

TANZANIA'S STATEMENT TO THE 66TH
PLENARY MEETING OF THE ICAC: 22ND – 26TH
OCTOBER, IZMIR, TURKEY.

Introduction

During the 2006/07 marketing season, cotton output in Tanzania was projected to rise to 750,000 bales in the aftermath of two successive bumper crops of 640,000 and 700,000 bales during the 2004/05 and 2005/06 seasons respectively.

However, to the contrary, cotton output during the 2006/06 season actually declined to a mere 245,000 bales, being 65% less than 700,000 bales obtained during the 20065/06 season due a major drought hitting the major cotton growing areas. Such drought, one of the severest droughts in recent memory, also seriously disrupted food production and electrical power generation thus prompting massive food aid and power rationing countrywide.

Overview of the 2007/08 Season: Acreage under cotton

During the 2006/07 growing period, 410,384 ha were sown to cotton in the Western Cotton Growing Area. Whereas the crop sown during the 2005/06 farming season experienced severe drought, that sown during the 2006/07 farming season, experienced too much rain and even flooding during the early part of the growing period between December and January. This necessitated abandonment of some fields and late

planting for the greater part of Shinyanga region where over 60 percent of Tanzania's cotton is grown.

Production

As a result of too much rain, flooding and late planting, cotton output during the 2007/08 marketing season only reached 200,000 tons of seed cotton, a rise of only 35% over last year's crop of 130,565 tons. This output still falls 47% short of the record crop of 376,591 tons of seed cotton obtained in 2005/06.

Buying and Ginning

During the 2007/08 marketing season, the number of cotton buyers licensed to buy and gin cotton reached 40, a 25% rise from 32 registered during the 2006/07 season. Except for SHIRECU no other regional cooperative union participated in cotton buying due to liquidity problems.

Due to an expected shortfall in cotton harvest, increased number of buyers and generally favourable cotton prices on the global market, stiff competition between buyers prompted the rise of producer prices from 350 Tanzanian shillings at the start of the season to a historic high of 560 shillings/kg late in the season.

Lint Exports

By September 2007 some 13,130 tons of lint worth 16.7 million dollars had been exported to various countries but mainly in the Far East. Most cotton

growing countries of Africa in general and Tanzania in particular continue to heavily depend on exports of lint for a significant part of their GDP. Pitfalls and dangers of continued commodity dependency were the subjects of discussion at two seminars held in Arusha and Dar es Salaam between 6th and 8th and on 19th September organized by the European Union and the Tanzania Cotton Board and the Tanzania Gatsby Trust respectively. The Government of Tanzania, the Gatsby Charitable Foundation of the UK and the Tanzania Gatsby Trust in particular have recently been consulting and strategizing on how to revamp the cotton and textile sectors with a view to maximizing their potential contribution to the generation of increased GDP, exports, farmer incomes and manufacturing employment.

Future Outlook

In May 2006, the Government of Tanzania reiterated its ambition to produce 1.5 million bales (271,000 tons of lint) come 2010 by raising productivity from the present average of 750 kg of seed cotton per ha (255 kg of lint) to 1,500 kg of seed cotton (850kg of lint/ha).

Realization of such a highly ambitious target entails implementing many things such as: -

- Enhancing overall input use e.g. by agitating for increased use of farmyard manure especially in the WCGA. In addition, with effect from the 2007/08 farming season, the central government

- intends to subsidize the price of pesticides in order to boost uptake and utilization. At the present moment less than 50% of the entire crop is sprayed more than once during the flowering period;
- Putting in place a market based input supply and distribution network in order to ease procurement, distribution and availability;
 - Recruiting 2,500 additional extension officers during the 2007/08 financial year with a view to ensuring that by 2015 each of the existing villages, wards and divisions in mainland Tanzania has at least one such designated officer;
 - Undertaking the retraining of existing extension officers in order to enhance their efficiency and effectiveness;
 - Continuing with on going work to revamp rural roads in the major cotton growing areas;

These and other measures are being implemented within the broader context of the on - going Agricultural Sector Development Program (ASDP) which seeks to revamp agricultural output in Tanzania..

During the 2008/09 marketing season, cotton output – subject to weather conditions being ideal, is forecast to rise to 400,000 tons mainly due to exceptionally high producer prices during the 2007/08 marketing season.