

INVESTMENT The project is expected to produce up to 180,000 tonnes of sugar annually

Bagamoyo embarks on model sugar production programme



Minister for Agriculture, Food Security and Co-operatives, Christopher Chiza plants a sugarcane tree in a pot to launch the Agro Eco energy (T) Ltd sugarcane farm in Bagamoyo District yesterday. Looking on are minister for Land, Housing and Human Settlements Development Prof Anna Tibaijuka (centre) and Coast regional commissioner Mwantumu Mahiza (left). PHOTO: JELIAS MSUYA

The pilot land-for-equity deal is a public-private partnership arrangement between the government and an investor, who plans to undertake a modern Brazilian model agro-industry

By Songa wa Songa
The Citizen Reporter

Bagamoyo. Bagamoyo was upbeat on Saturday when three Cabinet ministers led residents of the coastal town to set the ball rolling on a Sh1 trillion sugar project. The pilot land-for-equity deal is a public private partnership arrangement between the government and an investor, Agro Ecoenergy which plans to develop a modern Brazilian model agro-industry on the former Zanzibar Ranch in Bagamoyo (Razaba). The project, in which the government owns 25 per cent shares, is expected to produce between 130,000 and 180,000 tonnes of sugar annually for the local market. The country's total demand is

500,000 tonnes. The project will also produce ten million litres of ethanol and use part of it to generate electricity to supply 100,000 rural households.

Also, the project is expected to create 4,000 jobs that will benefit sugarcane out-growers and service providers from the six surrounding villages of Fukuyosa, Makurunge, Matipwili, Kiwangwa, Kitame and Kidomole.

The chief guest at the launch, the minister for Agriculture, Food Security and Cooperatives, Mr Christopher Chiza, was flanked by the minister for Lands, Housing and Human Settlements Development, Prof Anna Tibaijuka and her Education and Vocational Training counterpart, who is also the Bagamoyo MP Dr Shukuru Kawambwa

Mr Chiza said he did not come to inaugurate the project as it was too big for him, but had come to give a go-ahead for early works to start—clearing the land for the farm, factory and irrigation infrastructure. “I would want to see the official launch of this project presided over

by the champion of Kilimo Kwanza himself,” he said, referring to President Jakaya Kikwete.

Prof Tabaijuka said the government shares, received in exchange for land, cannot decrease in value even if the investor increases the capital.

She asked for a speedy out-of-court agreement on the disputed part of the land.

Agro Ecoenergy executive chairman Mr Per Carstedt, said that the undertaking was the largest agricultural project in East Africa and asked the government to fully conclude its part of the deal—to provide land for the project—by ending all disputes and resettling all evictees before the actual production begins.

He also called for review of policy on sugar importation to protect local industries and resolve the currently unclear border between the project land and the Saadani National Park

MORE INFO: SUGARCANE

Sugarcane is the world's largest crop. FAO estimates it is cultivated on about 23.8 million hectares, in more than 90 countries, with a worldwide harvest of 1.69 billion tonnes, with Brazil being the world's largest producer of this crop. Behind Brazil, top 5 producers in a descending order are: India, China, Thailand, Pakistan and Mexico. The world demand for sugar is the primary driver of sugarcane agriculture. Cane accounts for 80 per cent of sugar produced.

