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10 Years of *farip* – From "Farmer Spy" to Friend - A journey through time with Ueli Scheuermeier and Bahat Tweve

It was probably around 25 years ago when I first met Bahat Tweve. We met in the office of Mama Nyanzali, who led the district's agricultural advisory service. At the time, I was working in the southern highlands of Tanzania as a consultant for the International Fund for Agricultural Development (IFAD).

Mama Nyanzali introduced Bahat with a smile as the Mkulima Shushushu – the «farmer spy». A farmer spy? Yes. Bahat was both an excellent farmer and an experienced trader. He travelled to town markets to find out what prices farmers could really achieve for their maize if they negotiated hard enough. He knew the markets from the inside and understood the long and complex journey from the field to people's plates.

Before long, we were exchanging ideas with farmers and traders in Kenya and Uganda. We learned a great deal together. Very quickly, one topic became central to every discussion: marketing. «We know how to produce,» the farmers said. «But why should we grow more if we receive almost nothing for the surplus?»

Bahat was always the practical thinker. Again and again, he reminded us that one day things had to work without projects run by development organisations. So I was not surprised when, years later, he took me aside and said: «We want to stop working with projects. We don't want to receive handouts anymore.» I asked him what they wanted instead. «We are farmers and traders. We are business people. We want to make our own decisions. We don't want aid – we want partnership.» Then he made it personal: «I want to see your coin in my success, and your loss in my loss when things go wrong. Otherwise, I am not interested in continuing to work with you.»

For more than ten years, Bahat Tweve has been ***farip's*** visionary partner in Tanzania. He brings together practical experience in trading, transport, farming and forestry, making him a key driver of rural innovation.

Those conversations led to the creation of ***farip*** ten years ago. Today, ***farip*** works in Tanzania as a business partner for innovative smallholder farmers and rural entrepreneurs. That changes everything. Instead of receiving projects, people approach us with their own ideas when they want to develop a business together.

Over the years, ***farip*** has become an incubator for rural start-ups. Many of the ideas have proved far more complex than they first appeared. Farming families in rural Africa have to deal with countless challenges, many of them impossible to predict. They need to stay flexible and adapt quickly if they want to succeed.

This meant that we also had to keep learning. Step by step, we gained a deeper understanding of the rural economy. We learned to see challenges through the eyes of farming families. Instead of filling gaps with donations or patching problems with project funding, we focused on building lasting processes and local structures. That approach does not avoid setbacks. In fact, failures are part of the journey. Learning from them has become one of ***farip's*** greatest strengths.

Along the way, Bahat became much more than a project partner. He became a trusted friend and an endlessly curious guide through the fascinating and complex world of rural Tanzania.

farip Ventures with Great Potential

The Scheduled Cargo Service forms the backbone of trade between the collection points in the highlands and the points of sale (POS) in the city.

Scheduled Cargo Service:

Before a bean reaches a plate in the city, it passes through many hands. Farmers who want to sell their produce must often wait until a truck appears in the village. When it does, traders usually offer disappointing prices.

In Magunguli, this led to a new idea for more reliability and better prices: a transport service where trucks operate like buses, with fixed stops and timetables. Space for sacks of potatoes or beans can be reserved in advance.

The experiment is currently running with a second-hand 15-tonne truck. After three years of testing, it has become clear that such a system needs reliable vehicles, very long-term financial commitment, and time to build farmers' trust. Transport and marketing remain key challenges.

Street food stalls: In Dar es Salaam, small street food stalls can be seen everywhere along the roadside. Many workers eat there, looking for food that is as cheap and good as possible. When women with links to the village of Magunguli expressed the idea of expanding their food stalls, farip saw an opportunity to better understand how food flows and price formation work in the city. First, Fatuma—who now had to step back due to illness—was able to start a small street food stall in Dar es Salaam with a ***farip*** loan. Later, Queen took over and continued the business. Today, Queen can pay herself and one employee a modest wage. However, global economic pressures are also felt here. With rising prices, many customers can no longer afford the increased costs. This small business brings ***farip*** close to the fragile situation faced by many people in urban areas.

