

# ***CHEMI CHEMI YA MAJI LIMITED***

*P. O. BOX 2184*

*MWANZA TANZANIA*

*TEL/MOB: 0754 665569; 068 6234369, Email: [chemichemiyamaji@gmail.com](mailto:chemichemiyamaji@gmail.com)*

---

## **PROGRESS REPORT**

### **1. EXECUTIVE SUMMARY**

This is the report on the current status of the project of the Company CHEMICHEMI YA MAJI LIMITED, that is based on the achievements of the period 2019 – 2022 and is presenting the look ahead for the future.

Following the introduction of the Company mission, it provides the description of the activities carried out in the period, the overview of the targets achieved, the plans for the future developments, the financial status, the challenges, recommendations and the opportunities.

### **2. MISSION**

The Company CHEMICHEMI YA MAJI LIMITED was established in 2012 with the main objective of creating and developing a forestation project in Tanzania, in the city of Mwanza in two separate locations, both in the district of Misungwi: Nyanghomango and Ng'wasonge.

The property rights of these sites for a total of about 150 acres were acquired with the participation and cooperation of the local rural communities and the village chiefs from the beginning. Other areas still unsurveyed will be added when the process will be completed.

Chemi Chemi Ya Maji has developed its business model on social responsibility practices.

In the beginning, the objective was to preserve the environment and the indigenous trees which were used in the past for local charcoal production and preserve the species under extinction.

Subsequently, the planting of various types of trees was intensified, covering a wide range from the trees producing construction timber, to the valuable timber (African mahogany, iroko, teak) for export market, fruit trees for human nutrition, indigenous trees used for pharmaceutical benefits.

Over the years, other complementary initiatives of livestock breeding, poultry and agricultural improvement have been added to support the workers' income and strength their economic independence.

At this stage and after years and years of work the project has taken the direction of the development, management and conservation of forest resources with the aim of

# **CHEMI CHEMI YA MAJI LIMITED**

*P. O. BOX 2184*

*MWANZA TANZANIA*

*TEL/MOB: 0754 665569; 068 6234369, Email: [chemichemiyamaji@gmail.com](mailto:chemichemiyamaji@gmail.com)*

---

sequestering and reducing carbon dioxide and creating better living conditions for workers through agricultural activities.

## **3. OVERVIEW OF THE PROJECT OVER THE PERIOD 2019 – 2022**

### **3.1 Criteria**

CHEMICHEMI YA MAJI LIMITED has developed this sustainable project over the years focusing on environmental, people, their needs and, above all, the possibility of improving the standard of living and well-being of the Tanzanians involved.

The main areas of interventions are here summarized:

- Developing a forestation project to protect and safeguard the environment through the recovery and enhancement of uncultivated and unproductive areas, using a system of plant cultivation intended for eco-sustainable uses (e.g. FSC certification, CO2 absorption);
- To defend the local ecosystem by protecting the original arboreal essences and preserving them.
- Involve workers and village communities personally, entrusting them with the execution of the project with economic recognition of the work done;
- Contribute to the improvement of workers' living conditions;
- Developing collateral activities such as nursery, beekeeping, livestock, composting tree residues;
- Construction of houses for workers/employees and agricultural buildings (cattle, goat and poultry sheds);
- Construction of three houses in Nyegezi (in front of Lake Victoria) to be used as tourist accommodation and / or alternatively as a "guest house" or future residence for the members of the company.

Another very important choice for us, which has given excellent results and an increasingly successful collaboration, is to have involved a construction company with local workers for the construction of both the houses in the forests, the goat and cowshed and the henhouse and for the houses in Nyegezi; the presence of three members of CHEMICHEMI YA MAJI, with consolidated technical experience in the construction field, allowed them to interact with the local company, creating a "transfer" of know-how and feedback with excellent results.

### **3.2 Main milestones**

The main milestones of the Project are summarized here below:

# **CHEMI CHEMI YA MAJI LIMITED**

**P. O. BOX 2184**

**MWANZA TANZANIA**

**TEL/MOB: 0754 665569; 068 6234369, Email: [chemichemiyamaji@gmail.com](mailto:chemichemiyamaji@gmail.com)**

---

- Start of land acquisition: 2010 through lands acts.
- Company incorporation with Brela on 26/09/2012 with registration number 94063.
- Tax Payer Identification Number (TIN) certificate issued by TRA on 12/2/2019.
- Certificate of investment in the natural resources sector - forestry by TIC (Tanzania Investment Center) with certificate TIC 22273 dated 11/3/2019, with related business plan attached.
- Recognition by the regional government of the forestation project: December 2018
- Report from ENVIRONMENTAL MANAGEMENT OFFICER AND DISTRICT FOREST OFFICER MISUNGWI DISTRICT, January 2021

### **3.3 Achievements**

As of today, August 2022, the Project consists of three sections. The main activities carried out are highlighted below.

