

# New pyrethrum buyers

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## denied licences

By Correspondent  
Kenneth Simbaya,  
Mbeya

THE Tanzania Pyrethrum Board (TPB) has come under fire for denying other buyers licenses to buy the crop during 2011/2012 buying season.

Unhappy with the TPB's decision last week pyrethrum buyers and farmers from villages walked to Mbeya's regional commissioner's office to register their concerns. They met with the Mbeya district commissioner, Evance Balama instead.

According to one of the farmers who requested for anonymity, TPB's decision is contradicting the government initiative to raise farmers' incomes and emancipate them from abject poverty as stated in MKUKUTA II.

He said TBP as a regulator was actually supposed to be supporting upcoming agents in the pyrethrum industry so that the buying of the crop is not monopolised by one buyer as is the case now, denying farmers lucrative gains from competition.

He said as a result, clause number 53 of the Pyrethrum Industry Rules 2010 is rendered irrelevant as there is no competition on buying the

crop since Tanzania Pyrethrum Company is buying at a minimum price of 1800/= per kilo while other buyers are willing to pay up to 2,500/= per kilo.

The clause states: "Pyrethrum growing villages shall establish in their own areas growers associations or primary cooperative societies which shall negotiate with the buyers on selling prices which shall be above the indicated price of the pyrethrum, and the price negotiated shall apply to the respective pyrethrum growing area only."

"We have doubts over the board's decision," he complained.

He suggested a review of the Pyrethrum Industry Rules 2010, to align them with other government efforts of widening the market. "Left as they are now (Pyrethrum Industry Rules 2010), no small buyer will ever buy pyrethrum in this country," he noted.

One of the license applicants, who identified himself as John, said that TPB is setting stringent criteria for obtaining pyrethrum buying license which upcoming buyers cannot meet and hence contradicting government efforts of creating competition which would benefit farmers.

He alleged that TPB went

around the villages to rally support from pyrethrum stakeholders to vote in favour of one company buying the crop this season, and this was evident in the meeting which was held on 9th July 2011 in Mbeya.

The meeting was officiated by the Minister for agriculture, Jumanne Maghembe, and was attended by the Mbeya Regional Commissioner, John Mwakipesile and the Mbeya District Commissioner, Evance Balama.

Enos Mwantobe a long-time pyrethrum farmer from Isangati village in Mbeya, said that farmers preferred competitive market and there is no way they would agree to its monopolisation.

He said monopoly had tortured them a great deal. "There was a time when we stopped growing pyrethrum due to lack of market and thereafter monopoly," said the old man who started growing pyrethrum in 1960s.

Free market, according to Mwantobe, has allowed many buyers in the market, something which farmers have benefited from, so reverting to one buyer is preparing a miserable future for the farmers.

Mwantobe added that TPC has been in the market alone for almost eight years. During

the time the company used to buy pyrethrum at a very low price compared to the current situation when there is competition in the market.

The coming of other players in the pyrethrum buying market according to Yamaliha, has raised pyrethrum price from 700/= to 1800/=.

One of the pyrethrum buying companies, (TABECO) employee (requested not to be named) told this reporter that TPB should allow other buyers if they really wanted farmers to benefit as opposed to creating an environment which threaten the survival of upcoming buyers.

Last week's meeting was the second that the Mbeya District Commissioner, Balama has hosted for pyrethrum buyers and growers.

Reached for comment, the Director General for TPB, Mhekato did not agree or deny having interest in the pyrethrum buying company supposed to be favored by the TPB.

TPB chairman, Binilith Mahenge who is also a Member of Parliament for Makete Constituency when sought for clarification, told the reporter to wait till after the TPB meeting scheduled for today.