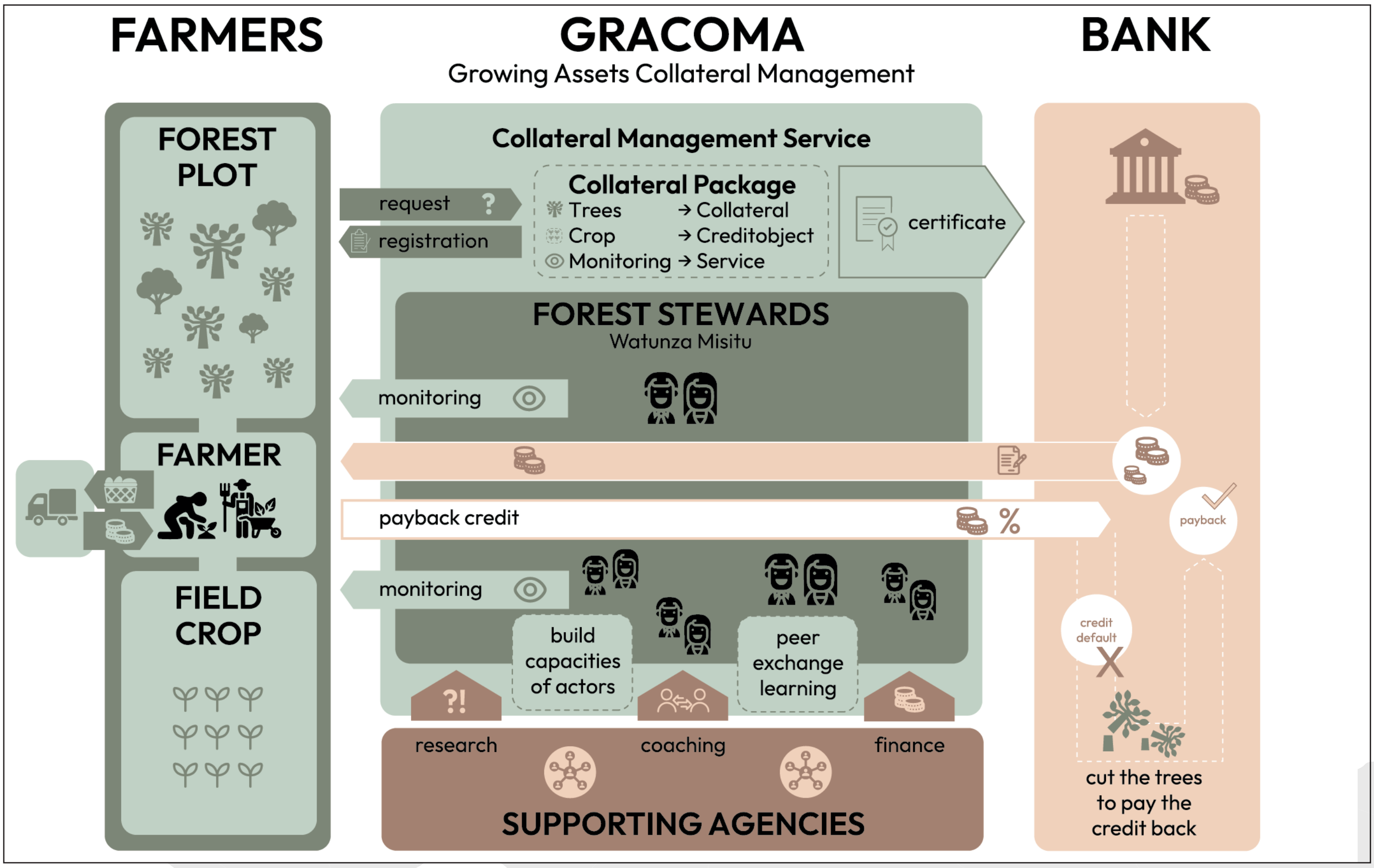
Points of Sale: African cities are growing rapidly, and low-income households form the largest market for agricultural products from the highlands. City residents usually buy only small quantities at low prices in small shops. These shops source their goods from wholesale markets. However, they often lack enough cash flow and storage space. As a result, they must buy small wholesale quantities at higher prices. A first point of sale, located next to Queen's street food stall in Kigamboni, the harbour district of Dar es Salaam, now serves as the endpoint of the cargo service. It delivers beans and potatoes from smallholder production directly to this point of sale, bypassing the wholesale markets. Local customers can buy small, portioned quantities at fair prices. However, turnover is still unstable. Irregular deliveries from the cargo service have not yet ensured a steady supply.

Change of Generation at *farip*

Ten years ago, Peter Reinhard, Ueli Scheuermeier, Barbara Müller and Ueli Moser founded the ***farip*** foundation. In 2018, Martin Muheim joined and took over fundraising and communication. In 2021, Urs Guggenbühl first joined as an advisor. Since 2025, he has replaced Barbara Müller. Together with our partners in Tanzania, we have gained many valuable insights over this decade. The founding members have since passed the retirement age. For the next decade, we are looking for younger, committed people with the right expertise who would like to continue developing the ***farip*** approach.

Interested? Managing director Ueli Scheuermeier can provide more information: ueli@farip.ch

Key Lever: Tree-Secured Credits (TCRD)



Growing trees as loan collateral: a disruptive approach to production credit.

A Game-Changer in Testing

«We could double our production in the fields if we had fair credit,» says Suzanna Mfikwa, a farmer from the village of Magunguli.

