

Greening the Southern Agricultural Growth Corridor of Tanzania

A bold vision for food and agriculture in Tanzania

In 2009, Tanzanian President H.E. Jakaya Mrisho Kikwete launched the Kilimo Kwanza (Agriculture First) initiative to transform his country's agriculture into a highly productive sector and an engine of economic growth. The Southern Agricultural Growth Corridor of Tanzania (SAGCOT) is a public-private partnership to implement this vision in Tanzania's south-central "granary" region, with major benefits for domestic food supply, export earnings, smallholder farmers, and local communities. The 2011 SAGCOT investment blueprint envisions clusters of profitable farming and agricultural services businesses supported by coordinated investments in infrastructure, value chains, farming systems, and human capital. Innovative financing mechanisms, including a multi-donor catalytic investment fund, will leverage over \$2bn of private investment.

Alongside its great agricultural potential, the SAGCOT region also has high levels of poverty; contains extensive forests, wildlife, and protected areas; and faces increasing vulnerability to climate change. These conditions create both a mandate and an opportunity to develop SAGCOT as a green growth model for agriculture-led development. To do so, the SAGCOT Centre has convened a multi-stakeholder Green Reference Group, supported by the non-governmental organization EcoAgriculture Partners, to develop and build consensus around a green growth program and investment framework for the region. Subsequently, the SAGCOT Centre will implement this strategy by facilitating and coordinating green investments, in close collaboration with Tanzanian and international companies, donors, civil society, and the Government of Tanzania.

Investing in green growth

Green growth for the agriculture sector involves increasing food security (i.e., food availability, access, stability, and utilization) and good nutrition for all people, while conserving natural resources, reducing vulnerability to climate change, and limiting greenhouse gas emissions. A green growth investment strategy builds partnerships among business, civil society and government, attracting private investment that not only avoids social and environmental harm, but situates sustainability at the heart of the business model. To support such coordinated investment requires strong planning, decision-making, and governance frameworks that give voice to local communities while facilitating timely and predictable decision processes for investors.

Elements of Green Growth

- Scale up component investments in which environmental sensitivity, reduced emissions, social benefits and climate change adaptation are core to the investment model
- Realize synergies and reduce trade-offs by managing interactions among investments and land uses in different parts of the landscape
- Align sectoral programs and priorities to save money, reduce conflict, and establish critical masses of socially and environmentally beneficial investment
- Use democratic governance processes to negotiate development priorities and parameters, recognizing legitimate local, regional, national and business interests
- Design public policies and programs that shift investment incentives toward green growth



