

DAI PESA Project
USAID Contract No. PCE-I-00-99-00002-00

REPORT ON

WEIGHTS AND MEASURES FORUM



COURTYARD HOTEL, DAR ES SALAAM

29TH JULY 2004

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REPORT ON WEIGHTS AND MEASURES FORUM HELD AT THE COURTYARD HOTEL, DAR ES SALAAM

1. AN OVERVIEW OF DAI PESA PROJECT

DAI PESA, a United States Agency for International Development funded project, was launched February 27, 2003 with its main objective to increase the participation of micro and small enterprises (MSEs) in the Tanzanian economy by improving the policy environment for MSEs, improving access to markets and building the capacity of MSEs. The Project is implemented by Development Alternatives Inc. (DAI) of Bethesda, a U.S. consulting firm, and is known as Private Enterprise Support Activities (PESA) in Tanzania.

In support of small-holder farmers, DAI PESA conducted a study in weights and measures practices in Tanzania. The study highlighted the fact that while legislation and regulatory institutions are in place to ensure that all transactions are carried out by net weight, most transactions, prior to being sold to the end consumer, occur in a variety of non-standard measures (*lumbesa, debe, kosovo*¹, etc.). The result is that farmer incomes and government revenue are reduced. Unreliable, understated agricultural statistics result as well.

The aim of the forum was to present this study to stakeholders from government and the private sector, to generate discussion and develop an action plan towards resolution of this issue. TCCIA will continue to work with stakeholders in moving this important issue forward.

2. DATE

The forum was held on the 29th July 2004 at the courtyard hotel, Dar es Salaam for half day.

3. FORUM PARTICIPANTS INVITED

The forum attracted participants from stakeholder organizations; government ministries and agencies, private sector, and other related organizations together with DAI PESA Project and their funding agency USAID. See annex 15.7

4. TIME

The forum began at 8:30 AM and ended at 1:00 PM

5. GUEST OF HONOUR

The Guest of Honour for the forum was Mr. R. Mlama, Regional Administrative Secretary, Dar es Salaam. He arrived to officiate the forum at 9:10 am.

¹ *Kosovo* is the famous oversized bag which is commonly used by traders to pack agricultural produce from farmer. It carries about 250 kgs. whereas *Lumbesa* is a smaller version of kosovo carrying 150kgs. See annex 15.1.4

6. OPENING AND INTRODUCTIONS

At 9:15 a.m. William Creighton, Project Coordinator, DAI PESA, introduced Joseph Burke, Chief of Party, DAI PESA, to open the forum.

Mr. Burke gave an introductory speech to the forum. The main points of the speech are as hereunder. The full text is found in annex 15.5:

- Description of the DAI PESA Project
- The regions of operation of DAI PESA
- The agricultural products and districts within which DAI PESA is working
- Policy issues on which the project is assisting
- Organizations DAI PESA is collaborating with
- The aim of Weights and Measures forum

Mr. Burke then introduced the Vice President of the TCCIA, Mr. Julius M. Matiko, who in turn introduced their organization and thereafter introduced the chair for the forum, Mr. J.G. Mrema.

Mr. Mrema, Director of Policy and planning of the Ministry of Trade and Industry presented the forum's guest of honour to the audience.

7. THE GUEST OF HONOUR SPEECH

The designated Guest of Honour, Mr. Yusuf Makamba, the Regional Commissioner of Dar es Salaam, was represented by Mr. R. Mlama, RAS for Dar es Salaam region. Mr. Mlama thanked DAI PESA and USAID for their continued efforts to assist in issues that contribute to Tanzania's economic growth and small farmers in particular. He stressed that the issue of Weights and Measure is very critical in all regions in Tanzania. He was impressed that DAI PESA and TCCIA were able to organise this forum where all stakeholders were present to discuss the issues.

He pointed out that forum participants would hear presentations from various stakeholders, and would develop resolutions and recommendations which would allow Government to better assist the agricultural sector, such as launching an awareness campaign. He thanked all who organised the forum and the participants for their contribution. He declared the forum open at 9:40 a.m. The full text of this speech is found in annex 15.6.

8. THE PRESENTATION OF WEIGHTS AND MEASURES STUDY BY DAI PESA

The W&M consultant to DAI PESA, Mr. Abdu Simba, presented the DAI PESA study *Weights & Measures Practices in Tanzania*. The study points out that the Weights and Measures Agency

(WMA) has a major role to play but it appears to be constrained due to lack of resources, manpower and revenue.

The study refers to the tax implications of non-standard measurements, as district levies are paid against the sack rather than by weight. This facilitates middlemen to create measurements such as the *lumbesa*, which weighs 150 kgs or more, substantially greater than if the standard packaging were used. This results in reduced government revenue.

An executive summary and full text of the study were circulated during the forum and is available from DAI PESA.

