

## MONTHLY BRIEFS

### INSIDE THIS ISSUE:

<i>The 2007 International Hortifair</i>	1
<i>Fare thee well Mr.</i>	1
<i>The Small Growers Stakeholders Meeting</i> <i>Another step to rescue Small growers in Arusha</i>	2
<i>The HCA meets to discuss its fate in the EPA negotiations</i>	2
<i>The Human Resource Managers (HRM)</i>	3
<i>"Airfreight!" TAHA, KADCO and SAA Cargo put their heads</i>	4
<i>USAID moves in to boost the Tanzania horticultural sector</i>	5
<i>A Courtesy call by Dr. Rose Mohammed</i>	5
<i>"The Advocacy Project is Rolled Out</i>	5
<i>TAHA meets PARTS</i>	5

**Watch out every month for this educating bulletin that keeps you informed on what TAHA is doing to make you ever comfortable in the sector!!**

## THE 2007 INTERNATIONAL HORTI FAIR

The international Horti Fair is a global horticulture platform where different horticultural exporters are given a chance to display their products to the world in an attempt to create new market ventures and strengthen the already existing ones. This year, TAHA will be participating for the first time in this international event which will be held in Amsterdam from the 9<sup>th</sup> to the 12<sup>th</sup> of October.

This is yet another attempt

to promote the Tanzanian horticultural sector and will be part of the promotion project which is funded by the WSSD.

Tanzania will be represented by a representative from TAHA Secretariat, the chairperson of the promotional project (Nick Stubbs), and a representative from TIC. They will also be accompanied by a representative from the Plant Breeders Rights (PBR) department in the Ministry of Agriculture,

Food Security and Cooperatives whose aim will be to promote the Plant Breeders act, explain its current state and in so doing attract participation of more investors. The PBR registrar is expected to represent the group.

The preparations towards this event are underway.

## FARE THEE WELL JACOB WIERSMA.

The Tanzania Horticultural Association (TAHA) regrets to announce the departure of one of the members of its Public Private Partnership (PPP) Committee member Mr. Jacob Wiersma. Mr. Wiersma was the second secretary, head of operational departments in the Royal Netherlands Embassy (RNE) in Tanzania. He served in the Partnership Committee (PC) as the secretary and as a representative of the RNE.

Having finished his contract at the embassy, Mr. Wiersma left late last month for The Hague to take up his new assignment. Indeed TAHA will remember Mr. Wiersma for his great contribution in the PC especially for his endless support in the design and implementation of the



From left, the former secretary to the PC Mr. Wiersma, TAHA's chairman Mr. Ngalo and the PC chairman Mr. Kirenga

existing WSSD projects which have so far put TAHA in a very key position in addressing issues that affect the entire horticultural sector in Tanzania. We thank you so much Mr. Wiersma for your tireless efforts to strengthen the Tanzania horticultural sector. We wish you all the best in your next assignment.

On the same note, we wish to introduce to you Jacobs successor, Ms. Mirjam Tjassing who is now the second secretary in the RNE's economic department. Ms. Tjassing will be involved with horticultural issues and in so doing be the next RNE representative in the Partnership Committee. We welcome you Ms. Tjassing to the sector. Please feel at home and we look forward to your cooperation and contribution towards the growth of the sector.

## ***“THE SMALL GROWERS STAKEHOLDERS MEETING”***

### ***Another step to rescue Small growers in Arusha***

The Small Growers Stakeholders meeting was organized by TAHA and funded by PADEP. It was held on the 3<sup>rd</sup> of August 2007 at the Golden Rose Hotel. This meeting brought together stakeholders from:

- Tanzania Horticultural Association (TAHA)
- Market Intermediary management (MIM)
- Wimbo Export Ltd
- The Ministry of Agriculture, Food Security and Cooperatives (MAFC)
- Participatory Agricultural Development and Empowerment Project (PADEP)
- Pan-African Programme for the Control of Epizootics (PACE) Associations Ltd
- Arumeru District Council
- Hai District Council
- Tanzania Private Sector Foundation (TPSF)
- Board of External Trade (BET)
- Selian Agricultural Research Institute (SARI)
- SCF
- Centre for Sustainable Development Initiatives (CSDI)
- Principal Cooperatives Officer



Some of the small growers representatives listen attentively to the ongoing discussion about the new market chain.

