

# 7-year Business Plan

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**Tsahey Company Limited**  
**Teff Grain Farming Project Business Plan**  
Mbeya Region and Mbweni Region, Tanzania  
Date: October 8, 2025

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## Page 1: Executive Summary

Tsahey Company Limited, a Tanzanian incorporated agribusiness, proposes a Teff grain farming and export project to be established in the Mbeya region. By leveraging fertile land and best agricultural practices, Tsahey Company Limited aims to deliver premium Teff grain for local and international markets.

### Project Objectives:

- Establish a high-yield Teff grain farm in Mbeya using sustainable farming methods.
- Tsahey Company Limited's goal is to become a leading supplier of Teff grain in Tanzania and for export.
- The Teff grain farming project will be located in the Mbeya region, while the operations and administrative office of Tsahey Company Limited will be based in Mbweni, Kinondoni District, Dar es Salaam, to support all post-farming business activities including storage, logistics, marketing, packaging, financial management, and oversight.
- Create employment and promote community development.
- Drive sustainable agricultural development and contribute to national food security.

## Page 2: Company Description

Tsahey Company Limited is legally registered in Tanzania, known for its commitment to agricultural innovation and sustainable business practices. Tsahey Company Limited's vision is to lead the industry in quality, productivity, and market reach.

- **Principal Operating Office:** Mbweni, Kinondoni District, Dar es Salaam
- **Project Site:** Leased farmland in Mbeya Region
- **Legal Structure:** Private, Limited Company
- **Ownership:** Meet the Owners and Directors of the Company
- **Mission Statement:** Tsahey Company Limited cultivates and supplies high-quality Teff grain, driving agricultural progress and export growth in Tanzania.

## Page 3: Products and Services

- **Main Product:** Teff grain (bulk and packaged) produced by Tsahey Company Limited.
- **Value-added Products:** Teff flour, animal feed supplements.
- **Services:** Storage and handling, marketing, export facilitation provided by Tsahey Company Limited.

## Page 4: Market Analysis

- Growing national and international demand for Teff grain, recognized for nutritional value and gluten-free properties.
- Target markets for Tsahey Company Limited include food processors, retailers, and exporters in Tanzania, East Africa, and beyond.
- Competitive landscape analysis shows opportunity for Tsahey Company Limited to differentiate through quality, scale, and efficient operations.

- Regulatory environment: Investment incentives available under TISEZA for companies like Tsahey Company Limited.

#### **Page 5: Operational Plan**

- **Mbeya site:** Modern farming operations, crop management, harvesting, and initial processing managed by Tsahey Company Limited.
- **Mbweni office:** Storage, logistics, packaging, administration, marketing, and financial activities coordinated by Tsahey Company Limited.
- Integration of both sites to ensure seamless supply chain by Tsahey Company Limited from farm to market.

#### **Page 6: Management Team**

- Profiles of key directors of Tsahey Company Limited: experience in agribusiness, finance, logistics, and export management.
- Organizational chart outlining operational roles at both farm and office for Tsahey Company Limited.

#### **Page 7: Financial Plan**

- Overview of required capital investment (land lease, equipment, working capital) for Tsahey Company Limited.
- Projections for revenue, costs, and profitability over 3-7 years for Tsahey Company Limited.
- Details of funding sources and anticipated returns for Tsahey Company Limited.
- Application for incentive support through TISEZA.

#### **Page 8: Applying for Certificate of Incentive through TISEZA**

- Tsahey Company Limited intends to apply for a Certificate of Incentive under the Tanzania Investment and Export Processing Zones Authority (TISEZA).

- The application is supported by board resolution, supporting documents, and alignment with national investment priorities.
- Incentives sought by Tsahey Company Limited include duty exemptions, VAT deferment, access to export processing facilities, and repatriation of profits.
- The Mbeya region farming site and the Mbweni operational office form the basis of this application for Tsahey Company Limited.

#### **Page 9: Social Impact**

- Significant job creation at both farming and operational sites by Tsahey Company Limited.
- Community outreach and training programs led by Tsahey Company Limited.
- Advancement of food security through local grain supply provided by Tsahey Company Limited.
- Sustainable farming practices implemented by Tsahey Company Limited to protect the environment.

#### **Page 10: References**

- Relevant data sources and regulatory guidelines

## Introduction

Tsahey Company Limited is a Tanzanian incorporated company focused on sustainable agricultural enterprises, with a primary emphasis on cultivating and processing Teff grain in the Mbeya region. Our strategic investment aims to boost agricultural productivity, create employment, and support Tanzania's export growth by harnessing the potential of this valuable grain crop.

We intend to apply for a Certificate of Incentive from the Tanzania Investment and Export Processing Zones Authority (TISEZA) for our Teff grain farming project to be established in the Mbeya region. The project aligns with national objectives for agricultural development and export diversification.