9. STAKEHOLDERS' PERSPECTIVES

- ◆ Mr. Alli Hassan Tukai – Chief Executive Officer, Weight and Measures Agency
 - Thanked DAI PESA and USAID for facilitating the forum.
 - History of using illegal measures started only 10 years ago; legal trade does not allow for *ndonya, kisado, bags, lumbesa, ndoo, kosovo* etc.
 - He offered a number of speculative reasons for the use and abuse of oversized bags
 - He asked where we begin and said their agency will be very grateful if all participants will be able to contribute to the above questions and help the WMA to solve these issues.

- ◆ Small Holders Farmer Associations
The Chairman, Mwavilu Farmers Association; Mr. Omari Sauge
 - Traders always come with their own measurement and bags and measures, such as the *debe, viroba and lumbesa*. It used to be that 6 – 8 *debes* filled a bag, but now up to 14 *debes* are used to fill one bag (*lumbesa*). It is the traders who decide what the measurement units will be; since the farmers are at mercy of the traders, they usually accept the traders' conditions.
 - Secondly, we have a problem of price as the trader decides what to pay for our produce, and as a result the farmer always remains poor.
 - We hope that through DAI PESA, the government will hear our complaints and help us to solve this problem.
 - DAI PESA has already helped us farmers to unite by forming associations and SACCOS, so that the farmers are now educated and cannot be manipulated by the traders.

- ◆ Mangalali Association- Maize farmers – Secretary, Mr. A. Ngakonda
 - There is a problem of measurement at farm gate of products

- The practice of using the lumbesa bag is common
 - We urge the government to help us to make sure that traders observe proper measurements
 - This is one of the major problems which make us poor as we end up selling a larger quantity for a lower price.
- ◆ Transporter, Mr. Paulo Kibuga
- He experiences problems in carrying overweight cargo all the time due to non-standard weights and measures.
 - The problems that arise include burst tires, chassis problems and injury to labourers
- ◆ Trader, Mr. P.I.Olimi, Mohamed Enterprises Commodities Manager
- They have a problem if they buy agricultural produce in heavy bags like lumbesa and kosovo as they have to repack in standard packing, but the labour suffers in the process.
 - In past years the Cooperatives helped to enforce standard packaging.
 - But following the failure of the Cooperatives, we started to observe non-standard bags
- ◆ Bag Manufacturer, Jonathan A. Lane, Managing Director, PPTL
- There is currently no policy to produce only bags of standard sizes
 - PPTL acts according to demand and supply of the market
 - The size of bags we manufacture is increasing every year according to demand
 - Solutions on how to address Weights and Measures problems are:
 - To educate farmers on weights and measures regulations and how to implement them through radio, mobile cinemas
 - TBS and WMA to work together to enforce regulations and create new ones where need be, such as instituting standard bag sizes.
 - We manufacturers will abide by the laws if they are created.
 - Middlemen are a mafia who usually dictate the terms of trade so that farmers are losing even more income than the government.
 - It is time to reinforce existing weights and measures regulations.
- ◆ ILO, Program Officer, Tony Rutabanzibwa
- ILO is aware of the problem of non-standard weights and measures
 - Labour problems are those which ILO focuses on.
 - Agricultural workers fall in the unprotected worker category that is exposed to all kinds of problems.
 - Section 127 of the 1967 labour laws is concerned with protecting workers against hazardous overload.

- Section 127 law has not been adopted in Tanzania
- ILO will continue to work with the Ministry of Labour
- We would like to hear from the labourers themselves: why do they carry heavy loads? Or is the labourer forced?

◆ TCCIA – Executive Director, Mr. M. Kalanje

- Weights & Measures is very important in business.
- Why are people using *lumbesas* or *kosovos*? It is because legal measurement is not present or has not been reinforced
- The Weights and Measures regulations specify “*ndoo*” as a customary (and therefore legal) measurement but there is no proper agreement as to the volume or weight of the *ndoo* measure.
- TCCIA is present in 20 regions and 51 districts through offices where we have information about trade, agriculture and industry issues. We are present in 11 sub-districts
- Another problem for farmers is lack of availability of farmer associations and low membership in organizations such as ours that can help them
- Both traders and farmers are our members but we do not support the *lumbesa* as there must be a fair play between the two. Agriculture forms the basis of our economy and therefore we have to make sure we protect farmers.
- Farmers accept low prices because they are unorganized and uninformed.
- Traders use *lumbesa* to escape cesses but why do the local authority not react when bag sizes become larger?
- It is important that farmers should be organized and the government should have the will to enforce weights and measures regulations. It is very easy to remove the practice of using the *lumbesa* and *kosovo* thereafter.
- In Kibaigwa, a small town, they have tried to remove the *lumbesa* and succeeded. They don't allow any bagging other than the standard 100kg bag.
- We urge farmers to join TCCIA so that we can help them obtain current price information & use standard packaging.
- TCCIA will do everything to help you farmers organize yourselves, get fair prices and raise your incomes.

