

**TANZANIA INVESTMENT CENTRE
DAR ES SALAAM**

PROGRESS REPORT

(Information required for the project's progress report after every six months or for amendment of Certificate of Incentives)

1. Planned Activities for the period
2. Achievements made on the project implementation to date:
(i.e., from the date the project was approved to the date of writing the report)



Entrance to Makota Farm

2.1 Silos

The company installed 16 silos whose capacity is 32,000 tons of storage. The silos storage enables the company to buy and store the key raw materials – commercial maize and soya. The commercial maize and soya are used to produce chicken feed.



Silos and Feed Mill Complex

2.2 Feed Mill

The company installed a feed mill that has the capacity to produce up to a maximum of 40 ton/ha per hour when fully completed. The feed mill produces chicken feed that sold in the local market as well as feed for internal consumption. The company also set up 18 distribution centres throughout the country through which the chicken feed is sold to customers. The feed mill was commissioned by the late President Dr J. P. Magufuli in 2018.



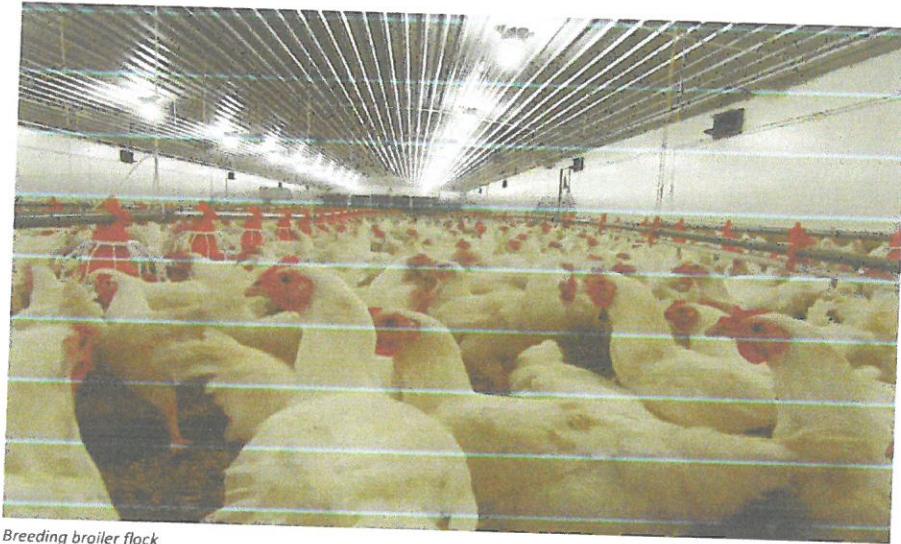
Feed mill

2.3 Weighbridge

The company installed a weighbridge that is used to weigh raw materials as they are received at Makota Farm and when the finished product is dispatched to the market through the 18 distribution centres throughout the country.

2.4 Breeding Chicken Houses

The company built 6 broiler chicken houses and 2-layer houses that are equipped with associated infrastructure and equipment. These houses are used to keep breeding flocks that produces hatching eggs. The breeding parent flocks are transferred into these breeding chicken houses at Makota Farm from Iganga Rearing Farm. Deploying of rearing parent flock at Iganga Rearing Farm far away from Makota Farm is done for biosecurity reasons.



Breeding broiler flock

2.5 Hatchery

The company built and installed a 130,000/week hatchery at Makota Farm. The hatchery receives the hatching eggs that produced by the Breeding parent flock at Makota Farm. The hatchery produces day-old chicks that are sold through the 18 distribution centres around the county.



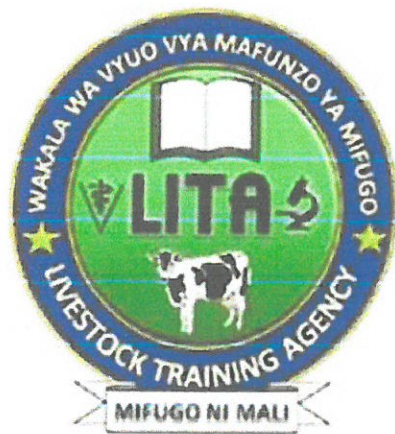
Hatchery

2.6 Training Centre

The company did establish a poultry training centre at Makota Farm. Students from Tanzania and from outside the country are being enrolled and obtaining quality rearing and breeding knowledge.



