



G8 COOPERATION FRAMEWORK TO SUPPORT

The “New Alliance for Food Security and Nutrition” in Tanzania





Three years after the G8 Summit at L’Aquila, Italy, the international community recognizes the importance of food security to development, inclusive economic growth and the dignity of all women and men. In that spirit, we welcome the success of the Comprehensive Africa Agriculture Development Program (CAADP) in demonstrating African ownership and leadership, its call for expanded public and private investment in agriculture and desire to build on the progress that African governments have made in advancing a vision for agricultural development in Africa.

Tanzania is a showcase for public-private partnership in agricultural growth, exemplified by the development of its Southern Agricultural Growth Corridor (SAGCOT). This strategic donors and the private sector. Together, the Government of Tanzania and the G8 members commit to the “New Alliance for Food Security and Nutrition” and to working together to generate greater private investment in agricultural development, scale innovation, achieve sustainable food security outcomes, reduce poverty and end hunger. As partners, we commit ourselves to the following principles and actions:

Support of CAADP Country Compacts

The G8 members, consistent with commitments made at L’Aquila, reaffirm their intention to align their agricultural financial and technical support with the priorities of the CAADP National Investment Plan for Agriculture and Food Security (referred to in Tanzania as the Tanzania Agriculture and Food Security Investment Plan or TAFSIP), in such a manner as to accelerate implementation of the TAFSIP and in conjunction with commitments made by the Government of Tanzania. Consistent with the foregoing, the G8 members recognize the value of predictability of donor activities including financial and technical support over a sustained period of time, as set out in Annex 2.

The G8 members intend to provide support within the agriculture sector to accelerate implementation of the TAFSIP, including through the Grow Africa platform, with the overall goal of facilitating increases in private investment and scaling innovation. The G8 members intend to engage the relevant agencies of their member governments and also to bring to bear appropriate enabling actions to accelerate progress in the areas of finance and markets, science and technology, and risk management. To address the underlying causes of food insecurity, the G8 members intend to focus key resources and other contributions on high-priority, high-impact investments within the TAFSIP and in particular on the development of the Government of Tanzania’s priority area of the Southern Agricultural Growth Corridor.



Key Policy Commitments

The Government of Tanzania intends to pursue the policy goals set out below in order to build domestic and international private sector confidence to increase agricultural investment significantly, with the overall goal of reducing poverty and ending hunger.

The Government of Tanzania intends to focus its efforts, in particular, on increasing 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 that encourage increased private sector involvement in this area; and aligning the National Food and Nutrition Policy with the National Nutrition Strategy (see Annex 1).

The Government of Tanzania reaffirms its intention to provide the human and financial resources and the mechanisms for dialogue with the private sector, farmers and other stakeholders, and across government ministries that are required for the achievement of tangible and sustainable outcomes, the acceleration of Tanzania's development, and the delivery of tangible benefits to smallholder farmers, including women.

The Government of Tanzania reaffirms its commitment to mainstream nutrition in all food security and agriculture-related programs.

Private Sector Engagement

Private sector representatives have communicated that they intend to invest in the agriculture sector in Tanzania in support of the CAADP National Investment Plan for Agriculture and Food Security (the TAFSIP), through Letters of Intent that they will prepare and execute, and intend to advise, shape, and participate in broad, inclusive and sustained private sector consultative mechanisms with the host government (see Annex 3).

Shared Responsibilities

The G8 members, the Government of Tanzania and the private sector, confirm their intention to take account of the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security ("the Voluntary Guidelines") adopted by the Committee on World Food Security in May 2012, as well as the Principles of Responsible Agricultural Investment (PRAI) produced by several international organizations and endorsed by among others, the G8 and G20, which are undergoing a consultative process through the Committee on World Food Security on PRAI. In addition, they intend to work together specifically to develop pilot implementation programs for the Voluntary Guidelines and the PRAI in Tanzania.



Coordination and Collaboration

Recognizing existing arrangements for division of labor between the Government of Tanzania and the development partners, G8 members intend to coordinate their efforts with the aim of attaining greater effectiveness. The co-chair of the Tanzania agriculture sector working group (currently the Government of the United States of America) intends to serve as a lead interlocutor with the host country, private sector, and other stakeholders on behalf of the G8, working through existing in-country consultation groups and structures without setting up parallel or duplicative structures. The G8 and the Government of Tanzania welcome the participation of other countries and partners.

