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**THE TANZANIA COOPERATIVE
DEVELOPMENT COMMISSION (TCDC)**



ANNUAL PERFORMANCE REPORT FOR NON-FINANCIAL COOPERATIVE SOCIETIES

FIRST EDITION, 2025



STATEMENT FROM REGISTRAR AND CHIEF EXECUTIVE OFFICER



It is with great pleasure that I present the Performance Report of Non-Financial Cooperatives in Tanzania. This report marks a significant step in our ongoing commitment to transparency, accountability, and evidence-based decision-making within the cooperative sector. Non-financial cooperatives remain a cornerstone of Tanzania's socio-economic development, particularly in rural areas, where they empower communities, create employment opportunities, and promote inclusive growth. From agriculture to livestock, fisheries, mining, and beyond, these cooperatives play a crucial role in transforming local economies and enhancing livelihoods.

This performance report, prepared by the Tanzania Cooperative Development Commission (TCDC), offers a comprehensive overview of the performance of non-financial cooperatives across key sectors. It provides valuable insights for policymakers, cooperative leaders, development partners, and other stakeholders. By analysing critical indicators, including membership growth, production levels, market access, and governance practices. The report highlights both achievements and areas that require targeted support.

More than just a performance assessment, this report serves as a strategic tool for guiding cooperative development and shaping national policy. It aligns with broader frameworks such as Tanzania's Development Vision 2025, FYDP III, the Sustainable Development Goals (SDGs), and the African Union's Agenda 2063 – The Africa We Want. The evidence will inform the design of responsive policies, support institutional reforms, and direct investments where they are most needed. For cooperative stakeholders, this report provides a performance benchmark and showcases best practices and successful models that can inspire replication across regions. It fosters learning, innovation, and continuous improvement, key ingredients for building resilient, democratic, and member-driven cooperatives that can meet the evolving needs of Tanzanian society. As this is the inaugural performance report on non-financial cooperatives in Tanzania, certain limitations in scope and data accessibility may have affected the completeness of the information presented. However, we are committed to continuous improvement, and future annual reports will be more comprehensive, detailed, and enriched with valuable insights.

I extend my sincere appreciation to all cooperative societies and partners who contributed to the preparation of this report. Your collaboration and commitment are invaluable. As we move forward, I urge all stakeholders to utilise the insights shared in this report to scale up best practices, proactively address challenges, and work collectively to strengthen the cooperative movement as a vital engine for national development.

Dr. Benson O. Ndiege
Registrar of Cooperative Societies

ACKNOWLEDGEMENTS

The successful production of the Performance Report of Non-Financial Cooperatives in Tanzania is a testament to the collaborative spirit and dedication of different individuals and organisations. We extend our sincere gratitude to everyone who contributed their invaluable time, expertise, and resources to make this report a reality.

First and foremost, we express our profound appreciation to all cooperative societies across Tanzania, whose unwavering commitment to their members and communities forms the bedrock of this report. Their active participation in data provision was essential in capturing the true landscape of non-financial cooperative performance.

Our heartfelt thanks go to the Assistant Registrars of Cooperative Societies and Cooperative Officers at various levels, whose diligent efforts in collecting and compiling information were crucial to the comprehensive analysis presented in this report. Your tireless work on the ground ensured the accuracy and richness of our data.

We are deeply grateful to the TCDC Management and Inspection and Supervision Section Staff for their collaborative spirit and dedication in the release of the first issue of the Non-Financial Performance Report of the Cooperatives. They played a vital role in ensuring the report was in place.

Special recognition goes to the Authorial and Editorial Team, whose expertise and rigorous efforts were instrumental in drafting, editing, and refining this report. Their intellectual contributions and commitment to quality are evident throughout these pages.

TABLE OF CONTENTS

STATEMENT FROM REGISTRAR AND CHIEF EXECUTIVE OFFICER.....	i
ACKNOWLEDGEMENTS.....	ii
LIST OF TABLES.....	iii
ABBREVIATIONS.....	vi
EXECUTIVE SUMMARY.....	viii
CHAPTER ONE.....	1
1.0 INTRODUCTION.....	1
1.1 BACKGROUND.....	1
1.2 COOPERATIVE'S VALUES AND PRINCIPLES.....	1
1.3 METHODS AND DATA SOURCES.....	2
CHAPTER TWO.....	4
2.0 OPERATIONS OF NON-FINANCIAL COOPERATIVES.....	4
2.1 THE STRUCTURE OF COOPERATIVES IN TANZANIA.....	4
2.2 CATEGORIES OF COOPERATIVES IN TANZANIA.....	5
2.2.1 <i>Financial Cooperative Societies</i>	5
2.2.2 <i>Non-Financial Cooperative Societies</i>	6
2.3 GOVERNANCE OF NON-FINANCIAL COOPERATIVES.....	6
2.4 REGISTRATION OF NON-FINANCIAL COOPERATIVE SOCIETIES IN TANZANIA.....	7
CHAPTER THREE.....	10
3.0 PERFORMANCE OF NON-FINANCIAL COOPERATIVES.....	10
3.1 THE AGRICULTURAL SECTOR.....	10
3.1.1 <i>Horticulture</i>	11
3.1.2 <i>Agricultural inputs</i>	11
3.1.3 <i>Crop Production and Value from 2023/2024 – 2024/2025 Seasons</i>	14
3.1.4 <i>Approved Loans for Non-Financial Cooperatives</i>	18
3.1.5 <i>Export Performance of Agricultural Cooperatives</i>	18
3.1.6 <i>Type of crops traded through WHRS and TMX</i>	21
3.1.7 <i>Potential Investments done by Agricultural Cooperatives in enhancing the value chain</i>	22
3.1.8 <i>Grading and Performance rating of Non-financial Cooperative societies</i>	28
3.1.9 <i>Use of modernised ICT systems in Non-Financial Cooperative Societies</i>	30
3.2 <i>Use of Digital Weighing Scales in Agricultural Cooperative Societies in Tanzania</i>	30

3.3 FISHERIES.....35

3.4 LIVESTOCK.....37

3.5 MINING.....39

3.6 BEEKEEPING SUBSECTOR.....43

CHAPTER FOUR.....46

4.0 COOPERATIVE STAKEHOLDERS.....46

CHAPTER FIVE.....48

5.0 CROSSCUTTING.....48

5.1 ENVIRONMENTAL CONSERVATION.....48

5.2 CORPORATE SOCIAL RESPONSIBILITIES.....51

5.3 WOMEN IN COOPERATIVES.....52

5.4 CONTRIBUTION OF NON-FINANCIAL COOPERATIVES IN TANZANIA'S ACHIEVEMENT
OF SUSTAINABLE DEVELOPMENT GOALS (SDGS) AND AFRICA WE WANT.....53

CHAPTER SIX.....55

6.0 CONCLUSION.....55

LIST OF TABLES

Table 1: Structure of Cooperatives in Tanzania.....	5
Table 2: Cooperative organisation structure levels and their functions.....	7
Table 3: Number of Primary Cooperative Societies by Sector.....	8
Table 4: Horticulture cooperatives by region.....	11
Table 5: Agricultural input for two farming seasons (2021/2022 to 2023/2024) through cooperatives in Tanzania.....	13
Table 6: Crop Production and Value from 2023/2024 – 2024/2025 Seasons.....	15
Table 7: Total Maximum Liability for non-financial cooperatives.....	18
Table 8: Trend of Coffee Exported by Agricultural Cooperatives.....	20
Table 9: Type of crops traded through WHRS and TMX by region.....	21
Table 10: Grades and Performance of Non-financial Cooperative Societies.....	28
Table 11: Grading and Performance of Non-financial Cooperatives.....	29
Table 12: Distribution of Digital Weighing Scales in Agricultural Cooperative Societies in Tanzania.....	31
Table 13: Livestock cooperatives across regions.....	38
Table 14: Mining cooperatives across regions.....	40
Table 15: Beekeeping cooperatives across regions.....	43
Table 16: Number of Trees Planted by cooperatives in tobacco production from 2020–2024.....	49
Table 17: Number of trees and farmers benefited.....	49
Table 18: Gender Distribution among Board Members.....	52

ABBREVIATIONS

ACU	-	Arusha Cooperative Union
AMCOS	-	Agricultural Marketing Cooperative Societies
ANSAF	-	Agriculture Non-State Actors Forum
BRITEN	-	Building Rural Incomes Through Entrepreneurship
CFMAs	-	Community Fisheries Management Areas
CHAWAKIM	-	Chama cha Wafugaji Kiluvya Mpiji
COPRA	-	Cereals and Other Produce Regulatory Authority
CSA	-	Cooperative Societies Act
CSMIS	-	Cooperative Societies Management Information System
DSIK	-	German Sparkassenstiftung for International Cooperation
FAO	-	Food and Agriculture Organization
FSDT	-	Financial Sector Deepening Trust
HRNS	-	Hanns R. Neumann Stiftung
ICA	-	International Cooperative Alliance
ICT	-	Information and Communication Technology
ILO	-	International Labour Organization
IRDP	-	Institute of Rural Development Planning
JICA	-	Japan International Cooperation Agency
KACU	-	Kahama Cooperative Union
KCCCJE	-	Kanyovu Coffee Curing Co-operative Joint Enterprise
KCU	-	Kagera Cooperative Union
KDCU	-	Karagwe District Cooperative Union
KNCU	-	Kilimanjaro Natives Cooperative Union
MBIFACU	-	Mbinga Farmers Cooperative Union
MEDA	-	Mennonite Economic Development Associates
MVIWA	-	Mtandao wa Vikundi vya Wafugaji
NBC	-	National Bank of Commerce
NHIF	-	National Health Insurance Fund
NMB	-	National Microfinance Bank

RUCU	-	Rungwe Cooperative Union
RUDI	-	Rural and Urban Development Initiative
RUNALI	-	Ruangwa, Nachingwea, and Liwale Cooperative Union
SACCOS	-	Savings and Credit Cooperative Society
SADC	-	Southern African Development Community
SDGs	-	Sustainable Development Goals
TAA	-	Tanzania Association of Accountants
TADB	-	Tanzania Agricultural Development Bank
TAFORI	-	Tanzania Forestry Research Institute
TAHA	-	Tanzania Horticultural Association
TANECU	-	Tandahimba Newala Cooperative Union
TANSHEP	-	Tanzania-Japan Agricultural and Livestock Promotion
TanTrade	-	Tanzania Trade Development Authority
TCB	-	Tanzania Commercial Bank
TCDC	-	Tanzania Cooperative Development Commission
TFC	-	Tanzania Cooperative Federation
TFS	-	Tanzania Forest Services Agency
TMX	-	Tanzania Mercantile Exchange
TNC	-	The Nature Conservancy
TTB	-	Tanzania Tourist Board
TZS	-	Tanzanian Shilling
UCU	-	Usambara Cooperative Union
UNDP	-	United Nations Development Programme
USADF	-	United States African Development Foundation
USD	-	United States Dollar
WAMACU	-	Wakulima wa Mara Cooperative Union
WFP	-	World Food Programme
WHRS	-	Warehouse Receipt System
WRRB	-	Warehouse Receipt Regulatory Board



EXECUTIVE SUMMARY

Overview

The cooperative movement in Tanzania, with roots dating back to the 1920s, has undergone significant evolution, particularly since independence and following economic reforms in the 1990s. Today, cooperatives remain central to Tanzania's development strategy, encompassing both financial and non-financial entities. This report reveals the performance of non-financial cooperatives from 2023 to 2025, employing a mixed-methods approach that combines primary surveys and interviews with secondary data from cooperative records and TCDC databases. Non-financial cooperatives, primarily dominated by the agricultural sector, play a crucial role in delivering non-financial services, including production, processing, marketing, and resource management.

Agricultural Cooperatives

Agricultural cooperatives remain the cornerstone of the non-financial cooperative sector. During the reporting period, cooperatives facilitated the marketing of 3.88 million tons of crops valued at TZS 6.2 trillion, with significant contributions from cashew nuts, tobacco, and cotton. The use of systems like the Warehouse Receipt System (WRS) and Tanzania Mercantile Exchange (TMX) has improved transparency and pricing mechanisms, while export earnings—particularly from coffee—continue to increase. The distribution of agricultural inputs worth TZS 978 billion (2022/2023–2023/2024) underscores the crucial role of cooperatives in expanding access to fertilisers, seeds, and pesticides. Value-added initiatives, such as the TANECU cashew nut processing factory and investments by Kahama and RUNALI Cooperative Unions, illustrate the growing impact of cooperatives on agro-industrialisation. Moreover, the adoption of modern ICT systems, including the Cooperative Societies Management System (CSMS) and digital weighing scales, has significantly improved operational efficiency, transparency, and member trust.

