

**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)

Describe the status of activities that have already been undertaken e.g. construction of buildings, acquisition of supplies, installation of equipment, etc.

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 | Perunamestarit Oy/Ltd / Finnish / 85% Jussi-Pekka Tuomisto / Finnish / % Juha Pekka Airas/Finnish/1% Jukka-Pekka Kärkkäinen / Finnish / 6% On-hold / 7% |
| 2. | Company Communication Information | Email address | eero.pisila@tanzanice.co.tz |
| | | Mobile number | +255 682 162 226 / +358 40 504 6433 |
| | | Land Line Telephone Number | |
| | | Physical Address (Plot No., Block No, Street, District and Region) | Plot 1720, Staywell Offices, Haile Selassie Rd, PO Box 60654, Dar es Salaam |
| 3. | Contact Person | Name | Eero Pisilä |
| | | Position | CEO |
| | | Communication Details (Email, Mobile and telephone) | eero.pisila@tanzanice.co.tz +255 682 162 226 / +358 40 504 6433 |
| 4. | Incorporation | Certificate of Incorporation No. | 132752 |
| 5. | TIN information | TIN Certificate No. | TIN-132723834 |
| 6. | Project Objective | Project Core Activity | To establish a project for potatoes and other agricultural crops farming |
| 7. | Capacity | Project Capacity per Year | |
| 8. | Direct Employment | Foreign-Men | 0 |
| | | Foreign-Women | 1 |
| | | Local-Men | 23 |
| | | Local-Women | 8 |
| 9. | | Estimated Total No. | 170 |

| | | |
|---------------------|-----------------------------------|---|
| Indirect Employment | Type/areas of Indirect Employment | Casual labor /field, harvesting and packing, local contract farmers |
|---------------------|-----------------------------------|---|

4. Project Financial Expenditure to date (USD):

| | Foreign (USD) | Local (USD) | Total (USD) |
|---------------------------|---------------|-------------|------------------|
| Land and Buildings | | 180,000 | 180,000 |
| Plant and Machinery | | 400,000 | 400,000 |
| Vehicles/Aircraft | | 11,500 | 11,500 |
| Furniture | | 31,000 | 31,000 |
| Office equipment | | 8,000 | 8,000 |
| Insurance Cover | | | |
| Pre-operational expenses | | 1,450,000 | 1,450,000 |
| Working sub-total capital | | 1,500,000 | 1,500,000 |
| GRAND TOTAL | | | 3,580,500 |

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 |
|-------------------------|------------------|----------------|
| Foreign Equity | 416,000 | Finland |
| Foreign Loans | 2,400,000 | Finland |
| Total Investment | 2,816,000 | |

6. Problems and Solution

(Explain problems, which the management is encountering in executing the project and the steps being taken to solve them.)

Currently there is need for timely and collaborative cooperation with strategy and future targets and objective setting as well as converting loans to share capital for capacity building. We are facing strong uncooperative and a lack of solution-seeking approach in administration of working capital and administrative guidance. Without collaborative resolutions, we are facing difficulties to go to the next phase of development.

7. Future Plans

(Explain future plans for the next coming six months and planned financial commitments)

Our future plans for the next 24 months in fruits and vegetables are mostly focused in avocado. We are to build phase two in continuing the development phase of the value chain in avocado expansion through expanding outgrower network, training and certification, boosting production processes in the spirit of lean management, infrastructure expansion and marketing research. Planned financial contributions are roughly USD _1,000,000/-

8 Recommendations/Comments

We are hoping to succeed in our phase II as mentioned above in obtaining more certification and training more local farmers and investing in small stakeholders.