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## **Report Name:** Grain and Feed Annual

**Country:** Tanzania

**Post:** Dar Es Salaam

**Report Category:** Grain and Feed

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### **Report Highlights:**

MY 2023/24 corn production is anticipated to increase roughly 3 percent to 6.1 million metric tons (MT) as more farmers switch to corn production in response to high prices. Post anticipates production will remain below historical levels due to high fertilizer prices and fall army worm outbreaks. MY 2023/24 wheat imports are expected to continue to rise from 1.05 to 1.15 million MT as income growth and urbanization drive demand. Rice production is forecast to increase from 2.2 to 2.4 million MT in MY 2023/24 as farmers join new irrigation schemes in the Southern Highlands and Northern Regions.

## Corn

**Table 1: Production, Supply, and Distribution (PS&D)**

Corn	2021/2022		2022/2023		2023/2024	
	Jul 2021		Jul 2022		Jul 2023	
Market Year Begins	Jul 2021		Jul 2022		Jul 2023	
Tanzania, United Republic of	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested (1000 HA)	4400	4400	4000	4000		4200
Beginning Stocks (1000 MT)	1284	1284	1004	1401		1096
Production (1000 MT)	6500	7000	5900	5900		6100
MY Imports (1000 MT)	20	16	20	70		30
TY Imports (1000 MT)	20	22	20	70		30
TY Imp. from U.S. (1000 MT)	0	0	0	0		0
Total Supply (1000 MT)	7804	8300	6924	7371		7226
MY Exports (1000 MT)	700	709	400	425		425
TY Exports (1000 MT)	730	735	300	425		425
Feed and Residual (1000 MT)	900	650	600	550		500
FSI Consumption (1000 MT)	5200	5540	5200	5300		5400
Total Consumption (1000 MT)	6100	6190	5800	5850		5900
Ending Stocks (1000 MT)	1004	1401	724	1096		901
Total Distribution (1000 MT)	7804	8300	6924	7371		7226
Yield (MT/HA)	1.4773	1.5909	1.475	1.475		1.4524

(1000 HA) ,(1000 MT) ,(MT/HA)  
 MY = Marketing Year, begins with the month listed at the top of each column  
 TY = Trade Year, which for Corn begins in October for all countries. TY 2023/2024 = October 2023 - September 2024

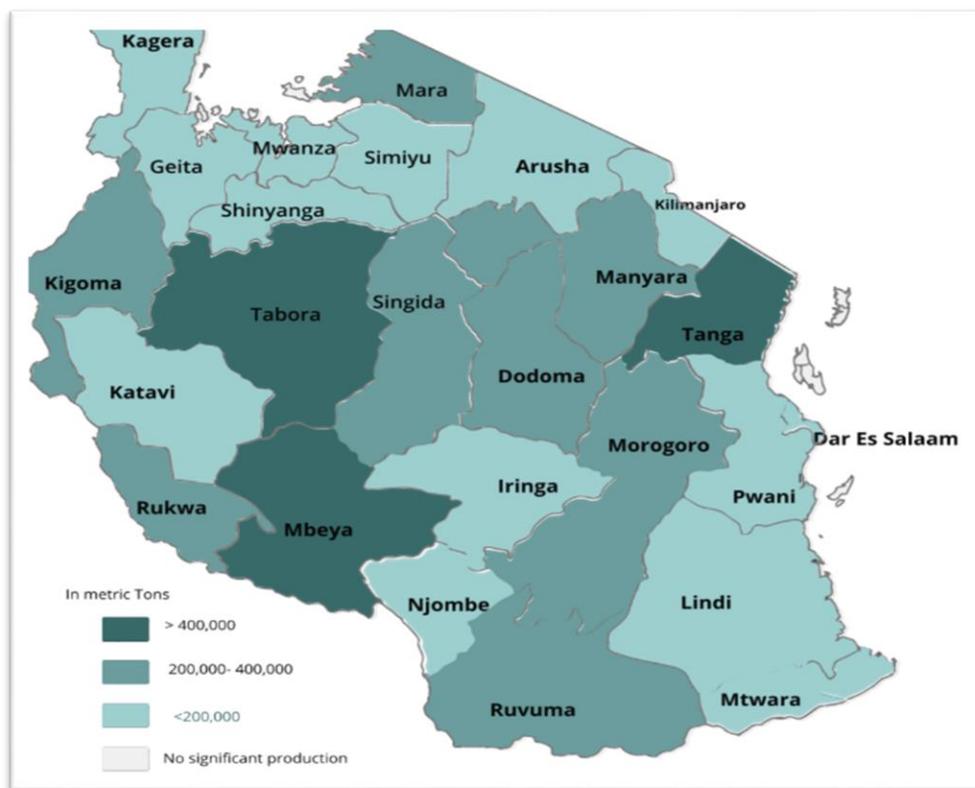
## Production

MY 2023/24 corn production is expected to increase by 3 percent to 6.1 million metric tons (MT) as farmers respond to high prices and increase acreage. Drought-related production shortfalls in MY 2022/23 have prompted corn prices to more than double to \$51.4 per 100 kilograms (kg) in December 2022, compared to \$25 per 100 kg during the same month in 2021. Area harvested is projected to increase from 4 million hectares to 4.2 million as farmers return to corn production due to elevated corn prices.