Results

Consistent with the New Alliance goal of improving food security and nutritional status by helping 50 million people in sub-Saharan Africa emerge from poverty by 2022, the participants intend their combined actions in Tanzania to help 6.7 million people emerge from poverty.

Mutual Accountability

The G8 members, the Government of Tanzania, and the private sector intend to review their performance under this document through an annual review process to be conducted within the existing broader CAADP-donor Joint Sector Review of TAFSIP implementation. These participants intend, in particular, to review progress toward jointly determined objectives on the basis of jointly determined benchmarks in contributing to the fulfillment of Tanzania's CAADP investment plan: (1) progress towards achieving the poverty reduction target; (2) G8 member commitments to align their agricultural investments to the Government of Tanzania's TAFSIP; (3) Government of Tanzania progress in implementing its policy commitments and consulting with private-sector investors; and (4) the investment commitments of private-sector investors. The review will also take account of the shared responsibilities related to the Voluntary Guidelines and the PRAI.



Annex 1: Government of Tanzania Key Policy Commitments

Policy Indicators		
<ul style="list-style-type: none"> ❖ Improved score on Doing Business Index ❖ Increased \$ value of new private-sector investment in the agricultural sector ❖ % increase in private investment in commercial production and sale of seeds 		
Objective	Framework Policy Actions	Timeline
<i>Increased stability and transparency in trade policy, with reduced tariff and non-tariff barriers.</i>	1. Implement policy alternatives to export ban identified in the comprehensive food security study, in order to strengthen response to food emergencies while minimizing disruptions in the market.	July 2014
	2. Pre-profit tax at farm-gate ("cess") on crops reduced or lifted.	July 2013
<i>Improved incentives for the private sector by reducing taxes, and increasing transparency and consistency of the agricultural tax and incentive system.</i>	3. VAT on spare parts for farm machinery and equipment reduced or lifted.	July 2013
	4. Secure certificate of land rights (granted or customary) for small holders and investors:	
	• All village land in Kilombero demarcated;	August 2012
	• All village land in SAGCOT region demarcated; and	June 2014
	• 20% of villages in SAGCOT complete land use plans and issued certificate of occupancy.	June 2014 and additional 20% by June 2016
	5. Instrument developed that clarifies roles of land implementing agencies (TIC, RUBADA, Ministry of Lands and Local Government) in order to responsibly and transparently allocate land for investors in the SAGCOT region.	December 2012
<i>Develop and implement domestic and regional seed and other inputs policies that encourage greater private sector participation in the production, marketing and trade in seeds and other inputs.</i>	6. Taxes (cess, VAT) on seeds and seed packaging reduced or lifted.	July 2013
	7. Revised Seed Act that aligns plant breeder's rights with the International Union for the Protection of New Varieties of Plants (UPOV) system.	November 2012
	8. Time required to release new varieties of imported seeds from outside the region to be reviewed and benchmarked with international best practices.	December 2013
	9. Qualified private sector companies authorized to produce foundation seed under proper supervision and testing.	December 2013
	10. ISTA and OECD seed testing accreditations achieved to enable regional and international seed sales.	December 2013
	11. Time required to register imported agrochemicals outside the region to be reviewed and benchmarked with international best practices.	December 2013



<i>Implement harmonized nutrition policy.</i>	12. Update and align the National Food and Nutrition Policy with the National Nutrition Strategy	June 2013
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Annex 2: G8 Members' and Others' Funding Intentions¹

G8 Members and others express their intentions in support of CAADP investment plans and the goals of the New Alliance for Food Security and Nutrition in a flexible manner.

UNITED STATES OF AMERICA (2012 G8 SUMMIT LEAD)

Annual funding tranches in the sector of agriculture, subject to availability of funds:

- 2011: 35 million USD
- 2012: 70 million USD
- 2013: 70 million USD
- 2014: 70 million USD
- 2015: 70 million USD

Total multi-year funding: 315 million USD over five years subject to funding availability.

