

THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF AGRICULTURE, FOOD AND COOPERATIVES



**PRES RELEASE ON THE PRODUCTION AND SUPPLY OF SUGAR IN
THE COUNTRY**

The government with regard to the agreement made during the meeting with stakeholders for sugar crop that was held in Morogoro the 8th January 2014, it is officially announcing the seizure of previous custom of importing sugar, to fill the gap between the production and the demand of sugar during the production season ending in March 2014.

The government intends to provide an opportunity for some sugar available and expected to be produced by local industries in the country to have an assured market. However, this step intends to improve the livelihood of sugar producers as well as sugar-cane growers, without affecting the price and the supply of sugar in the country.

Annual average of sugar production in the country is 300,000 tons, during 2013/2014 season a total of 308,000 tons of sugar will be produced. However, there is at least 80,000 tons of sugar that are in the reserve of businessmen in the country. According to this, the country will have enough sugar from now to the next season of production. Therefore there will be no sugar importation in the

country for the purpose of filling the deficit as it used to be in the previous years when there was a shortage of sugar. Generally, the supply of sugar for households and industries use in the country is 590,000 tons per year.

To ensure the supervision and implementation of the order, the government through its authority and its regulatory agencies take the following procedures:-

- (i) Strengthen the implementation of the law regulating sugar sector of 2001 to make sure the whole procedure of importing sugar is followed.
- (ii) Strengthen ban on illegal means of importing sugar also to ensure countries that use our ports in importing sugar do not illegally sell it on the Tanzanian market while it is on transit to their countries.
- (iii) Regulate the whole system of sugar supply in the country as well as ban businessmen who hoard sugar to cause an artificial shortage.
- (iv) Continue with mobilization on investments to increase domestic production that will satisfy the demand and bring surplus.
- (v) Set regulations for businessmen when necessary may import sugar in bulk procurement or by way of special bid as it is in other sectors such as oil.
- (vi) Professional recommendation of the Technical Committee on Sugar Importation will be considered during decision-making when offering permits for businessmen who import sugar.
- (vii) Introduce a importation tax system for imported sugar that will be aliened with the costs of sugar produced in the country
- (viii) Continue with mobilization and provide a conducive environment for investments in domestic sugar production as well as having independent laboratory to test the quality of sugar and reduce tax on sugar-cane farmers.

(ix) Review sugar demand that is needed for the industries use for the purpose of reducing such a sugar importation and encourage domestic production of refined sugar within the country.

ENG. CHRISTOPHER K. CHIZA (Mb)
MINISTRY OF AGRICULTURE, FOOD AND COOPERATIVES