Poultry training centre



2.7 18 Distribution Centres

The company also set up 18 distribution centres throughout the country through which the chicken feed is sold to customers. The company outsourced the transporters who deliver feed to the distribution centres. The company also acquired specialized refrigerated vehicles that centres the day-old chicks to the distribution centres throughout the country.



Specialized refrigerated vehicles

3. Provide updated information on the following aspects;

S/No.	Information	Description	Current Project Status
1.	Shareholder's Information	Current Shareholders names, nationality and percentage of ownership	Silverlands Luxembourg (T1) Sarl - 99.94% Silverlands Private Equity Strategies Soparfi Sarl - 0.000003% Elisha Chivero - 0.01% Arnold Ekko Oosterhuis - 0.01% Theo Kluyts – 0.01% Sean Bernard Cowper Johnson - 0.01%
2.	Company Communication Information	Email address	elisha@silverlands.co.tz
		Mobile Number	+255 754 034 311
		Land Line Telephone Number	+255 766 192 245
		Physical Address (Plot No., Block No, Street, District and Region)	Farm No 960, Ihemi Village, Makota Iringa Rural District, Iringa Region
3.	Contact Person	Name	Elisha Chivero / Sean Johnson
		Position	Directors
		Communication Details (Email, Mobile and telephone)	elisha@silverlands.co.tz / sean@silverlands.co.tz Mobile: +255 754 034 311 Mobile: +255 766 047 715
4.	Incorporation	Certificate of Incorporation No.	93945
5.	TIN information	TIN Certificate No.	119-700-108
6.	Project Objective	Project Core Activity	Production and sale of chicken feed Production and sale of day-old chicks
7.	Capacity	Project Capacity per Year	Chicken Feed ~ 62,200 tons Day Old Chick ~ 12,500,000 chicks
8.	Direct Employment	Foreign-Men	6
		Foreign-Women	3
		Local-Men	210
		Local-Women	129
9.	Indirect employment	Estimated Total No.	65 000
		Type/areas of Indirect Employment	Poultry Production, Other Farming – maize, soya, sunflower

4. Project Financial Expenditure to-date 31 December 2020 (USD):

	Foreign (USD)	Local (USD)	Total (USD)
Land and Buildings	8,837,940	-	8,837,940
Plant and machinery	6,439,870	-	6,439,870
Vehicles/Aircrafts	993,201	-	993,201
Furniture	168,757	-	168,757
Office equipment	279,940	-	279,940
Working sub-total capital	413,418	-	413,418
GRAND TOTAL	17,133,125	-	17,133,125

5. Project Financing

Explain how the project is being financed e.g., equity, loans, sources of loans, conditions, etc. See table below.

	Amount (USD)	Source Country
Local Equity		Tanzania
Local Loans	\$3,440,149	Tanzania
Foreign Equity	\$15,664,130	Luxemburg
Foreign Loans	\$23,276,165	Luxemburg
Total Investment	\$42,380,444	

6. Problems and Solution

In a PS Operation biosecurity is vital and the original plan had a flaw with biosecurity, so the poultry development had to be expanded to allow for any potential biosecurity breaches. The current structure allows the Breeds to be separate and farms to be separated outside the 5km radius for an Avian Influenza outbreak.

7. Future Plans

Poultry:

The project was developed in three phases. Phase one and two have been completed and now moving into Phase three.

This is to place another 9 PS Flocks.

On Iganga building an additional large house on three of the sites. These are controlled environment houses.

To place those flocks, we shall be increasing the sizes of the Muwimbi Houses by 26 m. to accommodate the new placements.

On Makota we shall be building an additional small house on the six sites to take the increased placement.

The third phase poultry project cost is US\$2.2 million is scheduled to start Q2/2021 and complete Q4/2022

Hatchery:

The second hatchery is to be built in Arusha. It will be built in two phases. Phase one will be 140,000 DOC per week. Later phase 2 will double the size of the hatchery to 280,000 DOC.

The second new hatchery project cost is US\$2.5 million is scheduled to start Q2/2021

Feed Mill:

Tower Two is planned to be operational this year which will increase 5 tph pelleting and in 2021 tower three is planned to increase the production to 25tph. Expansion of the bagging section to be able to handle the increased production.

The installation of the tower three project cost is US\$1.08 million is scheduled to start Q2/2021

Additional Vehicles:

Additional vehicles to support the Arusha hatchery and third phase poultry project is \$315k

Sales Points

Opening another five more sales point throughout the country by the end of this year.

8. Recommendations and any other comments

N/A

Hatching Eggs

