



PROGRESS REPORT

10TH NOVEMBER

2021



PROGRESS REPORT



**INTERNATIONAL CENTRE FOR SUSTAINABLE INVESTMENTS
(ICSI) GROUP LTD
OF**

**ICSI GROUP LTD
P. O. BOX 1780, MOROGORO
TEL: +255784574870**

November 2021

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1. INTRODUCTION

1.1. Profile and planned activities of the ICSI Group Ltd

ICSI Group Ltd established 2020 as the subsidiary of Forestry Holding AG in Switzerland. The company was established under the companies Act Cap 212 of the year 2002 with the registration BRELA 141423827, Business licence number B-03350283 and TIN 141-423-827 with effect from 02nd of April 2020. The major objective of the of ICSI Group Ltd is the development and implementation of sustainable investments in order to eradicate poverty, hunger and climate change through agroforestry, Social and Economic empowerment approaches.

ICSI Group Ltd established 2020 as the subsidiary of Forestry Holding AG in Switzerland founders has broadly experience in agroforestry farming and Social & Economic empowerment approaches that will increase Tanzania economic stability and improve the management of the of the natural resources under the ICSI Group Ltd care.

Agroforestry farming involves combining a teak tree planting with another enterprise such as spices (Peeper, Ginger, Gallic etc.) farming or managing woodland for the diversity of special forest products. At the same time the trees are sheltering livestock from wind or sun, providing wildlife habitat, controlling soil erosion and in the of the most leguminous species fixing nitrogen to improve soil fertility.

ICSI Group Ltd has headquartered in Nyandira Street, Block 315 in Morogoro District in Morogoro region. ICSI Group Ltd has acquire land of about 150ha for establish a spice farm(Ericson Peeper-150) situated in Morogoro, 600 ha for establish a teak plantation(Taj Mohammed-Teak600Ha) situated in Morogoro.350 ha for teak trees farming with the maturity of 2 years old planted situated in Korogwe District(Korogwe Teak-350) in Tanga region, Kiroka teak farm with 100ha (Kiroka Teak-100ha), Kiroka Pepper farm with 150 ha(Kiroka Peeper-150), 40 ha for Pepper plantation(Kinole Pepper-40ha) with maturity age of 2 years old situated in in Morogoro region.

The ICSI Group Ltd main object is to invest in agroforestry farming and Social & Economic empowerment activities in the Morogoro region and Tanga region both in Tanzania by employing various environmentally friendly systems and traditional practices in its operations.

ARCHIEVEMENTS OF THE PROJECT

- Employed 11 full time employees (10 of which local citizens) with Registration and compliance to and with: WCF, NSSF, PAYE, SDL
- Drilled and built two working boreholes (Korogwe & Ngerengere Estates)
- Construction of guest house on-going in Morogoro estates
- Purchase of \$200,000 Tractor and equipment for farm operations
- In the process of accruing an existing company, acquired 400ha of land, rental agreement for 600acers of land
- Total of 10 vehicles in the company now (7 of which are newly purchased/ registered)
- Invested and implemented large scale irrigation systems (Drip and sprinkler types)
- Water reservoirs ranging from 50-300,000L have been dug out, one has been lined as well.
- Over 80,000 plants have been planted in the last year and a half (mainly teak tree and black pepper)

3. COMPANY INFORMATION

| S/No | Information | Description | Current project status |
|------|---------------------------|--|------------------------|
| 1 | Shareholder's information | Shareholder 1: <ol style="list-style-type: none"> i. CARL-LAMBERT LIESENBERG (German) ii. Class Ordinary: 9200 shares, 100000 TZS/share, 920000000 TZS Class Ordinary 90 shares taken iii. Ninety (90) percent Shareholder 2: <ol style="list-style-type: none"> i. JAMILA TAJ SCHMID, (Tanzania) ii. Class Ordinary 10 share taken | Active |

