

## TANZANIA SUSTAINABLE INDUSTRIAL DEVELOPMENT POLICY: CALL TO INCLUDE CLIMATE CHANGE, FOOD SECURITY, AND TRADE CONCERNS

Recognising the caveats in the current Sustainable Industrial Development Policy (SIDP), the government of Tanzania through the Ministry of Industry, Trade and Investment is at the early stage of thoroughly reviewing the SIDP. The review should lead to a new and comprehensive industrial policy that provides for synergies of agro-processing sector with cross-cutting issues of climate change, trade and food security.

In Tanzania, development of industries has been emphasised for economic development and it tops the development agenda of the current government. The sector is largely dominated by agro-industries and agro-processing industries. Indeed, agriculture is the mainstay of the Tanzanian economy as the industry largely depends on processing the local agricultural goods. Therefore, agro-processing is rightly considered as a top priority in Tanzania's development agenda as mirrored in: the Long Term Perspective Plan (LTPP 2011/12 – 2025/26); Kilimo Kwanza (2010); Integrated Industrial Development Strategy (2025); National Five Years Development Plan (2016/17 – 2020/21) and the Second Agriculture Development Program-ASDP II (2016/17 – 2026/27). Improving the industrial policy in Tanzania through a thorough review should contribute towards promoting industrial development particularly agro-processing.

The revised SIDP should take into account the aspects that the current SIDP had overlooked including the relationship of industrial development with climate change, trade and food security. This will ensure that the new SIDP is comprehensive, cognizant of the challenges of climate change, contributes to food security, while synergising with trade. Such a policy will go a long way for Tanzania to climb the ladder of growth and development in a sustained and sustainable manner.

### ● Addressing Climate Change

In order to ensure the linkages with climate change are realized in the new SIDP, the following should be considered:

❶ **Acknowledge and explain:** the new SIDP should clearly explain the relationships between agro-industry and / or agro-processing industry with climate change. The policy should in general explain the effects of climate change on the industrial sector as well as suggest the important climate adaptation and mitigation measures for sustainable industrial development in the context of Tanzania.

### ▼ PREPARED BY



### ▼ QUICK FACTS

» Tanzania's development vision aims at attaining at least 40% of the GDP contributed by manufacturing sector by 2025.

» Agro-processing is on the top of the development agenda as indicated in national strategies. It is the main industrial sector to achieve the target for the development of the manufacturing sector in Tanzania.

» The current SIDP dates back to the 1990s and covers the period till 2020. The MITI is undertaking a thorough review of the current SIDP. The review must also take into account the linkages between agro-processing, climate change, trade and food security.

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This Action Alert is produced by ESRF Tanzania, published by CUTS International as part of the "Promoting Agriculture-Climate-Trade Linkages in the EAC – Phase 2" (PACT EAC 2) project. More at [www.cuts-geneva.org](http://www.cuts-geneva.org)

**2 Sectoral approach and linkages:** since industrial development depends on diverse sectors in the economy, the new policy should acknowledge the available strategies to adapt and mitigate the negative effects of climate change at sectorial level. Accordingly, the new SIDP should identify interactions with other intervention strategies and policies such as the Tanzania Vision 2025; National Agricultural Policy (NAP of 2012); National Trade Policy of 2003; Agricultural Marketing Policy of 2008; National Adaptation Programme of Action (NAPA), 2007; Climate-SMART Agriculture Guideline 2017; National Climate Change Strategy 2013; and Agriculture Climate Resilience Plan for 2014-2019,

**3 Situational analysis:** the baseline study should inform the new SIDP policy about the possible challenges or perils from climate change and its allied effects. The new policy should spot the linkages, opportunities and effects of agro-processing on climate change adaptation and mitigation by analysing specific threats to the agro-processing sub-sectors.

## ● Addressing Food Security

The Tanzania national agenda of industrialization has not left out the issue of food security. It is a great concern whereby access to quality and safe food is of paramount importance. Albeit, ensuring accessibility and availability of food is often a challenge including due to the variability of climate as majority of farmers are smallholders and depend on rainfall. With these insights, the new SIDP should indicate the linkage areas of the agro-processing industries that enhance and ensure food security. To uphold food security in Tanzania, the new SIDP should consider the following:

**1 Stating the elements** of agro-industrial support that are environmentally friendly and sustainable by provision of good agricultural practices, green energy supply, water supply and irrigation schemes

**2 Elaborating the support mechanisms** for agro-processed product such as trade promotion, attainment and compliance with standards and quality, and measures to promote competitiveness

**3 Supporting small farmers** while promoting agro-industry and agro-processing in both rural and urban areas because of their role in the industrial development as well as food security

## ● Addressing Trade

Agricultural products are the main exports from Tanzania. Improvement of trade facilitating strategies will not only enhance Tanzania to participate in the global trade but also global value chains by exporting

agro-processed products rather than continuing exporting agricultural products in their raw form. Such facilitation includes expansion of the agro-industry and / or agro-processing by revamping productivity and market access as well as expanding multilateral and bilateral agreements. To further facilitate and promote sustainable exports of agro-processed products, among others, the new SIDP should consider the following trade related provisions:

**1** Envisaging attainment and compliance with standards as well as good quality through linkages with the Tanzania Trade Policy and other related policy or strategies such as Tanzania Development Vision 2025.

**2** Recognition of the role and involvement of stakeholders working on climate change, food security, trade and gender issues.

**3** Enhancing capacity to understand global value chains and measures to promote competitiveness.

**4** Promoting research and technology advancement and design of new products.

To achieve the above, the process for the thorough revision of the SIDP should be clearly specified including the roles and responsibilities of all relevant stakeholders and robust feedback mechanisms.

## USEFUL RESOURCES



**Mashindano, O and Baregu, S. (2017). Agro-industrial Development Policies: What Nexus to Climate, Food Security, and Trade? – Tanzania**

<https://goo.gl/88unrv>



**URT (2016). National Five Years Development Plan 2016/17 – 2020/21**

Naturing industrialization for economic transformation and human development, Ministry of Finance and Planning. 293p