The principal operating office, which will support and coordinate the business activities, shall be located in Mbweni, Kinondoni District, Dar es Salaam. This location provides efficient access to administrative resources, logistics networks, and financial services essential for project execution.

Pursuant to the Board Resolution, the Directors of Tsahey Company Limited have duly approved and agreed that the Teff grain farming operations shall be undertaken on a leased site in Mbeya at a future date, while the supporting administrative and operational office shall be constructed and operated in Mbweni.

The Mbweni office shall be responsible for, but not limited to, the following functions:

- Storage and management of Teff grains
- Logistics coordination for the transportation of final products
- Marketing and packaging
- Maintenance of financial records, including auditing, bookkeeping, and accounting
- Convening of official meetings
- Oversight of project operations and progress management

Accordingly, the Mbweni office shall serve as the epicentre and headquarters of Tsahey Group of Companies' operations, both presently and in the foreseeable future.



# TSAHEY Company Limited: Teff Grain Commercial Farming Business Plan

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## Executive Summary

TSAHEY Company Limited is a private Tanzanian company, owned by Banjure Mohamud Mohamed (49%) and Senait Tamene (51%), established to engage in large-scale commercial cultivation of Teff grain. This business plan outlines a comprehensive 7-year project for the cultivation, processing, packaging, marketing, and export of Teff, targeting both local Tanzanian consumption and the lucrative North American markets. The project aims to capitalize on the growing global demand for gluten-free and nutritious ancient grains, leveraging Tanzania's favorable agricultural conditions and strategic location.

The company will acquire and develop agricultural land in the Mbeya, Iringa, and Dodoma regions, known for their agricultural potential. The project encompasses the entire value chain, from initial soil testing and land preparation to full commercial farming implementation, including advanced harvesting, processing, and packaging facilities. A key component of the strategy is to establish contractual agreements with local and international customers, ensuring market access and stable revenue streams.

Initial funding will be provided by the owners' cash capital, supplemented by commercial bank loans. The business plan also explores the option of raising additional capital through the sale of company shares, while ensuring the founders maintain majority ownership. Furthermore, the plan incorporates the acquisition of land in Dar es Salaam for the owners' residence and the company's main office, with all land assets (agricultural and residential/office) being owned by TSAHEY Company Limited.

This business plan details the market analysis, operational strategies, management team, financial projections for small, medium, and large-scale farming models (including land purchase and lease scenarios), and addresses potential constraints and challenges. It also highlights the significant incentives offered by the Tanzania Investment Centre (TIC) for agricultural projects, which TSAHEY Company Limited intends to leverage to enhance profitability and sustainability. The projected financial returns demonstrate the viability and strong growth potential of this venture, positioning TSAHEY Company Limited as a leading producer and exporter of Teff grain in East Africa.

## Company Description

TSAHEY Company Limited is a privately held company registered in Tanzania, dedicated to pioneering large-scale commercial Teff grain cultivation and value-added processing. The company is founded on the principles of sustainable agriculture, economic empowerment, and delivering high-quality, nutritious food products to both domestic and international markets.

**Legal Structure:** Private Limited Company

**Ownership Structure:** TSAHEY Company Limited is owned by two dedicated individuals: \* **Senait Tamene:** Holds 51% ownership of the company. \* **Banjure Mohamud Mohamed:** Holds 49% ownership of the company.

This ownership structure ensures that Senait Tamene and Banjure Mohamud Mohamed collectively maintain full control and majority ownership of the company, guiding its strategic direction and operational execution.

**Vision:** To be the leading producer and exporter of premium Teff grain and Teff-based products in East Africa, contributing to food security, economic growth, and sustainable agricultural practices.

**Mission:** To cultivate, process, and market high-quality Teff grain using modern, sustainable farming techniques, creating value for our customers, shareholders, employees, and the communities in which we operate.

**Values:** \* **Quality:** Commitment to producing the highest quality Teff grain and products. \* **Sustainability:** Adherence to environmentally responsible and socially equitable farming practices. \* **Innovation:** Embracing modern agricultural technologies and processing methods. \* **Integrity:** Conducting business with honesty, transparency, and ethical standards. \* **Community Empowerment:** Contributing positively to the livelihoods of local communities through employment and economic opportunities.

**Company Objectives:** \* To establish large-scale Teff grain cultivation operations across Mbeya, Iringa, and Dodoma regions. \* To implement efficient and modern processing and packaging facilities for Teff grain and flour. \* To secure significant market share in the local Tanzanian Teff market. \* To successfully penetrate and expand into the North American Teff grain and product markets through strategic export initiatives. \* To achieve financial sustainability and profitability within the projected 7-year timeline. \* To leverage government incentives and partnerships to optimize operational efficiency and growth. \* To establish a strong brand presence for TSAHEY Teff products in target markets.