MY 2023/24 production is anticipated to remain below historical levels due to poor yields. Yields are anticipated to be negatively affected by an outbreak of fall armyworm in most corn-producing regions and limited access to subsidized fertilizer. According to industry sources, retail fertilizer prices have increased due to disruptions associated with Russia’s invasion of Ukraine. Average market prices for a 50 kg bag of di-ammonium phosphate (DAP) range from \$53 to \$55 up roughly 45 percent from prevailing prices in 2021 (Appendix 1). Prices for urea have increased roughly 57 percent from 2021 to \$51 per bag (Appendix 2). While the Government of Tanzania (GoT) has allocated \$64 million to provide fertilizer at a subsidized price, delivery of subsidized fertilizer to farmers has historically faced distribution challenges. Subsidized fertilizer is frequently kept in towns far from farmers’ fields or arrives too late in the season to improve productivity. In general, fertilizer is underused in Tanzania with application rates equal to 28 to 40 percent of soil requirements. More than 90 percent of Tanzania’s fertilizer supply is imported.

Tanzania’s main agro-ecological zone for corn production lies between 500 and 1,500 meters above sea level. The Southern Highlands and Lake Regions account for 26 and 25 percent, respectively, of Tanzania’s corn-producing area (Figure 1). These areas are followed by the Eastern Region (13 percent), Northern Region (12 percent), Western Region (10 percent), Southern Region (8 percent), and Central Region (6 percent).

**Figure 1: Corn Growing Areas in Tanzania**



Source: Tanzania Ministry of Agriculture, Annual Sample Survey, 2020/21.

*Changes to MY 2022/23*

Post’s estimates MY 2022/23 production at 5.9 million MT, down 15 percent from the previous year due to drought conditions throughout Tanzania’s corn-growing regions and a reduction in area harvested. According to local sources, many corn farmers switched to crops such as beans, sunflower, and cassava following delayed rainfall in the planting season. MY 2022/23 yields were also negatively affected by the 2021 removal of government-mandated price ceilings for fertilizer, which caused prices to nearly double compared to the maximum allowed under the ceiling program.

### Consumption

MY 2023/24 food, seed, and industrial (FSI) consumption is forecast to increase 2 percent to 5.4 million MT due to a slight increase in domestic production and area harvested. However, Post anticipates consumption will remain below MY 2021/22 levels. High prices and below-normal production levels will likely turn consumers toward other food sources such as bananas, cassava, potatoes, and sweet potatoes as lower-cost alternatives. Corn is Tanzania’s most important food staple, providing more than 80 percent of dietary calories and 35 percent of protein consumption. On average, corn purchases account for 16 percent of household food expenditures, but this figure varies dramatically by region.

Post forecasts MY 2023/24 feed and residual consumption will decrease to 500,000 MT due to high prices and reduced demand in the feed sector. In November 2022, Tanzania revoked import permits for chicken parent stock decreasing the supply of day-old chicks for Tanzania poultry producers. This constraint has reduced the output of Tanzania’s poultry sector, reducing demand for feed corn. Corn is a key ingredient for poultry feed, with roughly 70 percent of feed rations utilizing corn as the primary energy ingredient. Historically, the feed sector has faced competition from human consumption for available corn supplies.

### Changes to MY 2022/23

Post revises MY 2022/23 FSI consumption down to 5.3 million MT due to high prices triggered by low domestic production. Feed consumption is revised down to 550,000 MT due to high prices and reduced demand due to Tanzania’s import restrictions on day-old chicks.

### Trade

MY 2023/24 corn exports are forecast at 425,000 MT as Tanzania’s below-average production is directed towards domestic consumption. Historically, the GoT has implemented export bans when supplies decline to keep prices low, especially during times of scarcity. In November 2022, Tanzania’s national food price inflation stood at 9 percent, reflecting rising corn prices. MY 2023/24 corn imports are expected to remain at historical levels around 30,000 MT.

**Table 2 Tanzania Year-to-Date MY Corn Exports by Destination (July to November)**

Tanzania Corn Exports by Importing Country (July to November)								
Country	2015	2016	2017	2018	2019	2020	2021	2022
Kenya	87,139	34,480	10,878	17,989	117,617	52,253	364,247	328,937
Ghana	0	0	22	0	0	0	0	0

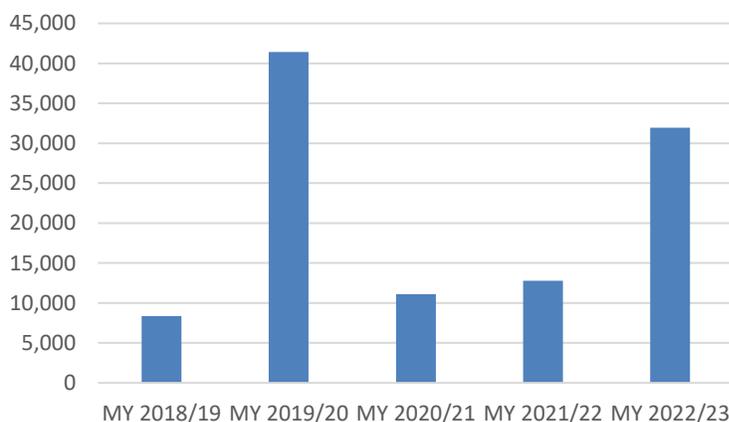
Source: Trade Data Monitor, LLC

## Changes to MY 2022/23

Post has revised MY 2022/23 exports up to 425,000 MT from Post's previous forecast as production shortfalls in Kenya increase regional demand for Tanzanian exports. As of December 2022, Tanzania's corn exports stand at 328,937 MT, down 9 percent from the same period last year. Post estimates MY 2022/23 exports will fall short of the record levels seen in MY 2021/22 due to lower available exportable supplies. Additionally, traders have reported difficulty obtaining export permits from GoT authorities.

MY 2022/23 imports are on track to reach a record 70,000 MT as Tanzania imports corn for feed use. Traditionally, Tanzania has primarily imported corn for seed use; however, according to industry sources, Tanzania feed manufacturers are turning to foreign corn sources due to domestic production shortfalls. While demand for feed corn has decreased due to lower poultry production, local sources note that competition with human consumption has driven feed manufacturers to turn to foreign suppliers. As of December 2022, Tanzania has imported 31,000 MT of corn to supplement local supply, mostly from Zambia.

