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## Learning Brief - 2019

Together, Alliance interventions and relationships with key stakeholders from district to national levels are building a foundation that can attract the capital investment needed to make inclusive green growth in SAGCOT a success.

# Using markets to unlock opportunities for the rural poor and the environment

## Early lessons on making investments more socially and environmentally responsible in SAGCOT

CARE and WWF have worked together since 2016 in the Southern Agricultural Growth Corridor of Tanzania (SAGCOT) to promote just and sustainable food systems by championing the role of civil society and putting environment and small producers front and center. SAGCOT is a public-private partnership initiated by the Tanzanian government to encourage increased investment in agricultural growth, in a way that is both environmentally sustainable and inclusive of small producers. The CARE-WWF Alliance brings value to the SAGCOT partnership by drawing on CARE's deep expertise in improving markets for vulnerable smallholders and WWF's extensive experience helping companies green their supply chains.

Through engagement with the SAGCOT Centre, the agency created to promote the partnership, as well as other important stakeholders, the Alliance is building the capacity of national public sector and civil society actors to influence private sector investment in the agricultural corridor. Simultaneously, the Alliance is

laying the groundwork for local models that secure equitable land and water access and linkages to sustainable supply chains for small-scale producers and processors. Ultimately, the Alliance aims to steer new and existing investment by private and public sectors into agriculture value chains and systems that support environmentally sustainable and socially inclusive economic growth. This learning brief distills early lessons from Alliance strategies to date and draws out implications for how to approach influencing private sector actors in SAGCOT moving forward.

### Influencing private sector agriculture investment to follow sustainability guidelines

Instituting voluntary social and environmental performance guidelines to promote the consistency of private sector investments with SAGCOT's vision for Inclusive Green Growth (IGG) requires that they be well understood by companies as well as local producers and communities.

Beginning in 2016, WWF and CARE



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have played strategic roles in preparing and championing an IGG guidance tool, together with other partners that constitute the SAGCOT Green Reference Group, an advisory group to the SAGCOT Centre comprised of civil society and the private sector. WWF provided leadership for the Green Reference Group's Environmental Feeder Group, while CARE has led its Social Feeder Group. In this role, CARE used the Food and Agriculture Organization's Voluntary Guidelines on Property Rights as an organizing framework for the group's work to ensure land access for smallholder producers. In Tanzania, 70 percent of women depend on farming for their livelihoods, while smallholder farmers produce 90 percent of food in the country. Application of such guidelines is thus critical to defending the rights of women smallholders.

The Alliance was also instrumental in ensuring that diverse users could understand and use the IGG guidance tool. The Alliance worked with the SAGCOT Centre and other stakeholders to engage with 20 companies to conduct self-assessments of their compliance with the IGG guidelines. The effort

involved presenting the guidelines in a way that facilitated small, medium and large producers' and processors' understandings of what IGG means, as well as the tool's provisions. The dialogue process started a conversation with enterprises and producers to unpack the meaning and importance of the terms "inclusive" and "green." Distilling the guidelines into a checklist of categories and a table for scoring compliance helped users visualize how to use the tool to synthesize, share and compare information. Results of the self-assessments were discussed and ideas for how the companies could improve their performance were identified.

Learnings from this pilot with private sector actors were integrated into the most recent version of the IGG guidelines. The field testing of the IGG guidelines improved the likelihood that businesses will move beyond theoretical adoption to practical implementation.

#### **Influencing where companies invest by piloting improved land use planning**

Providing leadership for land use planning reform strategically positions the Alliance to influence where agricultural companies and smallholders invest in sustainable supply chains.

In Tanzania, Village Land Use Planning is a policy tool that engages community members in delineating their land for various livelihood, community and environmental uses. Village Land Use Planning provides a legal mechanism for addressing conflicts over land and natural resources, while securing smallholder tenure, designating conservation areas and identifying areas for investment. Village Land Use Planning has not been widely completed due to knowledge, capacity and funding gaps.

In the Great Ruaha River Basin, the Alliance is piloting a landscape-scale approach to Village Land Use Planning that explicitly targets inclusion of water users, women and youth. In 2018, the Alliance tested the practicality of working at a watershed scale through a pilot initiative with six villages in Mufundi District along the Ndembera River. The process stimulated villages to work together toward the establishment of by-laws designed to improve smallholder access to land, water and market opportunities in ways that both generate income and preserve ecosystem functions. Alliance staff and the District Commissioner, who led the pilot, reported that this innovative approach



An aerial view of the Great Ruaha River inside Ruaha National Park.





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The Alliance integrates water users in inclusive, landscape-level VLUP to maintain ecological flows of the Great Ruaha River.

resulted in efficiency gains in time spent and reductions in cost.