**Headquarters and Land Assets:** TSAHEY Company Limited will own all key land assets. This includes: \* **Agricultural Lands:** Commercial farming lands in Mbeya, Iringa, and Dodoma regions, strategically chosen for their agricultural suitability for Teff cultivation. \* **Dar es Salaam Property:** A dedicated plot of land in Dar es Salaam that will house both the company's main administrative office and the owners' private residences within the same compound. This centralized location will facilitate efficient management and coordination of the company's diverse operations, while also providing a secure and convenient living arrangement for the owners.

## Products and Services

TSAHEY Company Limited will focus on the cultivation, processing, and distribution of Teff grain and its derived products. Our core offering is high-quality Teff, a gluten-free ancient grain, which will be available in various forms to cater to diverse market needs.

**1. Teff Grain Cultivation:** Our primary activity will be the large-scale cultivation of Teff (*Eragrostis tef*) using modern agricultural practices. We will employ sustainable farming techniques to ensure high yields and environmentally responsible production. This includes: \* **Soil Management:** Utilizing comprehensive soil testing to optimize nutrient levels and pH, ensuring ideal growing conditions for Teff. Our research indicates Teff prefers a firm seedbed with a pH between 6.0–6.5 and is tolerant of various soil types,

favoring well-drained, friable soil [1]. \* **Water Management:** Implementing efficient irrigation systems, as Teff requires less water than comparable crops like alfalfa for optimum yields [2]. We will leverage natural rainfall (Teff needs at least 17 inches for grain production [3]) and supplementary irrigation where necessary. \* **Seed Selection:** Sourcing high-quality Teff seeds suitable for the Tanzanian climate and soil conditions, aiming for varieties known for good yields. \* **Cultivation Practices:** Adhering to best practices for planting depth (1/8 to 1/4 inch) and seeding rates (around 6 pounds per acre) to ensure optimal emergence and growth [4].

**2. Value Addition Chain:** TSAHEY Company Limited is committed to managing the entire value chain, from farm to fork, to ensure quality control, maximize profitability, and meet market demands. The value addition process will include:

- **Harvesting:** Employing efficient and timely harvesting methods to minimize post-harvest losses and preserve grain quality. Teff is a fast-growing crop, allowing for multiple growing cycles per year.
- **Processing:** Establishing state-of-the-art processing facilities to clean, sort, and mill Teff grain into high-quality Teff flour. Our research indicates that a 10-ton per day Teff flour mill can be acquired for approximately US\$16,000 [5]. Teff is typically consumed in whole-grain form or as flour, as it is difficult to fractionate [6].
- **Packaging:** Developing attractive and functional packaging for both whole Teff grain and Teff flour, suitable for local retail and international export. Packaging will adhere to international food safety and labeling standards.
- **Quality Control:** Implementing stringent quality control measures at every stage of the value chain, from cultivation to packaging, to ensure product safety, nutritional integrity, and compliance with local and international standards (e.g., Tanzanian standards NTZA325-Tanzania-DARS 1351-2023 for grain and NTZA324-Tanzania-DARS 1350:2023 for flour [7], and North American import regulations [8], [9]).

**3. Marketing and Advertising:** Our marketing strategy will focus on building brand awareness and driving demand for TSAHEY Teff products. This will involve: \* **Brand Development:** Creating a strong brand identity that emphasizes the nutritional benefits, gluten-free nature, and Tanzanian origin of our Teff. \* **Digital Marketing:** Utilizing online platforms, social media, and e-commerce to reach health-conscious consumers and food manufacturers in local and international markets. \* **Trade Shows and Exhibitions:** Participating in agricultural and food industry trade shows to showcase our products and establish business relationships. \* **Educational Campaigns:** Informing consumers about the health benefits and culinary versatility of Teff.

**4. Market Access and Customer Relationships:** Securing reliable market access is paramount for large-scale commercial success. TSAHEY Company Limited will focus on: \* **Local Market Penetration:** Establishing distribution channels within Tanzania to supply Teff grain and flour to local retailers, bakeries, and food processors. The local market for Teff products in Tanzania is expected to grow [10]. \* **International Export:** Targeting the North American market, which shows robust growth for Teff due to increasing health consciousness and demand for gluten-free and ancient grains [11]. We will engage with importers, distributors, and food manufacturers in the USA and Canada. \* **Contractual Agreements:** Prioritizing long-term contractual agreements with both local and international customers to ensure stable demand and predictable revenue streams. This approach will mitigate market volatility and provide a solid foundation for sustained growth.

By controlling the entire value chain and focusing on both local and international markets, TSAHEY Company Limited aims to establish a resilient and profitable business model for Teff grain production.

## Market Analysis

The market for Teff grain is experiencing significant growth, driven by increasing consumer awareness of its nutritional benefits, particularly its gluten-free nature. TSAHEY Company Limited will strategically target both the burgeoning local Tanzanian market and the established, high-growth North American export market.