- Farmer Associations from Machame, Enai-boshu, Kimnyaki, Hai, Siha and Bangata

As you may recall, MIM set up eight (8) Small Scale Growers in 2005 and 2006 whereby farmers were producing horticultural crops on contract basis and were paid after sale of the produce. Farmers started benefiting from this process/arrangement. However, later on Gomba Estate was involved in problems that led into financial crisis, and farmers could no longer be paid last season (2006). This discouraged farmers from producing on contract basis. In an effort to rescue the situation, MIM looked for another export agent, known as WIMBO, which has agreed to pay the farmers the debt that Gomba Estate owed them. But WIMBO gave a condition that it would only pay the farmers

groups that would accept to enter into a new contract with WIMBO.

A meeting was therefore organized to share the situation with key actors/partners in the horticulture value chain and develop a consensus which would empower/capacitate the small scale growers to participate fully and move forward in the whole value chain of the horticultural sub-sector.

The specific objectives of the meeting were as follows:

To share developments regarding GEL, availability of new exporter and payment status for the farmers

To set and agree on an implementation plan which will continue capacitating the small growers

Agree on way forward for the Small Scale Growers to enter into contract with a new export agent called WIMBO

It was agreed that the groups would be registered first, and then each group would have to sign a new contract with WIMBO before they are paid the money which Gomba Estate owed them. The Groups will not be paid all at once, but two groups in intervals of three months.

## **THE HCA MEETS TO DISCUSS ITS FATE IN THE EPA NEGOTIATIONS**

The Horticultural Council of Eastern, Central and Southern Africa (HCA) is virtually a union of the horticultural organizations from all the countries which belong to these three geographical regions. This council was launched in March 2007 and has three directors, from Kenya Uganda and Rwanda, who are serving just for an interim period. Its aim is to safeguard the interests of the horticultural sector in the region. Currently, the Fresh Produce Exporters of Kenya (FPEAK) is serving as the secretariat of the council.

The meeting was held on the 28<sup>th</sup> and 29<sup>th</sup> of August in Nairobi. Its main aim was to discuss the ongoing regional EPA negotiations and the various government stands that



Some of the participants at the HCA meeting

affect the horticultural sector. As per the Cotonou convention, the WTO waiver is coming to an end by December 2007. It was very necessary that the horticultural councils meet to discuss their way forward with the introduction of trade liberalization at the end of the waiver.

Another sensitive issue discussed during this meeting was the Carbon Miles. There have been

a lot of discussions in the developed countries and this is seen as another technical barrier to trade for the sector.

In another development, the members deliberated on the three projects that are to address some of the cross-cutting issues in the horticultural sector in the region. The projects will be:

Airfreight

Pest Mapping where the council will establish an early warning system

Fund Mobilization which seeks to persuade banks to offer long term loans with low interest rates for the sectoral players.

The meeting was all crowned up with the ceremonial launch of the KenyaGAP at the Panari Hotel.

# THE HUMAN RESOURCE MANAGERS (HRM) MEETING

The HRM meeting was held on the 17<sup>th</sup> August, 2007 at Golden Rose Hotel. This is a meeting which sought to bring together all the HR Managers from the member companies. Its major aim was to harmonize the system of Human Resource and address some of the common problems that this sector has been facing in the different companies.