**Figure 2: Tanzania MY Year-to-Date Corn Imports (July to December)**

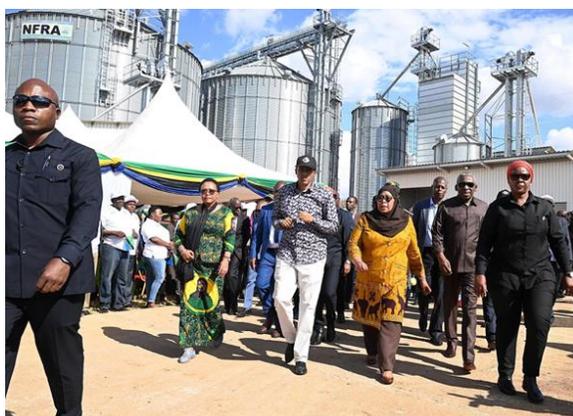


Source: Trade Data Monitor, LLC

## Stocks

MY 2023/24 ending stocks are estimated at 900,000 MT as below-average production tightens available supplies. In general, Tanzania's storage capacity continues to expand. In 2017, Tanzania received a \$55 million loan from the Government of Poland to construct grain silos. Tanzania is using these funds to construct silos in eight NFRA zones: Babati (Northern Region), Dodoma (Central Region), Makambako (Southern Highlands), Mbozi (Southern Highlands), Shinyanga (Lake Region), Songea (Southern Highlands), Sumbawanga (Southern Highlands), and Mpanda (West Region). In November, 2023 President Hasan launched 8 new completed silos in the Northern Region increasing the GoT's storage capacity by 40,000 MT. According to the Ministry of Agriculture, when complete, the NFRA will be able to store 546,000 MT of maize per year. Currently, NFRA owns 30 storage facilities with a total storage capacity of 246,000 MT (see Photo 1).

**Photo 1: President of Tanzania and the Minister of Agriculture at the Silo Complexes, NFRA, Babati.**



Source: National Food Reserve Agency (NFRA)

### *Changes to MY 2022/23*

MY 2022/23 ending stocks are estimated at 1.1 million MT, reflecting lower available supplies. Government-held stocks peaked in December 2021 (Table 3) but have steadily declined over 2022.

**Table 3: Corn Stocks in MT Held by the Tanzania National Food Reserve Agency (NFRA)**

Month	2018	2019	2020	2021	2022
January	91,947	93,037	43,597	110,398	207,899
February	91,313	85,525	41,231	110,389	203,297
March	83,650	78,336	39,597	109,231	200,626
April	73,468	68,748	38,053	109,231	190,366
May	68,893	68,058	38,291	108,284	149,402
June	63,844	67,336	52,725	107,384	141,576
July	62,288	67,410	90,255	107,384	140,695
August	62,317	68,407	92,991	123,635	144,410
September	78,224	61,711	109,733	150,057	149,044
October	87,435	55,853	110,895	192,408	151,794
November	92,402	52,727	110,289	209,057	147,401
December	95,534	52,498	110,398	214,968	137,655

Source: Bank of Tanzania (BOT), National Food Reserve Agency (NRFA)

### Policy

Tanzania uses a facility called the Strategic Grain Reserve (SGR) to buy corn from farmers. The SGR absorbs surplus corn in the market by buying at a fixed price above prevailing market rates. Tanzania frequently implements trade and market measures such as the SGR to help maintain stable market prices for corn and inputs. From October 2022 to January 2023, Tanzania sold 17,429 MT of corn in 57 districts at a 50 percent discount in an effort to stabilize prices, however these sales were not sufficiently large to normalize prices. The GoT has attempted to reduce fertilizer prices by allocating \$64 million to provide fertilizer at a subsidized price. The impact of these subsidies may be limited as historically distribution of subsidized fertilizer has faced challenges, with fertilizer is frequently stored far from farmers' fields or arriving too late. The GoT has not yet declared a food insecurity emergency related to drought conditions, however the NFRA is releasing food to regions that have been significantly impacted by high corn prices.

### Marketing

Corn prices have more than doubled due to low domestic production, exceeding \$51 per 100 kg in December 2022 (Table 4). Prices are anticipated to remain high into MY 2023/24 as domestic production remains below historical levels.

**Table 4: National Average Wholesale Corn Prices in \$ per 100Kg**

Month	2020	2021	2022
Jan	40.0	24.5	31.2
Feb	37.0	22.2	28.2
March	28.0	21.0	29.5
April	26.0	19.4	31.9
May	24.0	19.0	31.8
June	25.0	18.4	38.1
July	25.1	19.0	41.0
Aug	24.4	19.3	40.9
Sept	23.5	19.1	45.3
Oct	25.0	21.0	47.1
Nov	25.0	21.4	50.0
Dec	24.5	25.0	51.4

Source: Bank of Tanzania, Ministry of Industry and Trade

## Wheat

**Table 5: Wheat: Production, Supply, and Distribution (PS&D)**

Wheat	2021/2022		2022/2023		2023/2024	
	Jul 2021		Jul 2022		Jul 2023	
Market Year Begins	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Tanzania, United Republic of						
Area Harvested (1000 HA)	70	70	60	60		55
Beginning Stocks (1000 MT)	90	90	107	85		85
Production (1000 MT)	100	100	75	75		68
MY Imports (1000 MT)	917	950	900	1050		1115
TY Imports (1000 MT)	917	950	900	1050		1115
TY Imp. from U.S. (1000 MT)	0	0	0	0		0
Total Supply (1000 MT)	1107	1140	1082	1210		1268
MY Exports (1000 MT)	0	0	0	0		0
TY Exports (1000 MT)	0	0	0	0		0
Feed and Residual (1000 MT)	0	0	0	0		0
FSI Consumption (1000 MT)	1000	1055	1000	1125		1175
Total Consumption (1000 MT)	1000	1055	1000	1125		1175
Ending Stocks (1000 MT)	107	85	82	85		93
Total Distribution (1000 MT)	1107	1140	1082	1210		1268
Yield (MT/HA)	1.4286	1.4286	1.25	1.25		1.2364