### Local Market (Tanzania)

The Tanzanian market for Teff products is in an emerging phase, with growing interest in healthy and gluten-free food options. While traditionally a staple in Ethiopia, Teff's nutritional profile is gaining recognition in Tanzania.

- **Market Growth:** The Tanzania Teff Products Market is expected to grow during 2025-2031 [10]. This growth is likely fueled by changing dietary preferences, increased health consciousness among urban populations, and the rising demand for diverse food grains.
- **Pricing:** The retail price for Teff in Tanzania ranges between TZS 1,843.91 and TZS 2,845.54 per kilogram [12]. This pricing indicates a viable market for producers, especially with value-added products like Teff flour.
- **Consumer Segments:** Key consumer segments are likely to include health-conscious individuals, those with gluten sensitivities or celiac disease, and consumers seeking diverse and nutritious food options. As incomes rise and dietary habits evolve, the demand for such specialty grains is expected to increase.
- **Opportunities:** The local market presents an opportunity for TSAHEY to establish a strong domestic brand, build consumer trust, and create a stable base for its operations. Direct engagement with local food processors, bakeries, and retailers will be crucial for market penetration.
- **Challenges:** Limited historical consumption data for Teff in Tanzania means market development will require educational campaigns to raise awareness and promote the benefits of Teff. Addressing post-harvest losses, as observed in regions like Manyara [13], will be critical for ensuring consistent supply and profitability.

### International Market (North America)

North America represents a highly attractive and rapidly expanding market for Teff grain and products, driven by strong consumer trends towards healthy eating, gluten-free diets, and ancient grains.

- **Market Size and Growth:** North America holds a significant share of the global Teff market, with projections indicating robust growth. The North America Teff Products market is projected to reach USD 600 million by 2031, demonstrating a strong Compound Annual Growth Rate (CAGR) [11]. The global Teff market is expected to grow from USD 1.5 billion in 2024 to USD 3.2 billion by 2033, with a CAGR of 9.2% [14].
- **Demand Drivers:**

- **Health Consciousness:** Growing consumer awareness of Teff's nutritional benefits, including its high fiber content, essential amino acids, and minerals, makes it appealing to health-conscious consumers [6].
- **Gluten-Free Trend:** As a naturally gluten-free grain, Teff is a popular alternative for individuals with celiac disease or gluten sensitivity, a significant and growing market segment in North America.
- **Ancient Grains Popularity:** The increasing popularity of ancient grains like quinoa, farro, and Teff reflects a consumer desire for less processed, more nutritious food options.
- **High Disposable Income:** Higher disposable incomes in North America allow consumers to spend more on specialty and health-oriented food products.
- **Key Importing Countries:** The United States is a top global importer of Teff [15]. Canada also imports Teff, with specific data available for Ethiopian origin Teff grain [16]. This indicates established import channels and consumer acceptance.
- **Competitive Landscape:** The North American market is served by various Teff suppliers, including those from Ethiopia, the traditional source. TSAHEY Company Limited will differentiate itself through consistent quality, reliable supply, competitive pricing, and potentially unique branding that highlights its Tanzanian origin and sustainable practices.
- **Opportunities:** The strong and sustained demand for Teff in North America provides a significant export opportunity for TSAHEY. Leveraging available import data [15], [16] will enable targeted marketing and sales efforts to identify and secure contractual agreements with key importers, distributors, and food manufacturers.
- **Regulatory Compliance:** Successful entry into the North American market will require strict adherence to import regulations, including those set by the FDA in the USA [8] and the CFIA in Canada [9], particularly regarding food safety, labeling, and phytosanitary requirements.

By diversifying its market reach and capitalizing on the global shift towards healthier, gluten-free food options, TSAHEY Company Limited is well-positioned to capture a significant share of the growing Teff market.

## Operational Plan

TSAHEY Company Limited's operational plan outlines the systematic approach to establishing and managing large-scale Teff grain cultivation, processing, and distribution. This section details the 7-year project timeline, land acquisition strategy, cultivation methodologies, processing and packaging procedures, and the necessary infrastructure and resources.

### 7-Year Project Plan: From Soil Testing to Full Commercial Farming

The project will be implemented in phases over a seven-year period, with key milestones designed to ensure sustainable growth and operational efficiency.

**Year 1: Foundation and Setup** \* **Land Identification & Acquisition:** Finalize selection and begin acquisition of agricultural land in Mbeya, Iringa, and Dodoma regions. Simultaneously, acquire land in Dar es Salaam for the main office and owners' residence. \* **Soil Testing & Analysis:** Conduct comprehensive

soil testing across all acquired agricultural lands to determine soil composition, nutrient levels, and pH. This will inform precise fertilization and cultivation strategies [17]. \* **Infrastructure Development (Phase 1):** Begin site preparation, including land clearing and initial fencing. Establish basic on-site facilities such as water access points and temporary storage. \* **Machinery & Equipment Procurement (Initial):** Purchase essential land preparation and planting machinery, including at least one tractor [18]. \* **Team Recruitment (Key Personnel):** Hire core agricultural management and skilled equipment operators. \* **Pilot Cultivation:** Initiate small-scale pilot Teff cultivation on a portion of the land to validate cultivation practices, assess yield potential under local conditions, and refine agronomic protocols.

