

BUILDING A VIABLE EXPORT MARKET FOR OFSP IN TANZANIA

SPHI WORKSHOP



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ABOUT TAHA



An Apex Private Sector member based organization facilitating the development and inclusive growth of the horticultural industry in Tanzania

- Established in 2004 and became operational in 2005
- Initiated by big growers and exporters - its origin comes from TAFA
- Dutch Government support – seed money for three years (2005 - 2008)
- Established to promote and develop horticulture and address the general and specific needs of its members.

TAHA's three main SOs:

1. Policy and Advocacy – Govt, Development Partners, & Private Sector
2. Technical Support – Technology drive, GAP, value addition
3. Access to Markets – Linkages, Information, Standards Logistics & Infrastructure

TAHA Areas of Operation



TAHA Commercial wings:

1. TAHAFRESH HANDLING LTD - Logistics
2. TAHAGreen Ltd – Production and Marketing

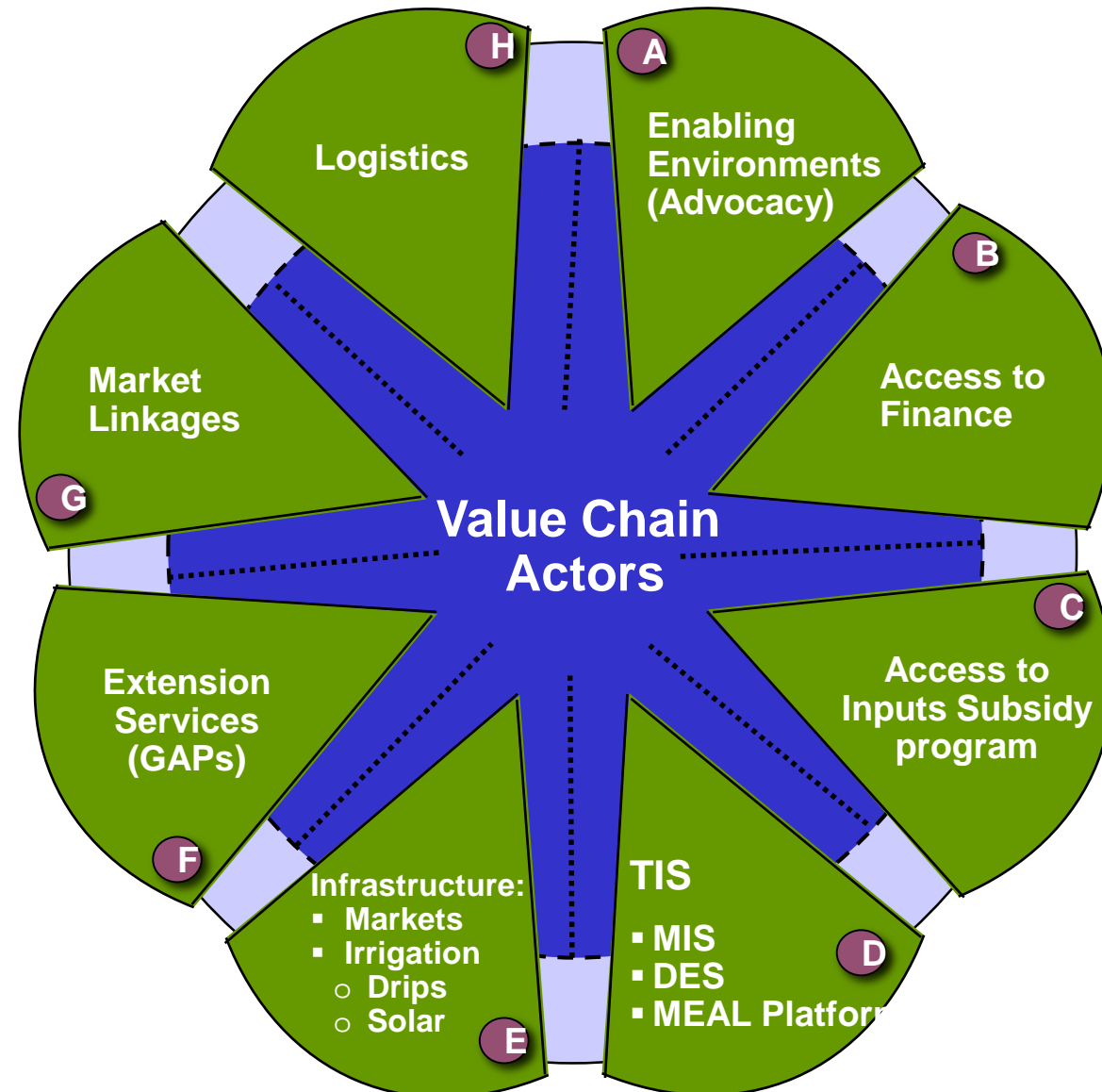
Purpose of Commercial Wings:

- i. Fill gaps in the value chain by offering reliable, affordable & quality services to the Industry
- ii. Sustainability of TAHA
- iii. Increasing reach and scope of operations

TAHA's APPROACH

Development Partners

- SIDA
- USAID/USDA
- BELGIAN GOVT-TRIAS/VECO
- FFD
- BEST-DIALOGUE
- ETC



ORANGE FLESHED SWEET POTATOES (OFSP) AND WHY?

- We identified a lucrative market for the product
- Existing gap in the OFSP value chain, yet not explored by our members – Blue Ocean for exploration
- High nutritional and commercial value - rich in carotene and Vitamin A
- Huge growth and income potential



OFSP COMMERCIALIZATION STRATEGY

- Conducted a thorough market research in 2013/15 to identify strategic market partners: Attended Fruit Logistica in Germany
- 2015 - Established a market relationship with a company in Israel: producer and distributor of horticultural products to European countries
- Signed a **ten (10) year market contract** with the company
 - i. Supply of up to 10 containers of 40ft @20 tons per week (200tons/wk)
 - ii. Five different market destinations in EU France, UK, NL, Sweden and Switzerland
 - iii. Technical support
- **Internal Capacity:** Learning journey to Israel and Technical consultancy from buying company

MARKET APPROACH

- Established Production and Marketing Company: **TAHAGreen Ltd**
- Conducted trials in three regions: Arusha, Manyara and Kilimanjaro, to establish:
 - i. Best soil type to support production for export
 - ii. Types of pests in the areas
 - iii. Varieties that grow well in Tanzania
 - iv. GAPs that give best yields
 - v. Behavior of planting materials – from Tissue Culture Lab to the field
 - vi. Curing processes and challenges
 - vii. Logistics feasibility: Storage, handling, trucking, shipping, etc, and related costs.
- **Production model**
 - i. Nuclear Farm – to be run by TAHA through TAHAGreen Ltd
 - ii. Outgrowers - approx. 500



PLANTING MATERIAL

CROP BIOSCIENCE LAB - Private tissue culture lab in TZ

- Varieties on trial

- Jewel*
- Kabode*
- Mataya*

- Commercial Varieties

- Jewel*
- Beauregard*
- Georgia Jet*



Trial Results



37 Tonnes harvested, with the range of 35 – 40 Tonnes per hectare required by the buyer to make a deal

Average smallholder farmer harvests 7 – 10 Tonnes per hectare



RESOURCE MOBILIZATION & COMMERCIAL PILOT

- Land acquired in Kifaru, Mwanga District (over 550 acres)
- Recruited a sweet potato expert from Honduras, working with local Agronomists for knowledge transfer
- Established an irrigation system
- Feasibility Study, Business plan development in final stages
- Socio-Environmental Impact Assessment to be conducted in October 2017
- Fund mobilization on going – TAHA has already injected over 600M shillings



TAHA's LOGISTICS WING



1. Horticulture Logistics Solution – Largest perishable handler in Tanzania
 - Air and Sea freighting
 - Trucking
 - General clearing & forwarding
 - Perishable ground handling
2. Internationally Accredited: IATA, FIATA, WCA—operating in over 190 countries worldwide



OFSP VALUE ADDITION



OFSP PROJECT IMPACT

1. Food and Nutrition aspects

- Nutrition values and hunger and malnutrition globally

2. Social impact

- Job creation: +2000 people, including out growers
- Reduction of criminal activities in the local communities

3. Enterprises

- Agro processing
- Agro inputs
- Packaging
- Logistics i.e. transportation, C&F, warehousing, insurance, etc.
- Expansion of banking activities

4. Economic Growth

- Government gains i.e. export revenues, taxes, levies and fees
- Industrialization
- Per capita Income expansion: accelerates socio-economic transformation of the Tanzania economy to middle income status by 2025

5. Regional and International Trade

- Inputs and finished goods

6. Technology drive

- Build technical capacity of locals in various value chain aspects (International vs local)
- Provide a center of excellence for OFSP value chain commercial management in Africa

Thank You

