

Kwamtili Estate

Part A: Kwamtili Estate

Visit Report
Peter Boswell
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1. Introduction

Peter Boswell visited Tanga during the week of 22-28 January 2012. While visiting he had several discussions with Dennis Fielder and he visited the estate, spending one night and touring the estate and most of its infrastructure over two days. He also spoke to the Atwells at their Fish Eagle Lodge, briefly to Robin Bryant by phone (this can be followed up), and Alan Mayers (a cousin, who examined Kwamtili as a possible purchase but decided it was too far from his farms in Iringa). Other persons involved in Kwamtili (e.g., Magogo, the managers Sami, Mooner and Razafami – see Michael's report) seem not to be on the scene. Dennis wants me to talk to a young accountant who he felt could be charged with administration. I decided not to as it is Dennis's job to manage the estate. I did not speak to the accountant who does the "books" as there seemed little point.

This report comes in two parts concerning:

- a) the estate and its operation;
- b) the company and its position.

2. Estate

2.1. Management activities

Activities on the estate over the last 5-10 years have focussed on five areas:

- Established forest grown cocoa. This is split up into about 10 reasonably well-defined areas where each area tends to comprise clumps of a variable size of cocoa trees under shade tree. See below for more discussion.
- Tenanted land. Tenant farms are growing mainly maize, but do not seem to live on the land. This area is in the north, bounded by the river on the east and village land on the west. It essentially covers all the unforested, relatively flatland north of the house and factory area. A bag of maize should be paid after each harvest as rent (one not sure for how much acreage but probably around 0.5 hectare for each tenant). This rent should be collected by the "team" leaders (Mango and Omari) of the team that is paid a lump sum monthly for clearing the cocoa (see below). Dennis pays only lip service to this idea and there is no incentive or payment for the leaders to do anything. So effectively the payment of rent is a face saver. Dennis seems to have written a letter to tenants saying that a rent is due so at least there may be some formal record that the land is occupied on a tenant basis. This legal position needs to be reinforced and repeated otherwise the tenants may acquire some form of right to occupy.
- Forest area along one side and partly along a second side. This area was apparently fenced off by the forest department following some sort of agreement on a protected area status. The fencing seems to have gone. There was discussion of compensation for a transfer. This seems no longer on the table and Dennis does not apparently see this as a piecemeal cutting up of the estate. To settle any doubts, Atwell wanted Dennis as one of the cleaning up tasks for a sale to have the title confirmed shown that the estate still covers the area plotted in the Kwamtili report (i.e., the southern boundary runs in a straight line from the end of the cocoa, to the top of the mountain and then down the other side). The possible excised area is about 600 hectares. A recent event has been the illegal cutting down of four mavuli very valuable trees, estimated to give four truckloads of wood valued at about kSFR 200. A fifth tree was partially cut. Dennis received permission to finish cutting this tree. There is

meant to be strict control of the transport of wood with a roadblock on the road to Tanga. Clearly massive corruption since there is a lot of money at stake. Dennis thinks that the former manager (Sami) is partly responsible as he visited the estate shortly before the theft. Further asset stripping through tree removal is clearly possible. Dennis thinks that the three enormous mavuli trees close to the house could easily be taken and is surprised that this has not happened already. Many more mavuli trees can be seen in the forest. A disaster in the making.

- Several areas of specially planted land. There was a few acres of teak planed (I think by Bryant) beside the road leading out of the estate to the nearest village (Maramba). It was all stolen. Dennis says that he started thinning out the trees and it then became easy for others to cut trees as one did not know what was thinned and what was stolen. This is probably pure facing saving. It was simply stolen. None remains. Close to this area of teak there is some forest-grown pepper (maybe 100 plants growing on podo trees). It is growing well. We did not discuss if there is any production and where it goes. But if there is production it is certainly stolen. Close by there is the remnant of an area of hybrid coconut. For some reason scatted trees grow. Nothing came of this project started by Bryant. The area is now largely covered by the tenants' maize fields. There are no new specially planted projects planned.
- House and factory. The house is in reasonable shape and liveable. Its roof needs redoing (relay corrugated iron) and some ceiling panels need replacing. Water comes from rainwater and is limited. The portable electricity generator was stolen. The house would clearly serve to accommodate short stays by visitors without much expenditure. Atwell planned to use it as a nucleus for a lodge by building outhouses as additional rooms. And having a swimming pool, etc. This is clearly feasibly given the location /on top of a small hill overlooking the river along the eastern border.

