



ssnup

Smallholder Safety Net
Upscaling Programme

STRENGTHENING COOPERATIVES IN TANZANIA USING THE AGRIGRADE APPROACH



Africa



Latin America



Asia



Financial services



Non-financial services



Market building



Internal management

CONTEXT

Agriculture is the backbone of the United Republic of Tanzania (URT) economy. The sector is central to achieving a higher and more inclusive economic growth. It accounts for 27% of GDP and 67% of jobs, while contributing to 45% of export earnings (Financial Landscape Analysis, 2022). In November 2020, President Magufuli announced that in the next five years its government will put great emphasis on key economic sectors, amongst others, agriculture. In the agriculture sector in Tanzania, smallholder producer organisations play a vital role.

CURRENT STATUS OF THE BENEFICIARY ORGANISATIONS

The potential investees of this project are organisations of small producers in Tanzania. The 45 cooperatives are estimated to have 4,500 members. Working with these 45 organisations will indirectly reach these smallholders by providing them with improved services through the cooperatives. The organisations will be selected on the base of being self sufficient and able to service their members.

OBJECTIVE OF THE PROJECT

The mission of AgriGRADE (a coalition of five organisations: SCOPEinsight, Agriterra, IDH, Oikocredit and FarmFit Fund), is to transform rural economies into economically viable, resilient, and inclusive systems that contribute to improved food trade, food security, and create local economic value. This is done by graduating farmer organisations towards higher levels of professionalism, improving efficiency, strengthening the value chains they operate in, and enable access to finance at scale.

The current project, which is only one component of the larger initiative, aims to pilot AgriGRADE's integrated approach in Tanzania, learn how the coalition can work together effectively and efficiently, building on the strengths of the partners, and collaborate to reach its objectives.

The expected results of the project are:

- Collect data from 220 small producer organisations.
- Select and assess in-depth 45 small producer organisations.
- Design and implement 45 technical assistance plans.
- Reassess the 45 small producer organisations.
- Deliver pipeline of investible cooperatives to banks.

IMPACT INVESTOR



BENEFICIARY ORGANISATIONS

45 smallholder producer organisations (cooperatives) – Tanzania

TARGET

4,500 smallholder households

AGRICULTURAL VALUE CHAIN

Rice, maize and beans

STARTING DATE

November 2023

DURATION

24 months

TOTAL TA BUDGET

€ 903,450
Including € 199,900 (22%)
contribution from SSNUP



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