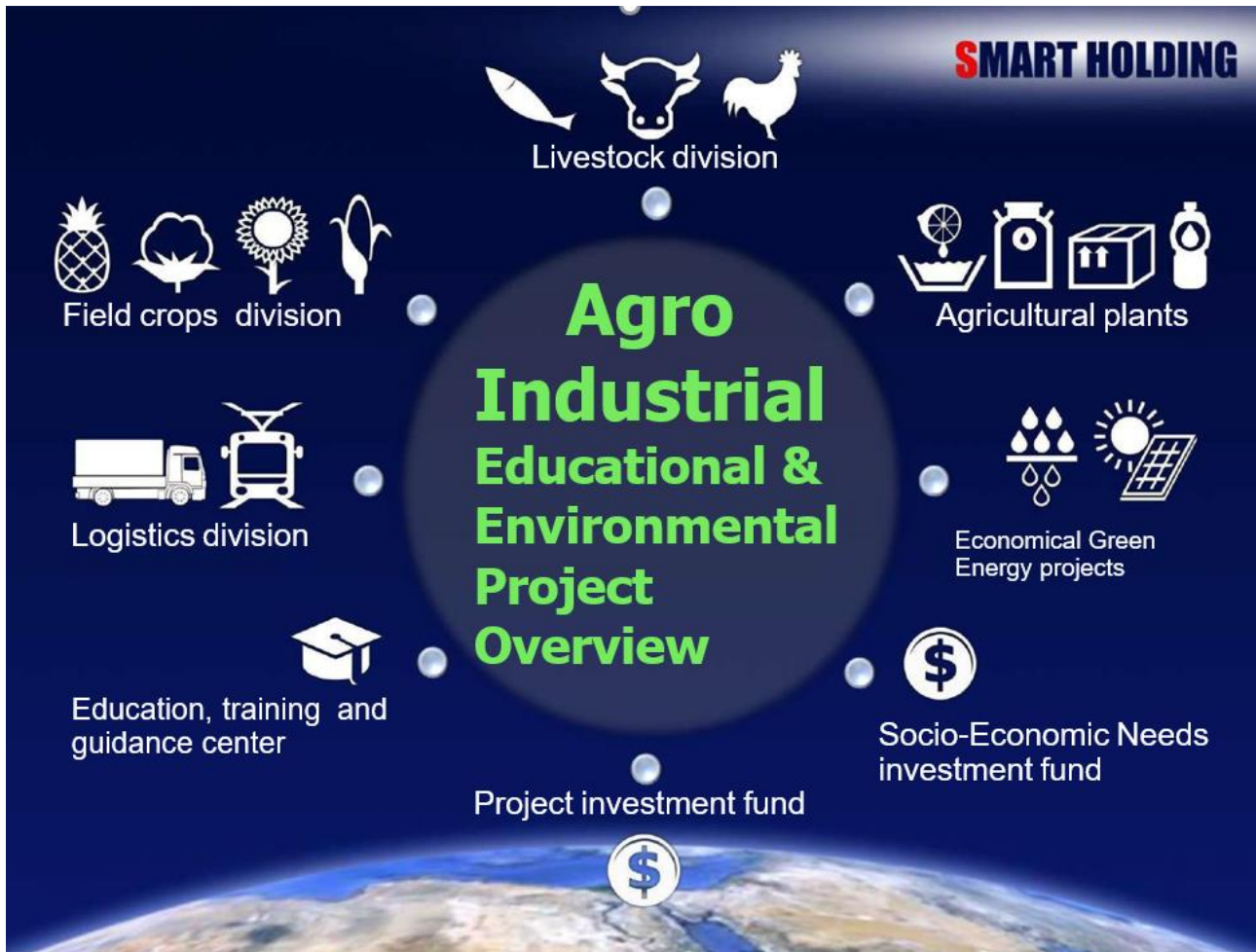


# Smart Holding

## Agro-Industrial-Education

### Environment Oriented Project



### Economic and Financial Plan

Enhancing Agricultural and Livestock Produce Value Addition  
in Tanzania for Growth and Employment Generation

July 2021

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## **Executive Summary**

We believe that the best way to lift people out of poverty is through investment and trade, as a country that is open and trading with the rest of the world will create economic rewards that far exceed anything it can get through foreign aid. Productive transformation through value addition to agricultural, livestock and fisheries produce is at the heart of our business and investment. In support of Tanzania Government overarching national development agenda of achieving both high and sustained growth, and substantial poverty reduction through growth and employment generation, as guided by its National Development Vision 2025 (TDV 2025); Smart Holding Company sets to invest in Tanzania the amount worth Euro 240,462,533.63 (equivalent to TZS 657,184,104,402.30) in areas of production of and value addition to agriculture, livestock and fisheries produce, to begin with. Our success in investing in agriculture and its subsectors in Tanzania, will open doors to other areas of potential investment such as on metals and mining, oil and gas, banking and real estate in addition to other projects as a portfolio investor.

We are applauding the Government of Tanzania for putting in place a business friendly environment to attract foreign investment; that include significant improvement of its infrastructure, in particular in the transportation and energy sectors. More importantly, the Sixth Phase Government, of Her Excellency President Samia Suluhu Hassan, has identified the key role and emphasized the importance of the linkage between agriculture and industrial production towards industrialization and structural transformation of the economy. We appreciate the Government promise to continue its efforts of encouraging the construction of factories especially those that use local raw materials in the country to accelerate industrialization. More so, it will develop free trade and economic zones with strong transport infrastructure, such as railways, ports, and roads connecting to neighboring countries. Indeed, the development of the Agro-Industrial Parks (AIPs), which is the core focus of our investment destination, is particularly important in stimulating industrialization and enabling Tanzania to take advantage of the various trade opportunities, such as those in East Africa Community (EAC), Southern Africa Development Community (SADC), and newly launched Africa Continental Free Trade Area (AfCFTA) within the region and AGOA for USA markets and EBA for European markets. All these are critical for our choice to invest in Tanzania.

In common with other foreign investors, Smart Holding Company through its affiliate in Tanzania, Agro-Industrial-Education Environment Oriented Project (AIE), in addition to the friendly business environment the country is offering, is set to tap on the abundant agricultural resources the country is blessed with on one hand, to produce and add value through agro-processing to meet the growing demand for dietary and processed food products in the country (given its current lower-middle class status), in the region (EAC, SADC and AfCFTA) and to the rest of the world. Indeed, growing demand for processed agricultural produce, high population and income growth, and rapid urbanisation are the driving forces for enhancing agro-food value chain in Tanzania. Processed food has a high export potential within the region, as the export basket has been shifting to increased value addition, all of these present strong opportunity for us as investors to invest in the region to end hunger.

We understand that reducing food imports and promoting domestically produced food commodities are long-standing goals for policymakers and other stakeholders in Tanzania. Tanzania, after a long period of dependency on imported food commodities, such as sugar and edible oils<sup>1</sup>, intends to meet its demand for these commodities through domestic production by transforming its agriculture sector. Given the huge investment (of more than Euro 240 million) and many years of experience of investing in the Eastern Europe, Middle East and Asia, our business and investment in the country is set to fill this gap and generate huge profit. Importantly, we also set to produce and add value to enhance export diversification and competitiveness of Tanzania commodities in the region (EAC, SADC, AfCFTA) and world markets. For that case, our investment into agro-processing to add value is a spectrum of agricultural projects that include but not limited to: cattle, poultry, fish farms, field crops such as sunflower and soya and tropical fruits that include avocado. To enhance efficiency and effectiveness of our investment in these projects, our business will also invest in supportive projects in the country, which are expected to have positive effects not only in our business in the country so are substantial positive spillover effects to the wide community in the country. This will include investment in projects in areas such as packages and storage, solar power, waste water treatment, agricultural education and training, environment and logistic and division.

We are anticipating, as it has been the case with our investment experiences in other regions of the world, that our business and investment in Tanzania in areas of agriculture production and agro-processing will bring tremendous positive economic and social benefits to the country and its people. First, our investment will bring and generate significant amount of foreign exchange that will contribute towards reducing the balance of payment deficit the country is facing due to the huge amount of money used to import processed food. As noted already, not only that our investment will significantly reduce imports of what can be produced locally, but the production for exports to the region markets will generate even further foreign exchange. By adding value to small and medium farmers' agricultural produce, our investment into agro-processing can help increase revenues from farming production, increase farming productivity and drive employment growth both due to investing into agricultural production and thereafter agro-processing activities. Higher farm revenues, in turn, tend to generate greater rural demand for non-farm products, opening up business opportunities for rural populations and stimulating broader rural development. In all of our activities we are looking forward to introduce state of art modern technology from Israel that will significantly enhance farmer productivity and is also environment friendly. To achieve most of these, education and training will be offered both in Tanzania and Israel, both for the employees of AIE – Smart Holding Company and the small and medium producers. So far we thank the Government through Prime Minister – Investment to invite and encouraged us to achieve these.

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<sup>1</sup> Tanzania imports about 60 percent of its edible oil, as the demand for edible oil in stands at between 500,000 tonnes per year while its domestic total production stands at 180,000 tons, portraying a wide domestic market and an apparent potential development of the cooking oil industry from groundnuts, sunflowers, palm oil, sesame, coconut, and cotton. Reports also indicate that Tanzania's demand for domestic sugar was 470,000 metric tons, while the country's five sugar processing factories had the capacity of producing 378,000 tonnes, portraying deficit of about 100,000 tons.

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# 1. Vision, Mission, Objectives, Values and Key Strategies

## Vision

We are an investment company that creates a long-term shareholder value. We find promising areas for investment in Tanzania, as well as in regional and global markets and implement profitable projects in these areas.

Our advantages are flexibility in making investment decisions and innovative approaches during their implementation, especially in areas of agricultural produce and agro-processing.

We are a responsible investor with high ethical standards of doing business, a team of professional managers who efficiently respond to external challenges through diverse expertise, experience of implementing comprehensive projects, strong corporate governance and corporate identity.

## Mission

Aspiring to best meet the shareholder’s needs for profitability, continuous and sustainable development of our investment by ensuring the growth of their investment and increase of their returns. We achieve this through efficient management of the investment portfolio and provision of high-level corporate services to the shareholder and the Company’s business divisions.

In the long term, we strive to increase the share of investments that provide not only financial results, but also a positive contribution to the development of society and community we are investing in.

## Objectives

As in line with international community efforts such as those taken by FAO, IFAD and WFP that set to end the global hunger and improve nutrition and build resilience; and others such as UNIDO, IFC, USAID and AGRA that press for the engagement of the private sector to achieve industrialization and inclusive economic growth that will lead to poverty reduction.