FRANCE

Contributions in the sectors of agriculture, food security, rural development and nutrition are subject to availability of funding, demand by the governments as well as private firms concerned and confirmation of their commitments by all relevant stakeholders and could reach the following amount:

- 2012-2015: 38.12 million EUR (50 million USD)

GERMANY

Commitments for rural infrastructure development (energy, water) and biodiversity conservation:

- 2012-2014: 72.5 million EUR (95 million USD)

JAPAN

Expected disbursement for supporting agriculture and agriculture-related areas over the period of the Japanese fiscal year:

- 2012-2015: 14.1 billion JPY (178 million USD)

RUSSIA

- 2013-2014: 30 million USD

¹ Except where otherwise noted, funding intentions are calculated using average exchange rates for the first quarter of 2012 (source IMF): USD 1 = EUR 0.762453; USD 1 = JPY 79.39966; USD 1 = GBP 0.636299; USD 1 = CAD 1.001025



UNITED KINGDOM

Annual funding tranches commitments in the sector of agriculture, food security and nutrition:

- 2012-13 – 8 million GBP (13 million USD)
- 2013-14 – 18 million GBP (28 million USD)
- 2014-15 – 37 million GBP (58 million USD)

Total multi-year funding: 63 million GBP (99 million USD) over three years subject to funding availability

EUROPEAN UNION

Ongoing programs:

- 13.6 million EUR (18 million USD)

Planned funding:

- 2012-2013: 85 million EUR (112 million USD)

Total commitment through end 2013:

- 98.6 million EUR (130 million USD)



Annex 3: Private sector investment intentions

As of May 18, 2012, 20 companies have prepared and signed "Letters of Intent" that describe their investment intentions in Tanzania under the New Alliance for Food Security and Nutrition. The private sector investment plans will support the CAADP National Investment Plan for Agriculture and Food Security (the TAFSIP). Other companies are welcome to prepare and sign Letters of Intent in the future on the same basis.

Tanzanian Companies	International Companies
<ul style="list-style-type: none">• Agricultural Council of Tanzania• Agrica/KPL• Agro EcoEnergy• Tansed International, Ltd.• Selous Farming• Shambani Graduate Enterprise• Tanzania Horticultural Association• Tanzania Seed Trade Association• Tanzania Tea Packers Ltd.	<ul style="list-style-type: none">• AGCO• Amarjaro Trading Ltd.• Diageo• Monsanto• SABMiller• Swiss Re• Syngenta• Unilver• United Phosphorous Ltd.• Vodaphone• Yara International

Summaries of private sector Letter of Intent to date are:

Tanzanian Companies

The Agricultural Council of Tanzania (ACT) is an apex private sector member-based organization representing the interests of Tanzania's agriculture sector. ACT aims to unite groups and associations of farmers, livestock keepers, suppliers, processors, transporters and researchers in order to advocate for economic and organizational improvements for the sector.

- ACT intends to progress efforts to improve the business environment in Tanzania with the collaboration and partnership of the Government of Tanzania. These efforts will be directed at addressing crucial policy constraints that restrict the commercialization of the agriculture sector, including helping to address issues such as taxation.
- To advance this commitment over the next 12 months, ACT will assist in the preparation and dissemination of policy papers on key constraints to the realization of Kilimo Kwanza, TAFSIP and SAGCOT objectives of increased investment in Tanzania's agriculture sector. ACT will also play a crucial advocacy, outreach and communications role to support policy dialogue, development and implementation, and will provide a platform for information, analysis and dialogue for private and public stakeholders in the sector.



Agrica is a British company with American and Norwegian investors involved with large-scale sustainable agribusinesses in Sub-Saharan Africa. Agrica has invested US\$35 million to date in the Kilombero Plantations Limited (KPL) Project in Tanzania, which is a 5,000 hectare (ha) greenfield commercial rice producer. In just three years, KPL has become the single largest commercial rice producer in East Africa, with a transformative smallholder program that has a proven track record of helping local rice farmers move from subsistence to surplus production.

- With improvements to the road and tax regime, Agrica/KPL intends to invest another US\$30 million by 2016 in order to:
 - Complete KPL's irrigation system to cover more than 3,000 ha, enabling the farm to produce 33,000 metric tons of rice and 5,000 metric tons of bean and pulse rotation crops annually; and
 - Scale up the smallholder program to over 5,000 farmers, with the aim of trebling the rice production and increasing their annual income by a multiple of ten.
- To advance this commitment, over the next 12 months, Agrica/KPL will:
 - Increase the smallholder program from 1,500 to 4,300 farmer families;
 - Construct the first 500 KW biomass power plant; and
 - Build a health clinic to serve a village with a population of over 10,000.

Agro EcoEnergy is an African agro-energy company that aims to produce sugar and renewable energy in a sustainable manner.