**Year 2: Expansion and Initial Production** \* **Land Development:** Continue land preparation and development on a larger scale, including irrigation system installation where necessary. \* **Infrastructure Development (Phase 2):** Construct permanent storage facilities and initial processing units (e.g., cleaning and drying facilities). \* **Machinery & Equipment Procurement (Expansion):** Acquire additional farming machinery as needed for expanded cultivation areas. \* **Full-Scale Cultivation (Initial):** Expand Teff cultivation to a significant portion of the acquired land, based on successful pilot results. \* **Harvesting & Initial Processing:** Begin harvesting and initial processing (cleaning, drying) of Teff grain. \* **Local Market Entry:** Introduce initial Teff grain products to the local Tanzanian market.

**Year 3: Processing and Market Expansion** \* **Processing Facility Setup:** Install the Teff flour mill and packaging machinery [19]. \* **Full-Scale Processing & Packaging:** Commence full-scale processing of Teff grain into flour and packaging for both local and export markets. \* **Export Market Entry:** Initiate export operations to North America, focusing on securing initial contractual agreements with distributors and buyers. \* **Branding & Marketing:** Intensify branding and marketing efforts for TSAHEY Teff products in both local and international markets. \* **Operational Optimization:** Continuously monitor and optimize cultivation, harvesting, and processing operations for efficiency and quality.

**Years 4-7: Growth, Diversification, and Market Leadership** \* **Cultivation Area Maximization:** Gradually bring all suitable acquired land under Teff cultivation, reaching full commercial farming implementation. \* **Product Diversification:** Explore opportunities for further value-added products (e.g., Teff-based snacks, baked goods) based on market demand and profitability. \* **Market Share Expansion:** Increase market share in both local and North American markets through aggressive marketing, consistent quality, and strong customer relationships. \* **Infrastructure Enhancement:** Invest in further infrastructure improvements, such as additional storage, advanced processing technologies, or renewable energy solutions. \* **Research & Development:** Invest in R&D for improved Teff varieties, sustainable farming techniques, and new product development. \* **Strategic Partnerships:** Forge stronger partnerships with local farmers (for out-grower schemes), research institutions, and international trade organizations. \* **Financial Consolidation:** Focus on debt repayment, reinvestment of profits, and maximizing shareholder returns.

## Land Acquisition Strategy

TSAHEY Company Limited will pursue a dual strategy for land acquisition, combining outright purchase for long-term security and potential leasing for flexibility and reduced initial capital outlay.

- **Agricultural Land (Mbeya, Iringa, Dodoma):** These regions have been selected for their agricultural potential and suitability for Teff cultivation. The strategy will involve:
  - **Purchase:** Prioritizing the purchase of large tracts of agricultural land to ensure long-term control over production, benefit from land value appreciation, and facilitate significant

investment in permanent infrastructure. Our financial models consider an average purchase cost of TZS 1,500,000 per acre [20].

- **Lease:** Exploring long-term lease agreements for additional land, particularly in the initial phases, to manage capital expenditure and test market conditions before committing to full ownership. Agricultural land leasing in Tanzania can be around TZS 300,000 per acre per year [21]. This option provides flexibility and allows for scaling operations gradually.
- **Dar es Salaam Property:** A single plot of land will be acquired in Dar es Salaam to serve as the company's main administrative office and the owners' residence. This strategic location will provide a central hub for management, logistics coordination, and stakeholder engagement. The estimated cost for this property is TZS 1,000,000,000 [22]. Ownership of this land will be under TSAHEY Company Limited, aligning with the company's asset base.

## Cultivation and Harvesting

Our cultivation practices will be based on best agronomic principles for Teff, ensuring high yields and sustainable resource management.

- **Crop Rotation:** Implement crop rotation strategies to maintain soil fertility, control pests and diseases, and enhance long-term productivity.
- **Integrated Pest Management (IPM):** Employ environmentally friendly pest and disease control methods to minimize chemical use.
- **Mechanization:** Utilize modern agricultural machinery for land preparation, planting, and harvesting to ensure efficiency, reduce labor costs, and enable large-scale operations. This includes tractors, planters, and specialized Teff harvesters. The cost of a new tractor can range from TSh 30 million to TSh 70 million [23].
- **Harvesting:** Teff's small seed size requires specialized harvesting equipment to minimize losses. We will invest in appropriate combine harvesters or similar technology suitable for Teff.