The main purpose of our investment is first to harness the natural resources for the benefit of the people. The emphasize and focus of the investment will be on improving and assuring the welfare, quality of life, and



good health of the country we are investing on. **We expect to achieve all these by introducing Tanzania to a new era of profitability through agro-industrial development that set to end hunger in the country and in the region.**

## **Values**

Our business mottos are – responsibility , leadership, integrity, honesty, support, guidance and collaboration. This can further be summarized into:

### ***Mutual Respeact***

- ▽ Treat people with respect
- ▽ Listen to others and hear them
- ▽ Help and support
- ▽ Value each other's time

### ***Trust***

- ▽ Act the way to be trusted
- ▽ Build relationship based on trust
- ▽ Value professionalism of others
- ▽ Strengthen confidence in the company

### ***Responsibility***

- ▽ Be a professional in one's own field
- ▽ Think ahead
- ▽ Make informed decisions
- ▽ Be responsible for one's own words and deeds

### ***Openness***

- ▽ Learn new things
- ▽ Develop as a professional
- ▽ Share information, knowledge and experience
- ▽ Actively participate in changes

## **Key Strategies**

The long-term strategy of Smart-Holding is based on the analysis of global economic trends and development prospects for the market niches its enterprises operate in. Its objective is to achieve the leading position in priority areas through the implementation of successful projects in the key sectors of the Tanzanian economy.

For its investment portfolio, Smart-Holding has identified the strategic areas on which the Company's financial and organisational efforts are going to be focused in the near future. Apart from the metals business, these include hydrocarbon production and agriculture. An operational improvement program has been developed for each of these areas to find hidden resources and organise the business processes according to industry best standards.

On agricultural business, the investments of Smart-Holding in its agricultural complex are targeted at manufacturing competitive top quality agricultural products, implementation of the modern agricultural technologies and improvement of the working conditions for the industry's workers.

Smart-Holding will continue to invest its free capital in the businesses that have potential to become strategic ones, which in addition agricultural production and agroprocessing it will also include: banks, real estate, shipbuilding and retail trade. It is going to implement the model of the Investment Foundation to manage its non-core businesses, attract new partners and organize M&As. An integral part of Smart-Holding's strategy is investment in the personnel development, improvement of quality standards and social protection both for the Group's employees and residents of the regions where the Holding Company's enterprises are based.

## 2. Business Description

### Owners/Partners



**Our Agro-Industrial-Education Environment (AIE) Project in Tanzania is an affiliate of Smart Holding company.** Smart Holding is an Israel company that specializes in locating, founding, construction and managing projects in infrastructure, mining, construction and is a leading technological enterprises in Eastern Europe and Middle Eastern countries. This is not an old company rather a company that has been formed because of increased demand of high technology that can help transform resource based economies, mostly agriculture, which are dominant in most of developing countries. Africa is targeted because it is one of the last of the continents to have benefitted from advancement in technology and globalization and now want to catch up.

The company Smart Holding was formed in the year 2004 by Mr. Avi Postelnik and a cohort of experienced people in management and development projects in different parts of the world. The Smart Holding company undertakes design, project management and sources investments for development projects in developing countries with priority to agro-industry, construction and transfer of irrigation technologies, amongst others. Africa in its quest to catch up with developed economies, is not going to reinvent the wheel, it needs to tap in already existing scientific knowledge and be innovative about agricultural transformation and rural industrialization. In that context, development of agro-industrial projects that exploit available technology need to be the focus of Africa's new investment.

Mr. Avi Postelnik, an entrepreneur and businessman, CEO and founder of Smart Holding have 30 years of experience in the business. He started his business life on 1989, by establishing civil engineering and earth moving company. His diverse business experience over 30 years of activity include the establishment and management of an infrastructure company which is leading in Israel and he is an expert in initiating and managing complex projects from scratch. As part of his work, he managed and promoted large-scale projects for some of the largest entities in the Israel economy such as: Israel Railways, Israel Chemicals, Israel Electric, the Ministry of Defense and more.

## The Business

**Our proposed business in Tanzania is to enhance value addition both on agricultural commodities, livestock products and fisheries, in particular in agro-food value chain, and is called Agro-Industrial-Education-Environment (AIE) Project.** While Smart Holding Company, the mother company for AIE that is based in Israel has huge experience and have ventured into many areas of investments in the world that include but not limited to metal and mining, energy business, banking, shipbuilding and real estates, in Tanzania AIE is set to invest tremendously in areas of production and value addition in agriculture, livestock and fisheries.

Our business, based on the permits certificate of incentives offered to us by TIC and investment land assigned to us by the Government through Prime Minister Office (PMO) – investment, will be located on the land allotted to us by the Government of Tanzania, where the major activity of the business is agricultural production and agro-processing in the established industrial parks in the land given to us to enhance value addition to agricultural, livestock and fisheries produce to cater for (and taking advantage of) the rapidly growing demand for processed food in the country, regional (EAC, SADC, AfCFTA) and global markets.

**Tanzania presents a unique opportunity for attracting significant amount of investment in areas of agriculture, livestock and fisheries for couple reasons.** One, while the basic food commodities in the country such as cereals are produced for domestic consumption rather than exports; it is estimated that about 80 percent of what is consumed in the country is sourced from outside. And that self-sufficiency for major food commodities is decreasing, given its rapid population growth, beyond the pace of growth in domestic supply. To close this shortage between domestic production and consumption the country relies on imports; and its trade deficit in major food items is anticipated to widen. Our business and investment in this area not only that will significant reduce Tanzania dependency into import of basic food staples and livestock's products, more importantly save millions of foreign exchange the country is spending in these imports.

Two, on the other hand the country has enormous comparative advantage in terms of the vast untapped arable land and water resources in the agricultural, livestock and fisheries produce. Thus, enhancing agro-processing value chain to tap on the larger national, regional and continental markets is a strong incentive for investments attraction by national, regional and multinational investors. This will open doors for the development of regional, continental and global value chains; and will lead to productive transformation, meeting the substantial unmet consumer demand amid the Covid19 pandemic crisis and ensure sustainable and resilient growth in Tanzania.

Three, in common with most countries in the region, Tanzania has set up a favourable business environment to attract foreign investment (FDI) in agriculture and other various sectors. This is set to make Tanzania an industrial hub for light manufacturing (to begin with) through investment incentives, tax holidays and customs duties exemptions. The country also understands that while tax and non-tax incentives have shown to have positive influence, they are not the primary driver

of foreign investment decisions alone. As the result, the country has significantly improved the investment climate, transparency of the regulatory framework, access to agricultural land, water and inputs, and access to well-developed infrastructure and energy. These are far more important for our considerations as investor, and we applauding the Tanzania Government for this progress.

This is in addition to high economic growth rate of at about 7 percent in recent years and the country membership in the rapidly integrating region (EAC, SADC and AfCFTA), the natural resources that can come on line in the coming years (especially oil and gas), and the large and increasingly well-educated labor force. More importantly, **the Sixth Phase Government, of Her Excellency President Samia Suluhu Hassan, has identified the key role and emphasized the importance of the linkage between agriculture and industrial production towards industrialization.** It promises to continue its efforts to encourage the construction of factories in the country, especially those that use local raw materials, to accelerate industrialization. Also, it is developing free trade and economic zones with well-developed transport infrastructure, such as railways, ports, roads, IT and bank services connecting to neighboring countries. The development of the Agro-Industrial Parks (AIPs) is particularly important in stimulating industrialization and enabling Tanzania to take advantage of the various trade opportunities, such as those EAC, SADC, and AfCFTA within the region and AGOA for USA markets and EBA for European markets. All these are well articulated and echoed by the ruling party (i.e. CCM) manifesto of 2020-2025, which is calling to tap on Tanzania's comparative advantages, particularly the potential from agricultural and mining, and the possibilities of becoming a trading and logistics hub for Eastern Africa and Africa as whole.

**By adding value to small and medium farmers' agricultural produce, our business and investment in agro-processing can help increase revenues from farming production, increase farming productivity and drive employment growth due to agro-processing activities.** Studies, both in developed and developing countries, have shown that food processing alone can contribute, on top of agricultural production activities, between 10% and 30% of total manufacturing employment. Higher farm revenues, in turn, tend to generate greater rural demand for non-farm products, opening up business opportunities for rural populations and stimulating broader rural development. All these are possible as agro-processing firms have a strong incentive to integrate smallholders (mostly women, youths and vulnerables) into their value chains, providing them with access to inputs, skills, post-harvest handling, finance and secure markets to increase their productivity. This is what we set to achieve in Tanzania by investing enormously both in production of and value addition to the agricultural, livestock and fisheries produce. **As will be shown in the Financial Plan section our estimates show that our business and investment in the country will generate significant gross profit in the short period of time, which will be ploughed back to expand the investment.**

**Agricultural education and training will be provided in Tanzania and Israel.** We intend to use the advanced agriculture education and training in Israel by enrolling Tanzanians for short and long

period training in our special projects of education and training available in Israel. Thereafter we intend to use their know-how to employ graduates in management and technical positions in our agro-industrial projects in Tanzania. While there are many small to medium size firms or farmers who invested in agriculture and livestock in Tanzania, most of them use poor technology, have low productivity and low yields seeds. Our investments in agriculture and its subsector in the country are significantly large and there few investors of our size who can offer the state-of-art and modern technology that we are bringing to Tanzania. As the result, we anticipate significant beneficial spill over effects to the people who will be employed in our company and the small and medium size farmers who will be linked to our farming and value addition activities. Though the focus of our investment is to the entire value addition of agriculture subsectors, we will begin with those subsectors that have huge deficit in the country that include sunflower, soya, avocado, cassava, poultry, cattle and dairy. In addition, we set to introduce Research and Development Unit in areas of agriculture and agro-processing in the country that will enhance all that we have said here.

### **R&D Unit in Tanzania Project**

The R&D Unit is aimed at secure sustainable and long term agriculture project. The R&D Unit will cover different themes and will enable facing challenges which may affect the Tanzania Project. Knowledge gained through applied research will provide recommendations for crop management – species and varieties, planting dates, irrigation and fertilization, disease and pest control, harvest and post-harvest, etc. Environmentally friendly solutions will be among the results gained from the applied research activities. The results and knowledge gained through R&D activities will enable optimization of yields quantity and quality as well high income from the various agriculture products.

The applied research will be based on local experience together with Israeli experts. The R&D Unit will enable adapting advanced knowledge and techniques. The R&D stations in Israel will serve as a model for operation in Tanzania, through local adaptation. Research activities will be carried in small scale field sites and will serve also as demonstration plots.

The R&D Unit will monitor and collect needed data in the various sites – weather, soil type, water and hydrology, yields in the different agricultural sites, local and international market prices and profitability, etc. That long term monitoring will enable understand long term field and market changes and will help adapting solutions to those long term changes.

### 3. Business Opportunity and Products

As stated already, our business is set to invest enormously both in the production of and agro-processing to add value to a spectrum of agricultural, livestock and fisheries produce. This is important for the country as Tanzania has been facing food shortage for some decades, both in staples and livestock products. To begin with, our focus will be on the projects that include but not limited to: cattle, milk and dairy products, poultry, fish farms, field crops such as sunflower and soya and tropical fruits that include avocado.