Fisheries Cooperatives

The fisheries sector witnessed notable expansion, with 65 cooperatives formed and 202 seaweed farmers trained in market access mechanisms. Strategic initiatives under the SADC PROFISHBLUE Program, along with loans facilitated through partnerships with financial institutions, have improved access to markets and enhanced income generation. A major milestone includes the provision of a refrigerated truck to Bukasiga Fisheries Cooperative, enabling cold-chain transport and improving the quality and shelf life of fish products.

Livestock Cooperatives

With 135 active livestock cooperatives, the sector has made significant progress in areas such as milk collection, meat processing, and the development of value-added products. Notable examples include NRONGA Women Dairy Cooperative and CHAWAKIM Cooperative Society, which have invested in small-scale processing and market development. The government and its partners, including Heifer International and Trias Tanzania, have promoted sustainable practices through training, infrastructure development, and access to financing, targeting pastoral communities and promoting rural economic transformation.

Mining Cooperatives

There are currently 59 registered mining cooperatives supporting artisanal and small-scale miners. These cooperatives have made strides in formalisation, improved working conditions, and enhanced financial access through internal savings mechanisms and partnerships. Ongoing regulatory reforms, capacity building, and licensing support from the Mining Commission continue to strengthen the sector's sustainability and contribution to rural employment.

Beekeeping Cooperatives

Beekeeping cooperatives have begun to emerge as innovative contributors to environmental sustainability and rural income. With 20 cooperatives registered by June 2024, the sub-sector is gaining momentum through the support of the Tanzania Forest Services Agency (TFS) and the National Bee Research Masterplan (2020–2030). These cooperatives enable collective marketing, value addition, and access to modern beekeeping technologies. Challenges remain, including reliance on traditional hives, low productivity, and limited market access. However, the integration of cooperative models and targeted government strategies offers significant potential for growth.

Stakeholder Engagement

One of TCDC's strategic priorities has been the consolidation and expansion of partnerships with key stakeholders. In 2023/24, the number of cooperative stakeholders grew from 57 to 78. These include government bodies, private sector partners, and NGOs that contributed financial, technical, and material support to cooperatives across sectors such as agriculture, livestock, fisheries, beekeeping, and mining. The expanded collaboration base has catalyzed access to markets, financing, and capacity-building initiatives. It has also accelerated innovation and the diversification of cooperative services, reinforcing the role of cooperatives as vehicles for rural economic transformation and poverty reduction. TCDC continues to advocate for greater stakeholder involvement, both local and international, to deepen impact and ensure the sustainability of cooperative-driven development.

Environmental Conservation

Non-financial cooperatives have emerged as key actors in Tanzania's environmental conservation efforts. They have spearheaded reforestation through large-scale tree planting, promoted clean energy alternatives, and adopted sustainable agricultural practices. Between 2020 and 2024, tobacco-producing cooperatives supported by the Tanzania Tobacco Board and TCDC planted over 121 million trees, achieving 82.4% of the national target. Additionally, the promotion of cashew and cocoa cultivation has supported climate-smart agriculture, with over 80 million cashew trees planted in environmentally sensitive regions. These efforts not only contribute to carbon sequestration but also improve rural livelihoods and align cooperatives with global climate resilience goals. Environmental awareness programs and the adoption of eco-friendly construction practices further reflect a growing commitment to sustainability at the grassroots level.

Corporate Social Responsibility (CSR)

Cooperative societies have upheld the cooperative principle of "Concern for Community" by investing over Tshs 4.09 billion in community development between 2022 and 2024. These funds have supported education, health services, housing, sports, and care for vulnerable groups, including women and orphans. Additionally, cooperatives have funded cultural events and religious infrastructure, reinforcing their role as social anchors within their communities. Such investments not only enhance the well-being of cooperative members but also promote inclusivity, social cohesion, and local development. The responsiveness of cooperatives to local needs exemplifies their integral role in Tanzania's social fabric.

Women's Participation in Cooperatives

Governance reforms and election guidelines from the Registrar of Cooperatives have significantly enhanced gender representation in cooperative leadership. The proportion of women on boards of non-financial cooperatives rose from 17.5% in 2023 to 20% in 2024, reflecting steady progress toward the mandated one-third representation. While men still dominate leadership roles, this upward trend demonstrates the positive impact of policy interventions in promoting inclusive governance. Continued capacity building, mentorship, and affirmative policies are necessary to close the gender gap further and harness the full potential of women in cooperative governance and economic participation.

Non-financial Cooperatives in Tanzania's Achievement of Sustainable Development Goals (SDGs) and The Africa We Want

Non-financial cooperatives in Tanzania play a vital role as catalysts for sustainable development, significantly contributing to the achievement of the Sustainable Development Goals (SDGs) and the African Union's "The Africa We Want" agenda. Beyond offering basic

services, these cooperatives address pressing social, economic, and environmental challenges through community-focused initiatives. They play a key role in poverty reduction by investing in education, healthcare, housing, and economic empowerment, especially for marginalised groups. Cooperatives also support improved health and education outcomes, promote gender equality through inclusive participation, and generate employment while enhancing entrepreneurial capacity. Their inclusive model reduces inequality and strengthens social cohesion, ensuring development benefits are widely shared. By advancing sustainable cities, promoting environmental stewardship, and empowering communities, non-financial cooperatives embody the core values of participatory and inclusive development that drive both national and continental transformation.

Conclusion

The non-financial cooperative sector continues to play a transformative role in improving livelihoods, fostering community resilience, and contributing to Tanzania's national development agenda. While the performance of many cooperatives shows promise, particularly in agriculture and livestock, critical challenges such as limited capital, infrastructure gaps, and capacity constraints persist. The report calls for enhanced multi-stakeholder collaboration, increased investment in cooperative infrastructure, and stronger policy support to scale successful models across all subsectors. Strengthening cooperative governance, expanding digital integration, and promoting inclusive participation (especially among women and youth) will be essential to sustaining this progress and unlocking the full potential of non-financial cooperatives in Tanzania.

CHAPTER ONE

1.0 INTRODUCTION

1.1 Background

The cooperative movement in Tanzania has a long and evolving history, dating back to the colonial era in the 1920s when the first cooperative societies were established to help African farmers access markets and enhance their bargaining power. The movement gained momentum post-independence, especially in the 1960s and 1970s, when the government adopted cooperatives as a key tool for rural development and socialist economic planning. During this period, cooperatives were instrumental in organising agricultural production and marketing. However, challenges such as political interference, mismanagement, and weak accountability led to a decline in performance. Following economic reforms in the 1990s, the sector underwent significant restructuring to promote member-driven, autonomous, and democratic cooperatives. Today, cooperatives remain a central feature in Tanzania's development strategy, with a growing number of both financial and non-financial cooperatives registered and operating across various sectors of the economy.

In this context, financial cooperatives are member-owned institutions that offer financial services, including savings, loans, and credit facilities. One common type of financial cooperative in Tanzania is the Savings and Credit Cooperative Society (SACCOS). Non-financial cooperatives, on the other hand, focus on the production, processing, marketing, or consumption of goods and services, rather than providing financial products. These cooperatives are formed to enhance members' economic opportunities by collectively managing resources, improving bargaining power, or reducing costs. In Tanzania, agricultural marketing cooperatives are a key example of non-financial cooperatives. These groups help farmers aggregate their produce, such as coffee, cotton, tobacco, or cashew nuts, and sell it in bulk to get better prices and reduce exploitation by middlemen. Other examples of non-financial cooperatives include agriculture, livestock, fisheries, mining, beekeeping, housing, manufacturing, trade, and services (e.g., tourism and education).

1.2 Cooperative's values and principles

Cooperative societies are governed and managed according to a set of core values, ethical beliefs, and guiding principles that reflect the cooperative philosophy. These values may be interpreted differently depending on the specific nature and environment of each cooperative, but they commonly include self-help, self-responsibility, democracy, equality, equity, and solidarity. In addition to these core values, cooperative members uphold ethical principles such as honesty, transparency, social responsibility, and genuine care for others within their communities. These values and ethics guide the way cooperatives operate and interact with their members and society. The internationally recognised Cooperative Principles also shape the governance and management of cooperative societies. According to the International

Cooperative Alliance (ICA), there are seven key principles that cooperatives must adhere to: these are voluntary and open membership; democratic member control; member economic participation; autonomy and independence; education, training, and information; cooperation among cooperatives; and concern for the community. These principles ensure that cooperatives remain member-centred, transparent, and committed to social and economic development.

1.3 Methods and Data Sources

This report presents a comprehensive analysis of the performance of non-financial cooperatives in Tanzania for the period from 2023 to March 2025. The methodology employed combines both quantitative and qualitative approaches to ensure a holistic understanding of cooperative performance across various sectors. A variety of data collection methods were used to gather relevant information. Primary data were collected through structured surveys administered to cooperative societies across the country. These surveys targeted key cooperative leaders and members to obtain firsthand information on operational performance, challenges, and opportunities. Additionally, interviews were conducted with key stakeholders, including cooperative union officials, local government representatives, and development partners, to gather qualitative insights and expert opinions. Secondary data were obtained from multiple sources to validate and complement primary findings. The secondary sources include cooperative records maintained at the society and union levels, the TCDC databases, as well as annual reports and policy documents from the Ministry of Agriculture and the Ministry of Industry and Trade. These institutional sources provided vital statistics and performance benchmarks critical to the analysis.

1.4 Structure of the Report

This report is organised into six chapters, each addressing a specific component of the development and performance of non-financial cooperatives in Tanzania.

Chapter One serves as the Introduction, providing essential background information on the cooperative movement, including its historical context, cooperative values and principles, as well as the methodology and data sources used in compiling the report.

Chapter Two focuses on the Operations of Non-Financial Cooperatives. It presents an overview of the structure and classification of cooperative societies in Tanzania, describes the categories of non-financial cooperatives, outlines their governance systems, and discusses the registration process of these societies.

Chapter Three provides an in-depth analysis of the Performance of Non-Financial Cooperatives during the 2023/2024 to 2024/2025 reporting period. It highlights

sector-specific performance, with a primary focus on agriculture, the sector that dominates. Key aspects covered include horticulture, crop production, the use of agricultural inputs, and value-added activities. It also examines approved loans for non-financial cooperatives, the export performance of agricultural cooperatives, the volume of crops traded through the Warehouse Receipt System (WHRS) and the Tanzania Mercantile Exchange (TMX), and the role of agrarian cooperatives in promoting investment and value chain development. Additionally, the chapter evaluates the grading and performance ratings of non-financial cooperative societies, the adoption of modern ICT systems, and the use of digital weighing scales in agricultural cooperatives. Other sectors assessed in this chapter include livestock, fisheries, beekeeping, and mining.

Chapter Four discusses the Key Stakeholders involved in the cooperative ecosystem, examining their roles in supporting, regulating, and promoting the growth of non-financial cooperatives.

Chapter Five addresses Cross-Cutting Issues, including environmental conservation efforts, corporate social responsibility initiatives, gender inclusion with a focus on women in cooperatives, and the contributions of non-financial cooperatives to the achievement of Tanzania's Sustainable Development Goals (SDGs) and the African Union's Agenda 2063: The Africa We Want.

Chapter Six presents the summary of key findings, conclusion, and provides policy recommendations to enhance the sustainability and performance of non-financial cooperatives in Tanzania.

CHAPTER TWO

2.0 OPERATIONS OF NON-FINANCIAL COOPERATIVES

This chapter provides an in-depth examination of the operational framework of non-financial cooperatives in Tanzania. It begins by outlining the structure of cooperatives in Tanzania, highlighting how these member-owned institutions are organised from the grassroots primary level to apex organisations at the national level. The chapter then explores various categories of cooperatives, emphasising the diversity of non-financial cooperatives, including those engaged in agriculture, livestock, fisheries, beekeeping, and mining. Furthermore, attention is given to the governance of non-financial cooperatives, detailing the roles and responsibilities of governing bodies, leadership structures, and the principles of democratic member control. Lastly, the chapter discusses the registration process for non-financial cooperative societies in Tanzania, explaining the legal and institutional requirements that guide their formation and recognition by regulatory authorities.

