



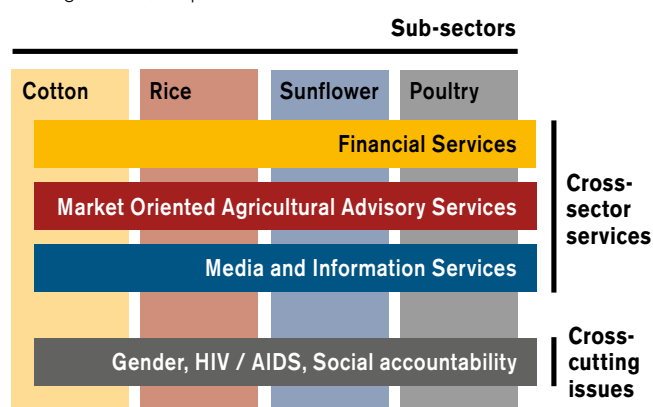
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# KEY ACHIEVEMENTS OF THE RURAL LIVELIHOOD DEVELOPMENT PROGRAMME (RLDP), TANZANIA

The Rural Livelihood Development Programme (RLDP) improved the livelihoods of smallholder farmers, women and men in the Central Corridor (seven regions) of Tanzania. It did so by creating increased income and employment opportunities and catalysing market system changes along different value chains, mainly sunflower, cotton, rice, dairy (until 2011) and poultry (initially also honey, livestock, sesame and safflower oil); and addressing different services and crosscutting issues (Figure 1). RLDP initially applied a market linkage approach and shifted in 2008 to the Making Markets Work for the Poor (M4P) – also called the Market Systems Development (MSD) – approach. RLDP was financed by the Swiss Agency for Development and Cooperation (SDC) and implemented by a consortium of HELVETAS Swiss Intercooperation and Swisscontact over a period of 11 years (2005–2015).

The mostly quantitative key achievements, summarized over the total lifespan of RLDP and presented here, complement the various capitalization of experiences (CAPEX) documents produced by the programme ([www.rldp.org/index.php/blog/downloads/55-capex](http://www.rldp.org/index.php/blog/downloads/55-capex)).

**Figure 1:** RLDP matrix sub-sectors, cross-sector services and cross-cutting issues (last phase 2012–2015).



**Table 1:** Outreach of RLDP

	Number of beneficiary households (HH)			
	Phase 1+2 (2005–2007)	Phase 3+4 (2008–2011)	Phase 5 (2012–2014)	Total
Sunflower	5,823	29,100	56,166	91,089
Cotton	5,361	27,300	16,434	49,095
Dairy	810	4,850	--	5,660
Rice	--	6,300	9,758	16,058
Poultry	--	7,200	8,668	15,868
Other (honey, livestock, sesame, safflower oil etc.)	11,363	--	--	11,363
<b>Total direct beneficiary HH</b>	<b>23,357</b>	<b>74,750</b>	<b>91,026</b>	<b>189,133</b>
<b>Target direct beneficiary HH</b>	<b>15,000<sup>1</sup></b>	<b>80,000<sup>1</sup></b>	<b>92,000</b>	<b>187,000</b>
<b>Women direct beneficiary HH</b>	<b>7,000</b>	<b>24,670</b>	<b>35,554</b>	<b>67,224</b>
<b>% of direct beneficiary HH</b>	<b>30%</b>	<b>33%</b>	<b>39%</b>	<b>36%</b>
<b>Indirect beneficiary HH (radio / other)</b>	<b>n.a.</b>	<b>27,500<sup>2</sup></b>	<b>249,700</b>	<b>277,200</b>
<b>Target indirect beneficiary HH</b>	<b>n.a.</b>	<b>n.a.</b>	<b>440,000</b>	<b>440,000</b>
<b>Total beneficiary HH (direct/indirect)</b>	<b>23,357</b>	<b>102,250</b>	<b>340,726</b>	<b>466,333</b>
<b>Target (direct/indirect)</b>	<b>15,000</b>	<b>80,000</b>	<b>532,000</b>	<b>627,000</b>

<sup>1</sup> Includes radio and other means (no separate target for indirect beneficiary HH defined for these phases).

<sup>2</sup> Includes only radio listeners that have implemented at least one new practice learned through the radio programme (source: survey Synovate 2011).

## OUTREACH

Over all phases, RLDP reached out to almost 190,000 farming households (HH) through interventions in the different commodity sub-sectors (Table 1); multiplied by an average size of five persons per HH, this equals 950,000 people. More than 67,000 (36%) directly benefitting HH were either women-headed or mixed with the women being the main addressee of the intervention. The overall total number of direct beneficiary households reached was as per the target (187,000 HH), whereas the estimated number of indirectly benefitting HH (through radio, information services, copying by other organizations etc.) reached in the last phase, remained below target (249,700 = 57%). The number of indirect beneficiaries is likely to be higher if all listeners to the 19 radio programmes, effects of policy changes etc. are included. However, attribution to the project is very difficult to establish, therefore this number was not estimated.

