PRIORITY ACTION

Government should make agroforestry financing visible: introduce a common budget tag across relevant ministries and local government authorities, prepare a costed annual implementation plan, and report expenditure against measurable farmer-level results.

KEY MESSAGES

- MNRT's budget falls marginally, from TZS 336.52 billion in FY2025/26 to TZS 334.35 billion in FY2026/27.
- Development expenditure declines by 24.3%, narrowing the fiscal space for research, quality tree seed and seedlings, restoration, training and field delivery.
- The budget includes agroforestry-related activities, but their allocations, expenditure and expected results are not separately identified.
- By April 2026, MNRT had received 56.95% of its approved FY2025/26 development budget; late releases may disrupt activities tied to planting seasons.
- Budget tagging, predictable releases and public reporting would strengthen implementation of the National Agroforestry Strategy II.

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"Where trees grow, People grow."

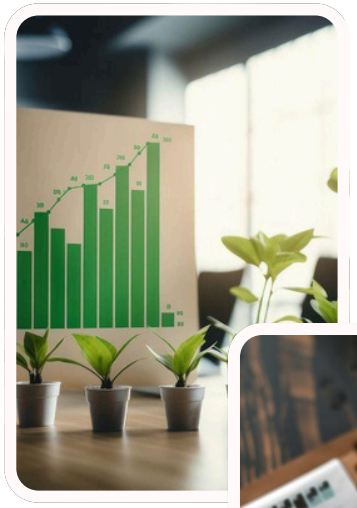
Vi Agroforestry

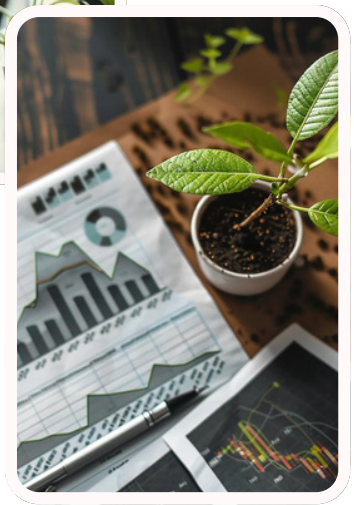
CIVIC SOCIAL PROTECTION FOUNDATION

POLICY BRIEF | NO : 2 | 2026

Making Agroforestry Finance Visible

What the FY2026/27 MNRT budget means for implementing Tanzania's National Agroforestry Strategy II



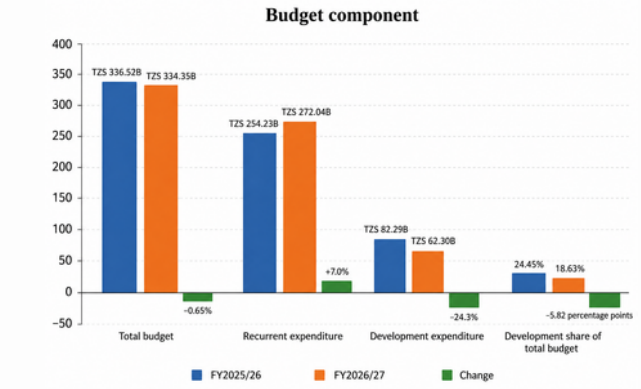


1: WHY THIS MATTERS

Agroforestry integrates trees with crops and livestock, improving soil health, diversifying income, strengthening food security and helping farmers manage climate risk. The National Agroforestry Strategy II (2024–2031) sets national priorities for quality tree seed and seedlings, research and extension, markets and value addition, land restoration, climate resilience, inclusion and sustainable financing. Implementation is estimated to require TZS 104 billion. MNRT leads the Strategy, but delivery also depends on agriculture, livestock, environment, water, local government, research institutions, farmer organisations and the private sector. The MNRT budget is therefore an important starting point, not the full picture of national agroforestry financing.

2 : WHAT THE BUDGET SHOWS

MNRT's total budget decreases by TZS 2.17 billion (0.65%), but the significant change is internal: recurrent expenditure rises 7.0% while development expenditure falls 24.3%, from TZS 82.29 billion to TZS 62.30 billion. Recurrent financing sustains staffing, coordination and monitoring, yet restoration, research infrastructure, tree-seed systems and field delivery depend largely on development funding — so a reduction of almost TZS 20 billion is consequential. External financing provides TZS 39.17 billion, or 62.9% of the FY2026/27 development budget; timely disbursement and plans for sustaining activities after projects end are essential.