2.1 The Structure of Cooperatives in Tanzania

The structure of cooperative societies in Tanzania is organised into three hierarchical levels designed to support collaboration, representation, and service delivery at different scales (Table 1). The first level is the primary cooperative societies, which operate at the grassroots and consist of individual members who come together to pursue common economic and social interests. The second level comprises secondary or middle-level cooperatives, which are groups of primary societies that form to coordinate activities and provide shared services across a broader geographic or sectoral scope. The top level is federations, which bring together secondary cooperatives or, in some cases, directly represent primary societies at the national level. These federations often engage in advocacy, policy dialogue, and national-level coordination.

The legal basis of this structure is provided under the Cooperative Societies Act No. 6 of 2013. Section 19(1) of the Act states: *"The structure of cooperative societies shall be made up of primary societies at the grassroots level and a federation at the top level."* In addition, Section 19(2) of the Act allows for flexibility in structuring, stating: *"Subject to the wishes of the members of constituting a particular society, the structure may be comprised of middle-level societies and secondary levels."* This legal provision enables cooperative members to voluntarily form intermediate (secondary) societies to address specific needs or objectives, enhancing collaboration and service delivery among cooperatives at various levels.

Table 1: Structure of Cooperatives in Tanzania

Primary Cooperative Societies	Its membership depends on the nature and type of society to be formed. The following are four categories of primary cooperative societies in Tanzania defined in the Cooperative Societies Act:
	• Twenty to thirty persons for agricultural societies;
	• Twenty or more persons for Savings and Credit Cooperative Societies;
	• Ten or more persons for specialised skills societies; and
	• Ten or more persons for other types of Cooperative societies.
Secondary Cooperative Societies	Membership is based on a primary cooperative society, which serves as an affiliate of primary cooperatives only. This structure of cooperative is sometimes called a cooperative union as defined in the Cooperative Societies Act, section 21(1).
Federation	It is the national umbrella of cooperative society in the country, formed by secondary societies to promote cooperative development and embodies the interests of all cooperative societies locally and internationally. Furthermore, the CSA states that where a primary cooperative society is unable to join a secondary society due to its nature and the desire of its members, it may be allowed to become a member of the federation. Currently, the Tanzania Cooperative Federation (TFC) is the national umbrella (Federation) of Cooperative Societies in Tanzania.

2.2 Categories of Cooperatives in Tanzania

Across all levels, cooperatives in Tanzania are organised, operated, and managed into two major categories: financial cooperatives, which primarily provide financial services, and non-financial cooperatives, which engage in a variety of socio-economic activities. Both types of cooperatives are formed around the specific needs and shared interests of their members, commonly referred to as the members' common bond. Depending on their objectives, these cooperatives focus either on financial intermediation or non-financial intermediation.

2.2.1 Financial Cooperative Societies

Financial cooperatives are member-owned and member-operated financial institutions established to provide financial services exclusively to their members. These members can be individuals, groups, or institutions. The core activities of financial cooperatives include mobilising savings, deposits, and shares from members and providing loans and other financial products to them. Unlike conventional banks, financial cooperatives do not offer services to the general public; instead, they serve their membership base. Common examples of financial cooperatives in Tanzania include Savings and Credit Cooperative Societies (SACCOS), cooperative banks, insurance cooperatives, housing cooperatives, and investment cooperatives.

2.2.2 Non-Financial Cooperative Societies

Non-financial cooperatives are formed and registered with the primary objective of delivering non-financial services and benefits to their members. Unlike financial cooperatives, they do not focus on mobilising savings or deposits. Their membership can also comprise individuals, groups, or institutions united by shared economic or social objectives. Examples of non-financial cooperatives in Tanzania include Agricultural Marketing Cooperative Societies (AMCOS), mining cooperatives, consumer cooperatives, multipurpose cooperatives, fisheries cooperatives, livestock cooperatives, service cooperatives, and beekeeping cooperatives. These cooperatives work collectively to enhance production, marketing, resource sharing, and value addition for their members.

2.3 Governance of Non-financial Cooperatives

In Tanzania, cooperatives play a vital role in promoting socio-economic development, particularly in rural areas where they empower communities to pool resources, increase bargaining power, and improve access to markets and services. Like any other institution, Tanzanian cooperatives require a team of competent, trained, experienced, and committed staff to manage their daily operations effectively. These individuals are the driving force behind the cooperatives, ensuring their sustainability and long-term success in serving their members. To realise their goals, such as enhancing production, improving market access, or providing essential services, the cooperative's key organs, the general meeting, the board of directors, and management must work collaboratively as a unified team. These organs must develop and enforce internal policies and guidelines that provide clear direction and accountability in cooperative operations. This collective effort helps cooperatives remain member-focused, transparent, and efficient.

Table 2 provides an overview of the organisational structure of non-financial cooperatives in Tanzania, along with a description of the roles and functions at each level that contribute to the effective management and governance of these essential institutions.

Table 2: Cooperative organisation structure levels and their functions

Sn	Category/level	Description and Functions
i	General Meeting	The General Meeting is the supreme governing body in non-financial cooperative organisations. It comprises members of the respective cooperative society. Its primary duty, among others, is to make a mutual democratic decision for all key organisational matters, including election=s.
ii	General Meeting	It requires at least five Members and no more than nine members, including the Board Chairperson and Vice Chairperson. Their duties and responsibilities include overseeing and managing the day-to-day activities of the respective Non-financial cooperatives. The Board is responsible for exercising all powers necessary to ensure that the proper administration, operation, and supervision of the non-financial cooperatives are maintained and aligned with the bylaws and other internal policies of the Society, the regulations, and the resolutions passed by the general meeting. Its duties and responsibilities are well defined in Regulation 51 of the Cooperative Societies Regulations.
iii	Management of a cooperative society	It comprises executive and other supporting staff. Their duties are to perform the daily activities of society.

2.4 Registration of Non-Financial Cooperative Societies in Tanzania

For a cooperative society to be registered in Tanzania, it must meet the requirements and conditions outlined under Section 29 (1–7) of the Cooperative Societies Act No. 6 of 2013. Once all necessary procedures, such as the assessment of the proposed society’s economic viability, have been completed, an application for registration can be submitted to the Registrar. Upon satisfaction with the application, the Registrar may proceed to register the society by issuing a certificate of registration along with a copy of the approved by-laws. This certificate serves as conclusive evidence that the society named therein is legally registered unless proven otherwise.

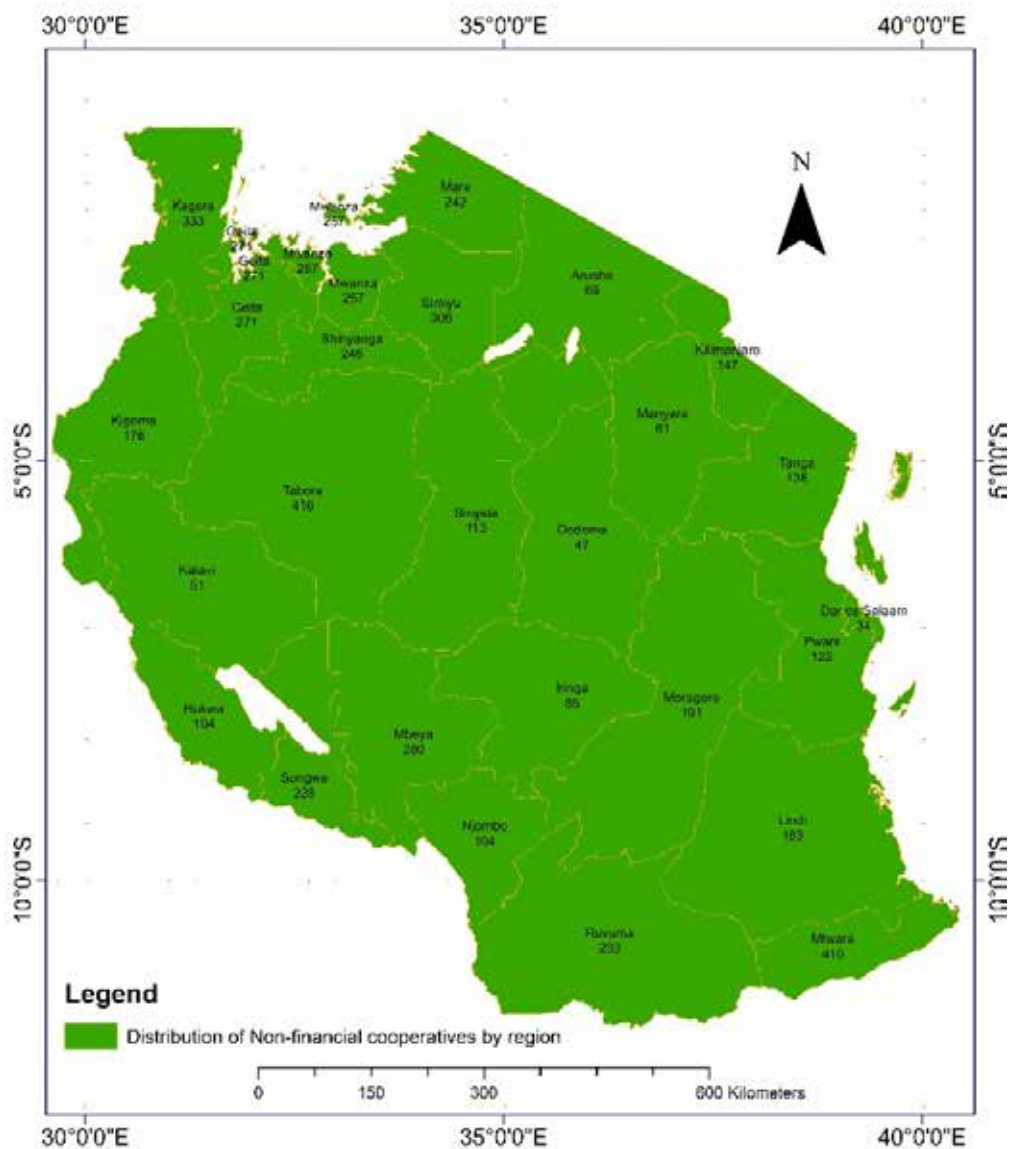
As of June 2024, statistics from the Cooperative Societies Management Information System (CSMIS) in Tanzania had a total of 4,847 registered (4,776 primary and 71 affiliated) non-financial cooperative societies distributed across various sectors (See Table 3). The agriculture sector dominates with 4,364 cooperatives, followed by livestock (135), fisheries (65), mining (59), and beekeeping (20). Additionally, other cooperatives are serving specialised groups and trades; these include business and marketing (38), multipurpose cooperatives (43), consumer (10), carpentry (8), housing (5), transporters (3), and smaller numbers in fields like automotive technicians, blacksmiths, porters, and crop processing.

Table 3: Number of Primary Cooperative Societies by Sector

S/N	Sector	Number of Cooperative Societies
1	Agriculture	4,364
2	Livestock	135
3	Fisheries	65
4	Mining	59
5	Beekeeping	20
6	Others	
	i. Automotive technician	2
	ii. Blacksmith	6
	iii. Business and Marketing	38
	iv. Carpentry	8
	v. Housing	5
	vi. Consumer	10
	vii. Multipurpose	43
	viii. Porters	12
	x. Transporters	3
	xi. Crop processing.	6
	Total Non-Financial Cooperative (Primary)	4,776

Source: CSMIS (June 2024)

The map below presents a geographical representation of the distribution of non-financial cooperatives across Tanzania's regions. The map visually illustrates the concentration and significant variation in the number of cooperatives from one area to another, reflecting differences in crops and the level of cooperative development. Regions with strong agricultural, livestock, fisheries, or mining sectors tend to have a higher concentration of non-financial cooperatives, underscoring the sectoral alignment of cooperative growth with local economic strengths.



Regional Distribution of Non-Financial Cooperatives in Tanzania

CHAPTER THREE

3.0 PERFORMANCE OF NON-FINANCIAL COOPERATIVES

The performance of non-financial cooperatives encompasses how effectively these organisations achieve their objectives and generate tangible value for their members and the wider community. This performance is evaluated not only through financial metrics but also through a broader set of social and economic indicators. These include the ability to operate efficiently and sustainably across core functions such as production, marketing, service delivery, and resource management. Key markers of success include increased member engagement, expansion of cooperative membership, improved access to quality inputs and markets, enhanced product quality, and successful value-added initiatives. Thus, performance is a multidimensional concept that reflects both economic outcomes and social impact.