«Until now, we cut down trees in our forests and sold the wood when we needed cash. But it would be better to leave the trees standing, use them as security for production loans, let them continue growing, and after repaying the bank use them again as collateral. In this way, the trees could grow old and generate much more income.»

This simple idea from a farmer is convincing.

farip has been closely involved in experiments with TCRD for several years. The Institute of Development Studies (IDS) at the University of Dar es Salaam and the Ministry of Natural Resources have now joined the work.

Turning ***farip's*** prototype credit rounds into a fully functioning banking instrument still requires solving many complex challenges.

Eva Mlelwa reports: «In March 2025, I applied for a loan to grow potatoes. The loan of 2.285 million TZS from ***farip*** allowed me to buy more seed, as well as tools, and to pay people who helped with land preparation and harvesting.

As collateral, I pledged pine and eucalyptus trees in my forest. Unexpected heavy rains delayed planting. The potatoes would have rotted in the ground. In the end, it was June before conditions improved. This also delayed the harvest and repayment. Only in November was it finally possible.»

Building the Organisation

farip helps establish the key processes needed for TCRD. First, the company GRACOMA (Growing Assets Collateral Management) is being created. It registers and monitors forest plots and tracks how loans are used on site for the lenders. For this work, GRACOMA trains and employs forest wardens (Watunza Misitu).

Already, five villagers have worked with researchers from the Sokoine University of Agriculture to explore how local tree species can be reliably propagated.

Second, a learning environment is needed in the village where all participants can exchange knowledge and develop ideas. This takes place at the Pesanane Farm Forestry Field School.

Third, clear procedures must be defined for harvest failures and loan defaults. Should there be a reinsurance system so that trees do not need to be cut down immediately, and can instead continue to grow in value?

Learning from Failed Attempts

Can maize stored in a silo be sold later at a higher price? How maize prices are formed is largely opaque and difficult to understand.

Storing Maize in Metal Silos

Farming families are forced to sell their corn immediately after harvest at a meager price; they need cash right away. Could they store the harvest until supply is lower and the price is higher?

And even more importantly: Could they receive an advance from the dealer for the corn stored at home in metal silos and later split the profit?

No sooner said than done. When the trial succeeded in the first year, ***farip*** pre-financed the production of 200 silos, each with a one-metric-ton capacity and an airtight seal, and also set up the fund for the advances on a non-repayable basis. But in the second year, an export ban was imposed, and the price of corn fell below the price at harvest time. In the third year, the corn withered due to a lack of rain. At least the families were able to survive on their stocks intended for sale.

And now, what's next? Process the corn themselves and package it in portions?

Processing Corn into Dona

The idea was tested in collaboration with ***farip***. Whole-grain "Dona" flour was to be stored and sold in the city under an own brand, «Vijikweli bila dawa» — "truly from the village and without insecticides". However, the unsanitary small mills in Msowero produced a whole-grain flour that quickly went rancid. The lesson learned: The corn must be milled in batches and sold in well-packaged small portions.

The idea was further developed into an own mill in Msowero. To this end, the village administration sold a perfectly located plot of land to the merchant Bahat Tweve. Establishing an in-house grain processing operation so that farmers can share in the value added is a major undertaking that must be well planned and financed.

farip listens, advises, and facilitates the learning process, while considering financing through a repayable loan.

But the key problem remains: reliable transportation to the cities.

CO^2 Offset

The most important fuel for cooking in Tanzania is still charcoal. Although forest resources are suffering greatly, charcoal cannot simply be banned. Are there any alternatives?

In Magunguli, an experiment is underway to produce charcoal using simple technology to produce charcoal dust from wood waste, crop residues, and grass. This is then shaped into briquettes, using a little cassava porridge as a binder. The major drawback: These briquettes burn very differently from lump charcoal. They are unsuitable for household stoves and are difficult to market.

Other uses are being sought: Carbon has been shown to improve the soil and has a high capacity to store moisture. Furthermore, permanently stored carbon promises revenue on the carbon market as a CO^2 sink. People in Magunguli are now experimenting with ways to mix the charcoal dust with manure and apply it to the vegetable fields.

farip's Work in Tanzania: Between Global Politics and Everyday Challenges

The upheavals in world politics are affecting the daily lives of the villagers.

Tanzania is as large as Germany and France combined, with a population of 72 million that is growing by nearly 3% annually. Half of the people in Tanzania are younger than 17! However, much land could still be cultivated; the agricultural and forestry potential is far from exhausted. Tanzania's mineral resources, such as coal, diamonds, gold (31% of total export earnings), and other metals, are in high demand. The uranium in central Tanzania, however, is causing headaches: Where uranium is available, greed grows, and the geopolitical situation becomes complicated.