Dennis had the house cleaned up for the visit as prior to this I think the house was virtually unoccupyable. He claimed that our visit was the first time that he felt "at home" and enjoyed visiting. Frankly I feel he was trying to make the point that he could envisage moving to Kwamtili, something that we discussed. But with a three-year old daughter about to start school I doubt this is feasible. Also, according to Denis and I think Bakari, his driver, Dennis's wife is apparently not drawn to the Kwamtili area, preferring to live in Tanga (they have a Swahili style house one of the streets backing onto the "European" part of Tanga. It is worth now about 100 kSD and is very liveable if one is used to the life. With Tanga growing quite fast, the town council is trying to force owners to densify the area by only allowing two-story houses in any rebuilding. So all in all Dennis is sitting on a reasonably interesting real estate proposition with no immediate pressure to act.

I did not have an opportunity to discuss the option of the family moving to Kwamtili with Dennis's wife. I think the point of this suggested option was to imply that someone living in Tanga could indeed consider Kwamtili as a nice place to get away to. He is probably correct in this view that Kwamtili has value as a secondary residence for someone. Land and property prices in Tanga are increasing rapidly and there is a shortage of good houses. But there has not been a rush by anyone to acquire Kwamtili as a residence and Dennis had no current interest along these lines by local residents.

The factory is surprisingly still in one piece with all the equipment serviceable and able to produce cocoa. The drying ovens (welded steel drums) seem to be the only item that may need replacing in the foreseeable future. Dennis says that a stronger store room door is needed if there was to be a sizeable storage of cocoa. But frankly any serious thieves would simple go in via the roof. The only effective way to safeguard dry cocoa would be to remove it into safe storage in say Tanga. Water is a problem as the rainwater stored in a tank is sufficient for perhaps only a tonne or two of cocoa. A browser was used to transport water from the dam. This has been sold. The various buildings making up the factory area are in reasonably good shape and can all be used. The former canteen and now the "hotel" is working with the tenant (?), an elderly lady, not having much business, but still there. Atwell planned to deviate traffic from Maramba to the village of Kwamtili across the river via one of the estate roads to avoid traffic passing through the factory.

The road into the estate was maintained in the past by the estate. Village headmen asked while I was there that this should continue as the last few kilometres to the house are very broken up after rains. A section through the bamboo will always be expensive to maintain. There are no plans to the government to maintain the access road.

Thus generally speaking, in terms of access, access is adequate in dry weather and difficult in wet weather. The new four-lane Mombasa highway to the turnoff to Maramba is fine. The 30-minute trip along the Maramba road is fine (stony but not rough and to be regraded shortly). The first few kilometres after Maramba on a local road is fine (mainly through a sisal estate). It is only the last 5-10 kilometres that could cause problems.

A village headman also asked that the estate's dispensary be restarted. Apparently nothing has replaced it. I visited the estate school and had the distinct impression (partly through overheard conversations) that the number of children was boosted especially for the visit. But I said nothing and did not pursue the issue as it is not central. The teacher was young, but pleasant. The schoolroom is reasonably well looked after and intact.

2.2. Cocoa management

Under the current management arrangement a team of 16 (reportedly mainly former employees headed by two relatively experienced, young and articulate members – Mango and Omari) are paid a monthly lump sum to clear under the cocoa and to prune. It is estimate by Mango and Omari and confirmed by Dennis that a team of 20 should be able to clear the undergrowth (only required where the forest/cocoa canopy is incomplete) in all areas in two months. There needs to be clearing after each of the two rainy season. It is unclear whether each rainy season requires two months. I suspect so. The point however is that the amount of clearing is limited and manageable. The only problem is that it is not being done. The team clears near the roads and neither thoroughly nor quickly.

In the past contractors were paid to do the cleaning (maybe also the pruning). They did it quickly (a team of about 10 in a month) for a lump sum. Denis felt this approach could be adopted again and I am unsure as to why it has not (perhaps he wanted to keep on the team of 16 for various reasons unrelated to cleaning and pruning).

Atwell, when he moved onto the estate after making his offer (although it cannot be established why he had the authority to move on with his partner and a mechanic – who was living in the house) reportedly put in a team to clean and prune the cocoa. These seems to be the last time that any pruning was done, with the current team only clearing grass to a very limited extent, mainly near the road to impress visitors.

Cleaning presumably increase yields allows access for picking, helps security by making the estate more open and maintains activity to help keep monkeys away. Dennis with his background as a farmer in England envisaged mechanically slashing the undergrowth with a small tractor. It was apparently unworkable because vines wrapped around the blades. I suspect this was not the only reason that this approach is unworkable.

2.3. Cocoa planting

Two areas of cocoa were planted in the recent past: Some 3-4 hectares above the dam and about the same acerage down by the river on the southern boundary. It is claimed that persistent drought over four years killed the trees. Certainly none survived. One suspects that little watering was done. As the dam, exceptionally, almost dried up in the last dry season it seems that there was always enough water to do limited and strategic watering. It was simply not done. The nursery no longer exists (Atwell claimed that much of the support went to buy an four-wheel motorbike vehicle that is presently stored in the house and used by Dennis on his very rare visits).