In this context, measuring the performance of non-financial cooperatives extends beyond conventional financial results, incorporating achievements such as increased sales volumes, reliable input supply chains, improved market access, favourable pricing for members, and ultimately, enhanced livelihoods. These outcomes contribute to the strengthening of local economies and support national development priorities. While many non-financial cooperatives operate in Tanzania, this report focuses on key subsectors that have demonstrated significant activity and impact, namely agriculture, fisheries, livestock, mining, and beekeeping. By examining these sectors, the analysis highlights both the successes achieved and the challenges faced, providing a comprehensive understanding of the role non-financial cooperatives play in Tanzania's socio-economic development.

3.1 The Agricultural Sector

The agricultural sector remains a key area of focus for non-financial cooperatives in Tanzania, with various subsectors contributing to improved productivity and market access. The subsectors include horticulture, access to agricultural inputs, and crop production trends from the 2023/2024 to 2024/2025 seasons. Financial facilitation has also been notable through the approval of loans for cooperatives, while export performance continues to reflect the growing competitiveness of agricultural cooperatives in international markets. Additional areas of progress include the number of crops traded through the Warehouse Receipt System (WHRS) and the Tanzania Mercantile Exchange (TMX), as well as strategic investments made by cooperatives to enhance value chains. Cooperatives are also being evaluated through grading and performance ratings. Moreover, the adoption of modern ICT systems and digital weighing scales has improved efficiency, transparency, and service delivery across agricultural cooperative societies in the country.

3.1.1 Horticulture

The horticulture subsector is emerging as one of the fastest-growing areas within agricultural cooperatives in Tanzania. The Tanzania Cooperative Development Commission has taken initiatives to form and strengthen cooperatives dealing with horticulture. Currently, there are 57 cooperative societies (See Table 4) actively engaged in the production of horticultural crops, including fruits, spices, and vegetables. These initiatives reflect the increasing interest and participation of smallholder farmers, particularly youths, women, and young entrepreneurs, in high-value and export-oriented agriculture.

Table 4: Horticulture cooperatives by region

S/N	Region	Number of Cooperative
1	Arusha	14
2	Iringa	16
3	Kilimanjaro	5
4	Manyara	3
5	Mbeya	7
6	Njombe	8
7	Songwe	4
Total		57

Source: TCDC Database June 2024

Despite existing challenges of limited quality assurance, post-harvest losses, and inadequate market infrastructure, this subsector has demonstrated considerable potential. In response, the TCDC, in partnership with private sector stakeholders such as the Tanzania Horticultural Association (TAHA), is actively promoting commercialisation and modernisation efforts. These initiatives aim to enhance technical capacity, improve value addition, and expand both domestic and international market access. Through these collaborative efforts, non-financial cooperatives in horticulture are becoming increasingly viable economic pathways for promoting inclusive growth, ensuring food security, and reducing poverty in rural Tanzania. This calls for other stakeholders to collaborate with TCDC in strengthening the horticulture subsector through the establishment of cooperatives.

3.1.2 Agricultural inputs

The non-financial cooperative Societies in Tanzania have continued to play a significant role in enabling farmers to access agricultural inputs. Table 5 indicates that, between the 2022/2023 and 2023/2024 farming seasons, Tanzania’s non-financial cooperatives facilitated the distribution of agricultural inputs worth nearly TZS 978 billion, highlighting their pivotal role in improving access to farming essentials. Fertiliser distribution accounted for over TZS 240 billion, with the 2023/2024 season also marking the introduction of subsidised fertiliser valued at TZS 8.35 billion, reflecting targeted government support to smallholders.

The most significant investment was seen in pesticides, which together (powder, liquid, and ekapacks) exceeded TZS 568 billion, demonstrating a national focus on pest and disease management to safeguard yields. The supply of packaging materials, seeds, and spraying equipment further supported improved production efficiency and post-harvest value retention. Notably, seed distribution dropped in value in 2023/2024 despite increased quantities, possibly due to the use of lower-cost varieties or local seed sources. Meanwhile, the dramatic increase in investment in spraying equipment suggests a growing trend toward modern, efficient farming practices.

**Table 5: Agricultural input for two farming seasons
(2021/2022 to 2023/2024) through cooperatives in Tanzania**

s/n	Type	2022/2023 Season		2023/2024 Season	
		Quantity	Value (TZS)	Quantity	Value (TZS)
1	Fertiliser (Tons)	25,328.70	227,983,187,800	89,194	12,178,612,775
2	Subsidised fertiliser (Tons)	0	-	6,444	8,346,750,968
3	Pesticides (Powder Form) (tons)	1,671,369	138,598,132,500	2,795,300	175,149,930,880
	Pesticides (Liquid Form) (Litres)	2,753,499	75,894,802,900	2,628,328	108,719,537,750
	Pesticides (Liquid Form) (EKAPACKS)	7,503,695	30,348,510,000	9,218,378	39,352,530,530
4	Packaging Materials (Bags) - PCS	5,535,997	53,163,612,896	2,328,950	15,043,235,000
	Packaging Materials (Sachets) - PCS	2,972,411	2,248,748,542	240,000	156,000,000
5	Seeds (Tons)	96,453	30,096,453,500	119,480	758,340,000
6	Seedlings (PC)	445,365	91,236,500	0	-
7	Spraying Equipment - Mitre	915,500	16,277,908,404	37,395	43,663,855,905
Grand Total			574,702,593,042		403,368,793,808

Source: TCDC Database 2024

The contribution of non-financial cooperatives in distributing agricultural inputs has had significant positive implications for both farmers and national economic development in Tanzania. For farmers, access to high-quality inputs such as fertilisers, seeds, and pesticides has significantly boosted productivity, leading to higher yields, increased incomes, and improved food security. Bulk procurement through non-financial cooperatives has lowered input costs, while better post-harvest handling and packaging have reduced losses and enhanced market access. This collective system also fosters economic empowerment and strengthens non-financial cooperatives as sustainable institutions. Nationally, increased access to input has driven growth in the agricultural sector, created rural employment, particularly for youth and women, and stimulated local agro-industries. Moreover, cooperatives have proven to be efficient channels for implementing government agricultural policies and subsidies, promoting transparency and policy impact. This calls for more stakeholders to work with TCDC in supporting smallholder farmers to access farming inputs.

3.1.3 Crop Production and Value from 2023/2024 – 2024/2025 Seasons

Agricultural cooperatives in Tanzania have played a significant role in marketing farmers' produce. During the 2023/2024 and 2024/2025 seasons, a total of 3.88 million tons of crops were traded through the agricultural cooperatives in Tanzania, with an impressive market value exceeding TZS 6.2 trillion (See Table 6). This reflects a significant contribution of agricultural cooperatives in aggregating, marketing, and enhancing value chains for key cash and food crops. Notably, cashew nuts emerged as the most valuable crop, generating over TZS 1.91 trillion from 646,000 tons, followed by tobacco at TZS 1.37 trillion and cotton at TZS 366 billion. These three crops alone accounted for more than 58% of the total crop value traded, underlining their strategic importance to the agricultural economy.

Other high-value contributors include coffee (TZS 691.9 billion), sesame (TZS 812.3 billion), and cocoa (TZS 319.3 billion), highlighting a growing demand in premium export markets. The sharp rise in pigeon pea volumes from 38,882 tons to 96,044 tons also signals increasing regional trade opportunities. Meanwhile, crops such as tea, soybeans, green grams, and sugarcane contributed modestly but indicated potential for growth with improved value chain integration. Lesser valued crops, such as maize, beans, and grapes, remain underutilised in cooperative marketing, often being traded informally or consumed locally.

Table 6: Crop Production and Value from 2023/2024 – 2024/2025 Seasons

S/n	Crops	2023/2024 Season		2024/2025 Season		Grand Total	
		Weight (Tons)	Value (TZS)	Weight (Tons)	Value (TZS)	Weight (Tons)	Value (TZS)
1	Tobacco	117,218.00	682,642,539,744	117,464	687,305,154,482	234,682	1,369,947,694,226
2	Cashew nuts	240,099.11	450,913,729,030	406,362	1,461,679,068,454	646,461	1,912,592,797,484
3	Cotton	345,855.89	189,612,492,04	130,644	176,369,892,750	476,500	365,982,384,791
4	Coffee	93,661.63	86,141,997,476	53,532	605,737,995,702	147,194	691,879,993,178
5	Sesame	103,771.22	277,917,432,861	145,297	534,429,302,261	249,069	812,346,735,122
6	Cocoa	11,499.40	129,085,758,200	8,841	190,172,687,188	20,340	319,258,445,388
7	Sisal	4,117.29	14,495,999,700	61,216	238,740,645,000	65,333	253,236,644,700
8	Tea	9,385.27	3,407,975,699	24,825	9,085,950	34,210	3,417,061,649
9	Pigeon peas	38,882.76	79,098,382,311	96,044	190,803,447,143	134,927	269,901,829,454
10	Soybeans	5,023.39	4,479,676,110	1,204	1,812,093,471	6,228	6,291,769,582
11	Green grams	100.85	136,147,500	20,729	40,809,705,710	20,830	40,945,853,210
12	Grapes	255.48	353,539,400			255	353,539,400
13	Sugarcane	673,448.00	59,450,025,000	1,159,238	98,013,413,050	1,832,686	157,463,438,050
14	Beans	54.00	106,920,000			54	106,920,000
15	Maize	13,092.00	9,164,400			13,092	9,164,400
Grand Total		1,656,464	1,977,851,779,472	2,225,398	4,225,882,491,160	3,881,862	6,203,734,270,632

Source: TCDC Database 2024



For farmers, the strong performance of crop marketing through agricultural cooperatives provides a crucial pathway for income generation, especially for small-scale farmers. By pooling resources, accessing reliable markets, and negotiating more favourable prices, farmers can benefit from higher incomes, greater financial stability, and improved access to services. The increased value of traded crops also incentivises investment in quality inputs, post-harvest practices, and market-oriented production, which enhances productivity and livelihoods. The consistent earnings from major crops, such as cashew nuts and tobacco, provide an economic cushion and can help reduce rural poverty.

At the national level, the trading of over TZS 6.2 trillion worth of crops through cooperatives has broad economic benefits. It strengthens agricultural GDP contributions, boosts foreign exchange earnings from export crops such as coffee, cashew, and sesame, and supports job creation across the value chain. The statistics also reflect the growing role of agricultural cooperatives as reliable commercial platforms that bridge smallholders with both domestic and international markets. Furthermore, it creates momentum for agro-industrial development, particularly in processing, packaging, and logistics, which can accelerate Tanzania's transformation into a more modern and competitive agricultural economy.



***Among the crops produced by
farmers of agricultural cooperatives***

3.1.4 Approved Loans for Non-Financial Cooperatives

According to Section 64 (1–3) of the Cooperative Societies Regulations, 2015, the Registrar is mandated to approve the maximum liability limits, including loans and capital deposits that cooperatives can hold. In line with this legal framework, the Registrar approved a cumulative maximum liability of TZS 332.2 billion for the financial year 2022/2023 and TZS 398.7 billion in 2023/2024. Additionally, in foreign currency terms, the approved limits increased from USD 75.5 million to USD 265.2 million, marking a substantial rise in borrowing capacity (See Table 7). These approvals enabled non-financial agricultural cooperatives to secure financing for various strategic investments, including the construction of storage facilities, the procurement of agricultural inputs, the acquisition of fixed assets, and working capital to support farming operations. The sharp year-on-year increase in both TZS and USD approvals reflects growing confidence in the financial governance and viability of cooperative institutions.

Table 7: Total Maximum Liability for non-financial cooperatives

S/n	Detail	FY (2022/2023)	FY (2023/2024)
1	Tanzanian Shillings	332,208,309,021	398,695,066,021.43
2	US Dollar	75,466,289.51	265,214,406.81

Source: TCDC Database 2024

For farmers, the increase in cooperative borrowing capacity directly enhances service delivery. It allows cooperatives to provide timely access to inputs, infrastructure, and mechanisation, which boosts productivity and income at the grassroots level. For the cooperatives themselves, these approved liabilities strengthen their ability to operate as financially independent, service-oriented enterprises, capable of meeting member needs through capital-intensive activities such as storage, transport, and marketing. On a national scale, this trend contributes to agricultural modernisation, job creation, and rural economic growth, aligning with Tanzania’s broader development goals. It also reflects institutional progress in cooperative financial management, thereby increasing the credibility of agricultural cooperatives in the eyes of financial institutions, government stakeholders, and development partners.