10. QUESTIONS & CONTRIBUTIONS

◆ Mr. Mkocha, Commissioner for Fair Trade

- He wanted to clarify the free market concept and said there is no free market concept but “Uchumi wa soko” i.e. market economy.
- The market economy requires competing buyers and sellers, but farmers do not have a choice in whom to sell to as the market is imperfect
- The Tanzania economy runs by-laws and policies

- He asked the Ministry of Marketing and Cooperatives to ban the kosovo & lumbesa immediately.
 - He emphasised that uniform weights and measures lead to reduction of commercial transaction costs.
 - The WMA is important in the economy as it ensures that proper weights & measures practices are being observed.
- ◆ Mr. M. Munissi – Director Policy and Planning, Ministry of Agriculture and Food Security
- The farmers are robbed because of lack of enforcement of weight and measures regulations
 - WMA does not explain how they will put scales at all sales points or certify all weights and measures. This is a problem
 - There is a need for sensitization to the farmers about weights and measures regulations.
 - The W&M consultant talked about the tax implications of using non-standard weights and measures. I would like to clarify that the agriculture cess is now limited to 5% of the value on a per kg basis only.
 - Other taxes are agreed within the local governments and differ in every district
 - To all who have spoken: if we don't enforce weights and measures regulations, there will not be fair trade.
- ◆ Mr. J. Matiko, Vice President Agriculture, TCCIA
- Farmers certainly must know about weights and measures and their rights but they are weak and are unable to fight for their rights.
 - If one needs something he has to fight for that & unite with others
 - TCCIA have offices everywhere, which provide complete access to all TCCIA benefits. He advised the farmers unite and join TCCIA. The entrance fee is Tshs 10,000/=, but they can join as associations and share this cost
 - Traders know that lumbesa is not a proper measurement and have to recognize that it is wrong to use it.
 - Why does the transporter agree to carry lumbesas? Is it because of weakness? They have to unite and refuse to accept the lumbesa which ruins their trucks & damages the health of labourers.
 - In the past, there were various organizations to educate farmers, but these were abandoned in the era of market liberalization. Many of these organizations were concerned with issues which are technical and not political in nature and thus these organizations should be revived

- ◆ Traders: Jaffer Hussein, Procurement Manager, Fida Hussein
 - Regarding measurements, cheating of farmers income and Government cess, stop farmers selling their products on roads (highways) and should be helped to start selling points (markets) where they are equipped with weighing scales and should stop selling their products without proper weights, that way it will be easier for levy collections and farmers will not be cheated.
 - The parliament has passed the bill that, levy for crops should not exceed 5%, but, unfortunately in some districts levy exceeds up to 22% which is not right, and that is the main reason that traders buy/pack and transport crops in Lumbesa bags for avoiding to pay the higher levies, and so I suggest that the authorities should look and follow the law which has been passed that the levy should not exceed 5%.

- ◆ TANROADS

- Paragraph 5.2 in the Weights and Measures study by DAI PESA contains an error. It is not the role of TANROADS to enforce the Weights and Measures Act, or requirements on packaging sizes. Our role is to make sure vehicles do not exceed the weight specified in the road regulations.

- ◆ Mr. Abel Lyimo, Associations Advisor, DAI PESA

- I think the government can buy scales and give them on credit to farmers. The government can budget from the income they receive from increased collection of cesses as discussed earlier and provide the WMA with a budget to facilitate the availability of scales at village level.

- ◆ Mr. Massawe, Head of SME Unit, Ministry of Industry and Trade

What is required is:

- Reinforcement of the law.
- Education.
- Increased availability of weighing scales.
- Reduce the price of scales or have associations purchase them

- ◆ Miscellaneous contributions:

- Increase awareness and education of weights and measure regulations to farmers, trades and retailers.
- WMA to collaborate with other government agencies and associations who are working closely with farmers to assess their problems and needs in order to develop solutions.

- The government should collaborate with the private sector by forming a public-private partnership (PPP), a set-up which is now commonly used by the government in various projects
- This problem is due to the structure of the Tanzania economy
- Let's look at how we can facilitate farmers to go into commercial marketing.

◆ Mr. Mihayo Wilmore, Monitoring and Evaluations Specialist, DAI PESA

- The farmers need proper information on market prices in order to receive a fair income for their produce
- There is need to assist the farmer in obtaining current prices. As computers responsible for processing this at the Ministry of Marketing and Cooperatives

11. RESOLUTIONS AND RECOMMENDATIONS

The forum came down with the following resolutions and recommendations as whole:

- 1) Organize farmers and sellers
- 2) Increase awareness of weights and measures regulations and issues
- 3) Increase availability of scales
- 4) Provide marketing outlays and market information through Ministry Cooperatives and Marketing
- 5) Need for regulations to standardize bag sizes
- 6) Financial institutions to assist farmers and traders to procure scales
- 7) Development organizations to continue assisting farmers in obtaining market information and assist with organizing farmers
- 8) We have about 5 Government agencies who are concerned with the various weights and measures issues. These government organizations must work together and take responsibilities (Local Government, MAFS, MIT, WMA, MCM, TRA, TANROADS etc.)
- 9) Need to create new regulations where ones are missing
- 10) Need to enforce existing regulations
- 11) WMA has to publicize the current regulations and denounce immediately all illegal practices.
- 12) Tanzania has to sign international protocols
- 13) It is suggested that since DAI PESA diagnosed the problem then it should continue with the way forward.
- 14) DAI PESA and TCCIA are to drive the resolution of the problems identified in the Weights and Measures Forum.
- 15) DAI PESA should form a committee to put time frames and responsibilities on the proposed recommendations.
- 16) Amend the Weight and Measure Act to eradicate the practice of the *lumbesa*, including transport of the *lumbesa*

