

# ***The Textile Industry and the Mitumba Market in Tanzania***



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*Oliva D. Kinabo (Caritas Tanzania Dar es Salaam)*

Tanzania is among the Countries in Africa and in the World which imports used things/ materials e.g. clothes, footwear, machinery, equipments and spare parts to mention a few. The market of the used things has been increasing year after year particularly from early 1980s.

Recently, there has been a big debate within Tanzania on the impact of the second hand or used clothes on the society in particularly the economy. Therefore, this paper intends to contribute and stimulate to the debate on the impact of the used clothes to society. In order to achieve the objectives the paper will start with a brief background of Tanzania. The reason for the importation of used clothes will be discussed and it will also look into the effects of the used clothes to the textile industry. At the end conclusions and recommendations will be made.

### ***The Textile Industry in Tanzania***

Since its independence, 1961 Tanzania invested heavily in textile industry so that it could satisfy the demand of the market in terms of clothes and the cotton growing in Tanzania.

According to the Ministry of Industry and Trade 2004 report on Status of Textile Industries in Tanzania, 50 textile industries were established by the year 2002 by the government and private companies. However only 23 (46%) of the established industries are operating. The industries are involved in dyeing, spinning, weaving, printing Khanga and Kitenge, bed sheets, garments, knitting, woven blankets and socks.

In the 1960s and 1970s, Tanzania was able to meet the demand of the market in terms of clothes. The industries produce adequate clothes and materials for making clothes. Furthermore the industries were of the major employers and contributor to GDP. It employed about 25% of the working force and contributed 25% of GDP in manufacturing sector (SAILIN LTD (TIB 1996). According to Zuku A (2002), the development of the textile industry was attributed to the demand and deliberate government policies.

Though the textile industries were able to satisfy the market but it could not meet the demand of some types of clothes i.e. suits and suiting materials and other specific dress materials. This was due to the lack of technology of producing them.

From 1980, the economy of the country started to decline. This also affected the textile industry. The capacity of the sector to produce adequate with good quality garments decline. At the same time the government continued to restrict the importation of goods including clothes. This limited the availability of the clothes. As a result individuals started to print batik and tie and dye. They were common known in Kiswahili as "MAWINGU" because most of them were on skies colour.

The final nail of the coffin of the textile industry was hammered in 1994/95. The sector collapsed due to poor economy and government policies emanating from the liberalization policy. According to Zuku, A, (2002) the collapse of the textile industry was due to inadequate supply of cotton lint, lack of power/power interruptions, high power tariffs, unfair competition from imports and devaluation of Tanzania shilling hence difficult to buy spare parts for the machines.

From 1980-1985, Tanzanian's experienced a shortage of goods including clothes. As it has already being mentioned that local initiatives of producing clothes emerged (batik and tie and dye) but with a poor quality and also expensive to the extent that not everybody could afford. Some people (rural areas e.g. Southern part of Tanzania) decided to wear sacks. The sacks became shirts and skirts or something to wrap-up. In order to fill the gap, some businessmen/women started to smuggle in used clothes. It is at this time, the used clothes became important and its status was raised.

## ***The Used-Clothes in Tanzania***

The used cloth in Tanzania is known as "MTUMBA". Mtumba is a Kiswahili word meaning bale or bundle. The used-clothes or second hand clothes were given are called mitumba because they arrive and sold to retailers in bales. It is said that the name started to be used in 1980s. In the 60s and 70s, the used clothes were called "KAFA ULAYA" meaning that they are clothes from someone who died in Europe.

Mitumba started to enter Tanzania before and after independence. They were imported mainly by charitable organizations and Churches for donating to the poor/needy people. They were freely distributed by charitable organizations or churches to the people in need.

During the crisis of the economy and the decline of performance of the textile industry sector, Mitumba became very popular. They were no longer only for the poor people but they were wanted by all categories of people in Tanzania rich, educated, politicians, children, youth, old etc. The Status of Mitumba became high. Those who wore them, they were appreciated and praised. It is unfortunately that most of Mitumba were smuggled from neighbour-countries e.g. Burundi, Zambia and Democratic Republic of Congo.

After the liberalization of the economy, the importation of Mitumba was no longer restricted as for other goods still used by all categories of the people.