#### ***Cattle Project***

The investment in this project will be in the production of cattle, slaughtering for beef and milk dairy with its sub-products that worth Euro 52,989,779 to begin with, equivalent to TZS 144,821,066,007. The proposed plan here is to establish the following:

- (i) A farm to raise 2500 heads for beef production
- (ii) A Feeding farm to raise 1500 milk cows and an automated milking plant.
- (iii) A modern abattoir for the processing of beef products and cleaning of hides.
- (iv) Abattoir services could also be used by other beef farmers around the country



#### ***Dairy and Dairy Products Project***

- (i) A further processing and pasteurising factory to produce and package milk and other dairy products
- (ii) The fresh milk is pasteurized and then bottled as milk to be sold chilled for the local market.
- (iii) Other milk products such as yogurt, cream cheese and low fat cheese and butter are packed in standard her milk products such as yogurt, cream cheese and low fat cheese and butter are packed in standard.



### ***Poultry Project***

This project will be divided into chicken hatchery, layers table eggs and broilers sections where the investment will worth Euro 33,282,999.8 in the first year, equivalent to TZS 90,962,438, 453.4. The proposed plan therefore is to establish the following:

- (i) Broiler farm to supply approx. 26,000 ton of chickens per year.
- (ii) Layer farm to supply about 60 million eggs per year to the market.
- (iii) Hatchery, to supply chicks to our boiler and layer farms, and also to other chicken farms in the country.
- (iv) Eviscerating plant to process the broiler and the old layers into consumable meat.
- (v) An offal processing plant to render chicken waste into lard, meat and bone meal for feed mill formulations.



### ***Fish Farm Project***

The investment in this project worth Euro 14,330,855.89 in the first year, equivalent to TZS 39,166,229, 147.37. The proposed plan therefore is to establish the following:

- (i) Fish farms, including fish ponds and lake cages, for raising about 10,000 ton Tilapia per year. The farms will include ponds dedicated as a hatchery for fingerling raising.
- (ii) A further project is planned to process the fish into frozen fillet and other fish products for the local market and for export.



### **Field Crops Project**

The investment in this project is worth Euro 45,059,393.94 in the first year, equivalent to TZS 123,147,323,638.02. The proposed plan therefore is to se to the following:

- (i) In co-operation with the farmers on soya, sunflower, palm, cotton and corn seeds will be harvested for their oils. The remaining residues and all by-products of crops will be recycled in the feed mill.
  
- (ii) This is in addition to thousands of hectares of land that we will invest on to produce these field crops starting with sunflower to address as a matter of urgency the huge shortages of edible cooking oil in the country.

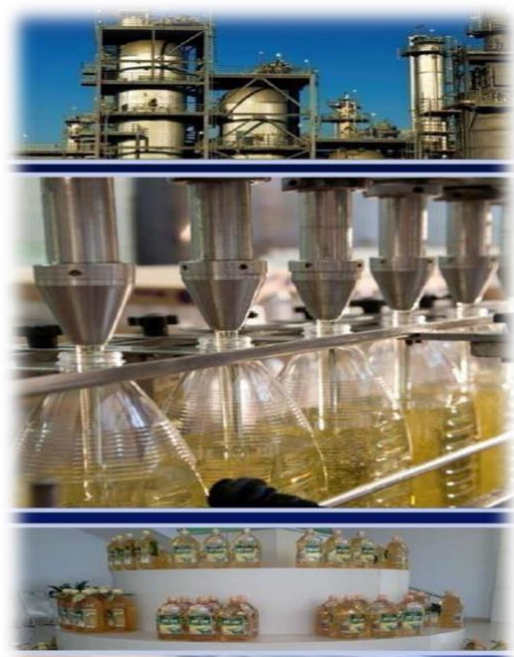


### **Vegetable Oli PlantProject**

This plant is designed to process oil seeds, such as Soya bean, sunflower, corn and cotton, and bottle the oil for the local and export market.

The investment in this project is worth Euro 32,482,704 in the first year, which equivalent to TZS 88,775,230,032/

This plant is fully automated and the residue containing protein and fat will be used in the feed mill.



### **Feed Mill Project**

The feed mill is specifically designed for feeding our cattle, poultry and fish. The total area for the supplying farms is planned to be around 25,000 hectares.

The farms will be irrigated to ensure uninterrupted production for the full 12 months of the year.

To begin we will invest the amount worth Euro 23,640,800 that is equivalent to TZS 64,610,306,400.

Also included in supply of raw material to the feed mill are by-products of the pineapple processing (peels), as well as the by-products of the seed oil production (vegetable fat extraction) and other grains.

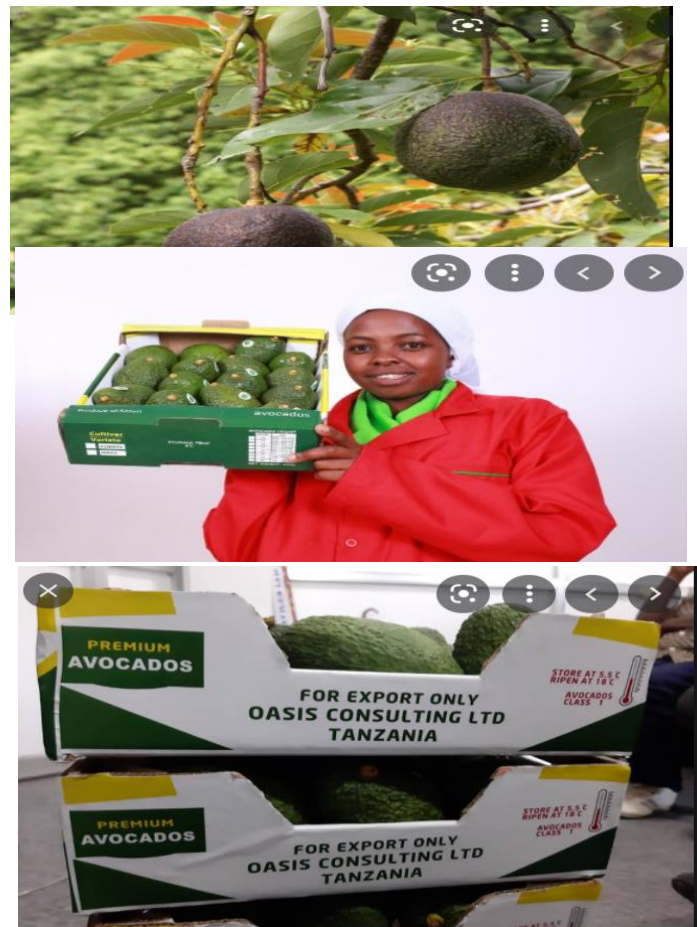


### **Ovacado Fruit Project**

Ovacado is becoming, for health dietary reasons not only important as a food product in the country but also in the region and global markets.

Thus the company is plan to invest signifucantly in the planataion and production and processing of ovacado to meet the local deand and for the exports

In achienving this the Company is plan to invest massive amount of Euro as well as enhancing skills of producers both within and in other small sacle producers who will be supplying us to enhance their capacity.



### ***Tropical Fruit Concentrate Project***

In addition to investing to produce tropical fruits such as avocado, mango, pineapples and passionfruit to mention just a couple; we will also invest in building a plant to process pineapples, passionfruit and mango into canned ring slices and chunks.

A plant to process and bottle pineapple, mango and other fruit juices will be established. Separate divisions for the production of pineapple, passionfruit, tomato and mango juice concentrates, packed in 200lt aseptic drums, for export to the world juice and concentrate markets will be done.

We are still at analysis stage to determine what amount will be invested in the production of the tropical fruits and what will be set aside for the investment in building the plants.

**To enhance efficiency and effectiveness of proposed agricultural, livestock and fisheries projects, our business will also invest in supportive projects in the country, which are expected to have positive effects not only in our business so are substantial positive spillover effects to the wide community in the country.** This will include investment in projects in areas such as packages and storage, solar power, waste water treatment, agricultural education and training, and logistic and division.

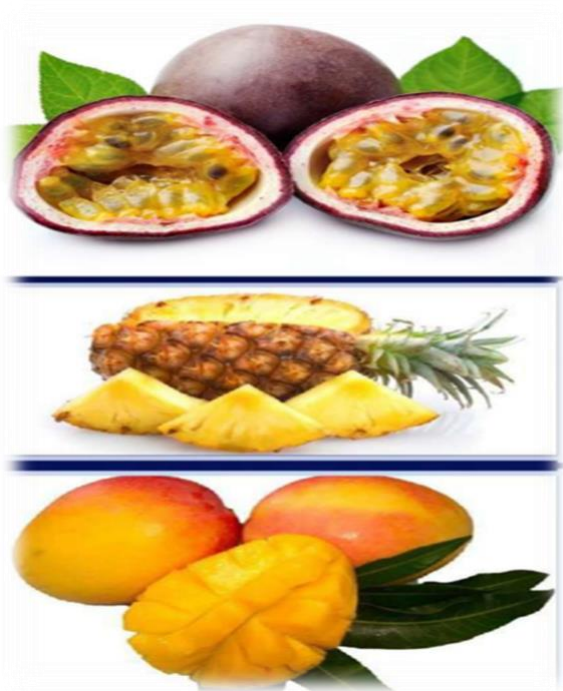
### ***Packing and Storage Project***

The packaging for fruit products are metal cans or plastic containers. All the fruit products are pasteurized and shelf stable.

The whole chicken, eviscerated, cleaned and plucked will be packed in special plastic packaging to be sold chilled or frozen. Also the chicken parts.

Veal cuts for roasting, steak for grilling and minced meat hamburgers will be packed in plastic trays or pouches to be sold chilled or frozen.

Whole fish descaled and cleaned, fish fillets will be packed in frozen trays. The Tilapia fish and fillets are well received all over the world. Lets are well received all over the world.



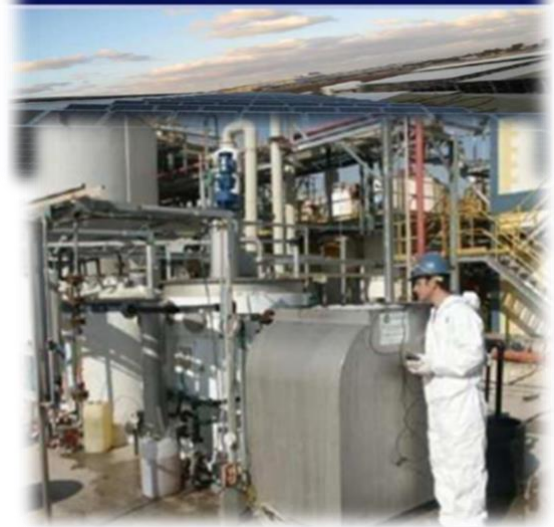
### ***Solar Power Project***

All the projects will be built as green projects using solar energy. Experts from Israel will be brought to evaluate the sites and advise the type of solar energy for maximization of natural energy.