Tanzania has maintained good relations for decades with China and Asia in general—a double-edged sword: Asia's hunger for resources is putting pressure on Africa and on Tanzania. And the wars in Ukraine and Iran are rapidly driving up the cost of living in the cities. If these wars continue for much longer, the fear is that people's poverty would worsen significantly. Politically, Tanzania has the advantage that, since its independence, it has deliberately pursued nation-building and worked to counter tribalism. This stands in contrast to its neighbors—Kenya, Uganda, Burundi, and Rwanda—where manipulation of ethnic identity undermines political stability. A turning point in Tanzania's political life, however, was last year's presidential election campaign. Following the elections in late October 2025, deep frustration and uncertainty led to violent unrest across the country, resulting in over a thousand deaths. The ruling CCM party, which ran solely with incumbent President Samia Saluhu Hassan, failed to gain broad legitimacy despite a 98% vote share. The opposition party Chadema was barred from the elections. Human rights lawyers criticize the fact that people are being arrested without cause, even abducted and made to disappear, and that journalists are being persecuted. During the unrest, security forces and militias used firearms against the protesters. In this highly complex situation, far-sighted visions for the future are needed—ones that address the frustration of young people and urban residents and solve the country's economic problems in the long term:

- Industrial-scale agriculture and plantations destroy biodiversity and people's initiative.
- Logistical uncertainties and an unreliable business environment make planning difficult.
- Limited training in formal business processes and accounting hinders efficient growth.
- The supply of high-quality food to the fast growing low-income urban residents is insufficient.
- The lack of credit facilities for small businesses hinders smallholder farming families and startups.

Providing education and future prospects for the fast growing young population is a major challenge for the government and society. ***farip*** is part of these efforts and is recognized by the local population and local authorities; our approach is well-established at the local level. ***farip*** is also increasingly seeing engagement from national institutions such as the Institute of Development Studies, Sokoine University of Agriculture, and the Ministry of Natural Resources.

farip supports farming families in their experiments and efforts to improve the production and marketing of agricultural products and increase their income, thereby promoting rural village development.

farip

The Principles of *farip*

Scouting How does an interesting idea in rural Africa turn into a successful small business? It takes scouting! ***farip*** specializes in exactly that: We assist enterprising villagers in rural Tanzania to develop the business ideas they present to us. ***farip*** digs deeper and asks: Who are the people who want to take this on, and how do they organize themselves? What practical tests could show whether the idea is viable? And where is the market for the products? Many ideas have to be discarded; only the best ones make it to be supported by farip as a venture. Scouting comes into play again when failures occur: Learning and sharing experiences is the key to development.

Risk Loans ***farip*** supports the ventures with loans, coaching, and knowledge sharing until viable business plans can be developed. The founders receive loans to achieve proof of concept in defined phases. ***farip*** acts as a commercial business partner, thereby achieving high acceptance and legitimacy among the founders.

Coaching With a long-term perspective, ***farip*** fosters the innovation process through coaching and business management support to ensure the commercial success of the individual ventures.

Vision East Africa offers enormous potential thanks to its vast wealth of biodiversity, agriculture, forestry, and human resources. Our vision: Smallholder farming families and small businesses tap into this potential through innovative ventures, thereby improving their incomes and ensuring village development. At the same time, they help meet the needs of low-income residents in growing cities.

Mission ***farip*** serves as a hub for innovative Africans who want to explore their own ideas for development. ***farip*** provides loans to support innovative ventures—from the initial idea through prototyping to marketing—until smallholder farming families and small businesses have developed their products to market readiness.

Where is *farip* active? ***farip*** operates in the southern highlands of Tanzania around Makambako and Magunguli and along the transport route to Dar es Salaam, in Msowero and Morogoro. In the city, the «Vijikweli» products (which means "truly from the village") are marketed. Over the past ten years of collaboration, ***farip*** has learned that village development is only possible if agricultural production loans are fundamentally reorganized without existential risks: The concept of tree-secured loans (TCRD) is the innovative solution devised by the people of Magunguli. The TCRD-efforts have been underway for three years.

Peter Reinhard sees the world from many different perspectives.

Chairman of the Foundation Board Peter Reinhard: "We do things differently"

So, what actually sets us apart from traditional aid organizations? We don't see ourselves as aid providers, but rather as business partners on a level ground.

We support ideas that are brought to us by the people behind them. Together, we assess opportunities, risks, and potential for growth. We provide risk loans to test business ideas. We only award non-repayable grants for preparatory work. Responsibility and initiative are at the core of what we do. For us, failure is part of the process; it's part of learning and development.

We focus on the marketing of products, because only those who can sell their products have a chance of achieving long-term economic success.

In addition, we offer coaching on business management issues and support our partners in establishing sustainable structures.