- Agro EcoEnergy is currently developing a US\$425 million agro-energy project in Tanzania, which will establish of a state-of-the-art sugar mill and bio-refinery (crushing one million metric tons of sugarcane per year), a fully irrigated sugarcane estate of 7,800 ha and a fully irrigated 3,000 ha out-grower program.
- The company will produce 125,000 metric tons of sugar, 8,000 – 15,000 m³ of ethanol and 100,000 megawatts of renewable electricity provided annually to the national grid.
- The project aims for the highest sustainability standards, setting the bar for future projects.

Tanseed International, Ltd. is a private seed company engaged in quality seed production and marketing of crop varieties, provision of agricultural extension services and other market support services in Tanzania.

- Through a new project and as part of its core business operations, Tanseed is working to stabilize and increase rice and maize productivity and profitability among smallholder farmers in Tanzania. They plan to accomplish this goal by improving the availability and adoption of affordable high-quality rice and maize seed varieties, and crop management practices that increase yields.
- Tanseed expects the following results, among others, over the next five years:
 - US\$700,000 increase in sales of rice and maize foundation seed by breeders and researchers;
 - Purchase of nearly US\$12 million of certified seed from contract growers;
 - Agro dealers and seed stockists distributing and selling Tanseed certified seeds to smallholder farmers will achieve profitability of nearly \$1.5 million;



- 12,000 metric tons of certified seed of rice and maize varieties available for use by 1.26 million smallholder farmers to increase their productivity; and
- Over 600,000 hectares under smallholder farmer ownership that uses certified rice and maize seed ; additional area planted will have the potential to produce nearly two million metric tons of rice and maize for household consumption and income generation.
- In the next 12 months, Tansed is committed to investing in the training of contract growers and supervising certified seed production, using innovative, smaller seed packs to meet the needs of the smallholder farmers with low purchasing power. They are also committed to ensuring Tansed's rice and maize OPV and hybrid maize seeds are available for sale in rural areas, along with information dissemination to farmers.

Selous Farming comprises nearly 3,000 hectares (ha) in the southern highlands of Tanzania, producing and processing livestock as well as seed, feed and tree crops.

- With the identification of long-term financing, which is currently unavailable in Tanzania, or an investor with a shared vision for developing the agricultural potential of Tanzania, Selous Farming intends to:
 - Expand livestock from 500 beef breeding cows to 900, and 400 to 1,200 ewes;
 - Expand processing at abattoir and butchery for meat and poultry products, including 12,000 chickens to satisfy growing demand for protein products;
 - Expand production of seed maize from 150 ha to 400 ha;
 - Expand production of soya from 60 ha to 400 ha; and
 - Establish a feed mill to establish quality animal feed.

These investments will amount to approximately US\$7 million and will help support 400 smallholder farmers while strengthening the regional cereals and livestock supply chains.

Shambani Graduates Enterprises Limited (SGE) is a milk processing company that was founded in 2003 by three graduates of the Sokoine University of Agriculture in Tanzania. SGE collects fresh milk from livestock keepers in rural areas, processes it into different dairy products and sells to consumers in urban markets.

- SGE aims to contribute to Tanzania's national targets of increasing annual milk production to 2.25 billion liters by 2016.
- SGE intends to expand its Shambani Milk Business over the next 12 months by investing approximately US\$280,000 to expand milk collection, processing and marketing.
- SGE intends to build the capacity of more than 400 milk producers on quality and hygiene to supply 4,000 liters per day, resulting in an additional US\$900 in annual income per farmer.

Tanzania Horticultural Association (TAHA) is an apex private sector member-based organization mandated to develop and promote horticulture in Tanzania. TAHA represents and safeguards the interest of farmers, exporters, processors and service providers in the horticultural industry in Tanzania through its strategic pillars: creating business enabling environments (advocacy), technical support, marketing and information.



- In coordination with the SAGCOT Centre, TAHA will focus on promoting and facilitating horticultural investments, empowering farmer and creating strategic linkages important in upgrading the horticultural value chains.
- Specifically, TAHA aims to:
 - Map horticulture activities, projects and plans in the priority clusters, and throughout the SAGCOT corridor;
 - Be the first point of call of parties interested in horticulture activities in the corridor; and
 - Present SAGCOT at relevant fora and events on horticulture.
- To advance this commitment in the next 12 months, TAHA is in close consultation with development partners on targeted technical projects aimed at addressing critical challenges, and improving market access for horticulture products.