### ***Wastewater Treatment Project***

All sewage water from the plants will be treated by modern methods to minimize pollution and maintain environmental cleanliness. Part of the treated water will be reused for crop irrigation.



### ***Logistic and Division***

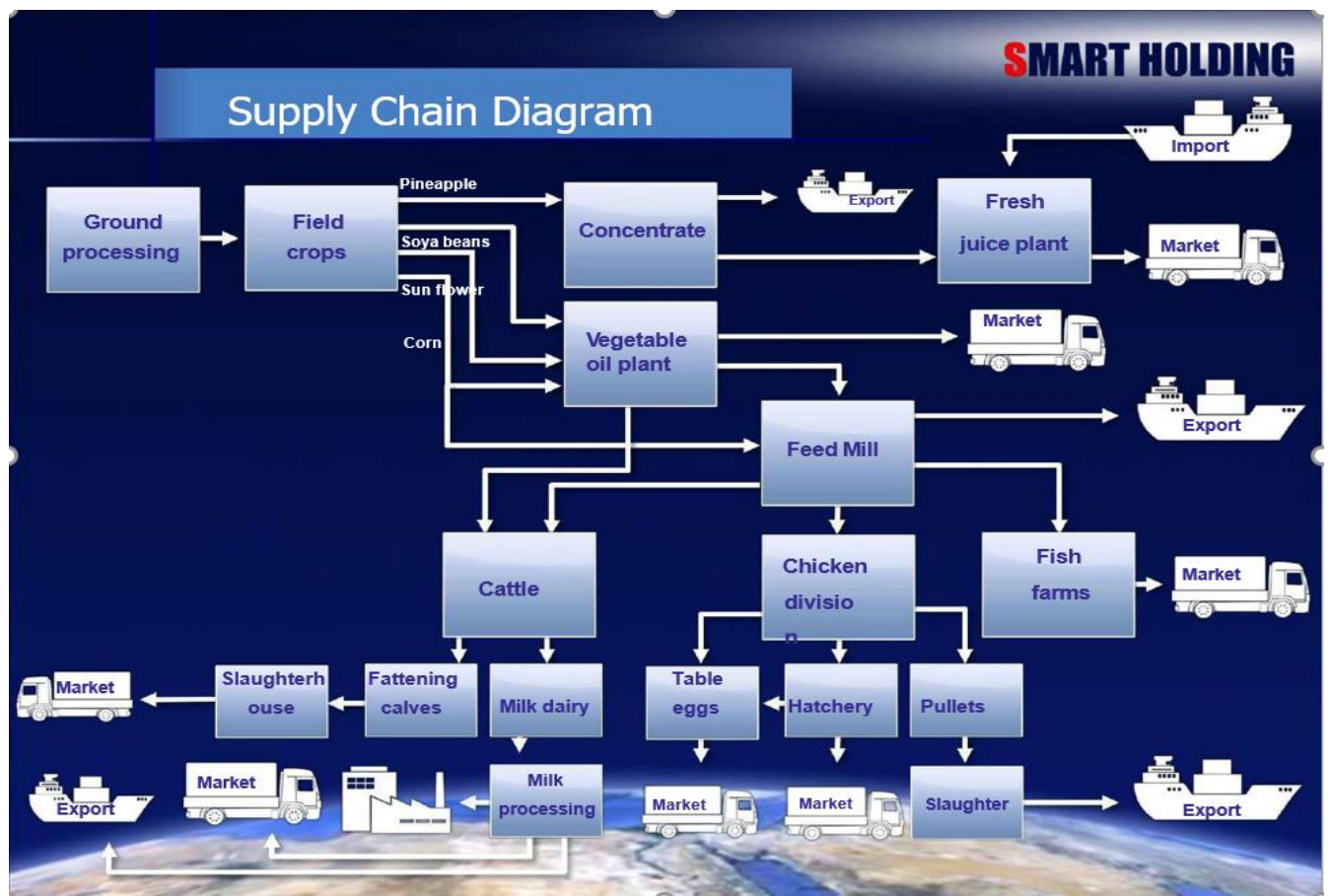
Transportation and Logistics division will be used for delivery of the raw materials to the processing plants and then for transportation of the finished products to the local markets for sale or to the ports for export.



## Agricultural Education and Training

Agricultural education and training will be provided in Tanzania and Israel. We intend to use the advanced agriculture education and training in Israel by enrolling Tanzanians for short and long periods in our special projects of education available in our country. Thereafter we intend to use their know-how to employ graduates in management and technical positions in our agro-industrial projects in Tanzania.

All these is brought together to enhance both backward and forward value chain linkages that enhance national, regional and global value chain in Tanzania as shown in supply chain diagram below. This is critical for industrialization and the structural transformation of Tanzania economy.



**The strategy for the growth of our business is to increase the size of invested capital over time for each of the earmarked project above.** This will include ploughing back the substantial amount of generated gross profit to the projects (as some projects are expected to generate more than 40% of generated income), mobilizing more fund to invest more on the existing projects as well as looking for the possibilities of introducing new projects in the country more than in the area of agriculture alone. All these will enhance backward and forward value chain linkages in the country, in the region and the rest of the world as follows.

#### **4. The Business Marketing Plan**

##### **The Customers**

We understand through surveys and studies that the level of food insecurity in the country, both for staples and processed food products is very high. In some regions like Singida, Tabora and Dodoma households' food insecurity is as high as between 45 and 55 percent. As shown already, the country is highly dependent on importation of processed food products that leads to a significant spending that worsens the balance of payment. For example, Tanzania imports about 60 percent of its edible oil, as the demand for edible oil stands at between 500,000 tonnes per year while its domestic total production stands at 180,000 tons. Another example shows that Tanzania's demand for domestic sugar was 470,000 metric tons, while its production capacity of producing 378,000 tonnes , portraying deficit of about 100,000 tons. Most of processed food used in tourist hotels are imported. **Thus our main customers are the local consumers in the country to help Tanzania achieve the second Sustainable Development Goal – to end hunger, promote sustainable agriculture, and achieve food security and improved nutrition.**

Given Tanzania membership to the major regional integration bocks in region in particular EAC and SADC, and now that has signed to join and ratified AfCFTA protocols, where Tanzania is free to exports and have right of business establishment in those countries. This opens more opportunity to our business and investment to expand and thrive in the region that we hope it will act as springboard for Tanzania to compete not only in the region markets so is in the global markets. All of these provides us with significant number of reliable customers to develop and expand our business and investement in the country and in the region, where we are committed to deliver high quality products that meet regional and international standards, that also set to preserve enviroment.

##### **The Competition**

We understand and agree that, given the tremendous resources in agricultural production and agro processing opportunities the country has, in addition to larger demand in the country and in the region and the friendly business environment the Government of Tanzania has bestowed, there are many investors of different size (small, medium and larger) local and foreign who would wish to invest in the country.

We feel and know that, in addition to be one of larger investors in this area in terms of capital, markets and direct and indirect employment opportunities, our business and investment, compared to other investors and competitors of our size; have significant competitive advantage in term of introducing the state of art modern technology from Israel in the production of and value addition to agricultural, livestock and fisheries produce, none of the like in the region. We have an upper hand advantage in introducing the technology that will significantly enhance yield and productivity, in addition to irrigation technology and environmental conservation. We would ensure the image of business and investment to the eyes of consumers to be seen as a Company that harness the natural resources for the benefit of the people as our focus is to improve peoples welfare in country and in the region.

### **Distribution Strategy**

Our business has established a number department, one being logistic and division department whose main purpose is to ensure efficiency in delivering our products to customers. Transportation and Logistics division will therefore be used for delivery of the raw materials to the processing plants and then for transportation of the finished products to the local markets for sale or to the ports for export.

## **5. Business Management and Organization Plan**

### **Organization and Management Team**

The organization structure and management team of our business and investment in Tanzania is as presented in the Flow Chat below. CEO of the Company is most responsible and accountable for managing the entire Company. Under or below him we have about 11 Directors of Departments that include education and training, marketing and business development, human resources, finance, logistic and purchasing, operational, research and development (R&D Unit), maintenance and engineering, transport, quality assurance and veterinary. This is a reflection of how wider are business and investment will be in Tanzania.

The daily running of the projects will be under the general and projects mangers who are about seven of them to begin with (will expand as more projects in agriculture and agro-processing will be introduced in the country), this include field crops plantation, pineapple plantation, avocado plantation, farm and fish processing, poultry industry, cattle production and oil fruit processing. We have about 15 section Heads for each product we are planning to deliver to the markets that include soya, oil seed crops, sunflower, fish farm, pineapple plantation, laying and hens, hatchery, broilers, beef growing and processing, dairy and milking processing, fresh juice and fruit plantation, vegetable oil processing.

Thus the flow chat presents the top organizational structure with chain of command of our business from top to bellow and will be made up by about 32 individuals who are well trained and

experienced in their respective field. Each of them will be assigned a clear line of duties and responsibilities, with proper monitoring and evaluation indicators.



## Employees

Though it is too early to gauge exactly the number of those will be directly employed in a number of projects we are going to establish, we are anticipating they will be in thousands. In addition, our projects will have enormous indirect employment benefits due to positive externality effects. If we assume on average each project product production and processing will directly employ about 500 employees, then for 15 sub sections will have about 7,500 in the short run, and many more in the medium to a long run. This is besides the many indirect employment opportunities that our projects will bring to those who will be associated with our projects. If we assume every employee to the company will be linked with 3 to 5 more individuals, then we expect our business to generate between 22,500 to 37,500 employment. As we anticipate our business and investment in Tanzania to expand exponentially over years, where we expect this magnitude to increase significantly.

To enhance the skills of our employees to address both skills mismatch and skills gaps of Tanzania graduates, agricultural education and training will be provided in Tanzania and Israel. We intend to

use the advanced agriculture education and training in Israel by enrolling Tanzanians for short and long periods in our special projects of education available in the Israel. Thereafter we intend to use their know-how to employ graduates in management and technical positions in our agro-industrial projects in Tanzania. We also plan to establish the Research and Development in the country to achieve them.

### **Support Services and Government Regulations**

As shown in the organization flow chart, our business has got all the relevant and required support services investment to ensure efficient and effectiveness delivery our business in the country. This include our finance services that include our bank(s) and financial adviser. Who is our legal adviser and business and management advisor? This is in addition to other supporting service that that include access postal services, IT services, training and education service, to mention some.

