The Organic ‘Window of Opportunity’

Executive Summary

In the National Agriculture Policy of 2013, organic farming is described as a ‘window of opportunity’ that has the capacity to enhance both ‘national and farm incomes’. The policy makes reference to constraints to organic agriculture including high certification costs and weak regulation. Little is being done however, to follow up statements made in the policy and develop further the organic sector, which currently contains 148,610 certified farmers. This policy brief carries the recommendation that policy statements should be pushed forwards into the Agriculture Sector Development Strategy phase two (ASDS2) and also the Agriculture Sector Development Program phase two (ASDP2). By following these recommendations and more contained within this brief, the state will create an environment for organic farmers in Tanzania to fully exploit the window of opportunity that is organic agriculture, leading to higher incomes and better health, a win-win for farmers, consumers, the environment, and the economy.

Introduction

Tanzania is ranked 4th in the world for the number of organically certified farmers (FiBl and IFOAM, 2015), yet Government support for the organic sector is negligible. With support from Trade Mark East Africa’s TRAC Fund, Tanzania Organic Agriculture Movement (TOAM) commissioned a policy study to identify barriers to poor farmers access to markets for organic produce. The study found that in order for Tanzania to exploit its advantage in organic agriculture, the state will need to provide support to help farmers attain certification.
**Table 1: Organic Agriculture Land (ha) and Number of Certified Producers:**

<table>
<thead>
<tr>
<th>Country</th>
<th>World Ranking (by number of certified producers)</th>
<th>Number of Producers (organic certified)</th>
<th>Area under Organic Management (ha)</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>1</td>
<td>650,000</td>
<td>510,000</td>
</tr>
<tr>
<td>Uganda</td>
<td>2</td>
<td>189,610</td>
<td>231,157</td>
</tr>
<tr>
<td>Mexico</td>
<td>3</td>
<td>169,703</td>
<td>501,364</td>
</tr>
<tr>
<td>Tanzania</td>
<td>4</td>
<td>148,610</td>
<td>186,537</td>
</tr>
<tr>
<td>Kenya</td>
<td>N/A</td>
<td>1,2647</td>
<td>4,894</td>
</tr>
</tbody>
</table>

Table 1 (FiBl and IFOAM, 2015)

**Problem Statement**

The policy study highlighted that the expensive certification, standardization and enforcement system in Tanzania excludes a large group of potential organic farmers. Stakeholders in Tanzania identify certification costs as the primary factor limiting the development of organic agriculture in the country. Lack of support for organic agriculture from the government is also identified as a constraint (UNEP, 2006). According to a market study conducted by the Belgian Technical Cooperation Agency (BTC), the growth in the number of organic certified farmers in Tanzania is hampered by the cost of certification, which is not attainable for individual farmers (BTC, 2012). Taking the case of the Tanzanian spice sector, the study concluded that it is the lack of availability of organically certified spices rather than the readiness of producers and exporters, which is restricting growth in the organic spice sector (BTC, 2012). Support provided to individual growers of spices to achieve accreditation would create more opportunities for producers as well as exporters.

The high costs of certification mean that poor farmers in Tanzania can only benefit from organic agriculture if they enter into contracts with processing / exporting companies. This often provides access to premium prices but a loss of control over trade. These farmers are restricted from selling their organic produce independently.

The farmers also find that only the main cash crop is certified as organic. Secondary crops that the farmers grow under the same conditions are sold on local markets for conventional prices. This represents a large loss to the farmer as well as a huge opportunity to facilitate farmers to attain certification in their secondary crops and enter new markets.

The National Agriculture Policy recognises the constraint of high certification costs and makes the following policy statement: “The Government shall facilitate accreditation of organic products in order to reduce certification costs” (MAFSC, 2013, p.26)
Added to this is the issue of weak regulation. There is very little stopping conventional farmers from advertising their produce as organic. The premiums associated with organic produce encourage farmers to claim that their produce is organic, undermining the efforts of real organic farmers who have followed strict guidelines and incurred certification costs. The National Agriculture Policy makes comment on regulation (MAFSC, 2013, p.26): “Initiatives for regulation and certification of organic products shall be promoted” - but the statement lacks precision and if not carried forward into ASDS2 and ASDP2 will be insignificant.

**The Case for Change**

As the emerging economies of India, Russia and Brazil are making bold steps towards supporting family farmers growing organic produce, it is time for Tanzania to exploit its advantage. Across the world, consumers are becoming aware of the adverse health effects and economic consequences of conventional food systems. Demand is growing for organic food produced sustainably, in healthy soils free of agrochemicals.

Producing organically certified food is also a significant business opportunity. Premiums paid for organic produce mean that organic farmers see high returns, while reducing input costs. A report by UNEP claims that the potential of organic agriculture in Tanzania is “enormous”, with high global demand and growing domestic opportunities such as farmers’ markets, health food stores and supermarkets (UNEP, 2006). The report also underscores the premium prices paid for organic produce and urges that in order to increase export earnings in Tanzania, organic agriculture should be a priority.

With further support from government to certification and regulation systems, the number of organically certified farmers can be expected to grow. New industries, such as the organic spices sector will be able to meet their potential, and Tanzania will find itself at the forefront of the booming movement of organic agriculture. With more accessible costs of certification, smallholder organic farmer groups can become independent businesses, creating their own trade links with domestic and international markets.

**Conclusion**

If Tanzania is to exploit the ‘window of opportunity’ that exists for organic agriculture, it is imperative that policy statements on organic agriculture be factored into detailed strategies and plans, e.g. ASDS2 and ASDP2. Currently, the state is doing little to support organic farmers, who face severe obstacles to producing and marketing their produce. Specifically, support needs to be provided to farmers looking to attain organic certification, this being the doorway into trade in organic produce. This support will result in growing numbers of organic farmers in Tanzania, increased farm incomes, and a significant rise in exports of organic produce.
Policy Recommendations

1) Policy makers are urged to follow up on commitments made in the National Agriculture Policy and to carry policy statements on organic farming forwards into national strategy and planning processes, e.g. ASDS2 and ASDP2.

2) Government should regulate and control uncertified farm produce and inputs being advertised as ‘organic’.

3) Government should support the use of the East Africa Organic Product Standard (the Kilimohai Mark).

References