#### **1. Nyang'homango**

Location: at Nyashishi village, Usagara ward, 5km from Mwanza to Shinyanga highway., Misungwi district.

Area of about 32 ha, equivalent to about 80 acres. Other areas unsurveyed will be added when the process will be completed.

Plot of land used for tree plantation, agricultural land, poultry farming.

The tree stock consists of approximately 420,000 trees. This number does not account the trees present in the unsurveyed areas, so bringing higher the total actual number of trees.

Main works carried out:

- Soil analysis for the determination of texture and chemical/physical characteristics to implement the most adequate agricultural practices. The analysis has confirmed that the soil is poor in organic content and needs a lot of fertilization for trees and crops. Preference is given for organic manure.
- Construction of houses for workers;
- Construction of a shelter for the poultry farm, that is operational from March 2021, capable to accommodate about 300 – 400 chickens. Presently the total number of chicks is 150 and chicken is 200. The chicken breeding is also aimed to produce organic manure and fertilize the land.
- Groundwater exploration for drilling a well was executed in 2021. Perforation of well is under evaluation based on the results of the geophysical survey carried out in October 2021. According to the results obtained through the studies, the field tests and the interpretation of the data, the area is characterized by the presence of underground deep and safe water at a depth of approximately 80 meters.

# **CHEMI CHEMI YA MAJI LIMITED**

**P. O. BOX 2184**

**MWANZA TANZANIA**

**TEL/MOB: 0754 665569; 068 6234369, Email: [chemichemiyamaji@gmail.com](mailto:chemichemiyamaji@gmail.com)**

---

## **2. Mwasonge**

Location: at Ng'wasonge village, situated at Idetemya ward, 15 km from Mwanza to Shinyanga high way, in Misungwi District.

Area of approximately 26 ha, equivalent to 65 acres.

Other areas unsurveyed will be added when the process will be completed.

Plot of land used for tree planting, land for agricultural use, livestock activities.

The tree stock consists of approximately 340,000 trees. This number does not account the trees present in the unsurveyed areas, so bringing higher the total actual number of trees.

Main works carried out:

- Soil analysis for the determination of texture and chemical/physical characteristics to implement the most adequate agricultural practices. The analysis has confirmed that the soil is poor in organic content and needs a lot of fertilization for trees and crops. Preference is given for organic manure.
- Construction of houses for the workers.
- Construction of a cowshed for dairy cows. The design of the shelter is new to Mwanza region: it is a steel structure, with metal sheets roofing, large free space inside and wide opening around to guarantee the wellness of the animals. The construction has been made based on the concept design provided by Italy and using local labor under direction of the experts from Italy. The construction has been approved by the local veterinary. Now there are 4 dairy cows, 2 heifers and 2 calves. The cowshed can accommodate up to 15 – 20 cows.
- Construction of a shelter for goats, built following the local construction methodology. Presently the shed is accommodating 42 goats (30 adults and 12 small – medium).
- The cattle farming started the operation in August 2021; the cow and goat milk production is intended for the local market.
- The cattle and goats farming is done with the additional purpose to produce organic manure and fertilize the land.
- Construction of a well, operational as of July 2021. The well was constructed by local labor, following the local construction methodology. The depth reached is around 30 feet. The water is clean and potable and satisfy the needs of the workers and cattle. Also, the villagers are using this water in drought season.
- Creation of a tree's nursery in 2020; the seedlings generated are intended both to replenish plants that have not taken root in the two forests and to sell to third parties.

## **3. Nyegezi**

Location: at Luchelele, Mwanza City.

Area of approximately 7.5 acres (about 30,000 sq m). Residential use.

# CHEMI CHEMI YA MAJI LIMITED

P. O. BOX 2184

MWANZA TANZANIA

TEL/MOB: 0754 665569; 068 6234369, Email: [chemichemiyamaji@gmail.com](mailto:chemichemiyamaji@gmail.com)

One area (plots 30, 31, 32) of approximately 2.5 acres at present used for trees cultivation.

One area (lot 1157) of approximately 5 acres used for indigenous trees preservation and residential construction.