As an investor with many years of experience, we anticipate that there will be external factors that will affect our business, that include economic, political, cultural, technological and environmental ones. We are looking forward to collaborate with the Government of Tanzania to address, minimize and mitigate these challenges when they prop up. We know in advance and appreciate the critical role the Government has to play to see to it that our dream as larger investor in this area is coming true. This include, to be given permits, certificates and licenses that allow us to start our business in the country and allotted enough land both for agricultural production and agro processing plots in the allotted industrial parks for installing processing industries. There are quite a number of government regulations we promise to observe and take advantage of, that include and limited to legal, environmental and fiscal incentives. In special way, we thank the Government of Tanzania through the Prime Minister Office (PMO) – Investment for the invitation to participate in investors meeting at TIC in Dar es Salaam, where we demonstrated our desire and interest to invest in Tanzania in areas of agriculture and agro-processing (see the minutes in Appendix H).

## **6. Business Financial Plan**

As alluded, Smart Holding Company through AIE, its affiliates in Tanzania, sets to inject significant amount of money as investment that is worth Euro 240,462,533.63, equivalent to TZS 657,184,104,402.30) in areas of production of and value addition to agriculture, livestock and fisheries produce, in the first year investment. **As shown in Table 1, the estimate shows that the investment is expected to generate the total income of about Euro 318, 231, 465,44 and gross profit of about Euro 77,768,931.44, equivalent to 25% of total income generated in the first of year of investment.** Given our many years of experience in managing such large investment in many parts of the world, as already shown, we are anticipating that this injection will, among other things, help the country save significant amount of foreign exchange it used for importation as well as replacing substantial amount of processed food it imports in the country, increasing farming productivity and growth, generate significant employment opportunities and transfer modern and

state of art technology into the country. These are expected to lead to significant reduction of poverty and inequality as agriculture is the main stay of Tanzania economy that provides livelihood to most households in the country, especially those in rural areas.

Table 1 presents the allocated total investment and expenses for each of the 14 projects on agricultural productions and value addition our business set to invest in our first year of our investment. Out of these investment we also present the expected total income to be generate and gross profit to be accrued from each of the project. As we supposed to provide our expenses and cash flow for next 3 to 5 years we have as well established rate of return on investment (ROI) both on working capital and working capital per division. In addition in Tables 1 and 2 we also present the number of workers to be employed to begin with as total and for each project, and as shown nearly 3,000 workers will be employed in the first year of operation. In addition to all these our financial plan also look at the profit before tax, management expenses, and investment fund and community investment.

In appendix Tables A1 – A12 we present for each of the product project what are anticipated production, expenses, income and gross profit.

**Table 1: Total Investment, Investment Expenses, Total Income, Gross Profit and Working Capital**

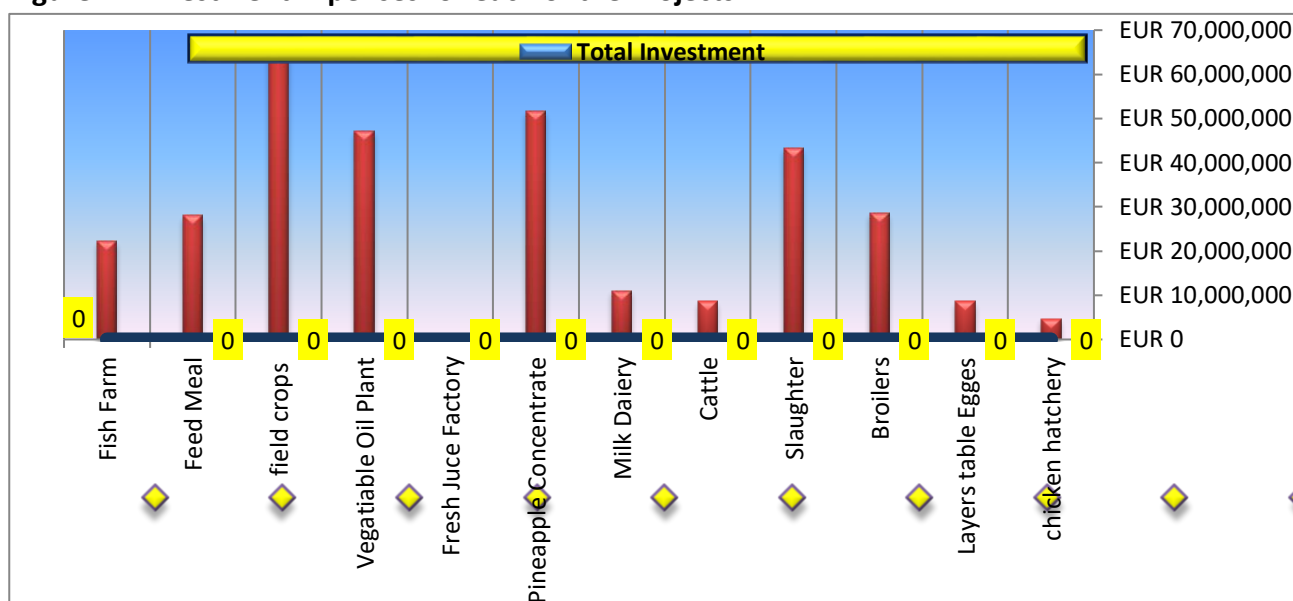
Head Lines	Total Expenses	Total Income	Gross Profit	ROI	ROI Inc. Working Capital	Avg ROI Inc. Working Capital Per Dvsn	Workers	Profit (Before TAX, Management Exp. & Finance)	ROI Inc. Working Capital (IN Months)
<b>Chicken Hatchery</b>	€ 2,791,240.00	€ 4,637,700.00	€ 1,846,460.00	0.00 Year	0.00 Year	0.00 Year	10	€ 1,846,460.00	00 Month
<b>Layers Table Eggs</b>	€ 4,925,279.80	€ 8,575,000.00	€ 3,649,720.20	0.00 Year	0.00 Year		100	€ 3,649,720.20	00 Month
<b>Broilers</b>	€ 25,566,480.00	€ 28,600,000.00	€ 3,033,520.00	0.00 Year	0.00 Year		50	€ 3,033,520.00	00 Month
<b>Slaughter</b>	€ 41,225,000.00	€ 43,340,000.00	€ 2,115,000.00	0.00 Year	0.00 Year		250	€ 2,115,000.00	00 Month
<b>Cattle</b>	€ 5,305,401.50	€ 8,600,000.00	€ 3,294,598.50	0.00 Year	0.00 Year	0.00 Year	25	€ 3,294,598.50	00 Month
<b>Milk Dairy</b>	€ 6,459,377.50	€ 11,037,600.00	€ 4,578,222.50	0.00 Year	0.00 Year		30	€ 4,578,222.50	00 Month
<b>Pineapple Concentrate</b>	€ 38,676,000.00	€ 51,680,000.00	€ 13,004,000.00	0.00 Year	0.00 Year	0.00 Year	100	€ 13,004,000.00	00 Month
<b>Fresh Juice Factory</b>	€ 1.00	€ 1.10	€ 0.10	0.00 Year	0.00 Year		50	€ 0.10	00 Month
<b>Vegetable Oil Plant</b>	€ 32,482,704.00	€ 47,161,164.34	€ 14,678,460.34	0.00 Year	0.00 Year	0.00 Year	50	€ 14,678,460.34	00 Month
<b>Field crops</b>	€ 45,059,393.94	€ 64,400,000.00	€ 19,340,606.06	0.00 Year	0.00 Year	0.00 Year	2,000	€ 19,340,606.06	00 Month
<b>Feed Meal</b>	€ 23,640,800.00	€ 28,000,000.00	€ 4,359,200.00	0.00 Year	0.00 Year	0.00 Year	20	€ 4,359,200.00	00 Month
<b>Fish Farm</b>	€ 14,330,855.89	€ 22,200,000.00	€ 7,869,144.11	0.00 Year	0.00 Year	0.00 Year	200	€ 7,869,144.11	00 Month
<b>Total</b>	<b>€ 240,462,533.63</b>	<b>€ 318,231,465.44</b>	<b>€ 77,768,931.81</b>	0.00 Year Average	<b>0.00 Year Average</b>		<b>2,885</b>	<b>€ 77,768,931.81</b>	

Source: Smart Holding Company Finance Department

**Table 2: Management Expenses, Finance Expenditure, Investment Fund and Community Investment and Profit Before Tax**

<b>Total Management Exp.</b>	€	7,776,893.18
<b>Total Finance Exp.</b>	€	-
<b>Investment Fund</b>	€	3,499,601.93
<b>Community Investment</b>	€	3,499,601.93
<b>Profit Before TAX</b>	€	62,992,834.77

**Figure 1: Investment Expenses for each of the Projects**



Source: Smart Holding Company Finance Department

## 7. Business Economic Impact and Critical Risks Assessment

### Economic Impact

There are several economic benefits Tanzania will acquire through our investment

- (i) Several advantages in welfare and economic development
- (ii) Increasing employment in the rural villages.
- (iii) Health benefits: production and supply of quality food products.
- (iv) Education benefits: training of the local population by experts.
- (v) Economic benefits: increasing exports and decreasing imports.
- (vi) Increasing in the gross national product (GDP).

### **Social Impact**

Agricultural education and training will be provided in Tanzania and Israel.

We intend to use the advanced agriculture education in Israel by enrolling Tanzanians for short and long periods in our special projects of education available in our country.

Thereafter we intend to use their know-how to employ graduation and technical positions in our agro-industrial projects in Tanzania.

### **Environment Impact**

Climate hazards: Changes in climate are not likely to occur in Tanzania, which is known for stable climate. This gives us the possibility for long term planning of our field crops and pineapples plantations.

### **Risks Facing the Business**

Insufficient market demand for our products.: The above scenario has a very low possibility, since the local, and the world market is increasing its demand for basic food products, especially in Africa. Unique products, such as pineapple concentrate, and canned fruits, are competitive in the world market. With our high quality products we will export to the world market and receive foreign currency which should be used to increase the gross national product (GNP) of The Republic of Tanzania.

Raw materials: The majority of the raw materials will be supplied locally, except the concentrated fruit juice for bottling, which will be supplied by Israel. In this way will avoid changes of raw material costs and remain competitive for local and international markets.

Manpower and technological knowhow: The entire expert knowledge base of this agro-industrial project is provided by Israel, and supported by additional international experts in engineering & equipment supply.

The project is based on the conditions of cash only :

Manufacturers of raw materials (field crops) will receive funding in advance for the operation of their farms and growth of the products.