In the area near the dam Dennis claims that the new plants lost shade when the banana trees used as shade were cut down to steal bananas. This s unlikely because banana trees are usually left standing. More likely they died because there was no watering. Given the high water requirements for bananas one has to ask if bananas are appropriate a shade trees. But this is a discussion for an expert. The usual shade trees are a form

of acacia. Sometimes it seems that one tree is planted for each new cocoa tree. But in some areas the spacing of shade trees is larger. Perhaps it is adjusted to suit existing shade. The very small amount of new planting (about three years old, presumably to impress visitors) close to the main track through the cocoa has the acacia tree shading. I assume the new planting down by the river was the same.

2.4. Spraying

Cocoa pods are attacked by aphid that burrows into the outer shell (the pod) so the pod presumably becomes more porous and the beans do not grow as well as in a pod that is not attacked. So yields drop although the quality seems unaffected. No spraying has been done for the present crop. Virtually every pod one sees is attacked. It seems that manual spraying was needed after each rainy season. A few people could do the job in a few days. The spraying equipment has been stolen.

2.5. Cocoa harvesting

The last tree census seems to have been done in 2010 but no detailed results could be produced. There is no accurate tree count. It is difficult to estimate the current crop for the May-June harvest season. There is clearly cocoa on the trees. Mango and Omari spoke of a 14 tonne annual yield of dried cocoa.

The wet (cocoa pod)/dry (cocoa bean) ratio is 2/1 according to Omari and 3/1 according to Dennis. I think Dennis is more accurate. He has been paying TZS 600 for one kilogramme of wet cocoa. Omar and Mango say that the villagers now pay TZS 800. Dennis has been paying TZS 2000 for dry cocoa, which is in line with his wet cocoa payment. He now thinks that he would have to pay TZS 2400 for dry cocoa from outgrowers in view of the higher village price.

The point of this discussion is that the village price is clearly more attractive and the entire cocoa crop is probably disappearing into the surrounding area. Someone is making a lot of money. The "team" probably represents some form of basis for sharing the proceeds. The team and/or others carry out wet cocoa and the proceeds are redistributed. Team members may simply each be a representative of someone backing the team and its redistribution of the sale of wet cocoa. It is doubtful that the team could control the processing of wet bean outside the estate. This is probably done after the wet bean has been distributed. So beans are processed in small amounts, the quality is poor and a premium cocoa crop becomes a very low grade crop.

Certainly, the factory has not been used to process cocoa for the last few years. For instance, a stair of wood is needed each week to dry cocoa. The remnants of the wood supply indicate that the wood has not been touched for about four years.

There is a very small amount (100 kg) of dry bean in storage, clearly for cosmetic purposes to impress visitors. Dennis says that the last harvest was only this 100 kg. I doubt that this was the case. The crop was simply stolen.

There are apparently no plans for Dennis to organise the harvesting and processing of the next crop in May-June. More disturbingly, he plans to be in the UK with his family from April to October. He has one flat rented and they will live in the other while he does repairs himself would you believe. So it looks very much as if he is simply walking away from the estate leaving the team to help themselves in some sort of way, backed by the locals in some form of managed "cooperative".

One of the headmen I meet from a village on the eastern boundary was a very shady character. It is such people who would be running things. The Kwamtili village headman appeared more relaxed and open. But who knows. I did not have a chance to look around Kwamtili village, that seems to have become quite large and extended, and I suspect prosperous. Villages on the eastern boundary opposite to the river appeared much smaller and less developed.

3. Water

The dam was repaired by Atwell while Dennis feels that the job was done poorly. Atwell kept receipts for such work and one would assume expected repayment in some way. Whether this remains as a liability

remains unclear. The dam fills from mountain streams but the run-off is modest as the mountain faces westward. It was surprising to find a disused borehole next to the house on top of the hill. Maybe it has water, but the pipe is blocked so this is not a simple job to check. There seems to be no discussion of other possible sites for wells or boreholes. Given that the cocoa thrives in certain parts there must be some water close to the surface year round. Pumping to the dam from the Muzi River along the boundary may be difficult politically as the river flow is weak. There seem to be no springs on the mountain that can be tapped and if there were springs they would have probably been in use for many years.

Water is a problem and the proposed water scheme that would also bring water to the village from the mountain opposite, while remarkably inexpensive (40k USD), would probably encourage cocoa stealing as processing would be easier with greater access to water in Kwamtili village. Apparently, plans have been drawn up using water captured in a small valley. Whether villagers would keep pipes intact and not add too many take offs has to be questioned.

The minimum requirement is to ensure adequate water for the minimum watering of threatened cocoa trees in droughts. It is unclear what this requirement is and whether the existing dam can handle it. In times of stress the Muzi River has no water so cannot be relied on. There are no other existing sources. Cocoa processing is concentrated after rainy seasons when one assumes there would be water in the dam and thus sufficient for processing cocoa in the factory.

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