## HOUSEHOLD INCOME

As indicated in Table 2 below, initial annual income generated in the different sub-sectors ranged from 193 US\$ (sunflower, baseline 2005) to 1,040 US\$ (dairy, baseline 2008). Additional annual income generated through RLDP interventions ranged from 72 US\$ (cotton) to 410 US\$ (dairy; phase 1+2). Relative (%) additional annual income was lowest for rice (+17%, last phase) and highest for cotton (+96%, phase 3–4). However, the additional income cannot be directly compared between the different phases as the type of interventions varied (e.g. seed production, contract farming, use of different improved production methods, etc.). Higher incomes are mainly a result of increased productivity (see Table 3 below) and to a much lesser extent due to an increase in prices.

**Table 2:** Household income in the different sub-sectors

Sub-sector	Annual household income (US \$)								
	Phase 1+2 (2005–2007)			Phase 3+4 (2008–2011)			Phase 5 (2012–2014)		
	Baseline 2005	Additional <sup>1</sup>	% add.	Baseline 2008	Additional	% add.	Baseline 2011	Additional <sup>1</sup>	% add.
Sunflower	193	153	79	304	110	36	350	152	43
Cotton	368	72	19	185	178	96	320	140	44
Dairy	492	410	83	1,040	335	32	--	--	--
Rice	--	--	--	--	--	--	930	154	17
Poultry	--	--	--	--	-	--	n.a.	93	--

<sup>1</sup> Additional income refers to average additional annual HH income generated through specific RLDP interventions. As much as possible, RLDP measured net income (i.e. gross income minus costs of production)

n.a.= data not available.

## AGRICULTURAL PRODUCTIVITY

Agricultural productivity due to RLDP interventions increased between 32% and 77% in the crop sub-sectors, and by 169% for poultry (Table 3, data only shown for last phase). The increase in productivity is mainly due to the adoption of new / improved agricultural practices, contract farming arrangements that facilitated access to pre-financed inputs (all crop sub-sectors), and training and rural advisory services provided to farmers.

**Table 3:** Agricultural productivity in different sub-sectors

	Yield (kg/ha; No. of birds/HH)			
	Baseline (2011)	Phase 5 (2012–2014)	Increase	% increase
Sunflower	642	1,138	496	77
Cotton (lint)	1,173	1,550	377	32
Rice	1,976	3,400	1,424	72
Poultry	26	70	44	169

## MARKET SYSTEMS LEVEL, SUPPORTING

### FUNCTIONS AND FRAME CONDITIONS

Applying an MSD approach, RLDP identified gaps/mismatches between offer and demand in the different value chains (sub-sectors) and designed interventions that stimulated systemic change for value chain actors (core transaction level in value chain), for related services (support functions), and addressed issues in the business environment (framework conditions). During the last phase (2012–2015), RLDP partnered with 37 different private sector actors. Selected achievements of RLDP interventions (phases 3–5) contributing to market systems level changes, include the following:

**Access to improved seeds:** RLDP addressed the lack of good quality sunflower seeds by promoting the production of Quality Declared Seed (QDS) of improved (soft-shelled, high oil content) sunflower seed varieties as an income generating activity for small seed producers. From 2012 to 2014, 267 tons of QDS sunflower seed was produced

and sold, worth about 220,000 US\$ or 240 US\$ additional annual income per seed producer. This quantity produced covers the annual demand for seed of 25,000 sunflower producers. In collaboration with the Agricultural Seed Agency, improved rice seed varieties were promoted that are suitable for the Sustainable Rice Intensification (SRI) production system. In 2013, farmers bought 12 tons of improved rice seeds from agro-dealers.

### Adoption of improved production methods / Good Agricultural Practices:

These included the use and proper spacing of improved sunflower and rice seeds, improved tillage through block farming (tractor services), conservation agriculture and soil moisture conservation through use of rippers, integrated pest management, improved poultry rearing methods, and improved postharvest practices.

**Contract Farming (CF) arrangements:** Given the weak relationship and lack of trust between market actors, CF was promoted as a mechanism to establish a mutually beneficial and sustainable relationship between private sector buyers (processors) and producers. In the last phase, RLDP facilitated CF arrangements with 16 partners (sunflower oil processors, cotton ginners, and rice millers) involving 82,300 farmers in the three crop sub-sectors of sunflower, cotton and rice. CF and Villages Saving & Lending (see below) allowed for increased engagement of women in commercial agriculture. CF was less successful for the rice sector (details in the CAPEX on contract farming).