In this, we try contribute to raise the standard of living of the local inhabitants , who would otherwise be driven to the cities, and thus prevent migration from these areas due to lack of cash. This prevents the formation of city slums and retains

### **References**

Smart Holding Company (2020), 'Agro-Industrial-Education Environment Project in Tanzania', A Concept Note and the Review of Various Documents

**Appendix: Detail Information on Production, Expenses, Income and Gross Profits for Each of the Projects in the First Year**

**Table A1: Chicken Hatchery**

PRODUCTION	Unit	Qty.	EXPENSES	Unit	EURO	Total	INCOME	Unit	EURO	Total
Pullet Chicks	UNITS / Year	5,040,000	Pullet Egge Cost	EU / UNIT	€ 0.30	€ 2,100,000.00	Income Per unit.	EU / UNIT	€ 0.90	€ 4,637,700
Layer Chicks	UNITS / Year	113,000	Layer Egge Cost	EU / UNIT	€ 0.20	€ 62,400.00			<b>TTL Income</b>	<b>€ 4,637,700</b>
Capacity Pullet Chicks	UNITS / Year	7,000,000	Operation Cost	EU / UNIT	€ 0.05	€ 350,000.00				
Capacity Layer Chicks	UNITS / Year	312,000	General Exp.	Toal / Year / Cost	10%	€ 251,240.00			<b>Gross Profit</b>	<b>€ 1,846,460</b>
Hatching chicks		72%	Workers	Per Month	€ 230.00	€ 27,600.00				
Workers	Man	10			<b>TTL Exp.</b>	<b>€ 2,791,240</b>			<b>ROI</b>	0.00 Year

**Table A2: Layers Table Eggs**

PRODUCTION	Unit	Qty.	EXPENSES	Unit	EURO	Total	INCOME	Unit	EURO	Total
Chicken Capacity	Units / Year	201,000	chick Cost	EU / UNIT	€ 0.70	€ 140,700.00	Income Per Kg.	EU / Kg.	€ 1.30	€ 325,000.00
Eggs Capacity	Eggs/Year	55,000,000	vaccine	EU / Kg.	€ 0.01	€ 550,000.00	Income Per egg	EU / Kg.	€ 0.15	€ 8,250,000.00
Eggs Capacity per chick	Units / Year	273	Food cost	EU / TON	€ 280.00	€ 3,151,680.00			<b>TTL Income</b>	<b>€ 8,575,000</b>
Chickens for sale	KG / Year	250,000	Water Cost	EU / M3	€ 0.50	€ 384,238.00				
Weight of chicken for sale	Kg	2.2	Operation Cost	Toal / Year / Cost	10%	€ 422,661.80			<b>Gross Profit</b>	<b>€ 3,649,720.20</b>
Layer's food	Kg/Year	56	Workers	Per Month	€ 230.00	€ 276,000.00				
Water supply	Liter/Day/Head				<b>TTL Exp.</b>	<b>€ 4,925,279.80</b>			<b>ROI</b>	0.00 Year
Workers	Man	100								

**Table A3: Broilers**

PRODUCTION	Unit	Qty.	EXPENSES	Unit	EURO	Total	INCOME	Unit	EURO	Total
Chicken Qty	Per Year	11,000,000	chick Cost	EU / UNIT	€ 0.70	€ 7,700,000	Income Per Kg.	EU / Kg.	€ 1.30	€ 28,600,000.00
Total Production	Kg. / Year	22,000,000	vaccine	EU / Kg.	€ 0.12	€ 2,640,000			TTL Income	€ 28,600,000.00
Chicken Food qty.	TON / Year	44,000	Food cost	EU / TON	€ 280	€ 12,320,000				
Water	M <sup>3</sup> / TON / Food	2	Water Cost	EU / M3	€ 0.50	€ 44,000			Gross Profit	€ 3,033,520.00
Workers	Man	50	Operation Cost	Total / Year / Cost	12%	€ 2,724,480				
			Workers	Per Month	€ 230	€ 138,000.00			ROI	0.00 Year
					TTL Exp.	€ 25,566,480				

**Table A4: Slaughter**

PRODUCTION	Unit	Qty.	EXPENSES	Unit	EURO	Total	INCOME	Unit	EURO	Total
Capacity	Ton / Year	22,000	Pullet Cost	EU / Kg.	1.37	€ 30,140,000	Income for Chicken	EU / Kg.	€ 2.30	€ 40,400,000
Net Chicken meat	From Chicken Capacity	80%	Making Slaughter cost	EU / Kg.	0.25	€ 5,500,000	Income for Chicken flour	EU / Kg.	€ 0.65	€ 2,860,000
Net Chicken meat	Ton / Year	17,600	Wast cost handling	EU / Kg.	0.25	€ 1,100,000			TTL Income	€ 43,340,000
Water Suplly	M <sup>3</sup> / TON	10	Water Cost	EU / M <sup>3</sup>	0.30	€ 66,000				
Workers	Man	250	Sewage cost - טיפול שפכים	EU / M3	0.20	€ 44,000			Gross Profit	€ 2,115,000
			operation cost	From Total Expenses	10%	€ 3,685,000				
			Workers	Per Month	€ 230.00	€ 690,000.00				
					TTL Exp.	€ 41,225,000.				

**Table A5: Cattle**

PRODUCTI ON	Unit	Qty.	EXPENS ES	Unit	EUR O	Total	INCO ME	Uni t	EURO	Total
Milk Capacity	TON / YEAR	20,0 00	Feed Milking Cows Cost	EU / TON	€ 240. 00	€ 2,838,240 .00	Incom e Milk	EU / LITE R	€ 0.34	€ 6,800,000 .00
Cattle for Slaughter	HEAD / YEAR	1,20 0	Feed Calvs Cost	EU / TON	€ 240. 00	€ 1,440,000 .00	Incom e Meat	EU / Kg.	€ 2.00	€ 1,800,000 .00
Cattle Heads	UNIT / YEAR	1,80 0	vaccine	EU / LITER / YEAR	€ 0.02	€ 400,000.0 0			<b>TOTAL INCO ME</b>	<b>€ 8,600,000 .00</b>
Meat for Sale	Kg. / HEAD	750	Water Cost	EU / M <sup>3</sup>	0.50	€ 82,125.00				
Feed Calvs	TON / YEAR	5	Operati on Cost	From Total Expens es	10%	€ 476,036.5 0			<b>GROS S PROFI T</b>	<b>€ 3,294,598 .50</b>
Feed Milking Cows	TON / YEAR	6.57	Worker s	Per Month	€ 230. 00	€ 69,000.00				
Water Supply	LITER/DAY/H EAD	250			<b>TTL Exp.</b>	<b>€ 5,305,401 .50</b>			<b>ROI</b>	0.00 Year
Workers	Man	25								

**Table A6: Milk Dairy**

PRODUCTI ON	Unit	Qty.	EXPENSE S	Unit	EUR O	Total Per Year	INCOME	Unit	EURO	Total Per Year
Milk Capacity	LITE R / DAY	35,00 0	Milk Cost	EU / LITER	0.06	€ 766,500.0 0	Milk	EU / LITE R	0.80	€ 9,431,600.0 0
			Raw Material Cost - חומר גלם	EU / LITER	0.03	€ 434,350.0 0	YUGORT producti on	EU / LITE R	1.50	€ 1,095,000.0 0
Drinking Milk Production	LITE R / DAY	32,30 0	Water Cost	EU / M <sup>3</sup>	0.50	€ 500.00	BATTER	EU / LITE R	2.00	€ 511,000.00
YUGORT production	LITE R / DAY	2,000	Other Operatio nal Costs	From Total Expens es	15%	€ 180,202.5 0			TTL Incom e	<b>€ 11,037,600. 00</b>
BATTER production	LITE R / DAY	700	Workers	Per Month	€ 230.0 0	€ 82,800.00				
Workers	Ma n	30			<b>TTL Exp.</b>	<b>€ 1,464,352. 50</b>			Gross Profit	<b>€ 9,573,247.5 0</b>

**Table A7: Pineapple Concentrate**

PRODUCT ION	Unit	Qty.			EXPENSES	Unit	EURO	Total	INCOME	Unit	EURO
Pineapple Capacity	TON / YEAR	200,000			Pineapple Cost	EU / TON	160	€ 32,000,000.00	Conectrate Cost	EU / TON	1,590
Net Fruit	TON / YEAR	160,000	80 %	From Pineapple Capacity	Other Operational Costs	From Total Expenses	20%	€ 6,400,000.00	Waste Material Cost	EU / TON	20
Conectrate Capacity	TON / YEAR	32,000	20 %	From Net Fruit	Workers	Per Month	€ 230.00	€ 276,000.00			TTL Income
Waste Material for Feed Meal	TON / YEAR	40,000					TTL Exp.	€ 38,676,000.00			
Workers	Man	100									Gross Profit

**Table A8: Natural Juice Factory**

PRODUCT ION	Unit	Qty.	Qty. For year	EXPENSES	Unit	EURO	Total Per Year	INCOME	Unit	EURO	Total Per Year
Capacity Prod. - 1.5 Liter Bottle	Bottle / Hour	5,000	15,000,000	Concentrate Juice Cost	EU / Ton	€ 1.00	€ 1.00	Income Per bottle	EU / UNIT	€ 1.00	€ 1.10
Juce Capacity	Liter / Year	15,000,000	22,500,000	Suger Cost	EU / Ton		€ 0.00			<b>TTL Income</b>	<b>€ 1.10</b>
Concentrate Juice Capacity	Ton / Year	1		Preservative Cost	EU / Ton		€ 0.00				
Suger Capacity	Ton / Year	1,500		Packing Cost	EU / Bottle		€ 0.00			<b>Gross Profit</b>	<b>€ 0.10</b>
Preservative	Ton / Year	45		Production Cost	EU / Bottle		€ 0.00				
Working Hours	Hour / day	10		Water Cost	EU / M3		€ 0.00				

Water Supply	Liter / Bottle	1.3		operation cost	From Total Expenses		€ 0.00				
Workers	Man	50		Workers	Per Month		€ 0.00				
						<b>TTL Exp.</b>	<b>€ 1.00</b>				

**Table A9: Vegetable Oil Plant**

<u>PRODUCT ION</u>	<u>Unit</u>	<u>Qty</u>		<u>EXPENSES</u>	<u>Unit</u>	<u>EURO</u>	<u>Total</u>	<u>INCOME</u>	<u>Unit</u>	<u>EURO</u>	<u>Total</u>
Soya Bean - raw material	Ton / Year	13,500		Soya Bean - Cost	EU / Ton	507	€ 6,844,500.00	Soya Bean	EU / LITER	1.35	€ 3,280,500.00
Sun Flower - raw material	Ton / Year	27,000		Sun Flower - Cost	EU / Ton	225	€ 6,075,000.00	Sun Flower	EU / LITER	1.25	€ 13,365,000.00
Corn - raw material	Ton / Year	45,000		Corn - Cost	EU / Ton	170	€ 7,650,000.00	Corn	EU / LITER	1.10	€ 17,820,000.00
				Oil Production Cost	EU / Ton Grans	56	€ 4,788,000.00	Soya Cake	EU / Ton	385	€ 4,153,846.15
Soya Bean Oil Capacity	Ton / Year	2,700	20%	Oil Refining Costs	EU / Ton Oil	49	€ 1,596,420.00	Sun Flswe r Cake	EU / Ton	203	€ 3,066,293.71
Sun Flower Oil Capacity	Ton / Year	11,880	44%	Operation Cost	From Total Expenses	20%	€ 5,390,784.00	Corn Flswe r Cake	EU / Ton	203	€ 5,475,524.48
Corn Flower Oil Capacity	Ton / Year	18,000	40%	Workers	Per Month	€ 230.00	€ 138,000.00			<b>TTL Income</b>	<b>€ 47,161,164.34</b>
Soya Cake	Ton / Year	10,800				<b>TTL Exp.</b>	<b>€ 32,482,704.00</b>				
Sun Flswe r Cake	Ton /	15,120								<b>Gross</b>	<b>€ 14,678,460.34</b>