## Processing and Packaging

Post-harvest handling and processing are critical for maintaining quality and adding value to Teff grain.

- **Cleaning and Drying:** Immediately after harvest, Teff will undergo thorough cleaning to remove impurities and proper drying to prevent spoilage and maintain quality for storage and milling.
- **Milling:** The Teff flour mill will convert cleaned Teff grain into various grades of flour, catering to different market demands (e.g., whole grain Teff flour). The 10-ton per day Teff flour mill is a significant investment in this stage [19].
- **Packaging:** Automated packaging lines will be used to package Teff grain and flour into consumer-friendly and bulk formats. Packaging materials will be selected to ensure product freshness, extend shelf life, and meet international food safety standards.

## Human Resources and Labor

TSAHEY Company Limited will employ a mix of skilled and general labor to support its operations.

- **Management Team:** A lean and efficient management team will oversee strategic planning, financial management, marketing, and overall operations.
- **Skilled Labor:** This includes agronomists, machinery operators, processing technicians, and quality control specialists. Skilled labor costs are estimated at TZS 700,000 per month per worker [24].
- **General Labor:** A significant workforce will be required for manual tasks during planting, weeding, and other farm activities. General farm labor costs are estimated at TZS 150,000 per month per worker [25]. The number of general laborers will vary with the scale of operations.

## Technology and Innovation

We will embrace technology and innovation to enhance productivity and sustainability.

- **Precision Agriculture:** Explore the use of GPS-guided machinery, drones for crop monitoring, and data analytics to optimize planting, fertilization, and irrigation.
- **Post-Harvest Technology:** Invest in advanced storage solutions to minimize post-harvest losses, which can be significant in agricultural value chains [13].
- **Renewable Energy:** Investigate the feasibility of using solar power or other renewable energy sources for farm operations and processing facilities to reduce operational costs and environmental footprint.

This comprehensive operational plan provides a roadmap for TSAHEY Company Limited to establish a robust and efficient Teff grain enterprise, capable of meeting the demands of both local and international markets.

## Management Team

TSAHEY Company Limited is led by its two visionary owners, Banjure Mohamud Mohamed and Senait Tamene, whose combined expertise and dedication will drive the company's success. Their leadership will be complemented by a lean, efficient management structure and a skilled operational team.

### 1. Owners and Key Leadership:

- **Senait Tamene (51% Ownership):** As the majority owner, Senait Tamene will likely assume the role of **Chief Executive Officer (CEO)** or **Managing Director**. Her responsibilities will include overall strategic direction, corporate governance, financial oversight, and high-level stakeholder engagement. Given her majority stake, she will be instrumental in shaping the company's vision and ensuring its long-term sustainability. While specific professional background is not provided, it is assumed she brings strong business acumen, leadership experience, and a deep understanding of market dynamics, particularly in the agricultural or food processing sectors, or a strong financial background to manage the significant investments and secure commercial loans.
- **Banjure Mohamud Mohamed (49% Ownership):** Banjure Mohamud Mohamed will likely serve as the **Chief Operating Officer (COO)** or **Director of Operations**. His role will focus on the day-to-day operational management of the farming and processing activities. This includes overseeing land acquisition and development, cultivation practices, harvesting, processing, and logistics. It is assumed he possesses extensive experience in agricultural management, supply chain optimization,

or large-scale project implementation, ensuring efficient and productive operations from soil to market.

Their complementary skills – Senait's strategic and financial oversight combined with Banjure's operational expertise – form a robust leadership foundation for TSAHEY Company Limited.

## 2. Organizational Structure:

The company will adopt a functional organizational structure, initially lean, and expanding as operations scale. Key departments will include:

- **Executive Management:** Led by the owners, responsible for strategic planning, financial management, and overall business development.
- **Farm Operations:** Overseeing all aspects of Teff cultivation, including land preparation, planting, crop management, and harvesting. This department will include agronomists, farm managers, and skilled machinery operators.
- **Processing & Quality Control:** Managing the post-harvest handling, milling, packaging, and ensuring adherence to quality and food safety standards. This will involve food technologists and quality assurance specialists.
- **Sales & Marketing:** Responsible for market research, brand development, sales, distribution, and customer relationship management in both local and international markets.
- **Finance & Administration:** Handling financial planning, accounting, human resources, legal compliance, and general administrative functions.

## 3. Key Personnel and Staffing Plan:

As the project progresses and scales, TSAHEY Company Limited will recruit additional key personnel with specialized skills:

- **Agronomist:** A qualified agronomist will be essential for optimizing Teff cultivation practices, managing soil health, and implementing sustainable farming techniques.
- **Farm Managers:** Experienced farm managers will oversee daily operations on each of the agricultural land sites in Mbeya, Iringa, and Dodoma.
- **Processing Plant Manager:** A manager with expertise in food processing and plant operations will be crucial for the efficient running of the Teff milling and packaging facility.
- **Sales and Marketing Manager:** To drive market penetration and build strong customer relationships in both local and export markets.
- **Financial Controller/Accountant:** To manage the company's finances, ensure compliance, and support financial planning.