3.1.5 Export Performance of Agricultural Cooperatives

Agricultural cooperative societies in Tanzania are increasingly participating in global markets, particularly through the export of coffee, a key cash crop with strong international demand. Table 8 indicates that, during the 2022/2023 and 2023/2024 seasons, ten primary agricultural cooperatives collectively exported over 50,000 tons of coffee, generating significant foreign exchange earnings. In 2022/2023, these cooperatives exported approximately 24,491 tons of coffee, earning over USD 65.8 million (TZS 153.9 billion). In the following season, 2023/2024, despite some fluctuations in individual cooperative performance, the total export volume increased to 25,953 tons, with earnings of USD 58.5 million (TZS 146.3 billion). Notably, cooperatives such as MBIFACU LTD and KDCU LTD contributed the highest volumes and sales values, showing the strength of well-organised cooperatives in penetrating export markets.



Export Performance of Agricultural Cooperatives

Table 8: Trend of Coffee Exported by Agricultural Cooperatives

s/n	COOPERATIVE NAME	SEASON OF 2022/2023			SEASON OF 2023/2024		
		Production (TONS)	Sales Value (USD)	Sales Value (TZS)	Production (TONS)	Sales Value (USD)	Sales Value (TZS)
1	KCU (1990) LTD	2,731,440	8,459,727.47	20,728,278,041.00	2,143,920	7,923,140.40	19,450,000,500.00
2	KDCU LTD	4,823,040	10,759,064.00	25,369,872,385.00	1,873,740	4,277,528.00	10,699,792,800.00
3	KCCCJE LTD	682,896	2,242,092.60	5,295,631,874.50	585,544	1,613,557.00	4,133,642,700.00
4	MBIFACU LTD	15,765,724	42,914,504.00	98,703,359,200.00	19,952,756	40,210,487.00	100,526,217,500.00
5	UCU (1994) LTD	154,693	345,084.00	773,465,000.00	100,713	202,965.00	503,565,000.00
6	ACU LTD	133,400	297,584.00	1,057,292,985.92	105,852	219,408.11	652,575,728.00
7	WAMACU LTD	200,143	380,157.20	970,317,952.00	177,000	772,873.80	2,068,293,720.00
8	RUCU LTD	116,802	445,275.47	1,041,944,599.80	212,677	665,035.82	1,672,565,087.30
9	KNCU (1984) LTD	0	0	0	978,360	2,484,117.80	6,322,079,801.00
10	NGARA FARMERS LTD	0	0	0	35,770	128,976.64	325,329,566.49
GRAND TOTAL		24,491,453	65,843,488.00	153,940,162,038.00	25,953,868	58,498,090.00	146,354,062,403.00

Source: TCDC Database 2024

The ability of cooperatives to access international markets brings multiple benefits to smallholder farmers and the broader economy. For farmers, selling coffee through cooperatives that export ensures better and more stable prices, as it eliminates exploitative middlemen and provides access to premium buyers. It also provides a reliable platform for generating income, encouraging higher-quality production and adherence to international standards. For the cooperatives, success in exports boosts institutional credibility, attracts partnerships and investment, and strengthens financial sustainability. Nationally, coffee exports via agricultural cooperatives contribute to foreign exchange reserves, improve the agricultural trade balance, and stimulate rural economic development. Furthermore, this demonstrates the potential of cooperatives not only as domestic service providers but also as competitive players in the international agribusiness sector.

3.1.6 Type of crops traded through WHRS and TMX

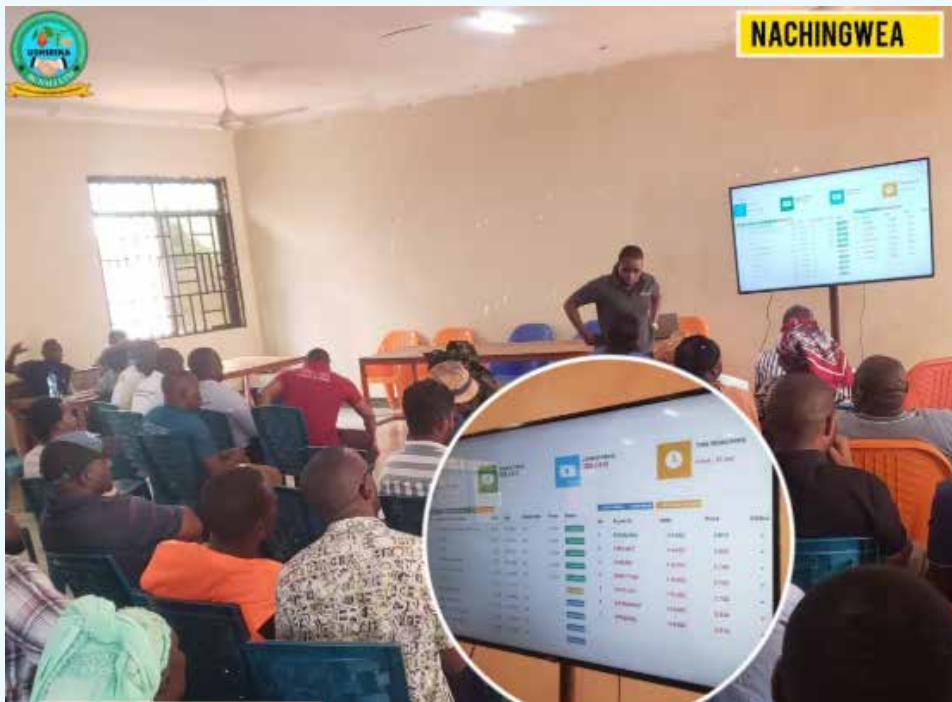
The government, through TCDC, the Cereals and Other Produce Regulatory Authority (COPRA), the Tanzania Mercantile Exchange (TMX), and the Warehouse Receipt Regulatory Board (WRRB), has facilitated the trading of various agricultural commodities through its warehouse receipt system (WRS), which allows farmers to store their produce in licensed warehouses and sell it via digital auctions. This system enhances market access, price transparency, and financial security for farmers. As of the 2024/2025 season, the crops traded through TMX include Cashew Nuts, Sesame, Pigeon Peas, Coffee, and Cocoa (Table 9).

Table 9: Type of crops traded through WHRS and TMX by region

Crops	Regions
Cashew Nuts	Mtwara, Lindi, Ruvuma, Coast, Tanga, Morogoro and Singida
Sesame	Mtwara, Lindi, Ruvuma, Coast, Morogoro, Songwe, Katavi, Dodoma and Kigoma
Pigeon Peas	Mtwara, Lindi, Ruvuma and Manyara
Coffee	Kagera
Cocoa	Mbeya and Morogoro

Source: TCDC Database 2024

The TMX platform enables farmers to access both local and international markets, ensuring fair pricing and timely payments. This system has been particularly beneficial for cashew nut farmers, who have reported higher and more stable prices compared to previous seasons. The inclusion of these crops in the TMX trading system has significant implications for farmers and the national economy. For farmers, it provides a reliable and transparent market platform, reducing the influence of middlemen and ensuring better prices for their produce. The system also offers financial security through guaranteed payments and the ability to access credit using stored commodities as collateral. The photo below shows farmers following cashew nut trade activities through the TMX online platform in Nachingwea District.



Farmers following cashew nut trade activities through the TMX online platform

For the national economy, the TMX promotes agricultural modernisation and market integration, contributing to increased agricultural productivity and export revenues. By facilitating access to global markets, the system helps diversify export commodities and reduce post-harvest losses. Moreover, the growth of the warehouse receipt system encourages investment in rural infrastructure and logistics, fostering overall economic development in Tanzania.

3.1.7 Potential Investments done by Agricultural Cooperatives in enhancing the value chain

Different cooperatives engaged in agricultural activities have potential investments which enhance the value chain of agricultural produce. The cooperatives with potential investments include;

(i) Tandahimba Newala Cooperative Union (TANECU)

Tandahimba Newala Cooperative Union (TANECU) is a prominent agricultural cooperative based in the Mtwara Region of southern Tanzania. Established to support cashew nut farmers in the Tandahimba and Newala districts, TANECU plays a pivotal role in enhancing the livelihoods of local farmers through various initiatives. The union is actively involved in the entire cashew value chain, from cultivation to processing and marketing. The Cooperative Union has established a state-of-the-art cashew nut processing factory in Mmovo Village, Newala District, Mtwara Region, as shown in the photo below. This facility, inaugurated in October 2024, represents a significant investment of TZS 3.4 billion and boasts an annual processing capacity of 3,500 tonnes of raw cashew nuts. The factory is part of TANECU's broader initiative to enhance local cashew processing capabilities, aiming to reduce reliance on exporting raw nuts and instead add value through domestic processing. This move aligns with the government's goal to process a substantial portion of the nation's cashew production locally.



Cashew nut processing factory owned by TANECU

In recent developments, TANECU has successfully commenced the export of value-added cashew nuts to international markets, a significant milestone that signals new opportunities for cashew farmers in the country. On April 11, 2025, TANECU exported its first container of processed cashew nuts, weighing 15 metric tons and valued at USD 111,180, to Turkey. This event marks a strategic advancement in the cooperative's efforts to increase domestic value addition and access global markets. Likewise, by April 2025, TANECU LTD had already received multiple international orders for processed cashew nuts, with the initial shipment representing the first phase in fulfilling these export agreements. The cooperative deliberately began with a single container to demonstrate its technical capacity in processing and exporting value-added products. This initiative reflects TANECU's broader strategy to scale up production and export volumes, which is currently being strengthened through improved processing infrastructure and logistical planning. The success of this venture highlights the growing importance of agricultural cooperatives in expanding market access, increasing foreign exchange earnings, and contributing to national economic development through agro-industrialisation.

The establishment of this processing plant offers several implications for farmers and the national economy. For farmers, it ensures a more stable and potentially higher income by providing access to local processing facilities, reducing the need for long-distance transportation, and minimising the risks associated with raw nut exports. Additionally, the factory creates job opportunities within the community, contributing to local economic development. On a national scale, enhancing local processing capacity is expected to increase the value-added exports of cashew nuts, thereby boosting foreign exchange earnings and contributing to the overall economic growth. Furthermore, this initiative supports the government's strategy to establish Tanzania as a leading player in the global cashew market by focusing on quality and processed products.

(ii) Kahama Cooperative Union

Kahama Cooperative Union (KACU) LTD has a total of 126 member primary cooperative societies. Among these, 46 societies are engaged in tobacco farming, 66 in cotton farming, and 14 are involved in cultivating both cotton and tobacco. In total, KACU LTD represents 13,455 farmers who are members of the affiliated primary cooperative societies. Kahama Cooperative Union has recently acquired two Tata trucks, each with a carrying capacity of 25 tons (see the photo below), valued at TZS 380 million. This strategic investment aims to enhance the efficiency of cotton production operations and improve service delivery to their members, who primarily consist of farmers and local community members. By expanding its transportation capacity, the cooperative intends to streamline the movement of cotton from farms to processing centres and markets, reducing delays and minimising post-harvest losses. This improvement not only supports increased productivity but also strengthens the cooperative's ability to provide timely and reliable services to its members. This investment demonstrates the union's commitment to boosting agricultural value chains, promoting economic growth within the farming communities, and contributing to the broader development of the regional agricultural sector.



Vehicles Purchased by KACU to Strengthen Cooperative Services

(iii) Ruangwa, Nachingwea, and Liwale Cooperative Union (RUNALI)

In 2025, the Ruangwa, Nachingwea, and Liwale Cooperative Union (RUNALI) made a strategic investment by purchasing ten vehicles specifically for transporting farmers' cashew nuts (see the photo below). This initiative addressed a longstanding logistical bottleneck caused by a limited number of vehicles, which often resulted in significant delays in transporting cashew nuts to warehouses. By solving this critical issue, the union has not only improved transport efficiency but also ensured that farmers' cashew nuts reach storage and processing facilities on time. This marks a significant success in enhancing operational capacity and service delivery to members.