Tanzania Seed Trade Association (TASTA) is an apex private sector member-based organization mandated to develop and promote the seed industry in Tanzania. It represents the interests of seed producers, importers, farmers and service providers to the agricultural sector and advocates for an improved economic environment for the seed industry in Tanzania.

- As a means to increase access to improved varieties of seeds, TASTA will collaborate with the Government of Tanzania to reduce the tax burden on the seed market by exempting seeds and seed packaging material from import duties and VAT, exempt seeds from the District crop produce cess and clarify the tax treatment of seeds.

To advance this commitment over the next 12 months, TASTA will prepare a Policy Position Paper requesting crucial seed tax policy changes in collaboration with the Ministry of Agriculture Food Security and Cooperatives, for submission to the Ministry of Finance.

Tanzania Tea Packers Ltd. (TATEPA) Has invested resources over the last 12 years to enhance successful smallholder agricultural development in Rungwe District in Southern Tanzania. These have included the launch and development of jointly owned entities such as Wakulima Tea Company (WTC), Rungwe Avocado Company (RAC) and Kyimbila Tea Packing Company. WTC and Rungwe Avocado Co benefit approximately 20,000 smallholder farmers.

- TATEPA currently seeks to expand its investments by launching the Suma Small Hydro Project, a pioneering example of a commercial small hydro power project that will provide greater smallholder income and more reliable power.
- TATEPA's Suma Hydro Plant is an approximately US\$5 million investment for a 1.5 megawatt (MW) plant that will generate 8.4 Gwh of energy per year, providing reliable power to the rural grid and to TATEPA's stakeholder-owned RAC and WTC.
- The Suma project will indirectly benefit 20,000 smallholder families, or approximately 100,000 people, who rely on the TATEPA Group for purchasing inputs and who will benefit from the reliable power produced, while direct employment benefits are estimated at 6,150 people.



International Companies

AGCO, Your Agriculture Company, is a US-based global leader for farm equipment with plans to invest in Burkina Faso, Cote d'Ivoire, Ethiopia, Ghana, Kenya, Mozambique and Tanzania as well as other countries in Africa.

- With over 50 years' experience in Africa AGCO intends to cultivate long-term partnerships and to invest US\$100 million over the next three years aiming to impact at least 25,000 smallholder farmers by providing a complete set of regionally specified agricultural solutions combined with technology transfer and capacity building.
- Our sustainable investment plans take a modularized approach and include a) Future Farms & Training Centres to enhance productivity through technology, mechanization and farming know-how, b) an equipment financing solution for smallholder farmers with little-to-no working capital, and c) infrastructure, technical and consultative support with mechanization and replacement services as well as silo systems and storage solutions for smallholders and commercial farmers to the point of examining local assembly or manufacturing opportunities.
- In the next 12 months, activities include partnering with host country governments and transformation organizations to determine locations for farms/training centers, selecting focus value chains and developing feasibility studies.

Armajaro Trading Ltd. (ATL) is a global soft commodity trading house and supply chain manager, headquartered in the UK, with plans to invest in Ghana and Tanzania.

- In Tanzania, ATL will partner with Coffee Management Services to contribute resources of more than \$1 million to support the development of smallholder coffee farmers in the Mbeya and Mbina regions of Tanzania. The project will double the income of 25,000 farmers by 1) improving productivity, 2) strengthening market linkages, 3) providing access to finance, 4) improving production of other crops/products, 5) enhancing social and environmental measures, and 6) utilizing multi-stakeholder platforms.

Diageo is the world's leading premium drink business with a widespread and well-established presence in Africa. It has a well-stated commitment to invest behind initiatives that lead to the growth of its businesses and their value chains in Africa.

- Diageo aims to increase the proportion of its local sourcing from 50% to 70%, which would create a sustainable source of income for more than 100,000 smallholder farmers across seven countries in which it operates. Proposed pilot projects are a first step towards this objective.
- In Ethiopia, Diageo is planning to support a US\$1.5 million scalable value chain project to source barley from 6,000 smallholder farmers with the potential to scale-up to 20,000 metric tons per year by 2016.
- In Tanzania, Diageo is planning to support a US\$2 million scalable value chain project in sorghum sourcing with the potential to scale-up to 20,000 metric tons per year by 2016.



Monsanto is a global agriculture company with plans to expand on forty years of business operations in Africa through a commitment of US\$50 million over the next ten years in several countries, including a specific partnership-driven investment strategy in Tanzania.