The meeting was attended by Ms. Anna Sirikwa from Enza Zaden, Cliff Richard-Hortanzia Ltd, Constance Muro-Fides Tanzania Ltd, Elly Eliud-Mt. Meru Flowers, Emmanuel Kisamo-Dekker Bruins and Tanzania Flowers Ltd., Heikki Niskala - Mt. Meru Flowers Ltd., Jacqueline Mkindi - TAHA, Jane Murage - Enza Zaden, Kazungu N. Kitali - La Fleu D'Afrique Ltd, Onesmo Kenneth - TAHA, Rebecca Sigallah-Q Sem Ltd, Stephan George - Kiliflora.

## Presentations

The discussions were preceded by a presentation on the Role of Human Resource Managers in organization which was made by the Executive Officer of TAHA Ms. Jacqueline Mkindi and a presentation on the new labour laws which was made by TAHA's Programmes Officer Mr. Onesmo Kenneth.

## Challenges

The meeting served as a very convenient forum for the HRMs to discuss some of the common challenges they are facing in their various companies. Among the problems discussed during the meeting were rampant migration of employees, cholesterol tests and inter person relations among employees. The members raised concerns that employees were moving from one farm in the search of green pastures a practice which has lowered the productivity of various farms. In discussing the problem of cholesterol tests the members noted that there is a need to properly counsel employees before going for these tests since some have been over reacting to the results. Intimidation on junior employees by their senior counterparts was the main item under interpersonal relations. This intimidation has even been characterized by sexual harassment in some cases. The members discussed at length the modalities of addressing these problems.

## A HRM Network is Formed

The meeting also noted that though TAHA plays a uniting role for the member organizations, the human resource departments still do not have a forum to share professional notes. In a development towards this, the members formed a committee which will be among TAHA's sub-committees in the name of the Human Resources Sub-committee.

This sub-committees will have the following as its members.

Stephen George (Kiliflora) - Chairman  
Cliff Richard (Hortanzia) - Vice Chairman  
Emmanuel Kisamo (Tanzania Flowers) - Secretary  
Anna Sirikwa (Enza zaden) - Member  
Rebecca Sigallah (Q-Sem) - Member

It is the hope of the members that by the formation of this network they will be able to collectively address some of the critical issues and in turn add value to their respective companies.

## A need for more training programmes

Another serious concern raised in this meeting was the need for harmonized training and development programmes. Most immediate was the need for training on the new labour laws which would bring together Human Resource Managers, TPAWU officials in the farms and TPAWU regional officials. This has been a concern after members realizing that the TPAWU officials are still reluctant to adopt the changes and rec-

ommendation by the new labour laws. This reluctance is making despite resolution processes very cumbersome. The network should also organize other training programmes for the employees where need arises.

All in all the HRM meeting was another great success for TAHA and the human resource managers. Due to the great need for working together the HRMs now feel that most of their issues will now be quickly and easily addressed. We are looking forward to more meetings of this kind.



TAHA's Executive Director navigates her presentation on the Role of the HR department. Keenly listening are Heikki Niskala and Elly Eliud both from Mount Meru Flowers.

# A MEETING BETWEEN SAA CARGO, KADCO AND TAHA

This meeting was held on the 13<sup>th</sup> of August, in Johannesburg at the SAA Cargo offices and was attended by:

1. Ms. Auriel Newman -SAA Cargo
2. Mr. Sam Ndlovu - SAA Cargo
3. Mr. Jerome Bruins - TAHA
4. Mr. Philemon Kisamo - KADCO

The parties called the meeting because:

- TAHA members have a requirement of more capacity to deliver their produce to the market.
- SAA Cargo has an aircraft that can be deployed to offer the capacity required by TAHA.
- KADCO has the desire to see more aircraft activities at Kilimanjaro International Airport in order to give services to customers but to increase business activities at the airport.

Currently, SAA Cargo operates an MD11 Freighter between Africa and Europe and run once a week through Nairobi on Thursdays. This flight is not doing well as what is recovered does not meet the operating cost. They have been thinking of options including operating via JRO but also Accra, Ghana.