Group photo showing the Registrar of Cooperatives and RUNALI leaders during the launch of vehicles for transporting cashew nuts and other cooperative operations

The impact of this investment extends across the entire cashew value chain. Timely transportation minimises post-harvest losses and spoilage, preserving the quality of the nuts and maximising farmers' returns. With more efficient logistics, the union can meet buyer demands promptly and maintain a reliable supply chain, which is vital for building long-term market relationships. Improved delivery times and product quality also strengthen the bargaining position of the cooperative, potentially leading to better prices and increased competitiveness in both local and export markets.

Economically, the vehicles contribute to more than just improved logistics; they represent a sustainable income-generating asset for the cooperative. During periods when cashew transport is not in demand, the vehicles are utilised for other commercial transportation services, generating additional revenue for the union. This diversification enhances the cooperative's financial sustainability and allows for reinvestment into other development initiatives. Furthermore, it boosts the economic resilience of members by promoting access to consistent market services, employment opportunities, and broader economic activity within the community.

3.1.8 Grading and Performance rating of Non-financial Cooperative societies

The Tanzania Cooperative Development Commission (TCDC), in collaboration with various cooperative stakeholders, has established a set of key performance indicators to assess the effectiveness of non-financial cooperatives (Table 10). These indicators encompass critical areas, including financial management, market and business operations, cross-cutting issues (such as gender and environmental considerations), good governance, and institutional sustainability. In combination with these metrics, non-financial cooperatives are classified into three categories: Category A, Category B, and Category C, based on the total value of assets owned, as reported in their audited financial statements. This classification system is designed to provide a clear framework for evaluating cooperative performance and guiding capacity-building efforts.

Table 10: Grades and Performance of Non-financial Cooperative Societies

Category of Non-financial cooperatives	Total Assets (TZS)
A	More than TZS 7,000,000,000
B	TZS. 200,000,000 – 7,000,000,000
C	Less than TZS. 200,000,000

Source: TCDC Database 2025

Based on these categories, up to March 2025, a total of 964 Non-financial cooperatives have been rated out of 4,847 Non-financial cooperatives registered under MUVU. The analysis of rated on same of the rated Non-financial cooperatives, filled the information indicates that 8 Non-financial cooperatives fall under Category A, 128 under Category B, while 828 Non-financial cooperatives fall under Category C. Non-financial cooperative societies are still filling the information for grading and performance. The grading and performance of Non-financial cooperatives by region, number of Non-financial cooperatives, grading, and total assets are indicated in Table 11.

Table 11: Grading and Performance of Non-financial Cooperatives

S/n	Region	Category A		Category B		Category C		Total Assets	
		No.	TZS	No.	TZS	No.	TZS	No.	TZS
1	Arusha	-	-	18	20,697,760,571.00	18	979,730,236.00	36	21,677,490,807.00
2	Dar es Salaam	-	-	2	946,610,916	22	440,133,252.29	24	1,386,744,168.29
3	Geita	-	-	-	-	5	113,283,440.00	5	113,283,440.00
4	Iringa	-	-	-	-	11	220,745,609.96	11	220,745,609.96
5	Kagera	-	-	20	16,358,022,846.00	204	7,595,035,927.00	224	23,953,058,773.00
6	Katavi	-	-	-	-	21	2,362,201.50	21	2,362,201.50
7	Kigoma	-	-	5	7,294,536,886.60	1	451,142.00	6	7,294,988,028.60
8	Kilimanjaro	7	219,468,931,267.75	20	24,989,137,481.00	42	2,898,171,223.00	69	247,356,239,971.75
9	Lindi	-	-	5	3,553,390,529.00	80	2,716,693,758.99	85	6,270,084,287.99
10	Manyara	-	-	-	-	2	14,532,867.00	2	14,532,867.00
11	Mara	-	-	1	383,928,657.00	-	-	1	383,928,657.00
12	Mbeya	-	-	16	30,478,365,003.00	30	664,677,116.00	46	31,143,042,119.00
13	Morogoro	1	21,399,974,778.00	2	959,413,981.00	14	3,599,837.99	17	22,362,988,596.99
14	Mtwara	-	-	8	2,678,586,854.00	104	2,753,600,677.50	112	5,432,187,531.50
15	Mwanza	-	-	1	535,026,889.00	18	502,023,065.47	19	1,037,049,954.47
16	Njombe	-	-	2	2,790,637,762.00	28	437,368,992.27	30	3,228,006,754.27
17	Pwani	-	-	1	1,160,587,306.00	21	135,900,683.00	22	1,296,487,989.00
18	Rukwa	-	-	1	544,237,680.00	40	819,970,110.15	41	1,364,207,790.15
19	Ruvuma	-	-	20	12,741,800,080.00	89	4,491,135,674.00	109	17,232,935,754.00
20	Shinyanga	-	-	-	-	2	-	2	-
21	Simiyu	-	-	-	-	7	12,169,522.00	7	12,169,522.00
22	Singida	-	-	3	1,584,448,951.00	11	290,907,170.00	14	1,875,356,121.00
23	Songwe	-	-	-	-	14	-	14	-
24	Tabora	-	-	-	-	20	228,559,991.00	20	228,559,991.00
25	Tanga	-	-	4	2,765,367,744.00	24	889,269,118.00	28	3,654,636,862.00
26	Dodoma	-	-	-	-	-	-	-	-
	Total	8	240,868,906,045.75	129	130,461,860,136.60	828	26,210,321,610.11	965	397,541,087,792.46

Source: TCDC Database 2024

3.1.9 Use of modernised ICT systems in Non-Financial Cooperative Societies

The agricultural cooperatives in Tanzania have successfully integrated Information, Communication, and Technology (ICT) into their daily operation, which represents a significant milestone in the modernisation of the cooperative sector, through the implementation of the Cooperative Societies Management System (CSMS), a digital platform developed by the TCDC in collaboration with development partners. Agricultural Marketing Cooperative Societies (AMCOS) have significantly improved their management of daily operations. The system enables streamlined and efficient handling of critical cooperative functions, including member registration, crop procurement, payments to farmers, financial transactions, and the management of members' shares.

This achievement has transformed the way cooperatives operate by reducing reliance on manual record-keeping, increasing operational efficiency, and enhancing transparency and accountability. It has also enabled real-time data collection and analysis, which informs evidence-based decision-making for both government and stakeholders in the agricultural sector. Furthermore, by maintaining reliable and accessible financial records, the system supports improved governance, facilitates quicker and more accurate payments to farmers, and enhances the ability of cooperatives and their members to access credit. Overall, the digitalisation of cooperative management is a key success in advancing agricultural services, increasing farmer confidence, and driving sustainable economic development in Tanzania's rural communities.

3.2 Use of Digital Weighing Scales in Agricultural Cooperative Societies in Tanzania

The adoption of digital weighing scales has become a significant achievement in improving the operational efficiency of cooperative societies in Tanzania, particularly within the agricultural sector. These scales are widely used during crop purchasing processes to ensure accuracy, transparency, and trust in transactions between farmers and cooperatives. The use of digital weighing scales has been introduced in cashew nuts, coffee, cotton, tobacco, and sesame. For the second quarter of the year 2025, a total of 992 cooperative societies received 2,715 digital scales with a value of TZS 10,238,909,611.00. The number of digital scales received by the cooperative societies increased by 500 in the third quarter of 2025, making a total of 1,492 digital scales with a value of TZS. 14,602,818,706.00 (Table 12).

Table 12: Distribution of Digital Weighing Scales in Agricultural Cooperative Societies in Tanzania

s/ n	Name of Union	Region	Crops	SECOND QUARTER (2025)				THIRD QUARTER (2025)			
				Number of Cooperative	Required Weighing Scales	Distributed Weighing Scales	Value (VAT Inclusive)	Number of Cooperative Societies	Required Weighing Scales	Distributed Weighing Scales	Value (VAT Inclusive)
1	CORECU LTD	Pwani	Cashew nut, Sesame, Pigeon	104	135	135	514,416,285.00	104	135	135	514,416,285.00
2	MAMCU LTD	Mtwara	Cashew nut, Sesame, Pigeon	192	662	662	2,522,545,042.00	192	662	662	2,522,545,042.00
3	TANECU LTD	Mtwara	Cashew nut, Sesame, Pigeon	199	473	473	1,802,362,243.00	199	473	473	1,802,362,243.00
4	RUNALI LTD	Lindi	Cashew nut, Sesame, Pigeon	106	482	482	1,836,656,662.00	106	482	482	1,836,656,662.00
5	TAMCU LTD	Ruvuma	Cashew nut, Sesame, Pigeon	50	301	301	1,146,957,791.00	50	301	301	1,146,957,791.00
6	LINDI MWAMBAO LTD	Lindi	Cashew nut, Sesame, Pigeon	59	268	268	1,021,211,588.00	59	268	268	1,021,211,588.00
7	KACU LTD	Lake Zone	Cotton	0	0	0	0	500	3,300	1,750	4,363,909,095.00
8	KCU (1990) LTD	Kagera	Coffee	141	170	170	601,800,000.00	141	170	170	601,800,000.00

Source: TCDC (March 2025)

Replacing manual and traditional weighing systems (see the photo below), digital scales have minimised disputes related to weight manipulation, increased confidence among farmers, and promoted fairness in trade. This advancement marks a significant step toward modernising cooperative services and strengthening the integrity and accountability of primary societies in handling agricultural produce.



Examples of Traditional and Hand-Operated Weighing Scales

Digital weighing scales offer greater accuracy compared to traditional or manual scales, eliminating complaints of unfair measurements from farmers and thereby strengthening trust in cooperative societies. Many of these scales display weights on large screens or print receipts instantly, promoting transparency in crop transactions. Their integration with electronic systems allows easy storage and tracking of purchase data, enhancing accountability and reducing opportunities for mismanagement. Additionally, digital scales improve efficiency by streamlining the weighing process, and in some cooperatives, they are integrated with digital payment platforms, facilitating timely and accurate payments to farmers.



Digital weighing scales awaiting to be put into use at the cooperative



Farmer's cashew nuts weighed using a digital scale

The adoption of digital weighing scales in Tanzania's cooperative sector signifies a broader transformation toward data-driven and technology-enabled agricultural systems. These scales not only modernize the day-to-day operations of primary cooperatives but also contribute to standardising processes across the value chain. Their integration with digital systems enables cooperatives to generate reliable and auditable records that support better inventory management, financial planning, and reporting. Over time, this builds institutional credibility, allowing cooperatives to access external financing or enter into contract farming arrangements with national and international buyers. The traceability provided by digital weighing systems also aligns with global market requirements, particularly in certified or regulated exports like coffee and tobacco.

For farmers, the digitalization of weighing systems creates a formal environment that can be linked to credit history and market traceability, potentially opening doors to loans, insurance, and improved market access. With dependable digital records of sales and productivity, farmers are better positioned to participate in structured markets or government support programs. At a national level, the use of digital weighing scales contributes to improved data collection for agricultural statistics, enabling more informed policy-making and efficient resource allocation. Furthermore, as cooperatives become more efficient and trusted, they can scale operations, enhance rural incomes, reduce informal trade leakages, and support the formalisation of agriculture, a key pillar for inclusive economic growth in Tanzania.

3.3 Fisheries

The commission, in collaboration with the Ministry of Livestock and Fisheries, has continued to promote the formation of cooperative societies among livestock keepers, fishers, and aquaculture farmers as a strategy to enhance the fisheries sector through cooperatives. Currently, there are a total of 65 cooperative societies dealing with fishing. In collaboration with the Ministry of Livestock and Fisheries, WRRB, TMX, and the Tanzania Postal Corporation, TCDC has conducted an assessment on the establishment of formal systems to improve market access for seaweed and its products. As a result, a total of 202 seaweed farmers from the regions of Tanga (37), Lindi (16), and Mtwara (149) have been educated on the use of these systems.



A fish cage facility owned by the Nyanza Cooperative Union



Cooperative members engaged in fishing activities.

Through the SADC PROFISHBLUE Program, which promotes regional fisheries resource management and sustainable aquaculture development, the Ministry of Livestock and Fisheries has handed over a refrigerated vehicle to the Bukasiga Fisheries Cooperative Society, located in the Ukerewe District Council, Mwanza Region. The Isuzu truck, with registration number T660 ELT and a capacity of three (3) tons, will enhance the cooperative's ability to transport fish and fish products to various markets across the country while maintaining food quality and safety standards.

