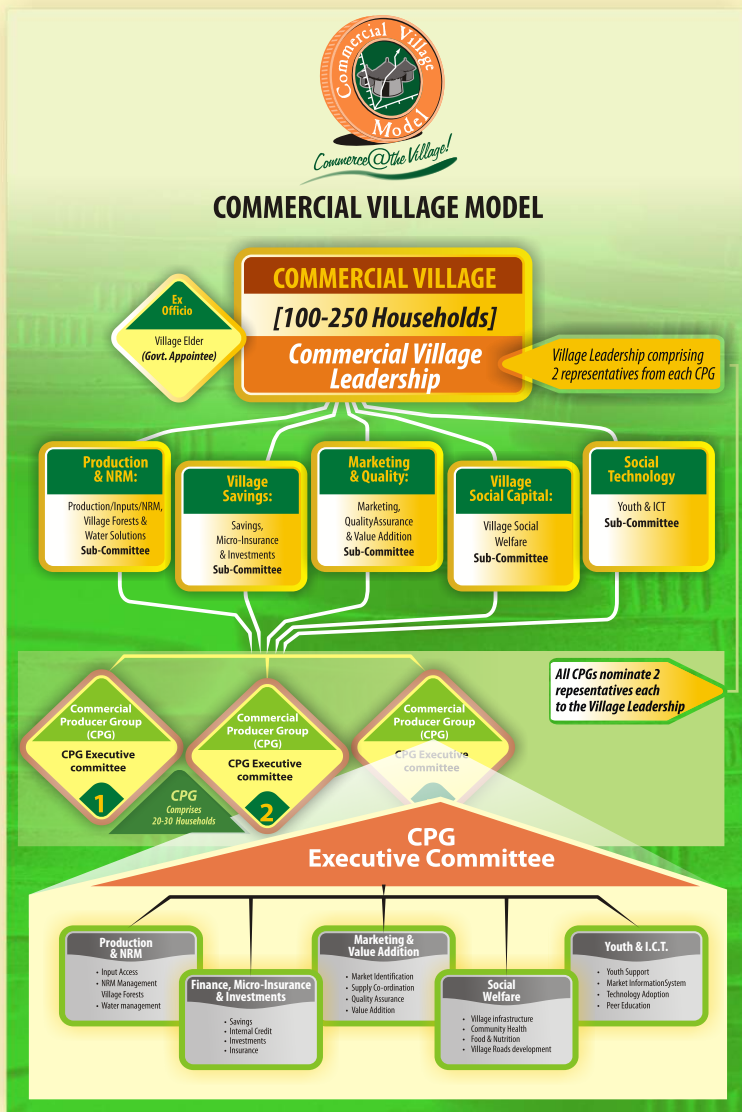


Contribution to Other Programs and Interventions

- The Program is consistent with the objectives of the Tanzanian Government's KILIMO KWANZA Program and the Comprehensive Africa Agricultural Development Program ("CAADP").
- With an emphasis on mothers and children under five years old, the program will integrate nutritional and WASH training, and encourage fortification of food with micro-nutrients.
- It will encourage the understanding that biodiversity and natural resource conservation is a prerequisite for long-term food security and urban-rural food systems sustenance.
- The partners will endeavor to make the Program self-sustaining (and potentially fundable through the fees and interests from the loans) so that it can be rolled out across Africa at low cost.

Rollout Plan

The pilot will take place in the Makindube ADP during the October 2011 growing season. An estimated 4,500 farmers will be trained, 2,250 connected to markets and 1,800 provided with loans. Over 5 years, the Consortium expects to train 252,000 farmers, connect 126,000 to markets, provide 75,600 with loans and 226,800 with savings.



MLAP

Market Led Agricultural PROGRAMME



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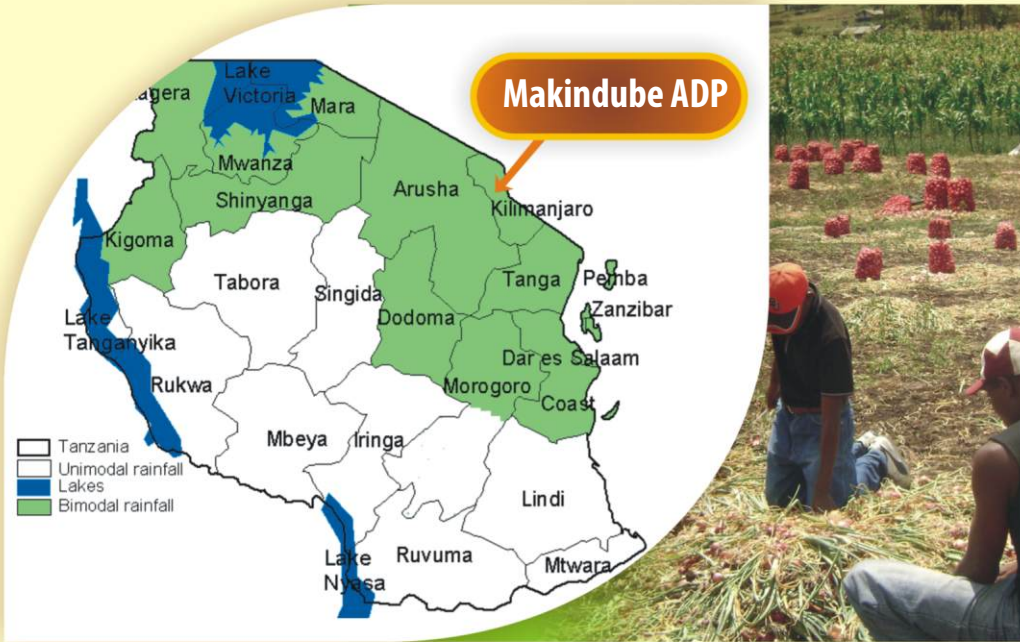
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Winning Markets for the Poor & for Child Well-being!