(1000 HA) ,(1000 MT) ,(MT/HA)  
 MY = Marketing Year, begins with the month listed at the top of each column  
 TY = Trade Year, which for Wheat begins in July for all countries. TY 2023/2024 = July 2023 - June 2024

### Production

MY 2023/24 wheat production is forecast at 68,000 MT a 9 percent decrease year-on-year as farmers switch from wheat to alternative crops. More than 90 percent of Tanzania's wheat production comes from the Northern and Southern Highlands regions. Local sources indicate planting in both regions has been disrupted by delayed rains and the untimely distribution of government-subsidized fertilizer. Area planted for wheat is anticipated to decrease from 60,000 hectares to 55,000 hectares as local sources indicate farmers are planting alternative crops such as corn and beans. Corn is increasingly attractive to Tanzania farmers due to soaring prices and some wheat farmers have switched to beans due to delayed

rains. Beans generally perform better than wheat under low rainfall conditions and Tanzania farmers switch to beans when rain is delayed or below average levels.

The level of wheat mechanization in Tanzania can be grouped into three modes of production: large-scale mechanized production, small-to-medium-scale mechanized production, and hand-tool production, with large-scale mechanized farms dominating production in the Northern Highlands. In the Southern Highlands, farms fall under a mix of medium-scale mechanization and hand-tool production.

#### *Changes to MY2022/23*

Post estimates MY 2022/23 production at 75,000 MT due to low yields associated with drought conditions in the Northern Highlands. Post maintains its previous area harvested forecast of 60,000 hectares. According to local sources, farmers decreased area dedicated to wheat in MY 2022/23 as they switched to bean production as a response to delayed rainfall.

#### **Consumption**

MY 2023/24 consumption is expected to rise by 4 percent to 1.175 million MT. A shift towards wheat consumption has been observed in urban and peri-urban areas, with urban areas accounting for 80 percent of Tanzania's wheat consumption. The growth of major cities like Dar es Salaam, Mwanza, and Arusha has supported long-term demand growth for wheat products as consumers turn to staples that are easy to prepare and consume without sitting down at a table. Commonly consumed wheat products include chapati (an Indian flat bread), mandazi (an African donut), and bread. Growth wheat products include pasta, biscuits, and breakfast cereals. Rising incomes have also increased demand for wheat products as consumers shift from corn-based staples to new products utilizing wheat as a primary ingredient. According to the World Bank, Tanzania's per-capita income has increased 50 percent since 2010, reaching almost \$1,100 in 2021.

Tanzania's overall milling capacity currently stands at about 10,000 MT per day, compared to 6,000 MT in 2016, although no new milling investment has occurred in 2022. The Tanzania wheat milling industry is concentrated in Dar es Salaam with local companies that have modern wheat mills and silos.

#### *Changes to MY2022/23*

MY 2022/23 consumption is estimated at 1.125 million MT, an increase of 75,000 MT from the year before, reflecting a long-term shift in consumption towards wheat. While wheat prices have increased in 2022/23, wheat prices have increased less than corn prices on a relative basis which have more than doubled year-on-year. Wheat consumption in Tanzania is ranked fourth after corn, cassava, and rice.

#### **Trade**

Post forecasts a 6.2 percent increase in MY 2023/24 wheat imports to 1.115 million MT due to rising demand and a decline in domestic production. Tanzania primarily imports wheat from Russia, Australia, Ukraine, Argentina, the EU, and Canada, (see Table 6). While Tanzania traders have an appreciation for the high quality of U.S. wheat, they report that high shipping costs make it less competitive than alternative sources. Both Ukraine and Russia are important exporters to Tanzania, particularly Russia which regularly supplies more than half of Tanzania's wheat supply.

#### **Table 6: Major Wheat Exporters to Tanzania, Calendar Year, MT**

Country	2016	2017	2018	2019	2020	2021	2022
Russia	376,344	680,662	760,613	516,097	700,911	377,123	*
Australia	0	1,257	1,008	1,005	903	200,867	108,083
Ukraine	0	415	40,000	53,739	46,620	113,595	49,251
Argentina	48,580	90,835	33,203	0	0	66,112	81,900
Canada	63,282	110,508	90,586	48,699	33,425	29,499	36,300
India	26	26	25	13	45	71	47,698
EU 27	287,741	181,049	29,100	164,537	208,171	0	228,797
United States	66,508	2,900	12,000	102,735	0	0	0

