

## Newsletter November 2025

### What Is the Value of Biodiversity for Farming Families?

**A shift is taking place** in Tanzania's forest economy. Until now, farmers in Magunguli could only sell timber from eucalyptus and pine. Today, they are discovering the value of their natural forests.

This change began when Rahel Guggenbühl from [reilo](#) encouraged farmers to explore not only their monocultures but also the diverse native forests on their land. reilo. is a Swiss start-up. It specialises in assessing biodiverse natural forests and using them as security for small agricultural loans. The company developed this new credit model based on the TCRD mechanism of **farip**.

Farming families have always sensed that their natural forests hold value. But they could not turn this value into anything useful. With Rahel, they found someone who speaks with them about biodiversity.

This opened new paths. In February, seven families began a pilot with reilo. They received loans for crop production, backed by their biodiverse forests.



News spread quickly. Within weeks, more than 50 additional families expressed interest in registering their native forests for production credits. This is remarkable. In many parts of the world, forests suffer when farmers try to produce more. But here, farmers in southern Tanzania are showing strong interest in protecting and caring for their biodiverse forests to increase their cropping.

The shift away from monocultures will require many seedlings of local tree species. This is where Ragga and Christina Tweve in Magunguli come in. They have run a small tree nursery, «kitalu cha miti», for years. Now the demand for native seedlings is growing fast. To expand, they need equipment, materials, and especially a guarantee to reduce their risk.

**farip** aims to support Ragga's nursery. This will strengthen local biodiversity efforts. And it will help state forest offices learn from the experience. If credit security based on native biodiversity succeeds, it could mark a breakthrough for biodiversity in Tanzania's forest sector.

**farip** focuses on innovation in rural Tanzania. We also support unconventional ideas and practical experiments. Our focus is on trading mechanisms that work without middlemen. This helps farmers receive fair prices and build stable incomes. We offer coaching and finance innovative ideas and prototypes in smallholder production, processing, logistics, and marketing.

Our work with partners is commercial. **farip** provides loans based on the business plans of smallholder farmers.

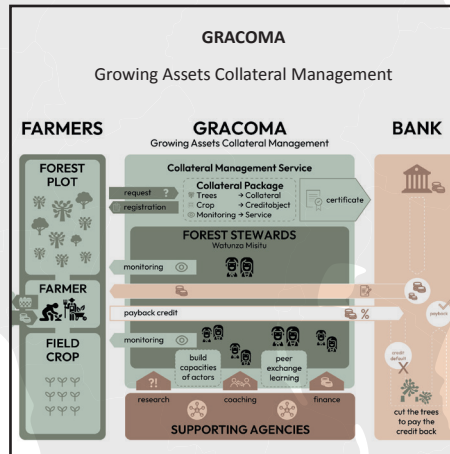
One project with strong potential is TCRD –Tree-secured Credits for Rural Development. These are forest-backed loans that help farmers increase their production.

**farip** depends on donations to continue its work in Tanzania. Thank you for your valuable support!

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### News...




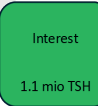



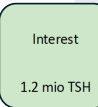




**Demand** for the tree-secured TCRD loans is rising. We reported on this in June 2025. Now the system needs more professional structures. But not everything is moving as planned. The farmers' new organisation GRACOMA is delayed. They are dealing with irregular and often very heavy rains. Transport routes are blocked. The «Tree-planters Association Kiyowela» is now working on the training programme for forest steward. They receive support from the network of reilo.,



the Institute for Development Studies IDS in Dar es-Salaam, and **farip**. What does a forest warden, a «Mtunza Mitsu», need to know? He understands the local tree species and the methods for assessing them. He knows the loan process and basic bookkeeping. He can collect and send data electronically. He advises families on how to protect and improve their forests. The first training course for interested participants in Kiyowela is now being prepared.

### TCRD – Three rounds

of tree-secured loans: The very first loans in 2023 were all repaid on time. In the second round, cattle owners extended the fattening period for their cows to benefit from rising prices.

2023	 Magunguli Msowero	 15 families	Beans Potatoes Cows	 17.6 mio TSH	 Interest 1.1 mio TSH
2024	 Magunguli Msowero	 15 families	Beans Potatoes Cows	 25.5 mio TSH	 Interest 1.2 mio TSH
2025	 Magunguli	 10 families	Beans Potatoes	 20.5 mio TSH	 Interest 0 mio TSH

2023: All loans were repaid with interest (dark green: successful)

2024: The loans for cattle are still open (light green: partly successful)

2025: All loans, including interest, are still open (yellow: pending)

The second planting now promises a good harvest.

More and more farming families are applying for TCRD loans.

They see that this tool, developed by the farmers themselves, helps them increase production without risking their house or land if a loan fails.

**Current Situation:** After the presidential elections in Tanzania at the end of October 2025, the country has been shaken by serious unrest. There have been well over a thousand deaths. The ruling party, CCM, ran alone with then-President Samia Suluhu Hassan. Despite claiming 98% of the vote, they failed to win broad legitimacy.

The opposition party Chadema was banned from participating in the election.

Human rights lawyers say people are being jailed without cause, even kidnapped, and “disappearing.” Journalists are being pursued.

During the protests, security forces and militias used firearms against demonstrators.

The first thing **farip** did was to consult our project partners in the country. They include supporters of both the government and the opposition. So far,

we see no sign that the work of people in Magunguli and Msowero is in danger.

Dissatisfaction is especially high among urban Gen-Z. Their bleak outlook fuels anger toward CCM leaders, powerful business people, and failed public services like transport.

Now more than ever, concrete actions to improve rural life —like those **farip** supports —matter. They offer people a real chance at a better future.

**«Scouting»** How does an interesting idea in rural Africa become a small business? It starts with exploration — scouting! **farip** specializes in this “first mile”: Initiators in Tanzania approach **farip** to work with them on their business ideas: Who is willing to take the lead? How will the group organise itself? Which practical trials can show whether the idea works? And where is the market for the products? Many ideas are dropped along the way. Only the strongest ones with real development potential make it far enough to be accompanied as a venture by **farip**. **farip** supports these ventures with loans and the exchange of experience. It connects them with other innovative projects and coaches them through a continuous learning process —including how to turn setbacks into new ideas.