

Towards a sustainable spices supply chain in Tanzania

Tanzania and the Netherlands working together to improve agricultural practices in Tanzania's spices sector



Netherlands

Tanzania and the Netherlands: Spicing up the economy

The world market for spices is growing rapidly at 4.8% (over 3%) per year, while at the same time traditional spice exporters like India, Indonesia and China consume a greater share of their produce locally. Africa produces 12% of the world's spices, making it an important global player. The continent consumes most of the spices – around 75% - locally, while over 20% is exported to Asia, however, only 2% finds its way to the European Union (EU). This presents a great challenge, and opportunity for Tanzania's spice farmers, and its trade with the EU.

The Netherlands: A business opportunity

The Netherlands is the second largest importer of spices in the EU, and Dutch spice companies are ready to play a significant part in Africa's spice business. However, EU consumers and regulations have high standards and strict requirements regarding quality, quantity, the supply reliability and sustainability of spices.

This is why the Netherlands government and Impact Cluster, New Origins Sustainable Spices (NOSS) – through knowledge transfer and supply chain partnerships – are ready to give their support to Tanzanian farmers. We are well prepared and eager to collaborate with the local community in training farmers and entrepreneurs. The Dutch want to provide guidance on the way farmers can grow, harvest and handle different spices in post-harvest. The Netherlands wants to support Tanzanian farmers in their efforts to deliver high quality products in accordance with EU standards.

New Origins Sustainable Spices (NOSS) - Kuza Uchumi na Viungo

Trusted partners in the spice supply chain

NOSS is an initiative supported by the government of the Netherlands and Dutch spice companies. Those companies are continuously seeking new spice origins for ginger, cinnamon, vanilla, cardamom and cloves. It is important that these products are cultivated sustainably, as promoted by the Sustainable Spices Initiative (SSI). The SSI aims to sustainably transform the mainstream spice sector, thereby securing future sourcing and stimulating economic growth in producing countries.

The cluster seeks partnerships throughout the spice supply chain and to contribute to the economic welfare of Tanzania and its spice farmers. This collaboration offers Tanzania a wealth of opportunity and guidance toward greater transparency about products sources.

Along with the economic sustainability, the cluster aims to help farmers and corporations with their resource management, i.e. water use, soil treatments and offer specific knowledge as well as tools and processes for organic farming.



Training farmers for sustainable and economic growth

The cluster offers training for farmers based on these three pillars:

- Cultivation methods: The first pillar aims to improve the yield and the quality of the production of existing spice farmers by looking at – for example – irrigation, soil improvement, nursery installments and improved farming methods.

To reach this goal, local farmers will be trained in spice cultivation skills.

We also want to inspire local farmers to start producing cash crops.

- Post-harvest treatment: The second pillar will mainly look at improving post-harvest treatment, quality control and quality assurance. This includes cleaning, drying, sorting, grading, packing and storing spices. Post-harvest treatment will also involve primary processing, such as slicing ginger before drying.
- Access to markets: The final pillar focusses on improving linkages with financial institutions, logistics process and the implementation of quality and food safety management systems.

In order to meet current and future demands, the cluster will focus on conventional and organic growing methods. The members will work together towards social compliance, such as Fair Trade and Rainforest Alliance, as a way to make the value chain more sustainable and at the same time, increase the added value of spices.



Supported by the Dutch government in collaboration with NABC

The Impact Cluster NOSS is an initiative supported by the government of the Netherlands and works in close collaboration with the Dutch Embassy office in Dar es Salaam. The Cluster is coordinated by the Netherlands-African Business Council (NABC), a Dutch membership organization with over 375 member companies, of which 35% are in the agricultural sector.

Members

J.S. Polak Koninklijke Specerijenmaaldery

This company is one of the largest buyers of spices in the Netherlands.

Their role is important in the first part of the value chain (defining product properties, defining quality standards and traceability levels). J.S. Polak will monitor the quality improvements.

High Quality Organics (HQO)

High Quality Organics is a major supplier of organic food ingredients. The company is actively looking for new reliable origins of organic ingredients and has a keen interest in East Africa. Within the impact cluster NOSS, HQO aims at selecting dedicated areas and training farmers in the organic cultivation of ginger, cinnamon, cloves and cardamom. The training will not only focus on farming but will extend to processing and value addition. In that respect one might think of improved drying methods as well as sizing ginger, cinnamon or cloves for “Tea Bag Cut” applications.