Source: Trade Data Monitor

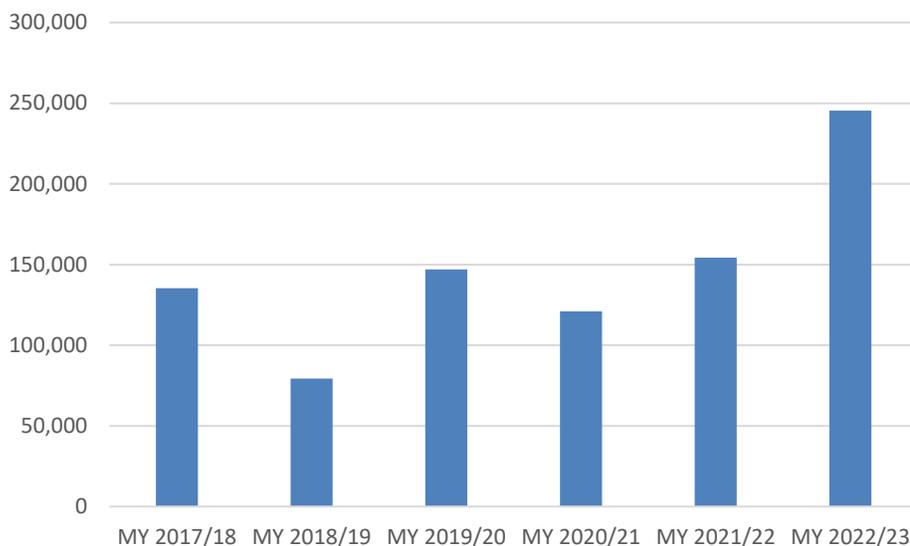
\*Import data from Russia not available for 2022.

Wheat imports are controlled by the GoT which sets an import quota through the issuance of import permits. Under this system, the GoT estimates the total demand for wheat and issues import permits until this demand is met, restricting additional imports. For MY 2023/24, the GoT has determined that Tanzania has a blanket demand of 1 million MT. The GoT currently applies a tariff rate of 10 percent for hard wheat imports, lower than the EAC common external tariff of 35 percent. This lower tariff is submitted annually to the EAC for approval. Tanzania is not a significant exporter of wheat.

#### *Changes to MY2022/23*

Post estimates MY 2022/23 imports at 1.05 million MT, a 100,000 MT increase from MY 2021/22 as increasing demand triggers higher imports. 2022 trade data from Russia (Tanzania's traditional largest wheat supplier) is not available. As of December 2022, Tanzania MY 2022/23 imports from non-Russian sources currently stand at 245,000 MT, nearly double the average import level over the same period during the previous five years (Figure 3). This trend suggests elevated demand for Tanzania wheat imports.

**Figure 3: Tanzania MY Year-to-Date Wheat Imports from Suppliers Outside Russia, MT (July to December)**



Source: Trade Data Monitor, LLC

### Stocks

Post forecasts MY 2023/24 stocks within historical levels at 93,000 MT as increased consumption is accommodated by higher imports. Wheat stocks are mainly held by traders, millers, and farmers in their stores and warehouses.

### Policy

In 2022, the GoT set a goal of increasing wheat cultivation to 400,000 hectares by 2025. Towards this end, the GoT has made land available for use by interested wheat farmers, however local sources indicate that as of March 2023 this land has not been widely utilized due to delayed rains.

The GoT has also allocated more than \$66 million to the Tanzania Agricultural Research Institute to develop improved wheat varieties and boost domestic seed production. In 2022, TARI released two new varieties for use which provide resistance to stem rust and stem lodging. According to TARI, the varieties can produce between 3 to 5 MT per hectare, an improvement on prevailing yields in Tanzania. The GoT also announced a goal of increasing seed production to 55,000 MT per year through TARI, however this target has not yet been achieved.

### Marketing

A 5 kg package of wheat flour currently sells for \$6, compared to \$4.1 in MY 2021/2022. The price of wheat flour fluctuates depending on distance from Dar es Salaam where all mills are situated. Traders have indicated an increase in prices associated with the Ukraine conflict, due to competition for alternative import sources and high fuel costs. Russia and Ukraine are key wheat suppliers to Tanzania, accounting for more than half of Tanzania's imports in 2021.

**Table 7: Average Wheat Price in Tanzania, Jan to Dec 2022, (Prices in \$ per 100Kg)**

<b>Region</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>April</b>	<b>May</b>	<b>June</b>	<b>July</b>	<b>Aug</b>	<b>Sept</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>
Arusha	110	120	120	150	150	140	150	170	140	150	140	150
Dar	150	180	200	250	250	22	200	200	220	220	200	200
Dom	150	165	170	176	174	182	182	182	182	182	182	183
Iringa	150	150	150	200	200	200	180	200	200	200	200	200
Kag	150	140	140	220	220	220	250	220	210	200	200	200
Kili	140	140	140	160	150	140	150	160	150	160	150	140
Man	180	180	200	220	230	200	200	230	230	210	210	210
Kigm	150	150	180	180	250	250	200	200	200	180	200	200
Moro	150	160	170	175	180	220	220	220	230	230	230	230
Njb	180	180	180	180	220	200	200	200	220	230	250	250
Tanga	140	130	170	170	182	200	200	200	200	200	200	200

Source: Bank of Tanzania, Ministry of Industry and Trade

## Rice

**Table 9: Rice: Production, Supply, and Distribution (PS&D) Table**

Rice, Milled	2021/2022		2022/2023		2023/2024	
	May 2021		May 2022		May 2023	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Market Year Begins						
Tanzania, United Republic of						
Area Harvested (1000 HA)	1150	1100	1100	1000		1100
Beginning Stocks (1000 MT)	0	100	0	100		87
Milled Production (1000 MT)	2525	2600	2300	2200		2400
Rough Production (1000 MT)	3826	3939	3485	3333		3636
Milling Rate (.9999) (1000 MT)	6600	6600	6600	6600		6600
MY Imports (1000 MT)	110	100	200	200		180
TY Imports (1000 MT)	180	120	200	200		200
TY Imp. from U.S. (1000 MT)	0	0	0	0		0
Total Supply (1000 MT)	2635	2800	2500	2500		2667
MY Exports (1000 MT)	125	170	30	23		30
TY Exports (1000 MT)	100	55	30	20		30
Consumption and Residual (1000 MT)	2510	2530	2470	2390		2535
Ending Stocks (1000 MT)	0	100	0	87		102
Total Distribution (1000 MT)	2635	2800	2500	2500		2667
Yield (Rough) (MT/HA)	3.327	3.5809	3.1682	3.333		3.3055
(1000 HA) ,(1000 MT) ,(MT/HA)						
MY = Marketing Year, begins with the month listed at the top of each column						
TY = Trade Year, which for Rice, Milled begins in January for all countries. TY 2023/2024 = January 2024 - December 2024						

## Production

Post forecasts MY 2023/24 rice production will increase roughly 9 percent year-on-year to 2.4 million MT as area harvested returns to historical levels after declining in MY 2022/23. The GoT has supported irrigation schemes in the Southern Highlands, parts of Morogoro, and the Northern Regions. Local sources indicate that more farmers are joining these schemes, restoring area harvested to 1.1 million hectares. Post anticipates yields will remain below MY 2021/22 levels due to high fertilizer prices.