***“Airfreight!”  
TAHA, KADCO  
and SAA Cargo  
put their heads  
together***

## Export Volumes

On the other hand, TAHA members are exporting up to 200 tons a week. A small part of this goes on the available KLM capacity that operates daily through JRO and DAR but the rest is trucked to Nairobi where there are daily flights. Kiliflora the largest exporter does not export through Kilimanjaro at all. They export to various destinations in Europe and Nairobi gives this flexibility. However, there are costs and risks involved in exporting through Nairobi. Additionally a lot of conveniences accrue from the use of JRO given its proximity to the farms and the desire to promote more business activities in Tanzania. Given reliable services the industry is keen to support any initiative directed at using JRO. The most desirable flight frequency will be three (3) flights a week on any pattern. This should be aimed at growing to a higher frequency in future given that a number of the farms will increase their acreage in the next one or two years due to Government support.

## SAA Pledge

SAA Cargo also pledges that they can commit to providing the required service if the pricing structure was found in support of this. They are currently charging exporters from Nairobi \$1.85 per kg airport to airport. Given their current commitment only once a week flight is possible. In planning to provide the services some aeronautical issues will need to be cleared. This includes the authorisation by the Tanzania Government to permit a 5<sup>th</sup> freedom operation between JRO and AMS. Operational and security issues also need to be looked at.

Given the present market requirements, TAHA thinks that shipping once a week will not be desirable. However, for start this has to be given a chance. This means that the 200 tons should be split so as to avail between 50-60 tons to start with. This will also allow the opportunity to test the service.

## The Present Situation

According to its records, KADCO admits that the issue of airfreight service to JRO has been high on the agenda and so far

two stakeholders meeting have been convened to deliberate on how to make this possible. The last one where the Government and Civil Aviation Authority were present it was agreed that each of the players scale down their charges when an operator has been identified in order to make the start possible. This will be extended to SAA Cargo once they commit to starting service. The Civil Aviation Authority also committed to facilitating in the aero political issues to enable the services. Once SAA proposes a schedule therefore, efforts will be made to see that the operations become possible.

The deficiencies of cargo screening machine identified by SAA security auditors on their last visit has been addressed and the airport is now installing this machine. Efforts are also underway to remove the rubber deposits on the runway.

In addition to the horticultural produce there is also fish fillet export potential from Mwanza. Currently most of the fish is trucked to Nairobi. Given adequate airport support infrastructure and cargo mix in the aircraft, this could make possible a high frequency service into/out of Tanzania. SAA Cargo responded that they had plans to start a smaller cargo aircraft operation into Mwanza to serve the mining industry. Currently the industry imports a lot from South Africa and Australia.

## Agreements.

The meeting therefore agreed on the following:

That flowers and fish fillet export from Tanzania seem to be good opportunities to SAA Cargo.

That given the situation on the ground once a week flight into JRO can be planned starting September to operate on Thursday. The frequency will be scaled up to three towards the end of the year.

Plans will be made by SAA Cargo to exploit the Mwanza opportunities for import and export.

## Actions to follow

The following actions were to follow in a weeks time:

SAA Cargo to plan a visit to JRO and DAR to study the operational and aeronautical issues.

SAA Cargo to give a tentative operations schedule.

KADCO to give the charges that will enable lower operations costs to SAA Cargo.

TAHA (Jerome) will give the contact of a fish fillet exporter from Mwanza

Once again, this was a great success for the three parties and the whole horticultural sector of Tanzania.

## TAHA MEETS PARTS

On the 24<sup>th</sup> of August 2007, TAHA convened a Pesticides Stakeholders meeting which was held at the Ministry of Agriculture, Food Security and Cooperatives (MAFSC) offices in Dar es Salaam. The aim of this meeting was to give an opportunity to the Pesticides project consultant to present the findings and recommendations of the project to the Pesticides Approval and Registration Technical Sub-Committee (PARTS), a body charged with approving pesticides issues in the country.

The meeting was attended by the PARTS members, key ministry officials like the inspector in-charge Mr. Nyakunga, the ministry's lawyer Dr. Rutta, the Agricultural Council of Tanzania, Dr. Diwani from Crop Life Services, Mr. Kirenga who represented the Public Private Partnership Committee, among others.

