

Yara launches US\$20 million investment in Tanzania

DAR ES SALAAM: Global fertiliser company Yara International ASA launched its US\$20 million investment into a new fertiliser terminal by the port in Dar es Salaam.

"This strengthens Yara's long term commitment to development of Tanzania's agricultural sector," says Yara's CEO Joergen Haslestad.

"Through our strategic partnerships, including the one with the Tanzanian government, we have gained a strong belief in the positive prospects of agricultural production. In the years to come the agricultural sector has the potential to be a key driver of economic growth, providing business opportunities. Tanzania stands out as a natural hub for regional growth," said Haslestad.

Strategic step for Yara

According to Yara, investing in increased port capacity positions the company for the growth to come. This is a strategic step for Yara, while at the same time it is an investment at a vital point in the value chain, adding capacity to the port facilities and preparing for increasing fertiliser volumes as productivity in the agricultural sector picks up.

Yara presently supplies 120,000 tons of fertiliser annually to the region. The new terminal will have a revolving storage capacity of 45,000 tons of fertiliser, which will be sufficient for the medium-term requirement, and the location allows for new capacity to be added for long-term requirements.

Investing for future growth

"In Yara, we are proud to present this early stage anchor investment into the SAGCOT agricultural growth corridor," says Haslestad.

Yara has been a partner in the Tanzania Agriculture Partnership since 2006 and was also instrumental to the process leading to the Southern Agricultural Growth Corridor of Tanzania (SAGCOT).

"The SAGCOT is driven by a unique partnership of public, private and donor companies and organisations. The initiative raises a promise of sustainable growth, aiming at reducing rural poverty both through providing opportunities for smallholder farmers and creating new jobs. This encompasses both increased levels of food security and viable business opportunities," says Haslestad.

In the recently released 'Blueprint for Investment', the SAGCOT outlines how a shared value creation approach can be used

to tackle some of the key constraints to development. The result, over a 20 year period, would be over 350,000 hectares under commercial production, much of it farmed by emergent and smallholder farmers. Adding to the agricultural production in the region will ensure food security for Tanzania and the wider region, lifting two million people out of poverty, and bring in annual revenues of an estimated US\$1.4 billion.

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