The GoT has sought to boost rice production through the National Rice Development Strategy Phase II (NRDS-II). The NRDS-II has made progress in expanding milling facilities and constructing new irrigation schemes. It also has ambitious goals to double Tanzania's rice area to 2.2 million hectares and double productivity by 2030. These goals have not yet been achieved due to many challenges including insufficient funds for the development of new rice varieties, water and irrigation shortages, and limited extension services.

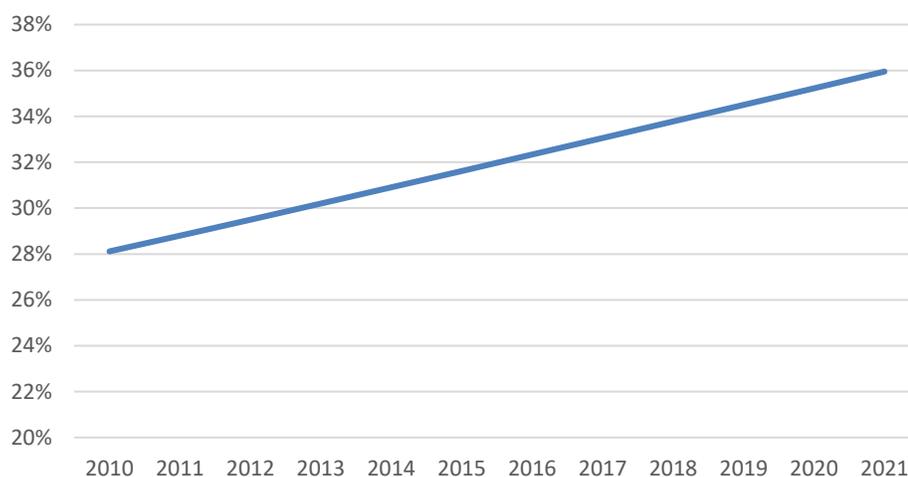
#### *Changes to MY 2022/23*

MY 2022/23 production is estimated to decline 400,000 MT to 2.2 million MT due to dry weather and low input application due to the removal of fertilizer price ceilings in mid 2021. Rice production in Tanzania is mostly rainfed and irrigation systems largely consist of channeling rainwater to rice fields, making them vulnerable to low rainfall. Farmers also frequently leave fields fallow or switch to other crops under poor weather conditions. According to local sources, farmers left fields fallow in the Southern Highlands and Northern Regions due to delayed rainfall, decreasing area harvested 100,000 hectares to 1 million hectares.

#### **Consumption**

MY 2023/24 consumption is forecast to recover from MY 2022/23, increasing by 6 percent to 2.5 million MT as higher domestic production boosts available supplies. Tanzania's shifting demographics will likely increase demand for rice over time, barring price disruptions. Rice is increasingly popular in Tanzania's urban areas and is viewed as a healthy food staple compared to alternatives such as corn. Tanzania's urbanization rate has steadily increased over time, with cities such as Dar es Salaam accounting for 36 percent of the total population in 2021 (Figure 4). Rice is also associated with a higher social status. As Tanzania's urban and middle class population grow, demand for rice is anticipated to increase proportionately.

**Figure 4: Urban Population as Share of Total Population**



Source: World Bank

Dar es Salaam is the principal market for rice and accounts for about 60 percent of national consumption. Tanzanian rice consumers are particular about grain size, color, flavor, and aroma, demonstrating preferences for the following characteristics: long slender rice, translucence, intermediate amylose content, and aromatic to semi-aromatic varieties. Two popularly preferred rice varieties include Supa and TXD 306 (also known SARO 5). Premium, grade one, and standard are common rice grades available in local markets. Premium prices are usually given for aromatic rice.

#### *Changes to MY 2022/23*

Post estimates MY 2022/23 consumption will fall from 2.5 million to 2.4 million MT due to domestic production shortfalls and high prices. As of November 2022, the national average price for a 100 kg bag was \$131, twice as high as the prevailing price during the same period in 2021. According to local sources, rice consumers in MY 2022/23 have shifted to other food staples such as bananas, cassava, and potatoes or have rationed their rice consumption due to soaring prices.

#### **Trade**

MY 2023/24 exports are anticipated to return to historical levels at 30,000 MT. While the GoT has sought to promote Tanzania as a rice-providing country for the East Africa region, Post anticipates MY 2023/24 exports will not reach the record levels seen in MY 2021/22 as below-average production reduces exportable supplies.

Tanzania frequently exports to regional countries including Uganda, Rwanda, Kenya, Burundi, and occasionally Malawi and Zambia. Most foreign traders purchase rice for export at milling facilities in rice-producing areas of the country.

