

**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.

During this reporting period, the following key activities were planned:

- Site preparation and construction of the processing facility
- Procurement and installation of briquetting equipment
- Acquisition of raw materials (elephant grass)
- Recruitment and training of operational staff
- Pilot production and testing of briquettes
- Establishment of partnerships with local farmers for grass supply
- Marketing and awareness campaigns targeting local industries and households
- Environmental Impact Assessment and certification

2. Achievements made on the project implementation to date:

Since the approval of the project, the following progress has been made:

- Land Acquisition and Site Preparation: The company has secured 5 acres of land in [Location] and completed basic site clearing.
- Construction: The main processing facility (approx. 1,000 sq. m) is 70% complete, including structural framework and roofing.
- Equipment Acquisition: Briquetting machines, drying units, and cutting machines have been procured and are currently being installed.
- Raw Material Supply Chain: Contracts signed with 40+ local farmers for the supply of elephant grass. First harvests expected in the coming quarter.
- Staff Recruitment: 10 technical and support staff have been hired. Basic orientation and safety training conducted.

**Project Overview and Objectives**

**Project Overview**

This project aims to establish a sustainable biomass briquette production facility that utilizes elephant grass (*Pennisetum purpureum*) as its primary raw material. Located in Kidamali, the initiative is driven by the need for affordable, eco-friendly alternatives to charcoal and firewood, particularly in rural and peri-urban areas. Elephant grass, known for its rapid growth, high calorific value, and minimal land requirements, provides a renewable and environmentally sustainable source of biomass.

The project involves the cultivation of elephant grass in partnership with local farmers, construction of a briquetting facility, acquisition and installation of modern briquetting machinery, and the production and distribution of biomass briquettes to households, institutions, and industrial users. By replacing traditional fuels, the project not only reduces deforestation and greenhouse gas emissions but also creates employment opportunities and supports rural livelihoods.

#### 4. Project Objectives

##### Project Objective

The main objective of the project is to produce high-quality biomass briquettes from elephant grass to provide a clean, sustainable, and cost-effective alternative to conventional fuels such as firewood and charcoal.

##### Specific Objectives:

1. To establish a fully operational briquette manufacturing facility with a production capacity of [Insert capacity, e.g., 2 tons/day] within [Insert timeframe].
2. To cultivate and maintain over [Insert number] acres of elephant grass in collaboration with smallholder farmers.
3. To create direct and indirect employment opportunities for over [Insert number] individuals, including farmers, factory workers, and distribution agents.
4. To promote clean energy use and contribute to environmental conservation by reducing reliance on wood-based fuels.
5. To develop a sustainable and scalable business model that can be replicated in other regions with similar environmental and energy needs.

##### 5. Provide updated information on the following aspects:

S/No.	Information	Description	
1	Shareholder's Information	Current Shareholders names, nationality and percentage of ownership	1.VIRIDIUM HOLDINGS-MAURITIUS-99% 2.YIORGGO J.H.FERREIRA-TANZANIA-1%
2		Email address	

	Company communication Information	Mobile Number Land Line Telephone Number Physical Address (Plot No. Block No. Street, District and Region)	Email Address:isamuel@viridium.co.tz Phone number:+255785653506 Physical Address:Tumbaku House,Kihonda,Morogoro.
3	Contact Person	Name Position Communication details (Email, Mobile and telephone)	Ivan Samuel. Position: Head of Finance Email Address:isamuel@viridium.co.tz Phone number:+255785653506
4	Incorporation	Certificate of Incorporation Number	144595068
5	TIN Information	TIN Certificate No.	144595068
6	Project Objective	Project Core Activity	Manufacturing of biomass charcoal
7	Capacity	Project capacity per year	
8	Direct Employment	Foreign Men Foreign Women Local Men Local Women	Foreign men- 3 Local Men- 40 Local Women- 40
9	Indirect employment	Type/areas of Indirect employment	Local Men- 70 Local Women- 60 (Indirect employments varies depends with season)

#### 6. Project Financing Expenditure (USD)

	Foreign (USD)	Local (USD)	Total (USD)
Land and Buildings	250,000		250,000
Plant and machinery	787,751		787,751
Vehicles/Aircrafts	150,000		150,000
Furniture	15,000		15,000
Office equipment	23,000		23,000
Insurance Cover	12,000		12,000
Pre-operational expenses			
Working sub-total capital			
<b>Grand Total</b>	<b>1,237,751</b>		<b>1,237,751</b>

#### 7. 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
Local equity		
Local loans		

Foreign equity	100,000	Dubai/Mauritius
Foreign Loans	7,307,573	Dubai/Mauritius
<b>Total Investment</b>	<b>7,407,573</b>	

## 8. Problems and Solutions

Problem	Impact	Action Taken
Delay in delivery of machinery	Slowed installation schedule	Engaged alternative supplier for key components, adjusted timeline
Farmer capacity gaps in elephant grass farming	Risk to raw material supply	Partnered with agricultural extension officers to provide training
Power supply reliability	Risk to production consistency	Installation of backup solar and diesel hybrid system in progress
Permit delays (NEMA)	Could delay full operations	Engaging consultants and directly liaising with authorities to expedite approvals

## 9. Future Plans (Next Six Months)

The upcoming six-month period will focus on:

- Further expansion of processing capacity with the installation of additional machinery.
- Establishing partnerships with more local farmers to enhance supply chain stability.
- Strengthening marketing and distribution channels to penetrate new international markets.
- Allocating an estimated financial commitment for infrastructure expansion and market development.

## 10. Recommendations and Additional Comments

- Recommendation: Continued support from financial partners is crucial in bridging the final capital gap to ensure smooth scaling.
- Environmental Consideration: Elephant grass is a fast-growing, regenerative plant, making it ideal for sustainable fuel production. The project contributes to reducing deforestation and providing alternative livelihood to rural communities.
- Comment: The project is on track despite minor delays and shows strong potential to become a leading producer of biomass fuel in the region. Continued stakeholder engagement and policy support will accelerate impact.