	Year										<b>Profit</b>	
Corn Flswer Cake	Ton / Year	27,000										
Workers	Man	50									<b>ROI</b>	0.00 Year

#### Appendix A10 Field Crops

PRODUCTION	Unit	Qty y.	Total Per Year (TON)	EXPENSES	Unit	EURO	Total	INCOME	Unit	EURO	Total
Soya Field	DUN AM	90,000		Grow expenses (Soya+Corn+Sunflower)	EU / DUN AM	140	€ 32,949,494.95	Soya	EU / TON	375	€ 5,062,500.00
Corn Field	DUN AM	85,909		Operation Cost	From Total Expenses	20%	€ 6,589,898.99	Corn	EU / TON	225	€ 21,262,500.00
Sun Flower Field	DUN AM	15,000		Workers	Per Month	€ 230.00	€ 5,520,000.00	Sunflower	EU / TON	225	€ 6,075,000.00
Pineapple Field	DUN AM	44,444				<b>TTL Exp.</b>	<b>€ 45,059,393.94</b>	Pineapple	EU / TON	160	€ 32,000,000.00
										<b>TTL Income</b>	<b>€ 64,400,000</b>
Soya - Production from 1 dunam	Ton / DUN AM	0.15	13,500								
Corn - Production from 1 dunam	Ton / DUN AM	1.10	94,500							<b>Gross Profit</b>	<b>€ 19,340,606.06</b>
Sunflower - Product	Ton /	1.80	27,000								

ion from 1 dunam	DUN AM										
Pinapple - Production from 1 dunam	Ton / DUN AM	4.50	200,000							ROI	0.00 Year
Workers	Man	2,000									

**Table A11: Feed Meal**

PRODUCTION	Unit	Qty.	EXPENSE	Unit	EUR	Total	INCOME	Unit	EURO	Total
Total Capacity	Ton / Year	100,000	Raw Material costs	EU / Ton	€ 205	€ 20,500,000.00	Mixture	EU / Ton	€ 280	€ 28,000,000.00
Day Capacity	Ton / Day	300	operational cost	EU / Ton	€ 10	€ 1,000,000.00			TTL Income	€ 28,000,000
Pullet Food	Ton / Year	19,700	General Exp.	Toal / Year / Cost	5%	€ 1,075,000.00				
Layer Food	Ton / Year	4,650	Food additive	EU / Ton	€ 100	€ 500,000.00			Gross Profit	€ 4,359,200
Cattle Food	Ton / Year	19,900	Workers	Per Month	€ 230.00	€ 565,800				
Fish Food	Ton / Year	27,000			TTL Exp.	€ 23,640,800			ROI	0.00 Year
Working Hours	Hours / Day	10.0								
Food additive	Ton / Year	5,000	5%							
Workers	Man	20								

**Table A12: Fish Farm**

PRODUCTION	Unit	Qty.	EXPENSES	Unit	EUR	Total	INCOME	Unit	EURO	Total
0.7 Kg. capacity of Fish	Ton / Year	5,000	0.7 Kg. fingerlink cost	EU / UNIT	0.030	€ 157,677.38	Income Per Kg.	EU /	€ 2.22	€ 22,200,000.00

								To n		
0.5 Kg. capacity of Fish	Ton / Year	5,000	0.5 Kg. fingerlink cost	EU / UNIT	0.030	€ 359,555.25			<b>TTL Income</b>	<b>€ 22,200,000.00</b>
0.7 Kg. fingerlink	UNITS / Year	5,255,913	Food Cost	EU / Kg.	0.710	€ 10,650,000.00				
0.5 Kg. fingerlink	UNITS / Year	11,985,175	Electric cost	EU / KWT Hour	0.120	€ 1,359,000.00			<b>Gross Profit</b>	<b>€ 7,869,144.11</b>
Food for the Fish	Kg. / TON	1,500	Other Operational Expenses	From Total Expenses	10%	€ 1,252,623.26				
Electric consumption,	KW T / TON	1,133	Workers	Per Month	€ 230.00	€ 552,000.00			ROI	0.00 Year

**Appendix B: Backward and Forward Linkage in Production and Value Addition to Sunflower**

**Appendix C: Backward and Forward Linkage in Production and Value Addition to Avocado**

**Appendix D: Backward and Forward Linkage in Production and Value Addition to Cassava**

**Appendix E: Backward and Forward Linkage in Production and Value Addition to Poultry**

**Appendix F: Backward and Forward Linkage in Production and Value Addition to Cattle**

**Appendix G: Backward and Forward Linkage in Production and Value Addition to Milk**

**Appendix H: KIKAO CHA KATIBU MKUU WA WIZARA YA UWEKEZAJI PAMOJA NA WAWEKEZAJI  
TAREHE 16 JULAI, 2021; OFISI ZA TIC, DAR ES SALAAM**

**Agenda**

1. Kufungua kikao
2. Utangulizi
3. Majadiliano
4. Mengineyo
5. Kufunga kikao

**Mahudhurio**

- |                                      |                            |                     |            |
|--------------------------------------|----------------------------|---------------------|------------|
| 1. Pro. Godius Kahyarara             |                            | Wizara ya Uwekezaji | 0784460849 |
| 2. Bw. Meshack Bandawe<br>0756007878 |                            | TSSA PMO            |            |
| 3. Lt. Col. George Wango'mbe         | SUMAJKT                    |                     | 0713560037 |
| 4. Bw. Mahfudhi All<br>0755017073    |                            | POA-ENERGIES        |            |
| 5. Bw. Haikamen Mleki<br>0736299155  | NHC                        |                     |            |
| 6. Bw. Harun Lacky                   |                            | Azania Bank         | 0713371217 |
| 7. Bw. Godwin Seiya                  |                            | Azania Bank         | 0785009251 |
| 8. Bw. Henry Mishinga                | Kom Group of Companies LTD | 0752885382          |            |
| 9. Dkt. Victoria Kisyombe            |                            | ROKOSAN             | 0767448949 |
| 10. Ms. Alice Mwiru                  | SMART HOLDING LTD          | 0654655215          |            |
| 11. Bw. Prince Bagenda               | SMART HOLDING LTD          | 0783586034          |            |
| 12. Capt. Fried Sule                 |                            | SUMAJKT             | 0712917232 |
| 13. Bw. Lugano Lutengano             |                            | SUMAJKT             | 0787174694 |
| 14. Bw. Jitend Rothael               |                            | VENICE GROUP        | 0783274274 |
| 15. Dkt. Sebastian Ndege             |                            | JEMBE GROUP         | 0784888886 |
| 16. Bi. Pendo Lema                   |                            | JEMBE GROUP         | 0763513930 |
| 17. Ms. Anna Lyimo<br>0754442286     |                            | TIC                 |            |
| 18. Ms. Latiffa Kigoda<br>0715734444 |                            | TIC                 |            |

**Jedwali la kuelezea masuala yaliyojiyokeza kwenye kikao**

Na	Hoja	Yaliyojadiliwa	Maazimio
1.	Kufungua Kikao	Kikao kimefunguliwa na Mwenyekiti wa kikao Katibu Mkuu – Ofisi ya Waziri Mkuu, Wizara ya Uwekezaji Prof. Gidius Kahyarara saa nne (4:00) asubuhi katika ukumbi wa Mikutano wa TIC, Dar es Salaam. Kikao kilijumuisha wawakilishi wa Serikali na sekta binafsi.	-
2.	Madhumuni ya Kikao	Mwenyekiti alieleza washiriki kwamba Serikali inatarajia kutekeleza mpango wa kuanzisha kongani za uwekezaji kwa ajili ya kuzalisha bidhaa kadhaa zenye uhitaji mkubwa nchini.  Serikali kwa kutambua mchango wa sekta binafsi katika kuchochea uchumi, imeonelea vema kuwashirikisha baadhi ya makampuni/wawekezaji ili kufanikisha mpango huo kwa pamoja kwa kuanzisha miradi ya uwekezaji.	Kongani zitakazoanza ni viwanda na mafuta ya kula.  Kongani ya viwanda vya kuzalis itakua Dumila (ekari .....), Mor kongani ya kuzalisha mafuta ya Singida (ekari 45,000)
3.	Utaratibu wa kupata maeneo	Maeneo husika yatatengwa katika 'blocks' zenye ukubwa tofauti. Kwa mfano kongani za viwanda vya sukari maeneo yatakuwa kati ya ekari 10, 15	Wawekezaji watakaopata maeneo kongani hizo ni wale tu wenye kuwekeza, wenye uwezo wa ki