12. CLOSING REMARKS MR. A.H. TUKAI

- Thanked the participants for their contributions and recommendations
- Asked the government to amend the Weights and Measures Act to mandate a bill of lading during transport that states the specific packaging and weights of goods during transportation and trading.
- Promised to follow up on resolutions

13. THANKS FROM DAI PESA

William Creighton gave thanks to participants, to organizers, to the government officials, to the DAI PESA organizers, administration staff, and finally to the coordinator of the event, Alexander Fernando, consultant with DAI PESA project.

14. CLOSING OF THE FORUM

- ◆ Closing remarks by the forum chair:

It is imperative that we work together and abolish *lumbesa* and other illegal measures. You cannot liberalize the market while leaving certain components unregulated. Weights and measures practices must be regulated and laws should be reinforced.

The Forum was adjourned at 1:00 PM. Participants went to get lunch at Langilangi room from 1.00 pm to 2.00 pm.

15. ANNEXES:

15.1 THE FORUM IN PICTURES

15.1.1 The Guest of honour, Mr. R. Mlama, RAS Dar es Salaam opening the weights and measures forum at the Courtyard Hotel, Dar es Salaam



Picture 1: Sitting L- R: Mr. J. Matiko – Vice President TCCIA, Mr. T. McAndrews – Team Leader Economic Growth, USAID/Tanzania, Mr. J. Burke – Chief of Party DAI PESA Project, and Mr. J. Mrema – Director Policy and Planning Ministry of Industry and Trade.

15.1.2 The weights and measures forum chair Mr. J. Mrema, Director of Policy and Planning, Ministry of Industry and Trade.



Picture 2: Sitting L – R: Mr. Joseph Burke – Chief of Party DAI PESA Project, Mr. William Creighton – Senior Project Coordinator, DAI PESA.

15.1.3 The weights and measures forum organizers.



Picture 3: Sitting L – R: Mr. Alexander Fernando – Consultant, DAI PESA Project; Mr. Abdu Simba – Consultant, DAI PESA Project; Ms. Maureen Gideon – Finance and Administration Manager, DAI PESA Project.

15.1.4 The oversized bag called *kosovo* which is commonly used by traders to buy agricultural produce from farmers. This bag can carry 250 kgs.



Picture 4: The oversized bag carrying 250kg. commonly known as *kosovo*

15.1.5 The weights and measures forum participants listening to one of the participants giving his contribution during the forum.



Picture 5: Forum participants.

15.2 AGENDA OF THE WEIGHTS AND MEASURES FORUM

Time	Event	Responsible
8:30 – 9:00	Registration of Guests	DAI Secretariat
9:00 – 9:05	Opening Remarks and Introduction of Vice President TCCIA, Agriculture <i>Joseph F. Burke - Chief of Party, DAI PESA</i>	DAI PESA
9:05 – 9:10	Opening Remarks and Introduction of Chair of Meeting <i>Julius M.M. Matiko - Vice President TCCIA, Agriculture</i>	TCCIA
9:10 – 9:15	Introduction of Guest of Honour <i>Ahmada Ngemera - Permanent Secretary, Ministry of Industry and Trade</i>	MIT
9:15 – 9:25	Opening Remarks by Guest of Honour <i>Lt. Yusuph Makamba Regional Commissioner, Dar es Salaam</i>	RC of Dar es salaam
9:25 – 9:30	Overview of Forum and Introductions	Meeting Chair
9:30 – 10:00	Presentation of <u>Study on Weights and Measures Practices in Tanzania</u>	Abdu Simba
10:00 – 10:15	<i>TEA BREAK</i>	
10:15 – 11:00	Stakeholders Perspectives	Stakeholders
11:00 – 12:45	Development of Action Plan	Forum Participants
12:45 – 12:55	Summary of Action Plan & Resolutions	Facilitator/Meeting Chair
12:55 – 1:00	Closing Remarks	Meeting Chair
1:00 – 2:00	<i>LUNCH</i>	

15.3 PRESS RELEASE OF THE WEIGHTS AND MEASURES FORUM

Press Release
July 28th, 2004
Weights and Measures Forum

DAI PESA (Private Enterprise Support Activities), a **USAID**-funded project, together with the Tanzania Chamber of Commerce, Industry and Agriculture (**TCCIA**) is hosting a half-day forum on Weights and Measures to be held at the Courtyard Hotel Dar es Salaam, on Thursday, July 29th 2004 from 9am to 1pm.

Related to its support of small-holder farmers, DAI PESA conducted a study on weights and measures practices in April 2004. The study highlights the fact that while legislation and regulatory institutions are in place to ensure that all transactions are carried out by net weight, most transactions, prior to being sold to the end consumer, occur in a variety of non-standard measures (*lumbesa, debe, kosovo*, etc.). The result is that farmer incomes and government revenue are reduced, and unreliable, understated agricultural statistics result.