## ***The Importation of Mitumba***

In Tanzania, Mitumba are imported by businessmen/women and charitable organizations. The businessmen/women import the used clothes for selling and getting profit. While the charitable Organization import Mitumba for donating to the people in need. For example the recipients of Mitumba are poor aged, orphans, poor families, disabled, refugees and the victims of disasters and HIV/AIDS.

The businessmen/women need to get importation license and pay all relevant taxes to the government. According to the survey carried out by Caritas Tanzania, most of Mitumba imported by businessmen/women are from USA, and member countries of European Union.

The Charitable Organizations in Tanzania apply for Mitumba from Charitable organizations and individuals in European Union and USA. The Charitable Organization in these countries exports Mitumba to Tanzania. The charitable Organizations are exempted taxes since they have to provide free of charge to the beneficiaries. However, sometimes the charitable organization sells them to other charitable organizations at a lower price in order to meet the costs of transport and clearing.

In the year 2004, the Information communication and Technology Section of the Ministry of Industries and Trade carried out an analysis of the value of importation and export of used Clothes in comparison to the other textile. The following table is the results of the analysis

Analysis of Trade on Used Clothes for the Year 2002 - 2003

CATEGORY	IMPORTS US \$		CHANGE BETWEEN
	2002	2003	2002-2003
All textiles (new ones)	93,136,456.00	93,559,808.00	0.5%
Used Clothes	32,898,185.00	28,872,808.00	-13.9%
Contribution of used clothes	35.16%	31.00%	

Source: ICT Ministry of Industry and Trade

The table reveals that the importation of Mitumba was 35.16% in 2002 and 31.0% in 2003 of all textile imports. However, the importation of Mitumba decreased by 13.9% while the new clothes increased by 0.5% in the year 2003.

The decrease of the importation of Mitumba might be attributed to the influx of cheap clothes from Asia and to some extent change of attitude among the Tanzanians.

The Ministry of Industry and Trade reported that some of used clothes imported are re-exported to various countries in the world including European countries such as United Kingdom, France, Denmark, Germany Switzerland, Zambia, and Malawi etc. The following table compares the export of all textiles and Mitumba in terms of worth (US \$)

CATEGORY	EXPORTS US \$		CHANGE BETWEEN
	2002	2003	2002-2003 %
All textiles	42,487,806.00	79,184,701.00	46.3%
Used Clothes	214,378.00	41,788.00	-413.0%
Contribution	0.5%	0.05%	

Source: ICT Ministry of Industry and Trade

It appears that the decline of imported used clothes has resulted in decrease of the re-export. Another reason could be that the imported clothes were not in good quality to be re-exported.

The government has not yet restricted the importation of Mitumba provided that the importer follows the procedure and pays all taxes. However in October 2003, Tanzania bureau of Standards (TBS) the agency of the government of goods banned the importation of the used under wears. The reasons for banning were health risks and ethics. According to African tradition, people are not allowed to share or wear someone's underwear. Furthermore in April 2002 the government formed a Committee to set Standards on imported Used Textile industry. The standards proposed have not yet approved by the government.

### ***The Experience of Caritas Tanzania in the Importation of Mitumba***

Caritas Tanzania is the development and relief organization of the Catholic Church in Tanzania. In the course of helping people in need it imported the used clothes. It also clears the imported Mitumba at the ports.

Between 1975 - 1990 Caritas Tanzania imported Mitumba to be distributed to the poor and victims of disasters especially floods and refugee. The importation of Mitumba was high to the extent that Caritas Tanzania built a godown for storing the bales. For instance, during the Rwanda genocide in 1994, Caritas Tanzania was managing refugees' camps in Karagwe namely Chabalisa I & II with a population of about 100,000. Caritas was responsible in providing social services including medicines, food, clothing etc. Again in Kigoma, Caritas was managing 11 way stations of the refugees from Rwanda, Burundi and Congo. In this case, the refugees' situation necessitated Caritas Tanzania to import more used clothes so as to meet the needs of the refugees. However, the trend of importing used clothes and other materials started to decline. Since 1998 to date (October 2004) Caritas Tanzania has not imported or received used clothes.