### Market support for improved quality, certification, and standards:

in collaboration with the Central Zone Sunflower Processor Association, RLDP facilitated the testing of oil purification to improve quality; certification of QDS seed by the Tanzania Official Seed Certificate Institute; promotion of production and support to certification of organic cotton; and monitoring by Local Government Authorities of weights and standards (e.g. control of calibration of weighing scales).

**Improved advisory and information services:** RLDP fostered the improvement of rural advisory services (RAS) to farmers via involvement of the national extension system and embedded services from processors (mostly within

CF arrangements). It promoted district RAS forums that triggered vertical and horizontal linkages between stakeholders. RLDP facilitated the production of 19 radio programmes with different commercial radio stations (RFA, Radio 5, CG FM). The INUKA radio programme (2011) was still running three years after the end of RLDP support (see also CAPEX on radio).

**Access to finance:** RLDP promoted Villages Saving & Lending (VSL) groups in poultry, sunflower QDS, and rice sector. Supporting access to finance in the poultry and rice sectors were RLDP's key initiatives for women's economic empowerment. In 2013, VSL groups involved 2,195 women and 1,227 men in a total of 31 villages. Loans from VSL schemes were used for production and marketing of rice (see also CAPEX on gender mainstreaming, chapter VSL). RLDP linked processors with banks/microfinance institutes facilitating access to loans for investments in improved processing equipment.

**Improved business environment – policy influence:** In order to improve the business environment for sub-sector growth, RLDP strengthened actors such as interest groups and organised private sector actors to better advocate for policy changes. It also contributed to improved capacity of policy makers to implement the changes. Finally, it facilitated the dialogue between the two sides. Table 4 summarises some of the main achievements in these regards.

## COST-BENEFIT

Based on conservative estimates, the total additional income generated over a period of 10 years is 40 million US\$ (Table 5). **On average, 1 US\$ invested by RLDP generated 3.2 US\$ additional income.** The ratio of RLDP investment to additional income generated was lower in the first phase, validating the decision to switch from the initial market linkage approach to the MSD approach from 2008 onwards.

**Table 4:** Selected achievements of RLDP for improved business environment and policy influence

Sector	Contribution to improved business environment – policy influence
Sunflower	The Tanzania Sunflower Processor Association managed successfully to lobby for the introduction of tariffs on imported cheap crude palm oil to protect the domestic sunflower oil market, and the waiver of taxes on imported sunflower oil processing equipment. RLDP facilitated discussions between sunflower processors' associations and the Tanzania Bureau of Standards that contributed to the introduction of two new quality standards for sunflower oil.
Cotton	In collaboration with the Tanzania Cotton Board and supported by the Tanzania Gatsby Trust, RLDP supported the introduction of compulsory contract farming for the cotton sector. The Tanzania Cotton Growers Association presented a cotton policy development brief at a parliamentary session in 2013, and later lobbied for cotton farmers' issues to be incorporated in the revised constitution.
Dairy	The Tanzania Dairy Board and Tanzania Milk Processors Association successfully lobbied for the waiver of VAT on dairy processing and storage equipment by the Ministry of Finance. Support to inter-ministerial committee that evaluated overlaps of sector policies and regulations. The elaborated policy document "Proposal for rationalization and harmonisation of overlapping regulations in the dairy sector" was submitted to the Tanzania Dairy Board and presented as a bill to the Parliament.
All / general	Three policy briefs drafted in 2013 on "Impact of tariff and non-tariff trade barriers for staple foods on the livelihood of small scale farmers", "Assessment of adherence to recommended weights and measures in grain value chains and implication on transaction costs" and "Postharvest losses in Tanzania: Challenges and options for mitigation". Produced within the frame of the Tanzania Markets Policy Action Node (additional sub-project financed by AGRA; <a href="http://www.repoa.or.tz/policy">www.repoa.or.tz/policy</a> : section TM-PAN). RLDP became a member of the Agricultural Non-State Actor Forum (ANSAF) in 2009 and contributed to strengthening this. RLDP assumed ANSAF chair during 2011.

**Table 5:** Ratio RLDP investment / additional HH income generated (amounts in million US\$).

Phase	Additional HH income in sub-sectors <sup>1</sup>	RLDP investment in sub-sectors	Ratio additional income: RLDP investment
Phase 1+2 (2005–2007)	10.8	4.7	2.3
Phase 3+4 (2008–2011)	14.9 <sup>2</sup>	3.9	3.8
Phase 5 (2012–2014)	15.4 <sup>2</sup>	4.4	3.5
Total	41.1	13.0	3.2

<sup>1</sup> Average annual additional income x No. of years benefitting.

<sup>2</sup> Based on a conservative estimate that 80% and 60% of the farmers have effectively obtained the additional income in phases 3+4 and 5, respectively.