The aim of the forum is to present this study to stakeholders from government and the private sector, to generate discussion and develop an action plan towards resolution of this issue. TCCIA will continue to work with stakeholders in moving this important issue forward.

The Guest of Honour of the Forum will be the Regional Commissioner for Dar es Salaam, Lt.Y.R. Makamba and the Forum will be chaired by Mr. J. G. Mrema, Director of Policy and Planning at the Ministry of Industry and Trade. 60 participants are expected to attend, including transporters, traders, bag manufactures and small holder farmers in addition to various government ministries and agencies. The findings and recommendations of this forum will help to resolve a major issue constraining the success of small-holder farmers.

The DAI PESA Project, based in Dar es Salaam and launched in February 2003, is a 4-year project funded by the United States Agency for International Development (**USAID**). Its main objective is to increase the participation of micro and small enterprises (MSEs) in the Tanzanian economy by improving the policy environment for MSEs, improving access to markets and building the capacity of MSEs. The Project is implemented by Development Alternatives Inc. (**DAI**) of Bethesda, a U.S. consulting firm, and is known as Private Enterprise Support Activities (**PESA**) in Tanzania.

TCCIA was founded in 1988 and to date has offices in all twenty one regions of mainland Tanzania. **TCCIA** was founded to holistically represent the interests of commerce, industry and agriculture, to facilitate business within Tanzania and across its borders, and to protect and promote business interests within the framework of government laws, rules, and regulations. **TCCIA** seeks to pursue smart partnership with government to optimally enable the private sector to be the engine of growth in the economy.

For more information, please contact pesa@dai.com or tccia.hq@cats-net.com.

15.4 PRESS COVERAGE OF THE WEIGHTS AND MEASURES FORUM

The Guardian www.ippmedia.com

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'Unfair weights, measures robbing farmers of income'

By Judica Tarimo

UNCONTROLLED packaging of crops such as rice, potatoes and beans accentuates inaccurate payment to farmers deliberately keeping their income low, Dar es Salaam Regional Administrative Secretary, Raphael Mlama has said.

Speaking at the opening of weights and measures forum in Dar es Salaam on Thursday, Mlama said the common feature of filling bags to the brim, popularly known as *kilemba*, is unfair.

"Farmers are not happy with this system and want the authorities to reverse it. Truly it is not fair to them," he said.

He added: "The violation of weights and measures regulations has resulted in the denial of lots of income to farmers, struggling to better their lives."

Participants in the forum wondered how the demeanor has taken root in the local markets over the years.

"We have to speak on their behalf. Farmers are our parents, relatives and friends.

"They are suffering the consequences of this irregularity," a participant, Ahmed Seif, commented.

He proposed deliberate efforts to make sure that standard Weights and Measures regulations are adhered to.

"If this is not done no one should expect the life of farmers to improve," he said.

"Businessmen buying crops from farmers are lax in observing this regulations. We expect the authorities to act.

"The government should defend the farmers," said another participant, Willson Msofe.

He questioned the silence maintained by the Weights and Measures authorities on the continued 'robbing of farmers' wealth'.

"How can society remain silent on funny measuring systems like *lumbesa*, *debe*, and *Kosovo*...such measures impoverish the farmers," said Msofe.

Clarifying, Mlama said *Lumbesa* (meaning a 150 kilogram-sack) is levied as a 100 kilogram bag, 'which is absolutely not correct,' he said.

The practice, according to Mlama, is rampant in many parts of the country, adversely complicating efforts by the farmers to fight poverty.

"Businessmen go to villages with extra-large sacks.

"They instruct farmers to fill them to the level that pleases them.

"This is not fair. Weighing scales should be used instead of tins and buckets," he said.

Private Enterprise Support Initiatives (DAIPESA) in cooperation with the Tanzania Chamber of Commerce, Industry and Agriculture (TCCIA) and other stakeholders are making joint efforts to address the anomaly.

"We want to help farmers, and make sure they carry out their transactions using standard measures.

"This will boost their revenue and improve the agricultural sector," said Maureen Gideon, DAIPESA's Finance and Administration Manager.

Financed by the United States Agency for International Development (USAID), DAIPESA aims to speed up integration of small farmers into the country's mainstream economy.

Julius Matiko, the TCCIA Vice-President, said under the project, farmers would undergo training to become well versed with weighing standard units to make sure that they earn from what they produce and sell.

SANY

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15.5 INTRODUCTION SPEECH BY JOSEPH F. BURKE, CHIEF OF PARTY, DAI PESA

Weights & Measures Forum, Thursday 29 July

Joe Burke's Talk

Hon. Guest of Honour, Regional Administrative Secretary (RAS) for DSM, Mr. Raphael Mlama, Chairman of this Meeting, Mr. Mrema

TCCIA Vice President for Agriculture, Mr. Julius Matiko

TCCIA Executive Director, Mr. M. Kalanje (*TBD*)

USAID Mission Director, Ray Kirkland

USAID Economic Growth team leader Thomas McAndrews,

Invited guests,

It is with great pleasure that I address this forum, sitting as we are to work out practical ways to promote the general adherence to standard weights and measures in Tanzania.