Caritas Tanzania clear used clothes for the dioceses, congregations and individual priests. These used clothes are for the poor people in the areas of the consignee. According to the year 2003 of the Clearing and forwarding of Caritas Tanzania, between 2001-2003, it cleared 43.6 tons of used Clothes worth US \$ 28,707.80 (TShs. 29,102,301.00). The following table indicates the tonnage of clothes cleared by Caritas Tanzania for the dioceses and Congregations:

Used Clothes Cleared by Caritas Tanzania 2001-2003

YEAR	METRIC TONNAGE	WORTH	
		US \$	TSHS.
2001	14.5	8,410.00	8,073,600.00
2002	14.1	9,466.30	9,655,626.00
2003	15.0	10,831.50	11,373,075.00
Total	43.6	28,707.80	29,102,301.00

Source: Clearing and Forwarding Caritas Tanzania

### ***The Type, Quality and Value of the imported Used Clothes***

The survey was carried out by Caritas Tanzania to determine types, quality and value of the used clothes imported by businessmen/women and charitable Organizations. It was revealed that the imported used clothes are shirts, trousers, suits, blouses, and skirts, jackets, jeans, sweater, T-shirts, tracksuits and gowns. They are for adults and children.

The quality of these clothes could be categorized in three groups, good quality, average and worn ones. Charitable organizations receive average quality while the businessmen/women receive all three categories. Prices are determined according to the quality.

There is a high demand on shirts, trousers, suits, T-shirts, skirts, jackets and tracksuits. Suits have a special high demand because of the quality. And they are cheap when compared to new ones.

There is a low demand on gowns. This is because of the availability of locally produced gowns and materials for making them. They are generally of reasonable quality and styling and the price is not high. In addition, many women do not prefer the styles of gowns made in Europe.

The value of these used clothes is very reasonable. The prices cater for all sort of people, the poor, middle and rich. In the market, the prices range from 50 cents of US \$ to 35 US \$. It depends on the quality and the area where used clothes are being sold. In the rich places the prices of used clothes are very high.

## ***The Impact of Used Clothes in Tanzania***

The importation of Used Clothes in Tanzania has pros and cons for the society of Tanzania.

### **The Positive side of the used clothes (Mitumba) in Tanzania**

Tanzania is one of the countries with a high demand of clothes. But the local textile industries are not able to meet the demand of the market in terms of quality and quantity. Therefore the used clothes fill in the gap.

The used clothes are beneficial for the poor as they are affordable by them. Used Clothes are sold at low prices compared to those from the textile industries within the country or outside. Though the clothes from Asia are even cheaper, used clothes are still the cheapest. Due to that, most of the people in rural areas buy used clothes.

The used clothes have created employment for many people. Many youth and adults both women and men are on business for selling Mitumba. They earn money to sustain their living.

The used clothes bring in income to government as they are charged 25% import tax and 20% VAT.

### **The Negative side of the used Clothes (Mitumba) in Tanzania:**

The Used Clothes are retarding the growth of the local textile industry. People would not see the necessity of buying clothes from the manufacturers. Hence, our textile industries products have a limited market. In Tanzania, there are people who make hand made clothes such as Kikoys, batik and tie and dye. These people are affected by Mitumba because used clothes are very cheap compared to their products. In addition, farmers depending on farming cotton are also affected at a large extent due to the collapse of the textile industries and of course due to the world market as well. Recently, in Kahama district farmers decided to throw the cotton on the road because of the unreliable market.

However, despite the above-mentioned negative impacts, to restrict Mitumba in order to promote local textile industries will not be a solution. This is because of the flood of apparel from Asia. The ban of Mitumba will be beneficial to retail traders of clothes from Asia rather than to the local textile industry.

The used clothes have high health risks. They may spread skin diseases. Therefore they need to be well taken care before they are exported.

Sometimes the imported clothes are completely worn out. Therefore Tanzania becomes a dumping place. The exporters should have moral obligations. They should export the needed clothes in good quality.

## ***Conclusion***

The importation of the used clothes has been existed for many years. It started by charitable organizations to support people in need. But during the crisis of our economy, which led to the collapse of textile industry and failure to import new apparel, the used clothes have become salvage. They filled the gap of the market. Furthermore they help the poor who cannot afford to buy new apparel.

However, there is a need to control the importation so that Tanzania should not become a dumping place. Only clothes in good quality should be imported.

It is recommended that the process to ban Mitumba should be a gradual one and the government should set standards.

Thank you for listening.

Oliva D. Kinabo, Caritas Tanzania, P.O.BOX 2133, Dar es Salaam, tel 00255 – 22 – 285 1075 – 9 office, 00255 – 744 472 543 okinabo@hotmail.com