In the 2024/2025 financial year, TCDC, in collaboration with the Ministry of Livestock and Fisheries, successfully facilitated access to loans for 68 livestock and fisheries cooperatives by linking them with financial institutions. Additionally, the Ministry is in ongoing discussions with three more cooperatives and the Private Agricultural Sector Support (PASS) organisation to secure affordable, collateral-free loans to support livestock and fisheries projects. With these initiatives, TCDC encourages various stakeholders to collaborate in strengthening cooperatives within the fisheries sector.

The continued promotion and establishment of cooperative societies among fishers and aquaculture farmers represents a strategic approach to empowering smallholder producers through collective action. The creation of 65 cooperative societies in the 2024/2025 financial year reflects growing organisation and coordination within the sector, paving the way for stronger bargaining power, better resource sharing, and improved access to essential inputs, markets, and services. This growth not only contributes to increased productivity but also plays a key role in strengthening rural economies through job creation, income generation, and the promotion of local entrepreneurship in both fisheries and livestock value chains. Several stakeholders continue to express interest in supporting the fisheries sector, recognising cooperative societies as an effective model for sustainable fisheries management. A notable example includes two ongoing projects funded by The Nature Conservancy (TNC) under the Lake Tanganyika Program. These initiatives are being implemented in collaboration with the Mkinga Fishers' Cooperative and the Kirando Fishers' Cooperative Society in the Rukwa Region. The project aims to strengthen the existing Community Fisheries Management Areas (CFMAs) and provide technical and managerial coaching and mentorship to enhance the capacity and governance of the fishers' cooperatives.

To build on this momentum, we call upon all stakeholders, including development partners, private investors, financial institutions, and non-governmental organisations, to actively support and invest in livestock-based cooperatives. Their involvement is essential in scaling up impact, enhancing sustainability, and unlocking the full economic potential of Tanzania's livestock sector for the benefit of rural communities nationwide.

3.4 Livestock

In the livestock sector, Tanzania has recorded notable progress through the establishment of 135 cooperative societies actively engaged in modern livestock keeping and value addition. These cooperatives have significantly contributed to enhancing productivity and improving the livelihoods of livestock keepers (See Table 13). Through organised efforts, cooperatives have facilitated the development of milk collection centres and the production of high-value products such as beef, cheese, and yoghurt, thereby expanding market access and increasing income for members. Notably, some livestock cooperatives have advanced further by investing in small-scale processing facilities to enhance value addition. Prominent examples include CHAWAKIM Cooperative Society Ltd. and NRONGA Women Dairy Cooperative, which have successfully demonstrated how cooperative-led investments can transform livestock production into profitable, sustainable ventures.

Table 13: Livestock cooperatives across regions

S/N	Region	Number of Cooperative
1	Arusha	8
2	Dodoma	2
3	Geita	4
4	Iringa	3
5	Kagera	4
6	Katavi	1
7	Kigoma	3
8	Kilimanjaro	20
9	Manyara	2
10	Mara	3
11	Mbeya	34
12	Morogoro	5
13	Njombe	7
14	Pwani	3
15	Rukwa	2
16	Ruvuma	1
17	Shinyanga	1
18	Tabora	1
19	Tanga	31
	Total	135

The Tanzania Cooperative Development Commission (TCDC), in collaboration with the Ministry of Livestock and Fisheries and various stakeholders, continues to promote the integration of livestock keepers into cooperative systems as a strategy to strengthen the socio-economic activities of pastoral communities across the country. Encouragingly, development partners such as Heifer International and Trias Tanzania have expressed interest in supporting these efforts. The government has also taken proactive steps to strengthen livestock cooperatives by revitalising existing societies, promoting sustainable livestock practices, and implementing capacity-building programs. These efforts include training in improved animal husbandry, breed enhancement, proper feeding practices, financial support, and investment in essential infrastructure.

To build on these successes, we call upon all stakeholders, development partners, private sector actors, financial institutions, and civil society to join hands in supporting livestock-based cooperatives. Their involvement is critical to scaling up innovations, unlocking the full potential of the sector, and ensuring inclusive and sustainable growth for livestock-keeping communities in Tanzania.



Cattle-keeping activities performed through cooperatives

3.5 Mining

Mining cooperative societies play a vital role in shaping Tanzania’s mining sector, particularly by supporting artisanal and small-scale miners. As of June 2024, a total of 59 active registered mining cooperatives are operational across the country (See Table 14). These cooperatives have increasingly become essential vehicles for promoting inclusive growth by organising diggers into cooperatives, thereby enabling access to support services, legal recognition, and improved working conditions. Their contribution to socio-economic development is evident through job creation, increased revenue generation, and the attraction of foreign direct investment.

Table 14: Mining cooperatives across regions

S/N	Region	Number of cooperatives
1	Dodoma	1
2	Lindi	1
3	Morogoro	1
4	Geita	23
5	Kagera	1
6	Kigoma	1
7	Kilimanjaro	1
8	Manyara	1
9	Mara	7
10	Mwanza	1
11	Shinyanga	8
12	Singida	9
13	Songwe	1
14	Tanga	3
Total		59

One key achievement has been the establishment of the internal Saving and Credit Cooperatives Society (SACCOS) within mining cooperatives, which allows members to mobilise financial resources, support daily operations, and reduce dependency on external financing. Additionally, the government, through the Mining Commission, has made notable strides in supporting small-scale miners by streamlining licensing processes, offering technical training, improving access to modern mining technologies, and facilitating financial inclusion through loans and guarantees.





Mining activities of the IGOMIKO Mining Cooperative Society – Kahama

However, despite this progress, several challenges persist, most notably the limited participation of women entrepreneurs, inadequate access to capital for low-income earners, and insufficient training and technological support for small-scale miners. These barriers hinder full sector potential and limit inclusive economic participation. To unlock broader benefits and ensure the mining sector becomes a sustainable source of income for all, particularly marginalised groups, there is a pressing need for greater involvement from stakeholders, including financial institutions, development partners, civil society, and private investors. These actors are urged to collaborate in providing affordable financing, mentorship, gender-sensitive capacity building, and innovative technologies. Supporting the formation and strengthening of mining cooperatives will be key to empowering low-income earners and driving inclusive, responsible mining development in Tanzania.

3.6 Beekeeping subsector

Beekeeping is increasingly emerging as a promising sub-sector that supports both environmental conservation and the socio-economic development of cooperative members in Tanzania. As of June 2024, a total of 20 registered beekeeping cooperative societies (Table 15) had been established across various regions. While the sector is still dominated by small-scale, family-based operations and individual producers, there is growing interest in adopting cooperative models. Notable initiatives such as those led by MVIWA Arusha and technical support from the Tanzania Forest Services Agency (TFS) are contributing significantly to the formalisation and strengthening of cooperative structures in this sector.

Table 15: Beekeeping cooperatives across regions

S/N	Region	Number of Cooperative
1	Geita	1
2	Dodoma	2
3	Morogoro	2
4	Katavi	2
5	Kigoma	4
6	Manyara	1
7	Shinyanga	1
8	Singida	1
9	Tabora	6
Total		20

The cooperative approach has already demonstrated its potential to empower beekeepers by improving access to markets, facilitating collective processing and packaging, and enhancing income through value-added honey and beeswax products. Furthermore, cooperatives serve as a platform for knowledge sharing, enabling beekeepers to adopt sustainable practices that contribute to biodiversity conservation and forest protection. However, despite these successes, the sub-sector faces several challenges. Many beekeepers still rely on traditional hives, resulting in low productivity and inefficiencies in honey and beeswax harvesting. Limited access to modern equipment, inadequate technical knowledge, and vulnerability to market fluctuations further constrain the sector's potential, particularly for low-income earners who could benefit from modern, sustainable beekeeping practices.

In response to these challenges, the Ministry of Natural Resources and Tourism has developed the National Bee Research Masterplan (2020–2030), a strategic program designed to strengthen the sector's contribution to socio-economic development. The plan focuses on generating research-based evidence, improving access to bee products and services, promoting appropriate technologies, increasing the use of scientific information, and enhancing institutional capacity (TAFORI, 2020). To build on this momentum, the Tanzania Cooperative Development Commission (TCDC), in collaboration with TFS, continues to encourage the formation and development of beekeeping cooperatives. These cooperatives are seen as essential vehicles for overcoming structural barriers and enabling even low-income communities to engage in environmentally friendly income-generating activities.

In light of these developments, we call upon stakeholders, including government agencies, development partners, NGOs, and private investors, to actively support the beekeeping sector by investing in training, modern equipment, market access, and cooperative development. Strengthening this sub-sector not only empowers rural livelihoods but also contributes meaningfully to Tanzania's broader environmental conservation and sustainable development goals.



Beekeeping activities performed through a cooperative

CHAPTER FOUR

4.0 COOPERATIVE STAKEHOLDERS

One of the eight strategic priorities of the TCDC is to strengthen collaboration with stakeholders in the development of cooperatives. Over the past two years, TCDC has made significant progress by increasing the number of cooperative stakeholders from 57 in 2022/23 to 78 in 2023/24. These stakeholders include government institutions, private sector companies, and non-governmental organisations, all of which have contributed financial, technical, and material resources to support the growth and sustainability of cooperatives nationwide. These include CRDB Bank Plc, National Bank of Commerce (NBC), Tanzania Commercial Bank (TCB), Tanzania Agricultural Development Bank (TADB), International Labour Organization (ILO), National Microfinance Bank (NMB), Tanzania Trade Development Authority (TanTrade), Rural and Urban Development Initiative (RUDI), United States African Development Foundation (USADF), Financial Sector Deepening Trust (FSDT), Japan International Cooperation Agency (JICA), Heifer International, Cooperative Service Providers, Agriculture Non-State Actors Forum (ANSAF), Hanns R. Neumann Stiftung (HRNS), Building Rural Incomes Through Entrepreneurship (BRiTEN), AGRITERRA, German Sparkassenstiftung for International Cooperation (DSIK), SOLIDARIDAD, Equity Bank, World Food Programme (WFP), National Health Insurance Fund (NHIF), TIGO, VODACOM, Stanbic Bank, Food and Agriculture Organization (FAO), United Nations Development Programme (UNDP), Mennonite Economic Development Associates (MEDA), Rikolto, NMB Foundation, Tanzania Association of Accountants (TAA), Tanzania Horticultural Association (TAHA), Institute of Rural Development Planning (IRDP), Tanzania-Japan Agricultural and Livestock Promotion (TANSHEP) and others.

This growing partnership base has played a critical role in expanding cooperative services, promoting innovation, and enhancing access to finance, markets, and capacity-building programs. As a result, cooperatives in sectors such as agriculture, livestock, fisheries, beekeeping, and mining are increasingly becoming engines of inclusive economic growth and poverty reduction, especially among low-income populations in rural areas. The photo below shows a TCDC Registrar exchanging a Memorandum of Understanding (MoU) with the IRDP Rector after the signing ceremony earlier this year.



The TCDC Registrar exchanging MoU with the IRDP Rector after the signing ceremony

To sustain and build on these achievements, TCDC calls upon more stakeholders, both local and international, to join hands in supporting cooperative development. By working together, we can empower communities, create decent jobs, promote social equity, and reduce poverty through well-organised and sustainable cooperative models. Strengthening this multi-sectoral cooperation is essential to unlocking the full potential of cooperatives as vehicles for socio-economic transformation in Tanzania.

CHAPTER FIVE

5.0 CROSSCUTTING

5.1 Environmental Conservation

Cooperative societies in Tanzania have increasingly played an active role in environmental conservation within their surrounding communities. Through collaboration with their members, cooperatives have taken part in several initiatives aimed at preserving the environment. One notable achievement is their consistent participation in tree-planting activities during national and local environmental commemorations. These efforts have contributed to reforestation and the restoration of degraded ecosystems while also raising awareness among members about the importance of sustainable land use and environmental protection.

In addition to tree planting, cooperatives have played a crucial role in promoting the use of alternative and clean energy sources within their communities. They have advocated for the transition from traditional biomass fuels, such as firewood used in clay ovens, to more sustainable and energy-efficient technologies, including improved stoves, gas, and biogas. By reducing dependence on wood fuel, cooperatives are helping to decrease deforestation and carbon emissions, aligning their activities with national and global climate change mitigation goals. Some cooperatives have also begun phasing out traditional construction methods that rely heavily on firewood, opting instead for more eco-friendly materials and practices.