MY 2023/24 imports are forecast to decrease slightly from 200,000 MT to 180,000 MT as increases in domestic production account for a larger share of Tanzania’s available supply. Tanzania primarily imports rice from Pakistan, India and Thailand (see Table 10 below). Tanzania applies a common external tariff of 75 percent ad valorem or \$345 per metric ton, whichever is higher, for imports from non-EAC countries. The 2018 GoT rice import quota to stimulate domestic production remains operational. Similar to wheat, the GoT estimates local rice demand and issues import permits to supplement domestic shortfalls. In February 2023, in an effort to combat rising rice prices, the GoT issued import permits for an additional 90,000 MT of imports to supplement declining local supplies. The GoT issues import permits on an as-needed basis as opposed to setting a blanket target for the year.

**Table 10: Major Rice Exporters to Tanzania, Calendar Year, MT**

Country	2016	2017	2018	2019	2020	2021	2022
Pakistan	173,596	180,099	190,741	146,444	107,327	53,727	91,480*
India	8,116	8695	9,209	7,628	23,646	34,525	67,770
Thailand	23,425	51,206	30,910	14,885	4,280	1,254	2,469
United States	19	11	16,644	0	10	21	21
China	0	0	0	260	1040	0	0

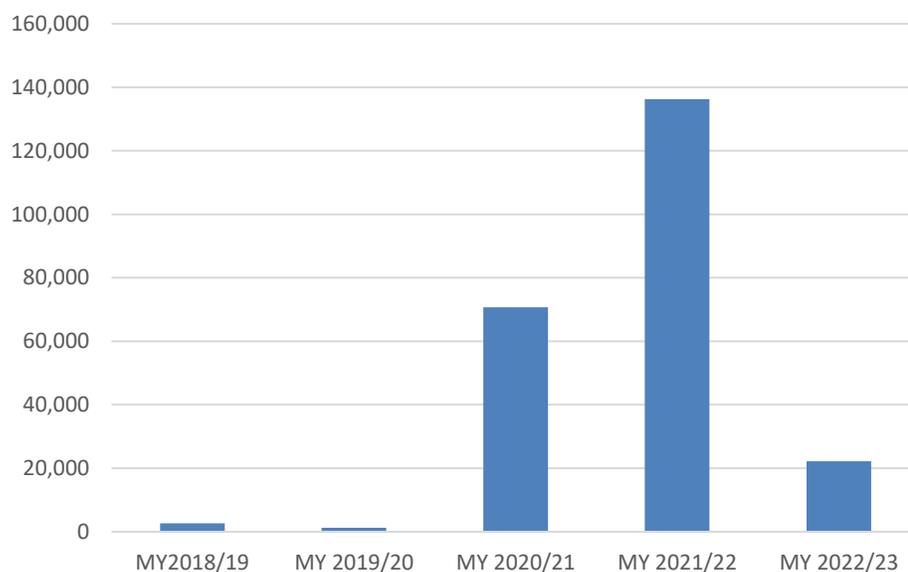
\*Data from Pakistan missing for December 2022

Source: Trade Data Monitor LLC

*Changes to MY 2022/23*

Post estimates MY 2022/23 exports at 30,000 tons, a decrease from the previous year as lower available supplies are dedicated to domestic production. As of December 2022, MY 2022/23 exports stood at 22,000 MT, the lowest level since MY 2019/20. Tanzania MY 2021/22 exports peaked at nearly 175,000 MT due to robust exports to Kenya.

**Figure 5: Tanzania MY Year-to-Date Rice Exports (May to December)**



Source: Trade Data Monitor LLC

MY 2022/23 imports are anticipated to increase to 200,000 MT as Tanzania sources more rice from international suppliers to compensate for below-average domestic production.

### **Stocks**

MY 2023/24 ending stocks are anticipated to recover to 102,000 MT due to year-on-year increases in production. Ending stocks are mainly held by individual farmers, cooperative warehouses, traders, or millers in rented or individually owned warehouses.

### *Changes to MY 2022/23*

Post forecasts MY 2022/23 ending stocks will decline from 100,000 MT to 87,000 MT as lower production restricts supplies.

### **Marketing**

Prices in 2022 have more than doubled from the same period in 2021, due to limited domestic supplies, with prices peaking in September 2022 at \$177 per 100 kg (Table 11). Post anticipates prices may decline in early MY 2023/24 as Tanzania benefits from a larger harvest and additional imports authorized by the GoT's February 2023 decision to issue a 90,000 MT import quota to increase local supplies.

Rice markets in Tanzania are active throughout the calendar year. Consumers mostly prefer polished milled rice which is aromatic long-grain rice. There is also a demand for sticky white long-grain rice. Brown rice and rice flour are available in a very limited supply, and value-added rice products like rice crackers are not common. Consumers usually purchase loose rice from bulk sacks either from traditional small retailers or at farmers' markets. Quality differentiation is limited mainly to the amount of broken rice present, whether it is aromatic or non-aromatic, and whether it is local or imported. Branding for local rice in supermarkets is still limited.

**Table 11: National Average Wholesale Prices of Rice in Tanzania (100 kg)**

<b>Month</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Jan	82	62	90
Feb	82	54	89
March	77	61	89
April	78	62	95
May	70	59	98
June	66	58	101
July	64	59	100
Aug	63	60	106
Sept	62	61	177
Oct	60	65	131
Nov	62	67	135
Dec	62	71	138

Sources: Bank of Tanzania and Ministry of Industry and Trade.

