

**Annexure 2**

**BIOBUU COMPANY LIMITED**

***PROJECT PROGRESS REPORT FOR THE PERIOD OF JAN TO MAY 2024***

**SUBMITTED TO TANZANIA INVESTMENT CENTRE**

**MAY 2024**

## **INTRODUCTION**

BioBuu and its subsidiaries specialize in the production of organic fertilizers and sustainable animal feeds. Through this, BioBuu is committed to improving the sustainability and productivity of smallholder farmers by promoting regenerative farming practices and providing access to high-quality animal feeds. BioBuu is one of the largest producers of organic fertilizer in East Africa. In 2022 it sold over 450 tons of organic fertilizer to farmers across the region from its two plants in Kenya and Tanzania. BioBuu produces two kinds of organic fertilizer; compost produced using windrows and the other from insect frass, a by-product of producing insect protein.

BioBuu currently manages the largest windrow composting facility in Tanzania – Mabwepande Compost Facility. The facility is located 35kms north of Dar es Salaam. BioBuu is the only company in Tanzania that has a track record of handling large volumes of organic waste, having handled over 4,500 tons in 2022. It is also the only company with a track record of selling commercial volumes of organic fertilizer to small holder farmers. In 2022 BioBuu worked with over 400 small holder farmers along with several medium to large scale farmers.

BioBuu is also the largest producer of insect protein in Tanzania. Our insects are raised on organic waste that has been diverted from the windrow composting. A by-product of this process is a residue left by the insect larvae, which is high nitrogen, organic fertilizer. We combine the two fertilizer products to produce the ideal soil conditioner. The insect protein is used to replace environmentally unfriendly protein sources in Tilapia feeds, chicken feeds and dog food. BioBuu runs an extrusion line and is the only local commercial producer of floating, high protein feed for Tilapia.

BioBuu currently works with multiple municipal governments in Dar es Salaam, collecting organic waste from the municipally run, fruit and vegetable markets. For this project BioBuu will continue to work with two of those municipalities; Temeke and Kigamboni, to source additional waste for this new site.

BioBuu currently partners with the Jane Goodall Foundation, to provide small holder farmers with organic fertilizer to reduce deforestation. We also work with The Aga Khan Development Network, supplying compost to local schools and we work with the One Acre Fund. All of whom are distributing our compost to smallholder farmers. We will continue to work with these partners for this project.

## **PLANNED ACTIVITIES FOR THE PERIOD**

Our new partners for this project include; The Bakhresa Group, one of the largest industrial conglomerates in Tanzania. The company trades under the name Azam and runs the largest juice factory in the country. Their plant produces more than 13,000 tons of fruit waste annually, waste that is currently dumped. BioBuu will be collecting this material and transforming it into compost through windrow composting. This compost will be sold a large number of farmers in Tanzania with emphasis on farmers in a 200 km radius.

BioBuu will also work with Atmosfair, an independent German non-profit organization which offers offsets for greenhouse gases emissions. They will be assisting BioBuu to register the facility for Carbon Credit sales so that they can buy the credits off of BioBuu. They will also be providing BioBuu with a loan as a part of the leverage for this project

We will conduct thorough research and analysis to determine the current compost market size, within our target geographical area. Considering factors such as the volume of compost produced and sold

annually, revenue generated by compost manufacturers, and the consumption patterns of compost by various customer segments.

We will identify and analyze trends and indicators that suggest the growth potential of the compost market. These may include increasing consumer awareness of environmental sustainability, rising demand for organic and sustainable products, government initiatives promoting composting and waste management, and the adoption of composting practices in various sectors (e.g., agriculture, landscaping, horticulture).

We will identify the demand for organic and sustainable products, highlighting the growing consumer preference for organic and sustainable products, including compost. Marketing and Sales Strategy

## ACHIEVEMENTS MADE ON THE PROJECT IMPLEMENTATION TO-DATE

## CORPORATE INFORMATION

S/No.	Information	Description	Current Project Status
1.	Shareholder's Information	a. The Recycler Limited b. Kigen Compton	VALID VALID
2.	Company Communication Information	<a href="mailto:info@biobuu.africa">info@biobuu.africa</a>	
		+255 763 177 971	
		P.O.Box 80394	
3.	Contact Person	Administrator: Sabrina Dedu	
		Phone: +255 763 177 971	
		Email: <a href="mailto:admin@biobuu.africa">admin@biobuu.africa</a>	
4.	Incorporation	127775	
5.	TIN information	130-763-065	
6.	Project Objective	Manufacturing of animal feeds	
7.	Capacity	6tons of animal feed per day	
8.	Direct Employment	15	
9.	Indirect employment	3	

### PROJECT FINANCIAL EXPENDITURE TO DATE (USD):

	Local (TZS)	Total (USD)
Land and Buildings	258,500,000.00	100,000
Plant and machinery	517,000,000.00	200,000
Vehicles/Aircrafts		
Furniture		
Office equipment		
Insurance Cover		
Pre-operational expenses		
Working sub-total capital		20,000
<b>GRAND TOTAL</b>	<b>775,000,000.00</b>	<b>320,000</b>

### PROJECT FINANCING

	Amount (USD)
Local Equity	
Local Loans	
Foreign Equity	120,000
Foreign Loans	200,000
<b>Total Investment</b>	<b>320,000</b>

### PROBLEMS AND SOLUTION

Availability and consistency of organic waste supply - Solution: Establish long-term partnerships with municipal governments and large waste producers like the Bakhresa Group to ensure a steady and reliable supply of organic waste.

Farmer awareness and adoption of organic fertilizers - Solution: Strengthen partnerships with organizations like the Jane Goodall Foundation, Aga Khan Development Network, and One Acre Fund to educate and distribute BioBuu's products to smallholder farmers.

Access to financing for facility expansion and operations - Solution: Secure funding from impact investors like Atmosfair to support the growth and scale-up of BioBuu's organic fertilizer production.

Competition from synthetic/inorganic fertilizers - Solution: Highlight the environmental and agronomic benefits of BioBuu's organic fertilizers to differentiate from conventional options and drive increased adoption.

Maintaining high quality standards and consistent product performance - Solution: Invest in robust quality control processes and continuous R&D to ensure the consistent quality and effectiveness of BioBuu's organic fertilizers.

## **FUTURE PLANS**

Production Capacity Expansion:

- Establish additional large-scale composting facilities in Tanzania
- Invest in advanced technologies to improve operational efficiency and scaling

Distribution and Partnerships:

- Build out a robust distribution network to reach smallholder farmers
- Establish procurement agreements with larger commercial farms
- Explore export opportunities to neighboring East African countries

Sustainability and Carbon Financing:

- Pursue carbon credit certification for composting operations
- Expand into organic waste collection and recycling services
- Integrate renewable energy solutions to power production facilities

## **RECOMMENDATIONS AND ANY OTHER COMMENTS**

BioBuu welcomes the opportunity to continue contributing to the development of Tanzania's agricultural sector through our organic fertilizer production.

The extension of our project certificate of incentives and TIC/TRA tax exemptions will be crucial in allowing us to invest further in expanding our operations and reach.

As a sustainable agribusiness focused on empowering smallholder farmers, these incentives will enable us to reinvest more resources into critical areas like capacity building, R&D, and infrastructure.