## 4. Labor Force:

TSAHEY will employ a significant local labor force, providing employment opportunities in the agricultural regions. This will include:

- **Skilled Labor:** Operators for tractors and other farm machinery, technicians for processing equipment, and specialized personnel for maintenance. Our financial projections account for skilled

labor costs at approximately TZS 700,000 per month per worker [24].

- **General Farm Labor:** A larger contingent of general laborers will be employed for various manual tasks, contributing to the local economy. General farm labor costs are estimated at TZS 150,000 per month per worker [25].

TSAHEY Company Limited is committed to fair labor practices, providing a safe working environment, and investing in the training and development of its workforce to ensure high productivity and employee retention. The strategic leadership of the owners, combined with a competent and dedicated team, will be pivotal to achieving the ambitious goals of the business plan.

## Financial Plan

The financial plan for TSAHEY Company Limited outlines the capital requirements, funding strategy, and projected financial performance over a seven-year period. It details the initial investments, operational costs, revenue forecasts, and profitability for small, medium, and large-scale Teff farming models, considering both land purchase and lease options. The plan also addresses the funding structure, including owner contributions, commercial bank loans, and the potential for capital raising through share sales.

### Key Assumptions for Financial Projections:

- **Project Duration:** 7 years.
- **Teff Yield:** 2,000 lbs/acre (approx. 0.9 metric tons/acre) [1].
- **Growing Cycles:** 2 cycles per year.
- **Local Selling Price:** TZS 2,500 per kg.
- **Export Selling Price:** Assumed to be 50% higher than local prices after processing and logistics, reflecting value addition and international market demand.
- **USD to TZS Exchange Rate:** TZS 2,500 per USD (for conversion purposes).
- **Owner Initial Cash Capital:** 20% of the total initial investment (including Dar es Salaam property).
- **Commercial Loan Interest Rate:** 15% annual interest.

### Initial Investment Requirements:

The total initial investment varies significantly based on the scale of operations and the land acquisition strategy. This includes land acquisition, machinery and equipment, initial soil testing, and the cost of the Dar es Salaam residence and main office.

### Estimated Initial Investment (TZS):

| Scale  | Land Option | Land Acquisition (TZS) | Machinery & Equipment (TZS) | Soil Testing (TZS) | Total Initial Investment (Farming) (TZS) |
|--------|-------------|------------------------|-----------------------------|--------------------|--|
| Small  | Purchase    | 75,000,000             | 90,000,000                  | 265,000            | 165,265,000                              |
| Small  | Lease       | 0                      | 90,000,000                  | 265,000            | 90,265,000                               |
| Medium | Purchase    | 375,000,000            | 90,000,000                  | 1,325,000          | 466,325,000                              |
| Medium | Lease       | 0                      | 90,000,000                  | 1,325,000          | 91,325,000                               |
| Large  | Purchase    | 1,500,000,000          | 140,000,000                 | 5,300,000          | 1,645,300,000                            |
| Large  | Lease       | 0                      | 140,000,000                 | 5,300,000          | 145,300,000                              |

**Dar es Salaam Residence and Main Office Cost:** TZS 1,000,000,000 [22]. This cost is a one-time investment added to the total initial investment for each model.

### Funding Strategy:

The project will be funded through a combination of owner's initial cash capital and commercial bank loans. The share sales model is presented as an alternative or supplementary capital raising mechanism.

#### 1. Owner's Initial Cash Capital:

The owners, Banjure Mohamud Mohamed and Senait Tamene, will contribute 20% of the total initial investment as cash capital. This demonstrates their commitment to the project and reduces the reliance on external debt.

#### 2. Commercial Bank Loans:

The remaining 80% of the total initial investment will be sought from commercial banks. The amount of commercial loan required will vary based on the chosen scale and land acquisition strategy.

#### Funding Requirements (TZS):

| Scale  | Land Option | Total Initial Investment (incl. Dar es Salaam Property) (TZS) | Owner's Initial Cash Capital (20%) (TZS) | Commercial Bank Loan Required (80%) (TZS) |
|--------|-------------|---|--|---|
| Small  | Purchase    | 1,165,265,000   | 233,053,000                              | 932,212,000                               |
| Small  | Lease       | 1,090,265,000   | 218,053,000                              | 872,212,000                               |
| Medium | Purchase    | 1,466,325,000   | 293,265,000                              | 1,173,060,000                             |
| Medium | Lease       | 1,091,325,000   | 218,265,000                              | 873,060,000                               |
| Large  | Purchase    | 2,645,300,000   | 529,060,000                              | 2,116,240,000                             |
| Large  | Lease       | 1,145,300,000   | 229,060,000                              | 916,240,000                               |

## Financial Projections (7-Year Overview):

The following tables provide a summary of the 7-year financial projections for each farming model and land option. These projections include annual revenue, operational costs, loan interest and principal repayments, and net profit. For simplicity, the projections assume consistent annual revenue and operational costs after the initial investment phase, with loan repayments amortized over the 7-year period.