iii. Ten (90) percent

| | | | |
|----------|-----------------------------------|---|--------|
| 2 | Company communication information | Email: hallofrey@hotmail.com, Mob no/Tel no: 0784848209 P.O.Box 1780 Region Morogoro, District Morogoro CBD, Ward Mlimani, Postal code 67117, Street NYANDIRA, Road NYANDIRA, Plot number 315, Block number MATI-LITI, | |
| 3 | Contact Person | Andy SCHMID Project Manager Tel: +255 784574870 | Active |
| 4 | Incorporation | Certificate incorporation no: 141423827 | Active |
| 5 | TIN Information | TIN Certificate no: 141423827 | |
| 6 | Project Objective | ICSI Group Ltd in the short-term range of one year has the following objective: <ol style="list-style-type: none">1. Commerce agroforestry operations at the 300 hectares farms in Morogoro and excel to Tanga region. The company has the following long-term objective: <ol style="list-style-type: none">1. Employ agro forestry technologies that provide agroforestry produce yields above the national average.2. Identify the best human resources available and provide annual training.3. To become a leading agro forestry farming investment in Tanzania producing high quality spices and agro | |

forestry product for markets in Tanzania and beyond the borders, using best practices and technology to produce high quality spices and agro forestry produces at internationally

competitive costs that enable profitable supply to our markets

4. To become the impactful and sustainable agro forestry investment in Tanzania through Environmental conservation, Social & Economic empowerment activities by employing various environmentally friendly systems and traditional practices in its operations.

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PROJECT FINANCIAL EXPENDITURE

| | FOREIGN (USD)) | LOCAL (USD) | TOTAL |
|-------------------------------------|---------------------------|------------------------|-------------------|
| LAND AND BULDINGS | 1050000.39 | | 1050000.39 |
| PLANT AND MACHINERY | 86956.52 | | 86956.52 |
| VEHICLES/AIRCRAFT | 200000 | | 200000 |
| FARNITURE | 15000 | | 15000 |
| OFFICE EQUIPMENT | 15000 | | 15000 |
| INSURANCE COVER | | | |
| PRE-OPERATION EXPENSES | 340000 | | 340000 |
| WORKIG SUB TOTAL CAPITAL | | | 1706956 |
| GRAND TOTAL | | | 1706956 |

5 PROJECT FINANCING

| s/n | Information | Description | Current status Amount (USD) | Source country |
|------------|--|---|--|---------------------------|
| 1. | Investment financing amount in USD | Financing type Local Equity Local loan Foreign equity Foreign Loan Total Investment | - - 5,000,000 - 5,000,000 | German |

6 PROBLEMS AND SOLUTION

6 Problems and solutions:

- Acquiring land (very difficult to get the correct land for planting teak and not many institutes/ companies out there who can assist with the correct land with a back up of important data such as rain fall, soil condition etc – in communications with real estate companies, TIC & universities/ institutes for assistance.
- Getting proper companies to do important tasks such as water survey, soil survey, there are not many nor good enough companies to do this in our Morogoro region – the solution is to find companies from elsewhere such as Dar but this is not a financially feasible solution and these services should be readily available throughout the country and companies audited for professionalism
- Getting receipts for purchases such as black pepper seedlings/ teak seedlings etc – can only write petty cash vouchers to get signed however this seems to be a problem for TRA to understand and provide companies such as us with a solution to this on going problem.
- Professional companies who can carry out tasks as requested for example finding a simple bulldozer or excavator for land clearing and reservoir digging has proven very difficult with most suppliers hesitant to receipt and also providing equipment in poor condition that cannot finish the agreed on work in good time – Again the solution is for government authorities to step in and audit these companies to ensure they provide sufficient and efficient rental services rather than offering services with inadequate equipment's, purchasing our own heavy equipment is not financially feasible.

7 Future PLANS:

- Finalize construction for guest house for future investor trips
- Build a bridge and new entrance into the estates
- Get electricity into the estates
- Work on expanding irrigation operations

8 RECOMMENDATIONS AND COMMENTS

ICSI company would like to thank all stakeholders in the investment sector such as TIC, LOCAL GOVERNMENT, BANKS and other services provider. The company will continue to cooperate with government in all aspects.

9 ICSI MIXED FARMING PROJECT PHOTOS

i. PHOTOS OF KINGOLI ESTATE