The forum received the report from the consultant and was very impressed with the work done so far. PARTS assured the Pesticides working group their endless support in ensuring that the recommendations are worked upon. It was agreed that a follow up meeting would be held between the pesticides working group, the assistant director of crop promotion and the ministry's lawyer on the 1<sup>st</sup> of September 2007. In this meeting, the recommendations would be sorted out into long and short term issues to be addressed. This would help in identifying the urgency of some of the recommendations.

The PARTS meeting was a very important success for the sector in addressing some of the problems the members have been experiencing regarding the pesticides variety in the market. It is yet another silver lining in the clouds of the horticultural sector.

## USAID MOVES IN TO BOOST THE TANZANIA HORTICULTURAL SECTOR

At last TAHA's endeavours to seek help on airfreight issues have borne fruit. The USAID has offered to support two projects which will be rolled out early next month.

The first project is the Airfreight project which will be implemented by TAHA through a consultants firm, Fintrac Inc. One of the great tasks in this project will be to mobilize exporters to commit themselves to a common

stand and eventually own a freight handling company. This company will be a very important tool for collective bargaining enabling the members to offer competitive rates. The project will have an airfreight expert stationed at the TAHA offices for two years after which he will handover the responsibilities to TAHA.

The second project is the Small Growers Project which

will be implemented with ACDI VOCA. This project will identify small growers especially in the northern zone and ensure their full participation in various markets. In so doing it will address some issues that challenge their strengths and capacities. The project will also seek to build various market links for the small growers.

With the help of USAID Enterprise Works will also be implementing a citrus project in the central part of Tanzania.

## A VISIT BY DR. ROSE MOHAMMED

To demonstrate TAHA's good relation with various sectors and its integrating role between the private and public sectors, is the recent visit by Dr. Rose Mohammed which entailed a brief meeting with TAHA members on the 10<sup>th</sup> of August at the TAHA offices.

This meeting was prompted by the confiscation of some horticultural products in the Netherlands. The SPS head in quick consultations with

TAHA's secretariat convened a meeting to discuss this serious issue.

In the meeting members identified some of the challenges they are facing with regards to pesticides. Those challenges have resulted in some of the pests building resistance to the chemicals being currently being used. Another setback to the whole exercise of controlling pests is the lack of Bio-control as an alternative measure in pest

control.

The members therefore underscored the need and urgency of the pesticides working group to present their report to the PARTS for further deliberations and remedies. Dr. Rose also assured the members that she would forward these challenges to the ministry's topmost officials and took with her a copy of the recommendations.

## THE ADVOCACY PROJECT IS ROLLED OUT

Four months ago, TAHA posted a request for proposals on the *Advocacy for a Competitive Horticultural Sector in Tanzania* project. This is a project that is funded by the Business Environment Strengthening in Tanzania Advocacy Component (BEST-AC)

The overall objective of the project is to turn the horticultural sector in Tanzania into a competitive regional player through improved infrastructure to facilitate international exports. This will maximize the economic potential of the horticultural sector

through job creation, increased revenue and increased exports.

Out of the many consultants who expressed interest in this activity, TAHA only received proposals from six in the given time for proposals submission. However, there were no companies penalised for late submissions. Since then, TAHA embarked on a serious appraisal activity which it did in close consultation with BEST AC and other appraisal experts. Late last month, TAHA concluded the appraisal exercise with the Development Associated (DASS) Ltd. and Orgut as the company commissioned to undertake the implementation

assignment.

DASS Ltd. and Orgut signed their contract and rolled out the first phase of the project early this month. This first phase is expected to take two months. They intend to work closely with all the available stakeholders and have already sent their implementation plan to some of these stakeholders. It is our sincere hope that the stakeholders will give them maximum cooperation so as to make this project another great success for the Tanzania Horticultural sector.