**Appendix 1: Price (in TZS) for DAP Fertilizer (50 kg bag) 2022/23**

<b>Region</b>	<b>Wholesale Market</b>	<b>Retail Market</b>	<b>Subsidized</b>	<b>GoT subsidy</b>
Arusha	124,252	129,440	70,000	59,440
Dodoma	123,067	128,184	70,000	58,184
DAR	120,482	121,676	70,000	51,676
Geita	126,763	132,034	70,000	62,034
Iringa	123,604	128,744	70,000	58,744
Kagera	128,197	133,528	70,000	63,528
Katavi	128,416	133,756	70,000	63,756
Kigoma	127,592	132,898	70,000	62,898
Kilimanjaro	123,396	128,527	70,000	58,527
Lindi	123,166	128,287	70,000	58,287
Manyara	125,202	130,408	70,000	60,408
Mara	128,319	133,655	70,000	63,655
Mbeya	125,061	130,261	70,000	60,261
Morogoro	122,311	127,397	70,000	57,397
Mtwara	123,787	128,934	70,000	58,934
Mwanza	126,656	131,923	70,000	61,923
Njombe	124,299	129,467	70,000	59,467
Pwani	121,138	126,175	70,000	56,175
Rukwa	127,557	132,861	70,000	62,861
Ruvuma	126,369	131,624	70,000	61,624
Shinyanga	126,657	131,924	70,000	61,924
Simiyu	126,667	131,935	70,000	61,935
Singida	124,264	129,342	70,000	59,432
Songwe	126,608	131,873	70,000	61,873
Tabora	125,867	131,101	70,000	61,101
Tanga	122,478	127,571	70,000	57,571

Source: Tanzania Fertilizer Regulatory Authority (TFRA), Exchange rate: USD 1= TZS 2322

**Appendix 2: Price (in TZS) for Urea Fertilizer (50 kb bag) 2022/23**

<b>Region</b>	<b>Wholesale Market</b>	<b>Retail Market</b>	<b>Subsidized</b>	<b>GoT subsidy</b>
Arusha	116,234	121,988	70,000	51,988
Dodoma	115,029	120,724	70,000	50,724
DAR	112,455	113,793	70,000	43,793
Geita	118,725	124,603	70,000	54,603
Iringa	115,566	121,287	70,000	51,287
Kagera	120,159	126,108	70,000	56,108
Katavi	120,378	126,338	70,000	56,338
Kigoma	119,555	125,473	70,000	55,473
Kilimanjaro	115,358	121,069	70,000	51,069
Lindi	115,128	120,827	70,000	50,827

Manyara	117,164	122,964	70,000	52,964
Mara	120,282	126,236	70,000	56,236
Mbeya	117,023	122,816	70,000	52,816
Morogoro	114,273	119,930	70,000	49,930
Mtwara	115,749	121,479	70,000	51,479
Mwanza	118,619	124,491	70,000	54,491
Njombe	116,261	122,016	70,000	52,016
Pwani	113,100	118,699	70,000	48,699
Rukwa	119,519	125,436	70,000	55,436
Ruvuma	118,331	124,189	70,000	54,189
Shinyanga	118,619	124,492	70,000	54,492
Simiyu	118,630	124,502	70,000	54,502
Singida	116,227	121,980	70,000	51,980
Songwe	118,571	124,441	70,000	54,441
Tabora	117,829	123,662	70,000	53,662
Tanga	114,441	120,106	70,000	50,106

Source: Tanzania Fertilizer Regulatory Authority (TFRA), Exchange rate: USD 1= TZS 2322

### Appendix 3: TARI Rice Released Varieties by March 2022.

S/N	NAME OF VARIETY	YIELD (T/ha)	PLANT HEIGHT (cm)	MATURITY (days)	AROMA	ECOLOGY	DISEASE TOLERANCE
1	TARI RIC 1	7.3–7.9	100–110	110–120	Aromatic with good cooker quality	• Rainfed lowland and irrigated	Tolerant with /BLB & Blast diseases
2	TARI RIC 2	7.7–8.4	105–120	100–110	Aromatic	• Rainfed lowland and irrigated	Drought tolerant/BLB & Blast
3	TXD 85	5.7–6.0	100–110	120–125	Slightly aromatic	• Rainfed lowland and irrigated	Susceptible to RYMV
4	TXD 88	7.0–8.8	100–110	120–125	Non aromatic	• Rainfed lowland and irrigated	Susceptible to RYMV
5	TXD 306 (SARO 5)	7.0–8.5	100–120	110–120	Aromatic	• Rainfed lowland and irrigated	Susceptible to RYMV
6	Supa*	2.0–3.0	135–145	120–130 <small>Depends on season</small>	Highly aromatic	• Rainfed lowland	Susceptible to RYMV
7	Komboka	6.0–6.5	105–110	110–115	Aromatic	• Rainfed lowland and irrigated	Susceptible to RYMV
8	Tai	6.0–7.0	107–110	110–120	Slightly aromatic	• Lowland rainfed irrigated	Susceptible to RYMV
9	Ch-SATO 1	6.5–7.0	110–120	110–120	Non aromatic	• Rainfed lowland and irrigated • Salt affected soils	Moderate susceptible to RYMV
10	Ch-SATO 9	7.0–8.4	110–120	110–120	Non aromatic	• Rainfed lowland and irrigated • Salt affected soils	Moderate susceptible to RYMV
11	NERICA 1 (Baraka)	3.0–5.0	100–110	90–100	Aromatic	• Upland rainfed ecology	Moderate susceptible to RYMV
12	NERICA 2 (Tumaini)	3.0–4.0	95–100	95–100	Non aromatic	• Upland rainfed ecology	Moderate susceptible to RYMV
13	NERICA 4 (Pato)	4.5–5.5	100–110	95–100	Non aromatic	• Upland rainfed ecology	Moderate susceptible to RYMV
14	NERICA 7 (Faraja)	6.0–7.0	110–125	100–110	Non aromatic	• Upland rainfed ecology	Moderate susceptible to RYMV
15	WAB-450-12-2-BL1-DV4 (Ziada)	5.0–6.0	110–125	100–110	Non aromatic	• Upland rainfed ecology	Moderate susceptible to RYMV

Source: Tanzania Agricultural Research Institute (TARI).

**Attachments:**

No Attachments