- Monsanto will support the Tanzanian government's plans to improve nutrition and livelihoods of farmers in the Southern Agricultural Growth Corridor of Tanzania with key investments and partnerships that strengthen the maize and vegetable value chains.
- Plans include increased access to finance through a partnership with Opportunity International, introduction of 3-5 new maize hybrids suitable for Tanzania and available royalty-free to seed companies; strengthening of agrodealer networks to provide more choices to farmers; a partnership on soil health with the Earth Institute; and creation of opportunities that provide farmers with improved access to markets.
- Monsanto will also partner with Farm Input Promotion Services on farmer education programs and Muunganisho Ujasiriamali Vijijini on the formation of farmer cooperatives that enable farmers to collectively negotiate and market their harvest.

SABMiller is one of the world's largest brewers, with a significant presence in developing markets. The company has been brewing in Africa for over a century and research by Professor Ethan Kapstein estimates that its local sourcing programmes support 89,000 farming jobs in Africa (excluding South Africa).

- Following the successful implementation of cassava-based lager in Mozambique in 2011, SABMiller hopes to transfer and scale this commercially viable model, contributing to the development of a cassava value chain in other African countries, and expanding production in Mozambique to enhance smallholders' productivity and ensuring the provision of appropriate agricultural extension services.
- In Ghana, SABMiller's subsidiary Accra Brewery Ltd (ABL) seeks bring cassava processing technology to the country. Partnering with the Dutch Agricultural Development and Trading Company, SABMiller aims to access the technology of the cassava processing units (AMPU) that travel to the cassava-growing regions.

Swiss Re is a Switzerland-based international risk management firm with plans to invest in-kind resources equivalent to about US\$ two million per year to support the development of sustainable agricultural risk management markets to assist farmers to cover production risks and enable them to access finance and engage in higher income-generating activities.

- This includes taking a key role in the B20 Food Security Task Force, a public-private initiative, to advise and activate risk management solutions in agriculture. This initiative can increase risk transfer capacity by a factor of three within five years. For Sub-Saharan Africa, this equates to an increase of risk capacity from currently US\$ 200 million to US\$ 600 million and is expected to provide agricultural insurance for up to 1.4 million smallholder farmers.
- Specific initiatives include a) developing weather index markets by supporting projects that receive grants from the Global Index Insurance Facility, b) providing technical advice to the Global Index Insurance Facility; and c) providing risk solutions to businesses with an agricultural focus, as a means to encourage further investment
- Additionally, Swiss Re plans to continue working with Oxfam America, the World Food Program and USAID to scale its R4 Rural Resilience initiative, beyond the 13,000



households currently enrolled in Ethiopia

Syngenta is a global agricultural inputs company developing integrated crop protection and seed solutions for farmers worldwide. In Africa, Syngenta intends to substantially grow its business over the next ten years.

- Syngenta will invest US\$500 million to expand its African business and will sustainably increase the productivity of approximately 5 million large and smallholder farmers by at least 50 percent.
- Syngenta plans to launch Agriculture Productivity Partnerships with at least five countries in the next 24 months by connecting with local leaders, providing advice and knowledge transfer and offering products and solutions including the scale-up of its successful crop insurance program.
- Syngenta intends to set up local production facilities, in one or two locations initially, to manufacture affordable-size product packs tailored to the needs of African farmers.
- Additionally, Syngenta plans to establish centers of expertise for Rice, Soya and Vegetables to transfer in and localize global technology and know-how.

Unilever is a global consumer products company with plans expand its sourcing throughout Africa.

- Unilever has been sourcing raw materials and producing and selling brands in Africa for over a century. It operates in more than 20 Sub-Saharan African countries, retailing 75 brands with a turnover in excess of €3.5 billion, with a footprint including 13 factories, 12 onshore operations and direct employment for more than 30,000 people. Africa is at the heart of its global business strategy and Unilever wants to double the size of its business there. Unilever wants to see African agricultural potential fulfilled in a way that creates sustainable business opportunities – particularly for the smallholder farmers integrated into its local and global supply chains. This is why Unilever takes a value chain approach that supports local sourcing and processing as well as export production and creates value throughout the supply chain.
- Unilever is committed to facilitating partnerships, leveraging investment and bringing expertise as well as stimulating the supply side by creating market demand. Unilever proposes to engage in setting up four value chain partnerships in tea (Kenya, Tanzania, Rwanda), cassava (Nigeria) for sorbitol and starch, palm oil (Ghana, Nigeria) and cocoa (Tanzania). In addition, Unilever is proposing to explore local sourcing opportunities for vegetable oils, fruits and vegetables in Mozambique, Tanzania and Ethiopia. Unilever will put an emphasis on integrating smallholders into supply chains through its commitment to sustainable sourcing and investment.
- Unilever estimates its proposed partnerships could result in the company sourcing the following products for use in local production and export: an additional 30,000-40,000 tons of tea, 300,000 tons of palm oil and 100,000 tons of cassava. Unilever is still exploring the potential for additional sourcing of cocoa. Its initial estimate is that this might stimulate around €300 million of investment from those involved in the partnerships and the integration of around 40,000 additional smallholder farms into its value chains, potentially improving the lives of over 100,000 people. Across the board, in