AGRI-EXIM

This company is one of the biggest traders in organic spices with a mother company in India and a strong track record in promoting organic growing in East-Africa. AGRI-EXIM will bring their hands-on expertise to the table and can provide concrete assistance to local spices trading companies and local farmers when it comes to conversion to organic growing. Agri Exim has several projects in Africa, e.g. the project in Uganda extending support and trainings (soil preparation, harvesting and handling) to farmers to improve quality and productivity of spices and to meet organic standards.

Kagan Spices

Kagan Spices has both trading as well as consulting activities in spices. Kagan will focus on market studies, the implementation of training activities (including training of trainers) as well as framework agreements with producers, traders and service providers. Kagan has experience in setting up new value chains (ginger and turmeric in Ethiopia and cloves, pepper and ginger in Tanzania) and with doing assessments of spices sectors in various companies (often for international organisations such as ITC). Kagan will formulate the training curricula and will assess the processing equipment of (potential) partners.

Précon Food Management

Précon is a company specialised in training and knowledge transfer in the post harvest treatment and in the implementation of quality, sustainability and food safety assurance systems at business level as well as official controls and food safety regulation. Précon is already working with several spices companies in the area of quality control; especially focusing in compliance with EU quality standards. The role of Précon is to set up quality assurance systems locally with both the producers as well as with the relevant authorities. The interest of Précon is to assist their clients into the new origin countries.

Aromatum

Aromatum is a specialist in global commodity trading and has extensive knowledge on quality improvement of spices. Aromatum is specialized in quality inspections, control, analysis and monitoring. Within the Impact Cluster NOSS Aromatum will support the local partners in Madagascar and Tanzania with knowledge transfer, capacity building and market studies.

Local partners

Tanzania Farmers Productivity and Development Organization (TAFAPDO)

TAFAPDO is a 2 pronged organization it has an NGO arm that allows it to engage development partners to support ginger farmers in Tanzania and it has a commercial arm as well. The commercial organization acts as an aggregator and collects, markets and sells ginger from its member farmers. The cooperation has 2,300 members organised into 48 groups. Each of the 2,300 members has an average land holding of 1 acre. As of August 2018 1,300 acres of the members land was under cultivation.

The aspiration for TAFAPDO is to become the main source of organic ginger in Tanzania. They seek knowledge on production, post-harvest management and access to buyers in Europe and are hence quite enthusiastic about the cluster and partnering with the cluster to develop the ginger value chain in Tanzania.

Tanzania Spices Association (TASPA)

Early 2016, organizations such as SUA, ITC, TANTRED and SIDO joined forces to do an intense research and initiative to start a body that will represent the farmers, processors and exporters of spices in the country. These initiatives led to the formation of Tanzania Spices Association (TASPA). TASPA is a non-profit organization and working with diverse institutions running programmes and initiatives to improve sustainability and quality assurance. TASPA involves members actively engaging in spices products from farming, processing, value addition and packing. The association is determined to ensure the growth of the sector and contribute to the GDP of the country. The mission of TASPA is to provide a forum that connects spices' stakeholders, produce at the highest world standards starting from farm gate, processing and packaging onto the world markets.

Tanzania Trade Development Authority (TanTrade)

TanTrade was established in 2009 by an act of parliament. TanTrade is mandated to implement Tanzania's National Trade Policy, the National export development strategy, the trade integration strategy and the agricultural marketing policy and other sectoral policies with the aim of developing and promoting Tanzania's internal and external trade. TanTrade will support in promoting export of spices and facilitating ease of export of Tanzanian spices to the European market. Their role will be to facilitate an enabling regulatory environment and promoting the programs activities across other regions of Tanzania.

Exporters

The following exporters of spices will be involved during the Impact Cluster NOSS: Agri Ventures and Golden Food Products (GFP). The number of exporters will increase during the program. Please contact NABC if you are interested in exporting high quality spices to the EU from Tanzania.



Want to know more?

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