

Minutes: Livestock session

Event: Tanzania Agribusiness Event , May 31, 2017

Day: May 31 from 15:00 – 16:00

Present:

- **Paul van de Ven (Moderator)**
- **Adriaan Vernooij – WUR (Presenter)**
- **Johan Verhoek – Koudijs**
- **Wim Goris – Agri ProFocus**
- **Wim Hannen – consultant**
- **Erik Baudoin – Bioproton**
- **Ellis van Diermen – Précon**
- **Eric Mooiweer – EBIT+**
- **Anuciata Njombe – Director Animal production and Marketing, MALF**
- **Matiku J. Kimenya, Minister Counselor, Embassy of Tanzania**
- **Daphne Meijer-Willems - NABC**

Main points discussed during the session:

- 1) There should be more focus on the poultry sector in Tanzania. The beef cattle production sector is very important in Tanzania.
- 2) Explanation of an element of the value chain of the poultry industry, egg production, was given. Based on the information about this element the growth of the sector can be shown.
 - 60.000 parent stock are exported to Tanzania from the Netherlands yearly for commercial layer chick production. 9000 eggs can be produced per tonne of feed.
- 3) The poultry sector is growing because of increasing population, but constraining factors are for example drought in Eastern part of Africa. This causes higher feed prices in Ethiopia.
- 4) The companies working already with Dutch companies are parent stock farms and hatcheries.
- 5) According to Mrs Njombe, the Southern region is a focus area for the poultry sector.
- 6) The topic on animal feed was discussed; the VAT on feed has to be lowered or waived.
- 7) Now it is still so hard to do business and import premixes and concentrates.
- 8) Policies in Tanzania regarding livestock are not well developed yet.
- 9) The indigenous birds are more popular than commercial chicken. The consumers are attracted by taste and color. There are more difficulties for some farmers because of the high feed prices, which causes a shift to kroilers from India.
- 10) Samples should be send to laboratories to test feed quality and raw materials.
- 11) Training programmes are already running in Tanzania for example by Agri ProFocus and PUM regarding learning labs in the dairy and poultry sector.
- 12) Urbanization is growing and the consumption of eggs and meat will increase.

Follow-up steps to be taken:

- 1) To develop the livestock sector in Tanzania, companies from the Netherlands could join in a consortium to focus on the development of the whole value chain of e.g. dairy or poultry in Tanzania. Each company could share their knowledge on specific elements of the value chain

and provide information on technology and equipment. Next to that, also knowledge institutions could improve the curriculum and training programmes.

- 2) Mrs Njombe will share Masterplans on the dairy and poultry value chain. Would there also be the opportunity for Dutch companies to support the masterplan?
- 3) Associations in the livestock sector should be improved and strengthened. There is a need of an umbrella association in East-Africa.
- 4) Conclusion: praise to the new government of Tanzania and the actions taken against fraud, the Dutch are eager to stay updated on livestock related plans and programmes in Tanzania. Food safety and management of the livestock sector in general will take time, but the Dutch companies are pleased to contribute to the development of the sector.

Extra Notes:

It was stated that recently there are some activities operating in the poultry industry in Tanzania. Investors have shown interest, however, there is hesitation with regard to the concern that the Government of Tanzania has not considered the sector as a priority despite its potential to many small scale farmers. It was advised that the competent Ministry should include the sector in its Strategic Plan so as to enable the emerging stakeholders to obtain accurate and reliable information.

The Netherlands is well developed in poultry farming in Europe while in Africa, Ethiopia is the leading country and has benefited from the expertise and opportunity from The Netherlands.

Regarding investment challenges, it was stated that there were concerns from foreign investors regarding high tax charges particularly in the price of drugs and chicken feeds. It was recommended that the relevant authorities should consider the issue and provide guidance. Furthermore, concerns were raised over higher business visa fee compared to other East African countries, hence discouraging business opportunities to Tanzania.

Participants were informed that the single tourist visa agreement is currently applicable to only Kenya, Uganda and Rwanda. Tanzania is not yet part to the agreement. Participants were reminded of a similar example of the Schengen countries where UK is not a member. The Government continues providing information and educate prospective investors on the same.