I would like to take this opportunity to tell you what DAI PESA Project is about and why we find it important to partner with the TCCIA and the Weights and Measures Agency on this issue.

DAI PESA is a project funded by USAID (United States Agency for International Development) and implemented by Development Alternatives Incorporated, DAI, of Bethesda, Maryland, USA. The overall objective of our project is to promote widespread increase of income amongst the small farmers of the country. Specifically, we target farmers of some 12 critical mass commodity producer areas in six regions from Tanga to Rukwa. We are, however, pleased when our actions have positive spillover into the general farming population, as we expect to be the case when dealing with standardisation of weights and measures.

We were launched at the end of February 2003, by the Hon. Robert Royall, then Ambassador from the United States, and the Hon. Deputy Minister of Agriculture and Food Security, Professor Pius Mbawala, MP. Since that time, we have either established ourselves or are initiating on the ground support in:

Tanga; oranges

Morogoro; oranges, vegetables, paddy and sugarcane

Iringa; onions and paprika

Mbeya; paddy in two districts, possibly expanding to three

Ruvuma; paprika

Rukwa, sunflower and beans

Additionally, we are working on cashew support at the policy level, and anticipate working in producer areas of Tanga.

The bulk of our support centres on assisting to make the producers of these commodities become improved farmers technically, reliable suppliers, and capable marketers. We concentrate on capacity-building of producer organisations in the areas of governance, advocacy, planning, and in the development of member services in farming technologies and business acumen. Ladies and gentlemen, in keeping with Government's promotion of the private sector as the engine of growth, it has been our great pleasure to coach farming communities into their role as active participants of the private sector. This empowerment is overdue and in itself is giving both pride and the opportunity for a decent living to thousands of small cash farmers across a third of the nation. It will probably not surprise most of you to know that the majority of the small farmers still do not understand how to be active participants in the private sector, and so until now have not benefited from Government's empowerment of them to do so.

In the course of our project work, we find that various policy matters need reform and enforcement so that the private sector, from farmers through processors, may produce more and better products and profit in the measure that they improve. It is in these areas that we look to collaboration with Government at various levels, with fellow development projects, and with national private sector interest promoters, notably the TCCIA. Already we have embarked on fruitful relationships with TCCIA branches in Muheza, Tanga municipal, Iringa and Mbeya and are happy now to do so at the national level.

The specific topic of today's forum, the promotion of uptake of standard weights and measures, is one such important policy matter. In practical terms, gains will be made by farmers, Government, traders, transporters, road maintenance, and consumers alike when the efficiencies of these standards are invoked. As the DAI PESA project, therefore, we are honoured to work hand in hand with our colleagues of the TCCIA and of the Weights & Measures Agency so that the economic players, and in particular the small farmers, may take a giant step forward in related efficiencies.

At this time, ladies and gentlemen, I have the pleasure of presenting to you your co-host to this forum, in representation of the TCCIA, Mr. Matiko, the Vice President for Agriculture of this important force for change in the private sector.

15.6 OPENING SPEECH BY THE GUEST OF HONOUR, MR. R. MLAMA (on behalf of the Regional Commissioner of Dar es salaam)

**Weights and Measures Forum Speech for Guest of Honour - Lt. Yusuph Makamba
Courtyard Hotel, Dar es Salaam Thursday, July 29th, 2004**

Invited Guests, Ladies and Gentlemen,

It is my honour to open the Weights and Measures Forum hosted by DAI PESA, a USAID-funded project, and the Tanzania Chamber of Commerce, Industry and Agriculture.

Let me begin by commending the hard work done by the organizers who have made this meeting possible. Thanks also go to the United States Agency for International Development for their commitment: first for funding the study which will be discussed today; and second, for their continuous support to the private sector, in particular to micro-small enterprises.

MSEs create most of the jobs both in the formal and informal sector. They form a very important part of the private sector, which has become the engine of economic growth in Tanzania. The private sector is now a major partner with the Government. The Government is responsible for facilitating the private enterprise and providing regulations to ensure a level playing field.

The small-holder farmer has experienced the most difficult transition to the new economy. Often he lacks the resources and the experience to take advantage of the opportunities that the private sector provides. Towards this end, the DAI PESA project and TCCIA have been working to support the private sector. DAI PESA's main objective is to increase the participation of MSEs in the Tanzanian economy by improving the policy environment for MSEs, improving access to markets and building the capacity of MSEs.

TCCIA was founded to represent the interests of commerce, industry and agriculture, to facilitate business within Tanzania and across its borders, and to protect and promote business interests within the framework of government laws, rules, and regulations. Both DAI PESA and TCCIA are in partnership with government to enable the private sector to be the engine of growth in the economy.