Interim results were communicated to national, district and village level stakeholders as well as SAGCOT Centre and companies considering investment in the region. The Alliance's plan to complete the land use process through the final stage is designed to further address identified knowledge, capacity and funding gaps. One key outcome of the completed Village Land Use Planning process will be Investment Management Plans. These plans will guide investors to finance initiatives in ways consistent with the plans, including respecting the designation of areas zoned for agricultural development and conservation.

Changes to national Village Land Use Planning guidelines that improve efficiency, effectiveness, inclusion and sustainability are likely to dramatically accelerate the adoption of land use plans which better maintain ecosystem services and environmental flows. Completed Village Land Use Plans are important for stabilizing smallholder tenure security and land governance conditions, which many companies look for prior to investment.

### Selecting crops to maximize social and environmental benefits

Triple-bottom-line assessment and dialogue between CARE, WWF and local stakeholders enable strategic Alliance investment in sustainable value chains, laying the groundwork for business investment that benefits smallholders.

Since investment in SAGCOT by multinational corporations has been slower than anticipated, the Alliance has increased its efforts in creating conditions for investment by local companies. Focused on the Iringa Region of SAGCOT's Ihemi Cluster (a key geographic area of focus for implementing IGG), the Alliance has joined a growing coalition of partners engaged in promoting the SAGCOT Ihemi Cluster Development Framework. Within this collaborative planning forum, the Alliance is laying the foundation to assume a strategic role in highlighting crops for which markets are present and which can be grown by smallholders using sustainable intensification methods that limit demands on scarce water resources.

In 2017, the Alliance commissioned a detailed market systems assessment that screened crops for their suitability

to the SAGCOT context, including through consultation with Ihemi Cluster stakeholders. The Alliance's core technical team in Tanzania carefully considered the findings and recommended a focus on Irish potatoes and common beans for the Alliance's work in the Ihemi Cluster. The Alliance's prioritization of poverty reduction and gender inclusivity brought to light the dependence of women and youth on Irish potato production, while stimulating debate as to the crop's production characteristics, including the impacts of water and pesticide use. A commitment to evaluating the performance of Irish potato using climate-smart agriculture methods—while assuring it not be grown in wetlands or near water

**A key outcome of the completed Village Land Use Planning process is Investment Management Plans. Providing leadership for land use planning reform strategically positions the Alliance to influence where agricultural companies and smallholders invest in sustainable supply chains.**



sources—allows time to further evaluate whether the crop's water use through its relatively short growing cycle has a manageable impact in terms of water quantity and quality. The Alliance team selected common beans as a second value chain for their nutritional value and important contributions to soil health.

Strategic analysis of environmental and social aspects of crop selection, often considered a purely economic decision, is critical to reveal the whole picture of synergies and trade-offs between value chain options. The holistic market assessment helped the Alliance to focus on the most critical areas of support to farmers and companies to maximize economic benefits and minimize the environmental footprint.

## Conclusion

Working from district to national levels on multiple fronts positions the Alliance to provide strategic leadership in creating the enabling conditions that incentivize



An aerial view of small fields being irrigated during the dry season in the Ruaha catchment.



A woman carrying brushwood in the Ruaha Catchment, Tanzania.

private sector actors to fulfill their roles in inclusive green growth in SAGCOT.

The Alliance's deep experience in integrated programming and history of working on conservation and development in Tanzania imbue the partnership with unique expertise and credibility. This has enabled the Alliance to spearhead ground-truthing of the IGG guidance tool with businesses and community stakeholders; pilot a multi-village land use planning process that is poised to influence national Village Land Use Planning guidelines; and promote crops that lay the strategic groundwork for private investment in sustainable value chains that benefit small-scale producers and processors.

Together, Alliance interventions and strong relationships with key stakeholders from district to national levels are building the foundation that can attract the capital investment needed to make the SAGCOT experiment in inclusive green growth a success. Building on recent momentum, the Alliance is well positioned to link

the application of triple-bottom-line agricultural investment standards with landscape-scale Village Land Use Planning to design and develop valuable models in SAGCOT.

The Alliance pilot initiative will test the feasibility of realizing synergies between ecological conservation and inclusive development through multi-stakeholder investment in sustainable value chains on strategic landscapes. Drawing on its proven leadership capacity in partnership formation, the Alliance can facilitate effective coalitions of stakeholders and experts to assess, design, implement, document, learn, adapt and improve initiatives that use markets to unlock opportunities for the rural poor and the environment. By catalyzing a dynamic IGG model, the Alliance can improve the livelihoods of small-scale producers and processors and protect critical river ecosystems in pilot landscapes while increasing the environmental sustainability and positive socio-economic benefits of agricultural growth in the SAGCOT corridor.

This learning series was co-authored by EcoAgriculture Partners and the Alliance.

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