The indigenous, naturally grown trees stock consists of approximately 52,000 trees.

Three single-family buildings have been constructed but not yet completed.

Main characteristics: construction by cement blocks, roofing with corrugated sheets, construction of rainwater drainage channels on the property, construction of septic tanks for the disposal of sewage, construction of outdoor areas for driveways and pedestrian paths, planting of the outdoor area with native plants and essences.

#### 4. Material import.

During the years until 2021 we have imported some goods that were very beneficial for the projects and the workers.

In extreme synthesis the goods imported were:

- agricultural equipment;
- personal protection equipment for the workers;
- equipment for beekeeping;
- building materials;
- tools for farming and building construction.

#### 4. UPDATED INFORMATION ON THE COMPANY

S/No.	Information	Description	Current project status
1.	SHAREHOLDER'S INFORMATION	Current shareholders Names, Nationality Percentage of ownership	CHEMICHEMI JA MAJI LIMITED (CERTIFICATE OF INCENTIVES No. 022273 dated 11/03/2019 - Tanzania Investment Centre)  SIMBA FLORA STEPHEN (Tanzanian) - 31.48 % FERRI ALESSANDRO (Italian) – 11.42 % STELLIN EMANUELA (Italian) – 11.42 % FERRI CLAUDIO (Italian) – 11.42 % FERRI GIUDITTA (Italian) – 11.42 % FERRI ERNESTO (Italian) – 11.42 %

# CHEMI CHEMI YA MAJI LIMITED

P. O. BOX 2184

MWANZA TANZANIA

TEL/MOB: 0754 665569; 068 6234369, Email: [chemichemiyamaji@gmail.com](mailto:chemichemiyamaji@gmail.com)

			FERRI GIUSEPPE (Italian) – 11.42 %
2.	COMPANY COMMUNICATION INFORMATION	Address	CHEMICHEMI JA MAJI LIMITED - MWANZA
		Number	P.O. BOX 2184 - MWANZA
		Telephone number	+39 328 2640574
		Address (plot n°, block n°, Street, District and Region)	Region Mwanza, District Misungwi, Ward Busongo, Postal code 33503, Street NYANG'HOMANGO, Road MISUNGWI, Plot number 164, Block number 164, House number 164
3.	CONTACT PERSON	Name	SIMBA FLORA STEPHEN
		Address	VIALE PIAVE N. 16/C – 24047 TREVIGLIO (BG) ITALY
		Communications details (email, mobile)	<a href="mailto:giudyferri@gmail.com">giudyferri@gmail.com</a> +39 328 264074
4.	INCORPORATION	Certificate of in corporation N°	Incorporation number 94063 of 26/09/2012
5.	TIN INFORMATION	TIN Certificate N°	TIN 138-813-266 released on 12/02/2019
6.	TIC INFORMATION	TIC CERTIFICATE	Certificate of Incentives N. 022273 released on 11/03/2019
6.	PROJECT OBJECTIVE	Project core activity	FORESTRY

# **CHEMI CHEMI YA MAJI LIMITED**

**P. O. BOX 2184**

**MWANZA TANZANIA**

**TEL/MOB: 0754 665569; 068 6234369, Email: [chemichemiyamaji@gmail.com](mailto:chemichemiyamaji@gmail.com)**

7.	DIRECT EMPLOYMENT	Nyanghomango	2
		Ng'wasonge	4
8.	INDIRECT EMPLOYMENT	Total N°	Up to 60 laborers as peak number
		Activities for the indirect Employment	Periodical cleaning of the lands

## **5. PROJECTED EMPLOYMENT CREATION AT THE TIME OF TIC REGISTRATION**

During the registration in 2019, the board of directors estimated the project will create employment as it is indicated in the figure below:

<b>Employment</b>	<b>Foreign Skilled</b>	<b>Local Skilled</b>	<b>Local Unskilled</b>	<b>Total</b>
Women	2	8	20	30
Men	8	22	30	60
<b>TOTAL</b>	<b>10</b>	<b>30</b>	<b>50</b>	<b>90</b>

As it has been stated in the figure above at point 8, the actual temporary workers were 60 people who is equivalent to 67% of planned employment; this is a big achievement for the project despite of the challenges which the project has been facing from 2019 to date. The board of directors have a confidence to achieve the planned temporary workforce of 90 people in the year 2027.

