

**TANZANIA INVESTMENT CENTRE
DAR ES SALAAM**

PROGRESS REPORT

1. Planned Activities for the period (June 2017 -June 2020)

FruitTanz Ltd. is a fruit processing and packaging company, which is specifically set to process Tanzanian fresh produce for overseas export. Its products are threefold: orange peels, raw oranges, and orange juice (NFC).

The company's primary purpose is to help ORGANIC orange growers in the Tanzanian countryside to improve their fruit quality and production in order to improve their livelihoods while running profitable and sustainable business.

For initial operations June 2017 – June 2020, the company planned the following activities

- ✓ Organize the orange farmers and train them on how to improve their product for distribution throughout Europe and other overseas markets.
- ✓ Secure a sufficient packing facility, which will be able to accept product, clean it properly, and package it for delivery to overseas marketplaces for further processing of the fruit.
- ✓ Develop sufficient logistical networks to ensure that the product moves efficiently from the Farmers to the Processing and packing facility and then to its European marketplace.
- ✓ Purchase and install equipment necessary for processing fresh fruit and orange peels.
- ✓ Purchase oranges and start processing and packing
- ✓ Obtain needed certifications
- ✓ Beginning initial shipments to overseas

2. Achievements made on the project implementation todate:

In the initial stage, time was spend to find a suitable location. The company found a space in Korogwe town, since it was an old building it took some time to renovate it.

During this stage the company spend also a considerable time to set up a value chain by organizing Farmers in associations and as partners in order to optimize the performance of producers. This was done by organizing training sessions for the farmers.

In addition, the company has set up the infrastructure like water tanks, electricity and drainage in place.

Further the company purchased cleaning, sorting, waxing and grading machinery in order to wash wax, grade the fresh oranges for export. The machinery has been installed and commissioned.

The company also acquired equipment's and materials such as crates, drying meshes and build a drying room inside premises for production of dry peels.

FruitTanz and its Farmers are Organic certified. The Organic Certification aims at setting out the values and principles that Organic participants strive to implement in their supply chains. Each Organic participant endorses the Code of Conduct as well as the Terms of implementation when joining the initiative.

The company have recently exported 40-foot container orange peels. And at this moment the company is working on to export of its second 40ft container of the same product.

Unfortunately, the company did not export fresh oranges yet as the cooled transport costs are /were very high and the quality of the oranges did not meet the required quality by the client. Cooled transportation is of utmost importance for the company success. The products /oranges will make a journey of 6 of 8 weeks before arriving at the client's logistics center in Europe and shipped to client's customers. For this reason, the company want to purchase its own cooled transport so that it can manage and be able to compete with other suppliers in other countries.

Since the main activity of FruitTanz will be the juice production, the company has purchased a complete juice processing machinery. It is the hope of the company to start producing juice within few weeks.

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	98% FruitTanz International BV = The Netherlands 2% Lidia T. Belay = Unites States of America
2.	Company Communication	Email address	info@fruittanz Ltd
		Mobile Number	+255785080044

	Information	Land Line Telephone Number	
		Physical Address (Plot No., Block No, Street, District and Region)	Plot No 13-16, Block A, Industrial Area, Korogwe, Tanga
3.	Contact Person	Name	Rachel Tocklu
		Position	Managing Director
		Communication Details (Email, Mobile and telephone)	info@fruittanz.com +255620856973
4.	Incorporation	Certificate of Incorporation No.	135010
5.	TIN information	TIN Certificate No.	134-149-272
6.	Project Objective	Project Core Activity	Fruit Processing and packing
7.	Capacity	Project Capacity per Year	
8.	Direct Employment	Foreign-Men	1
		Foreign-Women	1
		Local-Men	4
		Local-Women	21
9.	Indirect employment	Estimated Total No.	70 - 100
		Type/areas of Indirect Employment	Harvesters, farm cleaners, pruners, transporters etc

4. Project Financial Expenditure June 2017 till December 31, 2019 (USD):

	Foreign (USD)	Local (USD)	Total (USD)
Land and Buildings		3176	3176
Plant and machinery	410461		410461
Vehicles/Aircrafts		5542	5542
Furniture		5416	5416
Office equipment			
Insurance Cover			
Pre-operational expenses		220377	220377
Working sub-total capital		78854	78854
GRAND TOTAL	410461	313365	723826

5. Project Financing

	Amount (USD)	Source Country
Local Equity		Tanzania
Local Loans		Tanzania
Foreign Equity	125000	United States of America
Foreign Loans	576692	Netherlands
Total Investment	701692	

Loans have been given by investors and shareholders.

5. Problems and Solution

As explained on the above the company failed to export fresh oranges as the cooled transport costs are very high. In addition, due to a lot of unexpected rains the quality of the oranges did not meet the required quality by the client. The company is planning to purchase cooled transportation to be able to export fresh oranges. The company is looking together with the farmers on how to upgrade the quality of the fruits.

The rented factory is not very suitable for the fruit juice production activities that are planned to take place this year. Fruittanz is acquiring a land to set up a fruit juice processing factory.

6. Future Plans

The coming six months the company is planning to install and commission a fruit processing line and to produce fruit Juice for export market. In addition the company is planning to purchase its own transportation.

Further the company is planning to organize to assist in certifying 300 – 500 Orange farmers for Organic.

Until the company is fully operational, generates money and financially independent, the investors will continue to support the company financially.

7. Recommendations and any other comments