Cooperatives in Tanzania have actively contributed to climate resilience through various initiatives. Notably, the TCDC, in collaboration with the Tanzania Tobacco Board, has been raising awareness among tobacco-producing cooperatives about the importance of tree planting as a climate mitigation strategy. These cooperatives have set ambitious annual tree-planting targets to support environmental restoration. Over four years, the goal was to plant a total of 147,401,915 trees. Impressively, cooperatives successfully planted 121,473,085 trees, achieving 82.4% of the target (Table 16). Furthermore, study findings indicate a positive trend, with the number of trees planted increasing annually, demonstrating a growing commitment and capacity within cooperative networks to enhance climate resilience.

Table 16: Number of Trees Planted by cooperatives in tobacco production from 2020–2024

Region	Number of Trees - 2020/2021		Number of Trees - 2021/2022		Number of Trees - 2022/2023		Number of Trees - 2023/2024	
	Target	Planted	Target	Planted	Target	Planted	Target	Planted
Tabora	10,852,901	9,651,480	11,587,543	9,299,959	21,128,102	14,276,749	36,884,271	29,491,727
Shinyanga	3,168,000	3,106,400	4,035,500	4,035,500	1,110,500	1,041,400	7,809,214	7,809,214
Kigoma	1,140,000	1,030,260	926,740	701,280	2,559,500	1,191,400	3,484,500	2,805,189
Katavi	3,113,328	2,814,601	2,592,862	2,430,766	4,181,411	4,110,190	6,087,555	6,539,094
Ruvuma	222,200	208,000	222,200	219,000	3,601,500	546,124	1,122,000	1,409,587
Mbeya	198,000	172,000	2,900,000	2,765,315	5,909,535	5,553,843	9,099,568	7,832,702
Singida	34,800	33,500	341,000	341,000	611,000	611,000	751,500	967,145
Iringa			59,800	57,000	215,938	12,000	215,938	12,000
Mara					682,884	198,830	552,125	198,830
Total	18,729,229	17,016,241	22,665,645	19,849,820	40,000,370	27,541,536	66,006,671	57,065,488

Source: TTB (2024)

Moreover, cooperative societies have been actively encouraged to engage in agricultural production that aligns with environmental sustainability goals. Crops such as cocoa and cashew nuts are prime examples of those that contribute to environmental conservation. In Tanzania, cashew nut cultivation is widespread, particularly in regions like Mtwara, Lindi, Coast, Tanga, and Ruvuma, where approximately 80,870,287 cashew trees have been planted (See Table 17). Additionally, the Singida Region recently planted 70,000 new cashew trees, further expanding this critical crop. Cashew nut trees play a vital role in environmental protection by absorbing significant amounts of atmospheric carbon dioxide, thus contributing to climate change mitigation. By integrating carbon credit initiatives, cooperatives can enhance both environmental sustainability and economic resilience among their members, creating a mutually beneficial scenario for climate action and rural livelihoods.

Table 17: Number of trees and farmers benefited

S/n	Name of the region	Districts	Registered Farmers	Benefited Farmers	Farm Size (Acres)	Trees
1	Coast	9	32,395	27,669	187,917	4,109,924
2	Lindi	7	140,962	115,589	806,585	22,265,730
3	Mtwara	9	329,845	243,848	2,130,214	42,322,836
4	Tanga	11	5,625	1,950	25,069	410,166
5	Ruvuma	8	44,829	37,951	419,738	11,761,631
	Total	44	553,656	427,007	3,569,523	80,870,287

Source: TCDC June 2024

One of the notable achievements of cooperative societies in Tanzania has been their growing involvement in environmental education and awareness. Through public forums, workshops, and various community platforms, cooperatives have actively engaged in sensitising both their members and the broader community about the importance of environmental stewardship. These efforts have not only deepened their understanding of sustainable practices but have also empowered members to take personal responsibility for protecting natural resources. This has positioned cooperatives as more than just economic entities; they are now seen as community-based agents driving social and environmental transformation.

Building on these efforts, the TCDC continues to play a critical role by offering structured training programs that go beyond cooperative management. These programs include components of environmental conservation, such as the importance of tree planting, climate resilience, and the adoption of alternative energy solutions. Cooperatives, given their grassroots reach and organisational structure, are uniquely positioned to cascade this knowledge within communities. For instance, with over 8.3 million cooperative members nationwide, even if each member shares this knowledge with just four people in their household, more than 33 million Tanzanians, over half the population, could be reached with environmental education.

This multiplier effect underscores the significant potential of utilising cooperatives as vehicles for national environmental education and action. However, to fully harness this potential, government institutions, development partners, environmental organisations, and the private sector must work collaboratively with TCDC and cooperative societies. By investing in training, providing financial and technical support, and integrating cooperatives into broader environmental strategies, stakeholders can help accelerate climate action, promote sustainable livelihoods, and ensure that even low-income communities are actively engaged in conserving the environment while earning a decent income. The time to act is now through collective effort; cooperatives can become a driving force in building a greener and more resilient Tanzania. For example, with over 8.3 million cooperative members nationwide, if each member is trained and subsequently shares their knowledge with just four members of their household, this would result in environmental education reaching more than 33 million Tanzanians, over half of the country's population. This powerful multiplier effect underscores the unique capacity of cooperatives to drive widespread awareness and action for environmental conservation across Tanzania.

5.2 Corporate Social Responsibilities

Financial cooperatives in Tanzania have made significant strides in upholding the seventh cooperative principle, “Concern for Community,” by actively contributing to the sustainable development of their local communities. Between 2022 and 2024, these cooperatives invested a total of Tshs 4,094,137,528 in a wide range of community sectors, including healthcare, education, housing, sports, and games, as well as support for marginalised groups such as women and orphanages. They also contributed to cultural and social initiatives, such as the Uhuru Torch events, the construction of places of worship (including churches and mosques), and enhanced security in designated areas.



Women cooperative leaders presenting a donation to an elderly care centre in Mwanza

Through these impactful investments, cooperatives have significantly enhanced the quality of life for both their members and the broader community, promoting greater social inclusion and cohesion. Their active participation in local events and social causes not only strengthens community bonds but also exemplifies the vital role cooperatives play as agents of social progress and community empowerment across Tanzania.

5.3 Women in Cooperatives

Based on the governance framework outlined in Section 68 of the Cooperative Act of 2013, the management and oversight of cooperative societies in Tanzania are entrusted to elected Board members. According to Sections 7 and 8 of the Act, these Board members are democratically elected by cooperative members during General Meetings and are accountable for regularly reporting on the cooperative's operations. Each registered cooperative society's Board must have between five and nine members, including a chairman and vice-chairman, serving a term of up to three years with the possibility of one re-election.

Over the past two years, the composition of Board members within non-financial cooperatives has shown a persistent gender imbalance, with males dominating leadership roles. Although there has been a slight decline in the total number of male Board members from 23,107 in 2023 to 22,988 in 2024, the proportion of women on Boards has increased from 17.51% to 20% (See Table 18). This upward trend aligns with the 2023 election guidelines issued by the Registrar of Cooperatives, which mandate that at least one-third of the Board members in all cooperative societies be women. This policy intervention has successfully contributed to improving female representation in collaborative governance. This improvement is a positive step toward more inclusive governance and better gender balance. However, it also highlights that there remains room for further advancement to meet or exceed the target of one-third female representation.

Table 18: Gender Distribution among Board Members

Gender	2023	Percentage	2024	Percentage
Male	23,107	82.49%	22,988	80%
Female	4,904	17.51%	5,747	20%
Total	28,011	100%	28,735	100%

Source: TCDC Database, 2024

ugh these impactful investments, cooperatives have significantly enhanced the quality of life for both their members and the broader community, promoting greater social inclusion and cohesion. Their active participation in local events and social causes not only strengthens community bonds but also exemplifies the vital role cooperatives play as agents of social progress and community empowerment across Tanzania.

5.4 Contribution of Non-financial Cooperatives in Tanzania's Achievement of Sustainable Development Goals (SDGs) and Africa We Want.

Non-financial cooperatives in Tanzania are potent drivers of sustainable development, playing a crucial role in advancing the Sustainable Development Goals (SDGs) and the African Union's transformative agenda, commonly referred to as "Africa We Want." These cooperatives extend beyond financial services to actively engage in social, environmental, and community development initiatives that address critical challenges facing local populations.

One of the primary contributions of non-financial cooperatives is their role in poverty alleviation (SDG 1). By investing resources into community development projects such as healthcare, education, housing, and social welfare, cooperatives enhance access to essential services for marginalised groups. This not only improves the quality of life but also creates a foundation for economic empowerment and resilience. For example, market agricultural products, whereby farmers receive a competitive price, which provides them with the income to meet their needs. Likewise, cooperatives often support the construction of schools, fund healthcare facilities, and provide assistance to vulnerable populations, such as women, orphans, and people living in rural areas. These efforts help bridge gaps in service delivery and promote inclusive growth.

In terms of health and well-being (SDG 3), non-financial cooperatives contribute by mobilising community resources to improve healthcare infrastructure and awareness campaigns. Their grassroots networks enable the delivery of health education, sanitation initiatives, and support for medical outreach programs. Similarly, cooperatives champion quality education (SDG 4) by providing scholarships, learning materials, and community education programs that build human capital, essential for long-term socio-economic progress.

Gender equality (SDG 5) is another key area where cooperatives make a significant impact. Many cooperatives actively promote women's participation and leadership, ensuring that women have equitable access to resources, training, and decision-making platforms. By empowering women economically and socially, cooperatives help dismantle barriers to gender equality and foster more inclusive communities.

Cooperatives also contribute directly to decent work and economic growth (SDG 8) by creating employment opportunities and supporting entrepreneurship. Through capacity-building initiatives and support for local enterprises, cooperatives enhance the skills and productivity of their members, enabling them to participate more effectively in the economy. This, in turn, stimulates local economies and encourages sustainable livelihoods.

The principle of reducing inequality (SDG 10) is deeply embedded in the cooperative model. By prioritising the needs of marginalised and vulnerable populations, including women, youth, and rural communities, cooperatives promote social inclusion and equitable access to opportunities. Their focus on community-driven development ensures that benefits are widely shared, helping to narrow socio-economic gaps.

In the context of sustainable cities and communities (SDG 11), non-financial cooperatives undertake initiatives that enhance housing, infrastructure, and environmental conservation. Their collective efforts in tree planting, environmental education, and promoting renewable energy contribute to building resilient, sustainable communities.

Aligned with these SDGs, the African Union's vision for "Africa We Want" emphasises inclusive growth, social justice, and sustainable development. Non-financial cooperatives embody this vision by empowering communities to take control of their development through collective action. They foster social cohesion, strengthen local economies, and promote environmental stewardship, pillars of the continental agenda. Cooperatives support equitable development by integrating marginalised groups and providing platforms for participation and leadership, ensuring that no one is left behind.

Therefore, non-financial cooperatives are indispensable partners in realising both the SDGs and the aspirations of "Africa We Want." Their unique grassroots presence, combined with a holistic approach to development, enables them to deliver sustainable, inclusive progress. Strengthening and supporting these cooperatives is vital for accelerating socio-economic transformation and achieving a prosperous, equitable, and resilient future for Tanzania and the wider African continent.

CHAPTER SIX

6.0 CONCLUSION

The period from 2023 to 2025 has demonstrated the growing relevance and resilience of non-financial cooperatives in Tanzania's socio-economic landscape. Anchored in a rich historical legacy and strengthened by strategic reforms, these cooperatives have continued to evolve into dynamic institutions that make meaningful contributions to national development priorities. Their impact is evident across diverse sectors, including agriculture, fisheries, livestock, mining, and beekeeping, through improved production systems, enhanced market access, value addition, and environmental stewardship. The integration of digital technologies and expanded stakeholder partnerships has further strengthened cooperative performance and service delivery. Notably, non-financial cooperatives have played a critical role in advancing inclusive development, promoting gender equality, supporting vulnerable populations, and aligning grassroots efforts with broader goals such as the SDGs and the African Union's "The Africa We Want" vision. While challenges remain, the progress made during the reporting period underscores the transformative potential of cooperatives as engines of rural development, social equity, and sustainable growth. Continued support, investment, and policy alignment will be essential to sustain and amplify these gains in the years ahead.







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