As part of its support for economic growth, DAI PESA conducted a Study on Weights and Measures Practices in Tanzania in April 2004. The study highlights the fact that legislation and regulatory institutions are in place to ensure that all transactions are carried out by net weight. However, most transactions use a variety of non-standard measures. These are commonly known by various names such as "*lumbesa*", "*debe*" and "*kosovo*". The result is that farmer incomes and government revenue are reduced. Also this results in unreliable and understated agricultural statistics.

The aim of the forum is:

First, to present this study to stakeholders from government and the private sector, and

Second, to generate discussion and develop an action plan towards resolution of the issues.

It is significant that so many different stakeholders are present, from government representatives in ministries, agencies and regulatory bodies, to traders, bag manufacturers, farmers, and private sector associations, such as CTI and the Market Associations of Kariakoo and Tandale. TCCIA will continue to work with the public and private participants assembled here today in moving these important issues forward.

The issue of Weights and Measures has a negative effect for the MSE farmer, as he is unaware of his rights. For example: a middleman often comes to a village to buy rice, bringing his own extra-large bags. The farmer is then instructed to fill up the bags with rice measured by the “*debe*” or “*ndoo*”, often selling 150kgs of rice for the price of a standard bag of 100kgs. No-one uses the word “kilo”, nowhere are weighing scales to be seen, but the small farmer sees no alternatives.

This practice of the “*lumbesa*” is now so common that it has become the norm. As will be discussed in more detail today, in addition to robbing the farmer of his fair work, it also robs the government of revenue. District and municipal cesses are collected by the bag and not the kilo and so a *lumbesa* of 150kgs incurs the same taxes as a bag of 100kgs, causing the government to collect only about 66% of potential taxes. The practice of the *lumbesa* also damages lorries, roads and weigh-bridges.

Perhaps the most tragic personal consequence of the *lumbesa* is that it severely damages the health of labourers who move agricultural produce manually. Loads of up to 160kgs are carried on the shoulders of a single man, resulting in early death and the inability to have children.

The issue of weights and measures, however, is also one of the easiest to address, as most of the regulatory measures and agencies concerned with this issue are already in place. The Weights and Measures Act of 1982 specifies that all transactions be conducted by net weight and the Weights and Measures Agency in Ilala, under the Ministry of Industry and Trade, is the executive agency responsible for enforcing this legislation.

While there are clearly gaps in translating laws into practice, today’s forum will go a long way in moving this important issue forward. In addition to an overview of the study on Weights and Measures, we will hear from key stakeholders about their perspectives on this topic and proposed steps towards resolution.

One of the recommendations of the study is to launch an awareness campaign so that MSE farmers become aware of their rights in the private sector economy. No doubt the forum participants here today will suggest and adopt other resolutions to resolve this issue. A forum like this where public and private stakeholders are heard and recommendations are jointly proposed, allows us in government to better assist the private sector.

On this note, I would once again like to thank all of you who have chosen to leave other engagements and participate in the forum. I would also like to express my sincere appreciation to the organizers of this forum: DAI PESA, TCCIA and USAID. We in the government are eagerly awaiting the results of the forum for resolution of this important issue. I therefore wish you success in your deliberations today and declare the forum officially opened.

15.7 LIST OF PARTICIPANTS

#	Affiliation	Est. #	Title	Name	Phone	E-mail	Location
1	Hosts						
	DAI-PESA	8	COP	Joe Burke		Joseph_Burke@dai.com	DSM
			PC	William Creighton		William_Creighton@dai.com	Iringa
			PC	Joel Strauss		Joel_Strauss@dai.com	Mbeya
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			Vice President For Agriculture	Julius Matiko			DSM
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			Executive Officer for Iringa	Mr. Mapangala			Iringa
			Executive Officer for Mbeya	Graciano Kunzugala	0744 300 913		Mbeya
			Executive Officer for Ruvuma	Johanna Mchimbi			Ruvuma
			Executive Officer for Tanga	Andrew Mhina			Tanga
			Executive Officer for Morogoro	Safia Mbamba			Morogoro
2	Government Representatives, Agencies & Regional Administration						
	Guest of Honour	1	RAS DSM	Mr. R. Mlama			DSM

	1	Permanent Secretary Ministry of Industry and Trade	Dr. L. Komba			DSM
Forum Chair	1	Permanent Secretary Ministry of Industry and Trade	Mr. Ahmada Ngemera (to be represented by Mr. Mrema, Director of Policy and Planning)		dp@mit.go.tz	DSM
Ministry of Industry & Trade representatives	1	Head of SME Unit	Dr. D. Massawe	0744 378054	massawe@yahoo.co.uk	DSM
Ministry of Industry & Trade representatives	1	Senior Economists	Bede Lyimo	022 2181397		
Ministry of Cooperatives and Marketing representatives	1	Director of Trade	Mr. Bernad K.J. Kapya		mit@covision2000.com/mit@intafrica.com	DSM
Ministry of Agriculture and Food Security	1	Director of Ministry of co- operatives and Marketing	Manumbu	0744 362235	turuka@yahoo.co.uk	Dodoma
Ministry of Regional Administration and Local Govt	1	SO9 liaison Director of Planning and Policy	Mr. Munissi	748303660		DSM
Fair Trade Commission	1	Permanent Secretary Commissioner for Fair Trade	Godfrey Mkocho		godfrey48312@hotmail.com	
Ministry of Finance representatives	1	Permanent Secretary	Mr .Grey S. Mgonja	2112856		DSM
Weights and Measures Agency	1	Executive Commissioner	Ali Hassan Tukai	2864046		DSM
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	1	Acting Business Support Manager	Magdalena Chuwa	2864046		DSM
	1	Legal Manager	J . Msengezi			DSM