## **6. PROJECT FINANCING**

# **CHEMI CHEMI YA MAJI LIMITED**

**P. O. BOX 2184**

**MWANZA TANZANIA**

**TEL/MOB: 0754 665569; 068 6234369, Email: [chemichemiyamaji@gmail.com](mailto:chemichemiyamaji@gmail.com)**

---

## **6.1 Investment cost at 2019: the initial cost of investment as indicated in the TIC certificate**

During the project registration with TIC, it was estimated that the project will cost US\$ 0.89 as it is indicated below:

TYPE	AMOUNT (USD)
FOREIGN	0.61 Millions
LOCAL	0.28 Millions
<b>TOTAL INVESTIMENT</b>	<b>0.89 Millions</b>

## **6.2 Incremental investment done in the period 2019 – March 2022**

For the period of 2019 to March 2022, the project is being financed by shareholders equity contribution by 100% with no loan secured to date as it is indicated below:

TYPE	AMOUNT (USD)
FOREIGN	0.42 Millions
MATERIAL	0.01 Millions
LOCAL	none
<b>TOTAL INVESTIMENT</b>	<b>0.43 Millions</b>

## **6.3 Overall value achieved in March 2022**

TYPE	AMOUNT (USD)
FOREIGN	1.03 Millions
MATERIAL	0.01 Millions
LOCAL	0.28 Millions

# **CHEMI CHEMI YA MAJI LIMITED**

**P. O. BOX 2184**

**MWANZA TANZANIA**

**TEL/MOB: 0754 665569; 068 6234369, Email: [chemichemiyamaji@gmail.com](mailto:chemichemiyamaji@gmail.com)**

<b>TOTAL INVESTMENT</b>	1.32 Millions
-------------------------	---------------

## **7. PROJECTED ADDITIONAL INVESTMENT FOR THE PERIOD OF MARCH 2022- FEBRUARY 2027**

The board of directors have estimated that on completion of the project the following additional investment need to be done.

TYPE	AMOUNT (USD)
FOREIGN	70.000
MATERIAL	30.000
LOCAL	120.000 (*)
<b>TOTAL INVESTMENT</b>	220.000

(\*) It is board of directors' resolution to start covering the needs by self-financing, as soon as the activities are generating cash.

## **8. PROJECTED VALUE ON COMPLETION MARCH 2019 - FEBRUARY 2027**

On completion of the project, the project has been estimated to cost total of US\$ 1.38 million as it is indicated below:

TYPE	AMOUNT (USD)
FOREIGN EQUITY	1.10 millions
FOREIGN LOAN	nil
LOCAL EQUITY	0.40 millions

# **CHEMI CHEMI YA MAJI LIMITED**

**P. O. BOX 2184**

**MWANZA TANZANIA**

**TEL/MOB: 0754 665569; 068 6234369, Email: [chemichemiyamaji@gmail.com](mailto:chemichemiyamaji@gmail.com)**

MATERIAL	0.04 millions
LOCAL LOAN	nil
<b>TOTAL INVESTMENT</b>	1.54 millions

## **9. FUTURE PLANS**

The main objective in Nyanghomango, Ng'wasonge and Nyegezi for the following years is the consolidation of the results already achieved in the forestry and livestock farming. The financial projection of such cost is presented at point 8.

Morover, any further development of the Project is depending on and strictly related to the availability of fundings.

The potential activities that can be considered for the development are:

- Beekeeping.
- Self-production of animal manure (from goats and cows) and agroforest manure to be utilized to enrich the soils.
- Trees nursery development with an area dedicated to the cultivation of "Aromatic plants" for the production of essences having pharmaceutical and cosmetic treatment purposes.
- Horticulture with subsequent sale of products on the local market.

With regard to the management/use of timber, the timber produced can be used for many applications by local factories:

- production of poles for electrical distribution;
- production of windows, furniture, flooring, sheds etc.;
- production of pallets for transportation of goods;
- production of bio-fuel pellets for local consumption and export;
- production of charcoal from wood waste for local use.

With regard to the sustainable use of natural resources and energy saving, we have purchased two sets of photovoltaic/solar panels for power production. The purchase is inclusive of panels, equipment, material, cables and other bulk electrical material. These panel are

# **CHEMI CHEMI YA MAJI LIMITED**

**P. O. BOX 2184**

**MWANZA TANZANIA**

**TEL/MOB: 0754 665569; 068 6234369, Email: [chemichemiyamaji@gmail.com](mailto:chemichemiyamaji@gmail.com)**

---

intended to be installed in both areas Nyang'homango and Mwasonge. The objective is to achieve self-production and depend on the external grid only for peak consumptions.