these partnerships Unilever will continue work to reduce its environmental footprint and reach its target of 100% sustainably sourced agricultural products.

United Phosphorous Limited (UPL) is an India-based seed and crop protection company with plans to invest in Ethiopia, Ghana, Tanzania, Burkina Faso and Mozambique.

- UPL is exploring investments of approximately US\$150 million in 18 Sub-Saharan African countries over 7-10 years with the aim of impacting 200,000 smallholder farmers in the near term and up to 750,000 farmers in the long term. Through these investments, farmer productivity could increase 59-85%, translating to US\$100 million in the project phase and around US\$500 million in the long term. Impact on farm incomes would be between 50-113%. UPL identifies Africa as a critical and important region for their growth.
- Investments would include setting up research infrastructure, production and processing facilities, warehouses, cold storage, quality control labs, and local capacity building, specifically: a) technology transfer to smallholder and marginal farmers; b) key input and knowledge partnering to large farms; c) interest crops – corn, sorghum, sunflower, canola, rice, forages, cotton, legumes and vegetables.
- Expected impacts include: a) generation of local employment; b) education and training to smallholder and marginal farmers on crop management; and c) access to high-yielding quality seeds and associated agri-inputs along with the right package of practices suitable to the growing conditions.

Vodafone is an international mobile communications company with plans to invest in Tanzania and Mozambique.

- Vodafone intends to partner and collaborate with USAID and TechnoServe to establish the Connected Farmer Alliance in Tanzania, Mozambique and Kenya to increase the productivity, incomes and resilience of over 500,000 smallholder farmers.
- Through this partnership, Vodafone intends to optimize global supply chains by strengthening the linkages and feedback loops between smallholder farmers and large agribusinesses, thereby decreasing the cost of doing business with smallholder farmers and helping improve their productivity.
- Vodafone also plans to improve access to secure, timely payments and other financial services by building upon Vodafone's existing mobile money platform (M-Pesa).

Yara International ASA is a Norway-based fertilizer company with plans to invest in Ethiopia, Ghana, Tanzania and Burkina Faso.

- Yara has committed to a broader sub-Saharan Africa strategy, applying an integrated multi-country approach. At a pan-African level, Yara is currently undertaking a significant business development activity to identify the most competitive location to develop a world-class fertilizer production facility, which, if a suitable location can be found, could amount to a US\$1.5- 2 billion investment. In this work, a number of factors will be carefully analyzed, such as access to reasonably priced raw materials, existing and future infrastructure developments, as well as location relative to market potential. Of critical importance in choosing a location is the overall local and regional



agricultural development potential, where a world-scale manufacturing facility can act as a catalyst to growth in the agricultural sector and underpin the viability of sustainable food production. Yara would aim to combine an investment in such a production facility with a range of integrated agricultural growth and development approaches, such as the development of regional fertilizer hubs and holistic value chain initiatives.

- At the country level, Yara wishes to cultivate long-term partnerships with each of the countries in which it operates by supporting public-private partnership engagement with donors, agriculture sector financing, scaling up of agricultural growth cluster/corridor initiatives into major investment frameworks and promoting green growth.
- Yara's approach to creating such partnerships roughly follows four phases of engagement: 1) building up crop-specific plant nutrition knowledge within a country, in line with country-specific needs; 2) establishing a long-term strategic partnership with the aim of co-developing a national strategy for holistic in-country fertilizer market development; 3) promoting comprehensive end-to-end value chain initiatives and cluster-based approaches; and 4) partnering with the government to incorporate agriculture strategy into a broader development context both within and beyond the food value chain.