Phase I of the Agricultural Sector Programme Support in Tanzania was implemented from January 1, 1998 to December 31, 2002. The total grant was DKK 270 mill. of which DKK 255 mill. were spent. The Programme contained the following components:

- A. Institutional Support
- B. On-Farm Seed Production (Seed)
- C. Smallholder Irrigation Improvement (Irrigation)
- D. Utilization of Tanzanian Phosphate Rock for Crop Production (Rock Phosphate)
- E. Soil and Water Conservation and Natural Resources Management (HIMA)
- F. Private Agricultural Sector Support (PASS)

The Institutional Support Component had 10 sub-components of a very different nature, e.g. support to external assistance coordination in the agricultural sector, development of instruction materials to agricultural training institutes, support for retrenchment and transfer of staff in the Ministry of Agriculture and Food Security (MAFS). The sub-components, which were focused on developing the capacity of selected units in the Ministry, did only achieve very few of their immediate objectives. Many of the sub-components were affected by changes and uncertainty in the policy and institutional environment, e.g. MAFS was restructured twice in the implementation period.

The Seed Component introduced production of Quality Declared Seed (QDS) on smallholder farms in villages in Iringa, Morogoro and Dodoma Regions. Many seed farmers now get a good income from the seed production and at the same time provide quality seed at low prices for the other farmers in the village. District agricultural extension staff supervised the on-farm-seed production, and Tanzania Official Seed Certification Agency (TOSCA) ensured the quality. The Seed Component provided substantial support to the institutions that were involved in QDS: TOSCA, agricultural research institutes, foundation seed farms, district agricultural departments. The Component performed well. All activities were implemented and the number of villages that was included was 237 instead of the planned 150-200 and the amount of seed produced was 326,300 kg or more than three times the planned 100,000 kg. Sustainable solutions for supply of foundation seed and provision of services from TOSCA have to be found in Phase II.

The main achievement of the Irrigation Component was to develop and disseminate new guidelines for participatory irrigation management. The manuals were completed in 2002 and were printed and distributed by MAFS in 2003. It was planned to rehabilitate 5 irrigation schemes in the implementation period, but at the end of Phase I construction had only started for the first scheme (Lumuma - 75% completed). For the other 4 schemes designs for rehabilitation have to be reworked because the proposed construction works became too expensive. There are a number of reasons for these delays, which are elaborated in the Irrigation Component Completion Report (Annex C). One important explanation is that it takes time to use a participatory approach and get true involvement of farmers in particular when there is an element of cost sharing.

The Sokoine University of Agriculture has been responsible for the implementation of the component about research on utilization of Tanzanian rock phosphate for crop production. Field experiments were carried out in 10 districts in 8 regions. In order to complete the 5 growing seasons that were planned for, the component has been extended until September 2003. The results gathered

so far show that technically rock phosphate is a suitable alternative to triple super phosphate fertilizer (TSP), but financially it is only competitive with TSP in areas that are close to the mine in Arusha.

HIMA, which started as a stand-alone project in 1989, has in ASPSP Phase I worked with community development, sustainable agriculture and soil and water conservation, and sustainable forestry management in 245 villages in the 5 districts of Iringa Region. During this phase an important task was to integrate the component activities including management into the normal district council structures and by October 2002 the process was completed in all districts. It has been planned to undertake an in-depth study of HIMA in 2003 to assess the impact of the many activities that have carried out over the years. As a consequence of this it was decided that this completion report should not deal with the achievements of HIMA. A brief Component Completion Report has, however, been prepared (Annex E).

The Private Agricultural Sector Support Component (PASS) was approved in 2000 and commenced its operations towards the end of the year. PASS was established as a separate entity and it is the intention that it should develop into one or more independent institutions in the form of Trust Fund, Company or NGO. The primary services of PASS are to assist private investors with feasibility studies, preparation of business plans and provision of guarantees for bank loans. In the first two years of its operation PASS has experienced significant demand for its services from agro businesses and it has achieved the targets that were set by the Annual Sector Review in February 2002. PASS is still a very new component and it remains to be seen in Phase II if a viable and sustainable level of activities can be reached, but the prospects are promising.

As can be seen from the above the interventions of ASPSP Phase I have been very diverse and it is not possible to draw a common conclusion. Important contributions have been made in different areas while the impact at the policy and strategic level has been limited. Towards the end of the period the programme did, however, contribute to the preparation of the Rural Development Strategy and was an active partner in the formulation of the Agricultural Sector Development Strategy.