With regard to the Nyegezi housing, it is possible to envisage a tourist/accommodation destination by adhering to the sustainable and responsible tourism network (ecotourism network already active in several countries around the world); it is also possible to allocate the property to "rental contracts" for guesthouse use by both local and foreign professionals. However, it is to be noted that this housing project is under a Court case, whose solution is awaited for more than five years without any evidence that the case could be solved quickly.

With regard to Project goods: in addition to the electrical material and photovoltaic panel, other project goods have been already purchased and are ready to be shipped. This material includes:

- Incubator and lamps for improvement of chicken breeding.
- Material for the wellness of cows.
- Building material to enlarge and improve the chicken shelter.

The development and achievement of all the future objectives above detailed is strictly depending on the financing capability.

## **10. CHALLENGES**

Follows the list of the main challenges.

- a) Limited availability of local technical and financial support, for which CHEMI CHEMI YA MAJI is looking for Companies and Institutions to share the burden. The financial coverage is a serious challenge due to the order of magnitude required to keep the project at the given pace.
- b) Difficulties in relations with the various local authorities, with regard to the regulations governing the implementation of investments by foreigners; many of the criticalities were fortunately resolved thanks to the continuous exchange of communications and relations with the various local and national authorities managed and maintained by the Tanzanian member of CHEMICHEMI YA MAJI Company.
- c) Lack of clear, transparent and structured approach from the involved authorities is drawback for present sustainability and continuity.
- d) High costs of banking services.

# **CHEMI CHEMI YA MAJI LIMITED**

**P. O. BOX 2184**

**MWANZA TANZANIA**

**TEL/MOB: 0754 665569; 068 6234369, Email: [chemichemiyamaji@gmail.com](mailto:chemichemiyamaji@gmail.com)**

---

- e) Delays of obtaining titles for project location.
- f) Limited availability of extension services from forestry experts.
- g) Limited availability of guidelines, information of financial support available for forestation projects.
- h) Unnecessary bureaucracy during Custom clearance of goods purchased abroad and imported for the benefit of the projects. We are facing since the beginning various criticalities related to the complexities of the procedures, the bureaucracy involved. This is causing a huge delay in the import process of customs clearance.
- i) Court case for Nyegezi houses is still open after many years without any realistic projection on the closing date and conditions. This is keeping this portion of the investment in hold, with relevant damages.

## **11. CONCLUSIONS**

The present report has given visibility to the activities done and the future plans.

The evidence given in the present report prove that the Project has reached the objectives declared at the time of obtainment of TIC certificate, has generated benefits to its stakeholders and is looking to ensure the further development of the entire project and to keep it over the time. It is essential that all the local stakeholders are constantly involved; this will allow them to share objectives and results.

The social and economic effects of the project must reach a shared standard of well-being; this objective is predominant in CHEMI CHEMI YA MAJI's mission.

We trust that all the achievements described above will be of added value to the city of Mwanza, its administration, and the entire community.

We also hope to improve the cooperation with the local authorities to implement new projects and initiatives and meet the needs of the local population.

## **12. RECOMMENDATION**

- Government officials dealing with development of forestry projects need to closely provide guidelines and various support needed for smoothly project implementation.
- Tanzania Government need to learn the world best practice to be accommodated in policy, law and regulation governing forestation to encourage investors to invest rather than discouraging.

# **CHEMI CHEMI YA MAJI LIMITED**

**P. O. BOX 2184**

**MWANZA TANZANIA**

**TEL/MOB: 0754 665569; 068 6234369, Email: [chemichemiyamaji@gmail.com](mailto:chemichemiyamaji@gmail.com)**

---

- TIC Certificate need to be extended for five years, this forestation project is long term investment and so different from other project which need 3-5 years to be implemented and completed.
- TIC in collaboration with other Government officials are invited to visit the project.

CHEMI CHEMI YA MAJI

5<sup>th</sup> August 2022



Ferri Alessandro

Director

# ***CHEMI CHEMI YA MAJI LIMITED***

*P. O. BOX 2184*

*MWANZA TANZANIA*

*TEL/MOB: 0754 665569; 068 6234369, Email: [chemichemiyamaji@gmail.com](mailto:chemichemiyamaji@gmail.com)*

---

## **Attachments:**

List of material purchased in the years 2019 – 2021

Pictures of materials sent

Invoices of goods purchased in 2021 and ready to be shipped

Picture sets of the three sites, cowshed, well, goat shed, chicken shed

Engineering drawing of cowshed.

Rent lease of the office