Overview

Tanzanian economy is agrarian with agriculture accounting for half the national income, forms three quarters of merchandise exports, is a source of food and provides employment to 80 per cent of Tanzanians. Despite the important role it plays, the agricultural sector faces several challenges such as: inaccessibility to markets by smallholders, droughts, low capitalization and lack of access to appropriate farm inputs leading to low productivity.

To address specific issues, several interventions have been designed at different levels, most of which have brought positive contributions and improved the sector. It is against this backdrop that World Vision Tanzania, Farm Concern International, MicroEnsure and SEDA partnered to design an integrated approach called 'Market-Led Agricultural Program (MLAP)' to address market development, agro-enterprise capitalization and weather indexed insurance, as well as enhance the resilience of farmers to climate change.

Market-led agriculture and Climate change consortium (the "Consortium") is implementing a holistic approach to improving community resilience, food security and climate change adaptation for the well-being of children across the most impoverished areas of Tanzania. The Program addresses all elements of the value chain including market needs and access, appropriate inputs, agricultural extension services, warehousing, transport, financing, and weather index insurance to mitigate financing related risk. The Program will also focus on impact measurement based on integrated approaches and partnership engagement.

The consortium trusts that if the necessary expertise and funds (through access to credit) are made available, small-scale farmers in rural areas can sustainably improve their incomes by as much as 600

per cent. Furthermore, such an increase in incomes, and the resulting surge in local economic activity, when linked to financial literacy, nutrition, health and ecological training can lead to vibrant local economies with educated, healthy children and sustainable ecology.

Members of the Consortium and their Responsibilities

- I. World Vision Tanzania:**
 Through its community development efforts (agriculture, economic development, health, education and WASH reaching over 4.5 million beneficiaries in 62 ADPs) has developed strong grass roots relationships and become a trusted partner in the rural communities. It will:
 - Lead the program through the Secretariat which represents all the members of the Consortium.
 - Coordinate community entry, processes and activities.
 - Mobilize farmers into groups and facilitate a comprehensive training program.
 - Coordinate with the Ministry of Agriculture to access agricultural extension services.
 - Provide support infrastructure such as storage facilities, transport, and irrigation to enhance market-led intervention.
- II. Farm Concern International (FCI):**
 Farm Concern International, FCI, is a Market Development Agency that develops pro-poor marketing models and smallholder commercialization Models enhancing economic growth among poor communities in Africa. FCI will:

- Conduct market research and opportunities analysis.
- Identify buyers and build business partnerships.
- Organize farmers into commercial Villages building their capacity and structures
- Facilitate linkages to input suppliers, link inputs suppliers to SEDA (as lender) to the farmers through a structured model.
- Facilitate in partnership with WVT and other partners the adoption of post-harvest and value addition technologies

Strategic Objectives

1. Understand market demand and what can be produced within the local agricultural context.
2. Develop business partnership that links smallholders to the markets.
3. Develop climate change resilient production systems that meet market demand and attract premium prices.
4. Establish volume procurement agreements for the purchase and delivery of effective seed, fertilizer and pesticides.
5. Provide loans to facilitate input purchases and tide the farmer over until the optimal selling time.
6. Facilitate access to storage and other post-harvest management technologies, hence reduce post-harvest losses
7. Facilitate access to business development services through private and public sector partnerships
8. Build the capacity of target beneficiaries (farmers and market players) on business skills, production, value addition, post-harvest management and saving.
9. Train in the use of conservation agricultural techniques to improve the soil and increase resilience to variations in rainfall.

III. SEDA:

As an MFI, will lend to the farmers on a risk mitigated basis due to the holistic approach of the Consortium, and lend to micro-entrepreneurs within the communities. Regarding farmers, SEDA will provide:

- Loans to farmers to access quality seed, fertilizer and chemicals, and to provide interim cash flow during planting season (for food and education) so that the produce can be sold when prices are optimal.
- Financial Literacy training on the responsible use of financial products and services, and eventually various saving products.

IV. MicroEnsure:

Provides a weather index based insurance product that pays off on the basis of micro weather patterns that are tracked by locally placed and remotely monitored weather stations. The cost is embedded in the loan.

Partners and Secretariat Roles

