

**Entrepreneurial Capacity Through Co-operative Arrangement for Profitable  
Rice Production in Tanzania**

**By**

**Hella, J.P,<sup>1</sup> and E. Sirikwa<sup>2</sup>**

**<sup>1</sup>School of Agricultural Economics and Business Studies, Sokoine University of  
Agriculture**

**<sup>2</sup>National Social Security Fund, Regional Office, Lindi Tanzania**

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**Abstract**

Entrepreneurial capability in farm management through cooperative arrangement is a key for efficient and profitable production. The study to compare performance of the two innovative managements i.e. the private and cooperative institutional arrangement for rice irrigation schemes in Mbarali District was conducted. Two schemes; Igomero under cooperative and Mbarali under private institution arrangements were compared. Both primary and secondary data were collected and analysed using regression, gross margin and return on investments. Results on scheme performance were captured using physical, institutional and economic ratio factors. Results showed significant differences in performance between private and cooperative irrigation schemes based on factors mentioned above. Overall, the performance of cooperative irrigation scheme was found better by scoring 84.11% as compared to Privately managed irrigation scheme which scored 78.45%. Specifically, private company scored higher on physical and in institutional factors where as cooperative scheme scored higher than cooperative irrigation scheme on economic factors. Based On these findings we conclude that other things held constant entrepreneurial capabilities through cooperative arrangement have significant contribution in form level productivity and profitability. We have recommended for arrangement at different level for increasing productivity and efficiency.

**Key words:** Co-operatives, institutional arrangement, rice farming, irrigation