



Avocado Strategic Partnership

Overview

Avocado (*Persea americana*) is a tree, long thought to have originated in South Central Mexico. The fruit of the plant, also called an avocado (or avocado pear or alligator pear), is botanically a large berry containing a single large seed known as a "pit" or a "stone". Avocados like most nutritious fruits are commercially valuable and are cultivated in tropical and Mediterranean climates throughout the world. The optimum soil pH for avocado is between 6.2 and 6.5 lime.

The International Trade Centre, Tanzania has seen exports grow at a compound annual growth rate (CAGR) of 35%, from 2013 to 2017, to approximately 4.4 thousand metric tons in 2017 from 1.4 thousand metric tons in 2013.

In Tanzania, Avocado production is increasingly gaining popularity with new farms opening up in many parts of the country. Regions such as Njombe, Iringa, Geita and even Kagera have recorded increases in planted areas with the high yielding; export market-oriented variety – Hass and Fuerte. Other regions where Avocado is grown are Arusha, Morogoro, Kilimanjaro, Mbeya, Songwe and Ruvuma. There is huge demand of Avocado in the World market making the product a potential significant contributor to foreign exchange earnings and government revenue if harnessed well.

Apart from increased export volume, there is also an appetite of investment in the value addition for Avocado. The Ihemi Cluster already has two avocado processing factories – Zalacado in Iringa and Olivado in Njombe.

Key Stakeholders in the Avocado Partnership

- Public Sector
- Private sector
- Development Partners
- Farmers organisations
- Individual farmers
- Civil Society Organisations

The Southern Agricultural Growth Corridor of Tanzania (SAGCOT)

Is a public-private partnership that seeks to catalyse responsible agribusiness investments in the country's southern corridor. The SAGCOT Centre Ltd serves as a partnership broker and information hub among SAGCOT partners to facilitate socially inclusive and environmentally sustainable value chain investments. SAGCOT Centre actively promotes and facilitates strategic partnerships due to their high impact and potential for expansion.



What makes the Avocado partnership a strategic partnership?

Competitively, Kenya has grown to become the 6th largest exporter of Avocados by volume in 2017, while Tanzania is ranked as the 20th largest supplier. Tanzania enjoys ideal climatic conditions which places the country in a better position to become a leader in avocado production in East Africa. The avocado strategic partnership is a clear pathway towards addressing industry challenges and increasing Tanzania's share on the global exports of avocado.

Transforms farmers' food security and improves livelihoods.

Avocados play a significant role in improving nutrition and food security in the SAGCOT region and beyond due to their rich protein and mineral content compared to animal protein. Economically, the fruit enjoys a good market in Tanzania and internationally making it a good source of income for farmers besides earning foreign currency for the country.

Seeks end-to-end value chain solutions

The Avocado Partnership seeks to promote private business in nurseries management to increase the number of seedlings, investment in agronomy and extension services, investment in irrigation schemes, expand production of Hass variety to meet market demand, investment in cold storage facilities and diversification of export markets. Following the government plans to construct a cold storage facility at Songwe airport, international cargo flights will soon transport avocado and other horticultural produces directly to the international markets. The Government is also in the process to build a green belt at the Dar Es Salaam port special for perishable products including avocado.

Convenes partners

The stakeholder engagement through the Avocado Partnership seeks to create a platform for all value chain actors to address challenges collectively. SAGCOT partners have invested in the corridor in production, pack houses and cold storage facilities. Key partners in the avocado partnership include Tanzanice, Lima Kwanza, Kuza Africa, GBRI, Kibidula farm, Olivado, and Development partner supported projects like Mboga na Matunda, TAHA, Government Agencies and Ministries like Southern Highlands Region Secretariat, and LGAs, Ministry of Agriculture, PO RALG, TANTRADE, TIC and TARI.

About 600 stakeholders participated in the Horticulture Investment Convention held in June 2020 in Mbeya including the public sector (both central and local government authorities), regulatory authorities, development partners, private sector (investors from abroad and within the country), Non-Government organization, research institutions, traders (exporters), farmers, and financial institutions

Offers scalability or replication

The Avocado fruit has been labelled “the green gold” in Tanzania. The 2021 results leverage from efforts by SCL facilitated private sector – mostly avocado exporters such as Olivado-Tanzania, Kuza Africa, Tanzanice Agrofoods in the Ihemu and Mbarali Clusters who have supported the sub-sector in collaboration with the MoA, and RS in the two clusters. They provide advice and knowledge on local and international market standards; appropriate inputs and ensuring smallholder farmers from whom they source the fruits adopt climate smart practices

Demonstrates positive environmental impact

Avocado farming in Tanzania is rainfed and is dominated by smallholder farmers cultivating average farm sizes of 0.9 hectares and 3.0 hectares. The SAGCOT avocado season is different from any other region in the world, farmers have a window between March to June and September to October to take their avocado to the international market and get good price as at this time usually it is an off-season for other avocado producers in other countries.

Inclusive and sustainable impact

The Pest Risk Analysis (PRA) which SCL coordinated with the MoA, avocado exporters and other stakeholders in 2020 has largely contributed to opening up of new Avocado markets in South Africa, China, EU, and India. In 2021 Tanzania secured bilateral agreements to sell avocado in the India and South Africa markets. More work is needed to increase productivity per tree, regulate seedlings production, and minimize pre- and post-harvest losses. These are issues which come out strongly from public-private dialogue in 2021 that need immediate attention.

Key Challenges

More investment is observed in Avocado in terms of the number of trees planted, number of pack houses that are built and also avocado factories which are being constructed. However, there are both challenges and opportunities in the value chain.

OPPORTUNITY	CHALLENGES
Increased supply of seedlings	Limited supply of certified seedlings , Lack of enough extension workers specialized in horticulture, Limited technical skills and GAP knowledge among farmers, Vulnerability to pests and diseases
Increased investments in Infrastructure and logistics	Lack of equipped warehouses with packing and cold-room facilities and Inadequate haulage and port shipping services
Improved Quality and Standards	Low productivity , No national standards on avocados and Limited knowledge on post-harvest handling
Improved Market access	Not all farmers are Global GAP certified, Inadequate packaging material, Lack of an avocado exporter’s association, Limited ability of existing apex associations to tackle local market issues and Cess rates varying by districts within the same region
Finance and Insurance	Limited access to finance, No crop insurance and Low financial literacy and entrepreneurial skills
Policy and enabling environment	Uncoordinated governance of the sector resulting to market instability

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