		na 20) kwa kuwa viwanda vinavyotarajiwa ni vile vidogo lakini vyenye kutumia teknolojia ya kisasa.	walio tayari kuleta na kufunga mi uwekezaji ya kutumia teknolojia ndani ya muda mfupi.
4.	Makampuni/ Taasisi zilizoonesha nia ya kuwekeza au kuwezesha uwekezaji husika kufanyika katika kongani hizo.	lielezwa kwamba kampuni itakayosajiliwa kuendesha mradi ndani ya kongani sharti ithibitishe namna ya kutekeleza mradi husika kwa kipindi cha muda mfupi lakini kwa kufuata vigezo vitakavyokuwa vimewekwa na Serikali.	<p>Taasisi na makampuni yaliyoonesha kuwekeza katika kongani hizo kufanikisha uwekezaji wao kwa miongozo stahiki ikiwemo kupewa masuala ya kisheria na upatikanaji</p> <p>Kwa sasa makampuni/Taasisi zilizozitambua nia ya kufanikisha uwekezaji huo ni:</p> <ul style="list-style-type: none"> <li>• SUMAJKT</li> <li>• NHC</li> <li>• AZANIA BANK</li> <li>• KOM GROUP</li> <li>• ROKOSAN</li> <li>• SMART HOLDINGS</li> <li>• POA ENERGIES</li> <li>• JEMBE GROUP</li> <li>• VENICE GROUP</li> </ul> <p>Aidha, makampuni mengine zaidi zinayozitambua nia na uwezo wa kuanzisha miradi katika kongani husika yanakaribishwa.</p>
5.	Uwekezaji kwenye huduma wezeshi ndani ya kongani	<p>Kuanzishwa kwa kongani, pia kutavutia na kutahitaji uwepo wa huduma muhimu kama vile benki , 'super market' ,Petro Stations na mbolea.</p> <p>Kutokana na uhitaji huo baada ya taarifa kutolewa baadhi ya makampuni na Taasisi zilionesha nia ya kuwekeza katika maeneo hayo.</p>	<p>-Kampuni ya POA imeonesha nia ya kuanzisha miradi wa kuwekeza kwenye eneo la 'super market' na Petro Station</p> <p>-AZANIA BANK mbali na kuonesha nia ya kuanzisha miradi kutoa mkopo kwa makampuni katika eneo la maeneo pia imeonesha nia ya kuwekeza katika eneo la kuanzisha TAWI LA BANK samaniwa ATM machine.</p> <p>-Ili kuwezesha upatikanaji wa mali wa wakulima wengi, makampuni ndani ya kongani yatahitaji kuendesha kilimo na kuanzisha miradi SMART HOLDINGS imeonesha nia ya kuwekeza katika eneo la uzalishaji wa mbolea 'organic manure' itakayotumika kwenye pembe za ng'ombe na mbuzi na maji kuku.</p>
6.	Uwekezaji katika Sukari na mafuta ya kula	<p>Ilitaarifiwa kwamba Serikali inaendelea kunadi na kutangaza fursa za kuwekeza ndani ya kongani katika eneo la mafuta ya kula na sukari. Lengo ni kukaribisha makampuni mengi/Taasisi kuwekeza kwa maslahi ya Taifa.</p> <p>Kutokana na jitihada hizo, tayari baadhi ya makampuni yameonesha nia ya kuwekeza katika maeneo hayo.</p>	<p>Katika uzalishaji wa sukari makampuni yatapeleka SUMAJKT, KOM GROUP, VENICE GROUP na JEMBE GROUP yatapewa fursa za kuwekeza.</p> <p>Kwa upande wa uzalishaji wa mafuta makampuni ya SUMA JKT, KOM GROUP na SMART HOLDINGS pia yatapeleka fursa za kuwekeza.</p> <p>Serikali itayasaidia makampuni kupitia vyote kwa haraka ili kufanikisha miradi huku jitihada za kupata makampuni zikiendelea.</p>

7.	Wajenzi wa kongani na kuta za mzunguko	<p>Ilijadiliwa kwamba uwepo wa kongani utahitaji ujenzi wa ukuta. Taarifa ilitolewa kwa washiriki na faida za kufanya hivyo zilielezwa ikiwemo kujitangaza.</p> <p>Shirika la Nyumba (NHC) na SUMAJKT zilionyesha utayari wa kujenga kongani sambamba na kuta za mzunguko lakini suala la changamoto likajitokeza kuwa ni upatikanaji wa mtaji.</p>	Serikali iangalie uwezekanaji wa kuwezesha NHC na SUMAJKT mtaji wa kujenga kongani hizo pamoja na ukuta wa kuzungushia
8.	Kutembelea maeneo ya kongani	Ilijadiliwa na kukubaliwa kwamba wawekezaji ambao tayari wameonesha nia ya kuwekeza katika kongani husika wafanye ziara ya kikazi katika maeneo ya kongani Mkoani Morogoro na Singida kwa lengo la kuyafahamu. Safari itaanzia Morogoro na baadae Singida.	Waratibu wafanye mawasiliano na wawekezaji na pia Wizara ili ziara ya kikazi kufanyika kati ya tarehe 22 na 23 Julai, 2022 au kati ya tarehe 26 na 27 Julai, 2022
9.	Usajili wa kampuni ya ROKASAN kwenye Kituo cha Uwekezaji Tanzania (TIC)	<p>Kampuni ya ROKASANI iliwasilisha nia yake ya kuwekeza kwenye sekta ya uzalishaji mbolea lakini ikawa inahitaji <i>government guarantee</i> kuhusu soko.</p> <p>Mwenyekiti alitumia nafasi hiyo kueleza kwamba kutokana na ujio wa kongani mbili, kampuni inashauriwa ichukue eneo kwenye kongani ya alizeti na izalishe zao hilo kwa kutumia mbolea hiyo ili itangaze bidhaa zake na pia iwe chachu kwa wakulima wengine watakaona sio tu ndani ya kongani bali nchi nzima.</p>	<p>Kampuni ichukue ekari tano (5) kwa mradi wa kilimo cha alizeti kwa mbolea yao</p> <p>Kampuni ikamilishe usajili wa mradi wa TIC kati ya tarehe 19-23, Julai 2022 (<b>mtaalam wao elekezi amefika kupata requirements</b>)</p>
10.	Usajili wa kampuni ya SMART HOLDINGS kwenye Kituo cha Uwekezaji Tanzania (TIC)	<p>Kampuni ya SMART HOLDINGS iliwasilisha nia yake ya kuwekeza kwenye sekta ya kilimo na uongezaji thamani kwenye parachichi, alizeti, soya, mihogo na ufugaji wa kuku na ngo'mbe</p> <p>Aidha, kampuni pia ilieleza kwamba ipo katika hatua ya kutafuta ardhi kwa ajili ya kufanikisha miradi husika.</p> <p>Kampuni pia imepongezwa kwa nia yake ya kuanzisha Training Vocational Center</p>	<p>Kampuni iwasilishe andiko mradi 'plans' za miradi yote kwa KM.</p> <p>Kampuni ifanye kazi kwa karibu kishauriwe ipasavyo juu ya kupata mbolea kufanikisha uwekezaji husika ikiwa na <i>requirements</i> za kusajili TIC.</p> <p>Kampuni imeshauriwa ishirikiwa katika kongani ya alizeti.</p> <p>Kampuni ikamilishe usajili wa mradi wa TIC kati ya tarehe 19-23, Julai 2022</p> <p>Kampuni imeshauriwa ianzishe Training Center eneo la kongani ya alizeti ili iwe chachu zaidi kwa wakulima na Taifa kiujuu</p>
11	Kampuni ya YASA Agriworx kuwekeza katika sukari	<p>Wawakilishi wa kampuni ya Jembe Group waliwasilisha nia ya kampuni ya YASA Agriworx kuwekeza Tanzania kwenye sekta ya sukari.</p> <p>Aidha ilielezwa kwamba ili kampuni hiyo ifanye uwekezaji inatarajia kupata mkopo (Bilioni 1 Usd) kutoka nje ya nchi kwa ajili ya mtaji na kuwa ili mtaji huo upatikane wanahitaji Serikali iwe mbia na kwamba riba 'Interest rate' itakuwa ni 0%.</p> <p>Kwa maelezo zaidi pia ilielezwa kwamba kwa taratibu za sasa, Serikali haishiriki katika fedha ya mkopo hata kama interest ni 0%.</p>	<p>Kutokana na unyeti wa mradi unaohitajika wawakilishi wa kampuni ya YASA imeshauriwa kukutana na Katibu wa Mkoa wa Dodoma kati ya tarehe 26-28 Julai 2022 kujadili suala la upatikanaji wa mtaji.</p> <p>Azania Bank, ikae na Jembe Group kuanzisha washauriane namna ya kupata mbolea kwa mradi</p>

12.	Kamati ya Kuratibu Vikao	Ilishauriwa kwamba kwa kuwa vikao husika ni endelevu ni vema kukawepo na waratibu ili kuharakisha uratibu ikiwemo kuandaa na kuitisha vikao pale itakapohitajika kufanyika hivyo	Katibu Mkuu alimteua Mr. Bandawe, Bi Anna Lyimo na Bi AL kuwa waratibu
13	Matarajio ya machine/ mitambo kuwa kwenye 'site' kongani	Ilielezwa kwamba kuna uhitaji wa haraka wa kuanzishwa kwa miradi husika ndani ya kongani. Kutokana na hitaji hilo Mwenyekiti alitaka kufahamu na kusikia muda ambapo makampuni yaliyoonesha nia yanaweza kuwa tayari yamenunua mitambo kwa ajili ya uwekezaji husika.	Imeazimiwa kwamba mitambo kwa kongani ya sukari inaweza kuwa ifikapo mwezi Agosti, 2020.
14	Mengineyo		
14.1	Mchakato wa kurudisha shamba la mkulazi TIC	Kutokana na kwamba uhitaji wa ardhi ya uwekezaji umeongezeka wakati Taasisi yenye jukumu la kuwa na ardhi ya uwekezaji 'LAND BANK' kutokuwa nayo ya kutosha, imeshauriwa kuwasilisha ombi Serikalini ili shamba la Mkulazi, Morogoro kurejeshwa TIC ili litumike kwa wawekezaji 'serious'	TIC ianzishe mchakato wa shamba hilo kwa kumwandikia Katibu Mkuu Barua imwombe Katibu Mkuu shamba la Mkulazi kwa TIC kwa wawekezaji.
14.2	Kipindi cha 360	TIC iende kwenye kipindi cha 360 kuongelea masuala ya <i>One Stop Shop na namna yanavyo 'fast truck'</i> katika kutoa huduma kwa wawekezaji-TIC.	Kipindi kilenge kuelezea namna wawekezaji wanavyohudumiwa kwa (ndani ya muda mfupi) kupata leseni za kuanzisha na kutekeleza uwekezaji nchini.
14.3	Mwito wa kuwekeza kwenye industrial parks	Mwenyekiti alieleza wadau juu ya umuhimu na faida za kuwekeza kwenye <i>Industrial Parks</i> na kutoa mwito kwa makampuni na Taasisi kuwekeza kwenye eneo hilo	Azania Bank imeshauriwa kuwekeza kwenye eneo la Industrial Parks kwa tija yake.
14.4	Sugar Bodi	Kutokana na kupitiwa kuialika Taasisi ya Bodi ya Sukari, Mwenyekiti ameelekeza waalikwe.	Bodi ya Sukari iwe miongoni mwa wawakilishi wa kikao kitakachofuata
14.5	Masuala ya Kisheria katika kongani	Ilijadiliwa na kuelezwa kwamba masuala yote ya kisheria kuhusiana na upatikanaji wa ardhi ndani ya kongani yazingatiwe ili kuhakikisha kwamba wawekezaji wanapata ardhi ambayo haina migogoro.	Wawekezaji watapewa maeneo kwa taratibu zote za Serikali ikiwemo mawakilishi kisheria kuzingatiwa
14.6	Kamati ya Uratibu	Ilijadiliwa juu ya uwepo wa ' <i>focal person</i> ' kwa ajili ya kuratibu vikao pale itakapohitajika. Wawakilishi wajumuishe Serikali na sekta binafsi	Mwenyekiti alitumia madaraka ya wawakilishi wafutao Bw. Meshack Bandawe Bi. Alice Mwiru Bi. Anna Lyimo
15.	Kufunga Kikao	Kikao kilifungwa saa kumi jioni	-