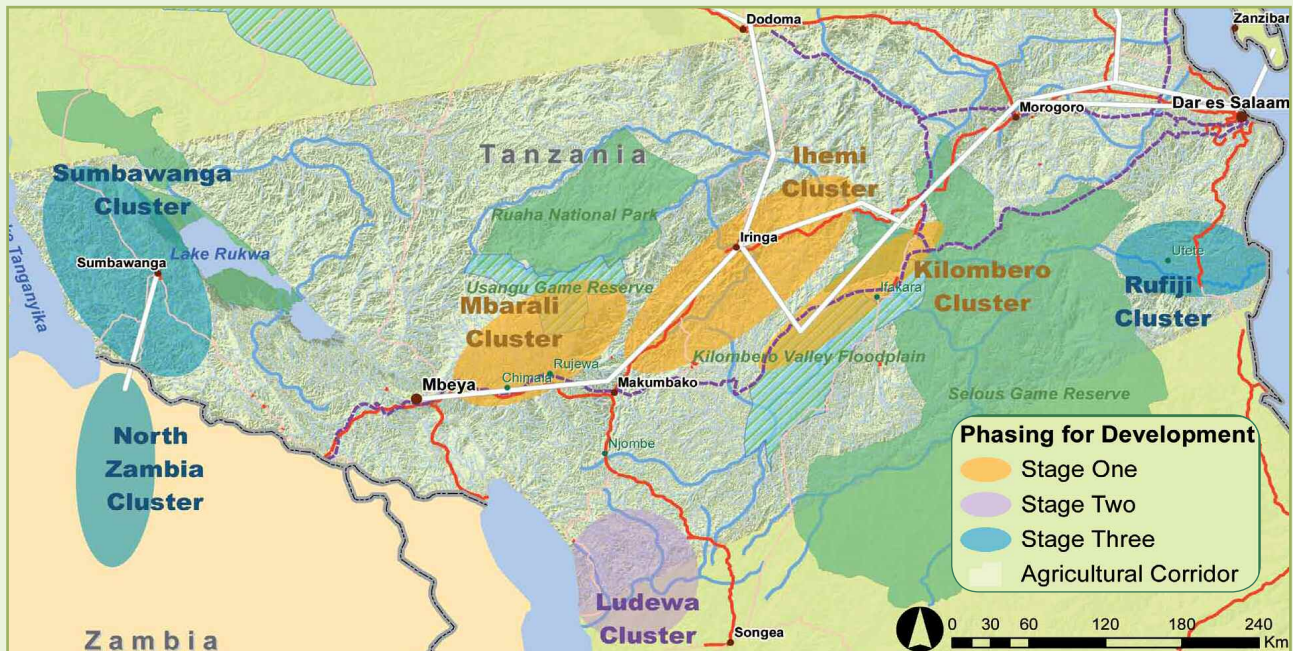


Figure 1. Green growth for SAGCOT will involve coordinated public and private investments in farming systems, infrastructure, and value chains in seven agricultural development clusters. Aligned investment in ecosystem management will ensure that the corridor's diverse ecological assets are conserved and maintained to support productive agriculture, water supplies, and human wellbeing. Map source: SAGCOT Investment Blueprint.

Building blocks for a green growth strategy

Green growth principles must be adapted to local conditions for smallholder as well as large-scale agriculture.

Early examples of green agricultural investments from the SAGCOT region include:

- New training to support agroecological intensification by smallholders, including adoption of System of Rice Intensification, which increases yields while reducing input costs and water use
- Adoption of conservation agriculture by both small- and large-scale farmers to build soil organic matter, sequester carbon, increase water use efficiency, and improve drought resistance for maize and other crops
- Increased efficiency and yield of smallholder agriculture through “block farming” schemes that pool land and labor while negotiating favorable input and output prices
- Warehouse receipt systems and small milling operations that build rural value chains while boosting smallholder income through value addition
- Establishment of vertically integrated commercial plantations that benefit nearby communities by purchasing, processing and marketing crops

The SAGCOT green growth strategy will build on current successes by supporting inter-sectoral synergies through initiatives such as:

- Designating natural areas that safeguard key ecosystem services for agriculture and rural communities (e.g., irrigation water supplies)
- Funding new research trials and extension programs to support climate-smart agriculture to capture carbon in soils and vegetation, improve yields and resilience to droughts and floods, and protect water quality and biodiversity
- Targeting agricultural investments that balance support for local food security and nutrition with opportunities for export earning—for instance by scaling up soya bean production that improves soil fertility through nitrogen fixation
- Investing in value chains for agricultural inputs and markets that serve smallholders and agribusiness alike (e.g., outgrower schemes, warehousing, processing)
- Using REDD+ to help finance transitions to low-emission energy systems such as sustainable bioenergy, distributed solar and micro-hydro for rural communities and agricultural businesses
- Designing wildlife corridors in conjunction with development planning to maintain biodiversity, support tourism revenues, and minimize human-wildlife conflict
- Linking local land use planning with national and sub-national development planning to ensure coherent allocation of land and water, protect against land grabbing, and empower communities in negotiation processes
- Engaging SAGCOT stakeholders in international climate change programs to advance agriculture as a legitimate focus for mitigation and adaptation actions

Worldwide, the green growth concept offers hope that sustainable, climate-smart, socially beneficial development can be mainstreamed throughout the world's economies. SAGCOT is a key laboratory for testing this concept, and results here will provide valuable lessons for the agricultural sector in Africa and for other corridors currently being developed.

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