	1	Iringa Region Weights and Measures Officer	Salehe Kipinga			Iringa
	1	Mbeya Region Weights and Measures Officer	Willy Mbisie			Mbeya
Tanzania Bureau of Standards	1	Director	Daimon Mwakyembe/Engram Kisamo	2450206/ 2450949	mwakyembe@tbs-tz.org	DSM
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Board of Internal Trade	1	Senior Trade info. Officer	Edwin Rutageruka	741331279	mringira@hotmail.com	DSM
Ministry of Health	1	Permanent Secretary	Ms. M.J.Mwaffisi	2116684	raywigenge@hotmail.com	DSM
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Ministry of Justice	1	Draftsman	Juliana Munissi	2113243		DSM
Police Department Regional Commissioners	1	Head of Traffic Police	Insp. Gen. Omary Iddy Mahita	2113461		DSM
Executive Director Kinondoni	1	RAS Iringa	Ms. Shirima			Iringa
Executive Director Illala	1		Mr. Berege	2170173/2170628		DSM
Executive Director Temeke	1		Mr. Lubuva	2128800		DSM
City Director DSM	1		Mr. S. Msimbano	2851052		DSM
	1		Mr. Mukama	2123551-5		DSM
3		Business Associations				
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Confederation of Tanzanian Industry (CTI)	1	Executive Director	Christine Kilindu	2114954/ 2123802	cti@cti.co.tz	DSM
Tanzania National Business Council	1	Executive Secretary	Dunstan Mrutu	2129433	tnbc@africaonline.co.tz	DSM
4		Farmers				

	DAI PESA Association Members	1	Secretary of Mangalali Farmers Association (Paprika)	Alan Ngakonda			Iringa
	DAI PESA Association Members	1	Chairman of Mwavilu Farmers Association (Onions)	Omari Sauge			Iringa
	MVIWATA	1	Chairman or Marketing Manager	Jeremiah Maina	744879766, 0232 604184	mviwata@africaonline.co.tz	Morogoro
5	Traders						
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	Export Trading Limited	1	Managing Director	Mahesh Patel	2110587/ 2112341/ 2112493/ 2115651	maheshpatel@exporttrading-tz.com / ketan@exporttrading-tz.com	
	Fida Hussein	1	Marketing Manager	Mushtak Fazal	2844510	hrsh@eastafrika.net	
	Tandale Market Association	1	General Manager	Said Lumuli	0741-389270 (secretary)/0748-432447 (Chairman)		
	Kariakoo Market Association	1	General Manager	Kuboja Ng'ungu	2180678		
6	Bag Manufacturers						
	PPTL Bags	1	Managing Director	Jonathan Lane	027-2646853/4	jlane.pptl@tzeamil.com	
	Rafia Bags Tanzania Bag Corporation	1	Managing Director	Hussein Ladha	2650372	hussein@iwayafrica.com	
		1	Managing Director	Mr Mwamanga			
7	Transporters						
	Iringa-based transporter	1		Paulo Kibuga			
8	Millers						
	Chimala Miller	1		Hussein Vahaye			
9	Scale Importers						

	General Motors Investments	1	Sales Representative	Albert Meela	2862661 / 2862664, fax: 2862667	info@GMI-tz.com
10	Other development organizations (?)					
	TechnoServe	1	Deputy Country Director	Tim Piper	2129829	tim.piper@tnstanzania.org
	Enterprise Works	1	Country Director	Mike Frederickson	025 250 0576	enterpriseworks.mbeya@raha.com
	World Bank	1		Michael Wong	2116197	mwong@worldbank.org
	ILO	1	Programme Officer	Tony Rutabanzibwa	2126821/24	rutabanzibwa@ilo.org
	Agricultural Marketing Systems Development Program	1	Programme Director	Nathaniel Katinila	027-2505771	katinila2002@yahoo.com
	US RATES	1	Technical Director	Thomas Carr		tcarr@ratescenter.org
	Bannock Consulting	1		Malcolm Toland		malcolmx12000@yahoo.com
	African Development Foundation	1		Clark R. Arrington/ William Massawe	255-22-276-2214/15	arrington@adf-tz.org
11	USAID/US Embassy					
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	Project Management Specialist	1	Project Management Specialist	Nuru Mtulia	2668490	nmtulia@usaid.gov
	Programme Officer	1	Programme Officer	Erin Holleran	2668490	eholleran@usaid.com
13	Press	3				
	The Guardian					
	Daily News					
	ITV					
Total		80				