

# **Government committed to revival of sisal industry**

*By George Sembony PST Tanga, 15-03-2006*

The Minister for Industry, Trade and Marketing, Nazir Karamagi, has pledged the government's commitment to expand sisal farming if current trials on production of energy from sisal waste are successful. The Minister made the pledge at Hale Sisal Estate, in Korogwe District, Tanga Region on his first visit to the sisal industry since his appointment in January, this year.

Karamagi said that the government was impressed by the trials on production of biogas and electricity from sisal waste and it is following the trials closely. He commended Katani Limited for its commitment to the trials saying the results would be of great benefit to the country.

The minister said that the objective of his visit was to follow up on agricultural crops that could be used to change people's lives and which could be linked to industrialization. 'We are focusing on crops that can be linked to industries and sisal is one of them,' he said, stressing that 'if we succeed we may undertake the promotion of sisal farming in many areas of the country first as a cash crop and also as alternative energy source.'

Katani is undertaking the biogas/electricity production trials on behalf of the world's sisal producers under a seven-year old sisal development project, "Product and Market Development for Sisal and Henequen Products," whose first phase ended last year.

The US\$ 5.3 million project is co-financed by UNIDO, the Common Fund for Commodities (CFC), the International Fund for Agricultural Development (IFAD), the Belgian Government and counterpart contributions from Tanzania and Kenya.

The foundation stone of the first ever pilot plant in the world to produce biogas, electricity and fertilizer from sisal waste was laid at Kwaraguru Sisal Estate, in Handeni District, Tanga Region. The foundation stone was laid as part of the activities of an important International Workshop on Sisal development that was opened by Tanzanian Vice-President, Dr. Ali Mohamed Shein in Tanga, in November, last year. It is being financed by the Common Fund for Commodities (CFC), the Tanzania Sisal Board (TSB) and the Sisal Association of Tanzania (SAT).

The Managing Director of the Tanga-based Katani Ltd, Salum Shamte, said, however, that construction of the pilot plant would not continue at Kwaraguru

after it was put on receivership. The plant would now be rebuilt at Hale Estate where another pilot plant that produces sisal fibre for production of pulp for making paper, also under the Product and Market Development for Sisal and Henequen Products Project. He said that the construction of the plant would be commissioned next week.

Speaking on the potential of sisal waste in producing electricity, Shamte pointed out that each fully developed sisal estate could produce waste, which can generate more than 1.0 megawatts of electricity while the internal electricity consumption at the estate does not exceed 25% of the electricity produced.

'Implementation of this project in all estates in Tanga Region would produce more than 30 megawatts of electricity, which is the total consumption for the region,' he said, adding that this would make Tanga self-sufficient in power.

He further said that another product from the biogas generation process is liquid and solid fertilizer, which would increase soil moisture retention, recondition the soil by increasing microbial activity, prevent leaching or run-off, binding heavy metals that lead to toxicity in the soil.

Tanzania was a leading sisal producer up to the 1960s producing 230,000 tonnes per annum. Sisal was the most important export commodity contributing up to 30% of the value of the country's exports, and the largest formal employer after the government. Sisal was a major crop that had a healthy world market until it lost out to heavily subsidized synthetics. Change of technology of baling hay and straw, lack of change by sisal producers, low utilization of the plant and reliance on large plantations requiring heavy investments and high overheads under rising costs of energy, labor and inputs, led to a decline in production.

In Tanzania, the nationalization of most estates in the mid-1970s and the country's economic policies accelerated the decline. Production in Tanzania declined to 21,000 tonnes by 1997, a mere 9% of its peak figure . But an upward trend started after privatization in 1998. By 2004, production rose by 29% to 27,000 tonnes. Brazil is now the largest producer in the world.

Research and Development that has been conducted in sisal producing countries has, however, widened the market base of sisal. Possible products have increased the sisal market's effective potential to over 20 million tonnes.

- **SOURCE:** *Financial Times*, 15-03-2006