3 : AGROFORESTRY IS PRESENT, BUT FINANCING IS UNCLEAR

The Budget Speech names explicit agroforestry activities — national committee meetings and technical support from the Tanzania Forestry Research Institute — but attaches no separate allocation to them, and does not link expenditure to Strategy II objectives and targets. Among entries that can be quantified, the Food Systems, Land Use and Restoration project (TZS 1.69 billion) and the forestry and beekeeping training-capacity project (TZS 0.57 billion) together represent about 3.6% of development spending; both may support agroforestry, but neither is dedicated to it. The largest item, the state-forest-plantation project (TZS 10.41 billion), finances three plantations, 6.44 million seedlings for 4,500 hectares and related infrastructure — an important forestry investment, but one that does not integrate trees with crops or livestock. The published budget therefore does not yield a reliable figure for direct agroforestry expenditure.

BUDGET ENTRY POINT	ALLOCATION	RELEVANCE
National committee meetings and Tanzania Forestry Research Institute technical support	Not separately stated	Direct agroforestry activities, but financing and results are not shown
Food Systems, Land Use and Restoration project	TZS 1.69B	May support agroforestry through restoration, land-use planning and smallholder financing
Forestry and beekeeping training-capacity project	TZS 0.57B	Supports institutions and training; not dedicated to agroforestry
Tree-seed and seedling programme	Not separately stated	Potentially relevant, but species, beneficiaries and survival targets are unclear
State-forest-plantation project	TZS 10.41B	Forestry investment; not direct agroforestry expenditure

4 : ISSUES REQUIRING ATTENTION

- **Spending is not linked to the Strategy.** Without a common budget marker, government cannot readily determine how much is allocated, released and spent against Strategy II objectives.
- **Funding may arrive too late.** MNRT had received TZS 46.86 billion of its TZS 82.29 billion development budget by April 2026 — ten months in. This measures funds received, not absorption, but late releases delay procurement, fieldwork and seasonal activities.
- **Seedling numbers do not show farmer benefits.** The Tanzania Forest Services Agency plans 37.4 million seedlings, with 13.32 million distributed to communities. The budget does not state how many suit agroforestry, where they will go, or how survival will be monitored.
- **Financing is fragmented.** Relevant expenditure may sit under forestry, agriculture, livestock, environment, water and local government budgets, so an MNRT-only review cannot capture total national investment.

5 PRIORITIES FOR ACTION

1. **Introduce an agroforestry budget tag:** Establish a system to track agroforestry spending, starting with a pilot in FY2026/27 and full integration into national budgeting by FY2027/28.
2. **Develop a costed annual implementation plan:** Translate the TZS 104 billion strategy into yearly priorities with defined roles, financing sources, and measurable results, while ensuring clear governance for any new funding mechanisms.
3. **Strengthen coordination using existing structures:** Use national and district advisory committees to align planning, financing, and reporting, and to integrate agroforestry into local government plans and budgets.
4. **Align seedlings and extension services with farmer needs:** Ensure tree distribution and extension services respond to real farmer demand and local conditions, while promoting training in integrated farming systems and enterprise development.
5. **Improve transparency and accountability in reporting:** Publish regular data on funding, expenditures, and results, including farmer reach, tree survival rates, land coverage, and impacts on income, food security, and the environment.

6 : ROLE OF OTHER STAKEHOLDERS

Parliament and oversight committees can request annual reporting on Strategy financing and implementation; development partners can align support with the costed plan and require clear expenditure and results reporting; financial institutions and private companies can invest in nurseries, farmer enterprises, processing and market development; civil society and farmer organisations can track budget delivery and present farmer priorities through national and district committees; and research and training institutions can provide evidence on suitable species, costs, adoption, survival and livelihood benefits.

CONCLUSION

The FY2026/27 MNRT budget lays an important foundation for advancing agroforestry through coordination, research, tree-seed systems, community seedling distribution, and landscape restoration. However, it lacks a clear alignment with the goals, financing needs, and expected results of the National Agroforestry Strategy II.

Introducing a unified budget tag, developing a costed annual implementation plan, ensuring timely fund disbursement, and strengthening farmer-level reporting would significantly enhance transparency and accountability. These measures would also provide Parliament, development partners, farmer organizations, and the private sector with a stronger framework to effectively support, track, and scale agroforestry development.