### Small Scale (Purchase Land) - 7-Year Financial Projections (TZS):

| Year | Total Revenue (TZS) | Total Operational Costs (TZS) | Annual Interest Payment (TZS) | Annual Principal Repayment (TZS) | Total Expenses (TZS) | Net Profit (TZS) | Remaining Loan Balance (TZS) |
|------|---------------------|-------------------------------|-------------------------------|----------------------------------|----------------------|------------------|------------------------------|
| 1    | 260,815,400         | 67,400,000                    | 139,831,800                   | 133,173,143                      | 340,404,943          | -79,589,543      | 799,038,857                  |
| 2    | 260,815,400         | 67,400,000                    | 119,855,829                   | 133,173,143                      | 320,428,972          | -59,613,572      | 665,865,714                  |
| 3    | 260,815,400         | 67,400,000                    | 99,879,857                    | 133,173,143                      | 300,452,999          | -39,637,599      | 532,692,571                  |
| 4    | 260,815,400         | 67,400,000                    | 79,903,886                    | 133,173,143                      | 280,477,029          | -19,661,629      | 399,519,428                  |
| 5    | 260,815,400         | 67,400,000                    | 59,927,914                    | 133,173,143                      | 260,501,057          | 314,343          | 266,346,285                  |
| 6    | 260,815,400         | 67,400,000                    | 39,951,943                    | 133,173,143                      | 240,525,086          | 20,290,314       | 133,173,142                  |
| 7    | 260,815,400         | 67,400,000                    | 19,975,971                    | 133,173,143                      | 220,549,114          | 40,266,286       | 0                            |

### Small Scale (Lease Land) - 7-Year Financial Projections (TZS):

| Year | Total Revenue (TZS) | Total Operational Costs (TZS) | Annual Interest Payment (TZS) | Annual Principal Repayment (TZS) | Total Expenses (TZS) | Net Profit (TZS) | Remaining Loan Balance (TZS) |
|------|---------------------|-------------------------------|-------------------------------|----------------------------------|----------------------|------------------|------------------------------|
| 1    | 260,815,400         | 82,400,000                    | 130,831,800                   | 124,601,714                      | 337,833,514          | -77,018,114      | 747,610,286                  |
| 2    | 260,815,400         | 82,400,000                    | 112,141,543                   | 124,601,714                      | 319,143,257          | -58,327,857      | 623,008,572                  |
| 3    | 260,815,400         | 82,400,000                    | 93,451,286                    | 124,601,714                      | 300,453,000          | -39,637,600      | 498,406,858                  |
| 4    | 260,815,400         | 82,400,000                    | 74,761,029                    | 124,601,714                      | 281,762,743          | -20,947,343      | 373,805,144                  |
| 5    | 260,815,400         | 82,400,000                    | 56,070,772                    | 124,601,714                      | 263,072,486          | -257,086         | 249,203,430                  |
| 6    | 260,815,400         | 82,400,000                    | 37,380,514                    | 124,601,714                      | 244,382,228          | 16,433,172       | 124,601,716                  |
| 7    | 260,815,400         | 82,400,000                    | 18,690,257                    | 124,601,714                      | 225,691,971          | 35,123,429       | 0                            |

### Medium Scale (Purchase Land) - 7-Year Financial Projections (TZS):

| Year | Total Revenue (TZS) | Total Operational Costs (TZS) | Annual Interest Payment (TZS) | Annual Principal Repayment (TZS) | Total Expenses (TZS) | Net Profit (TZS) | Remaining Loan Balance (TZS) |
|------|---------------------|-------------------------------|-------------------------------|----------------------------------|----------------------|------------------|------------------------------|
| 1    | 1,304,077,000       | 302,200,000                   | 175,959,000                   | 167,580,000                      | 645,739,000          | 658,338,000      | 1,005,480,000                |
| 2    | 1,304,077,000       | 302,200,000                   | 150,822,000                   | 167,580,000                      | 620,602,000          | 683,475,000      | 837,900,000                  |
| 3    | 1,304,077,000       | 302,200,000                   | 125,685,000                   | 167,580,000                      | 595,465,000          | 708,612,000      | 670,320,000                  |
| 4    | 1,304,077,000       | 302,200,000                   | 100,548,000                   | 167,580,000                      | 570,328,000          | 733,749,000      | 502,740,000                  |
| 5    | 1,304,077,000       | 302,200,000                   | 75,411,000                    | 167,580,000                      | 545,191,000          | 758,886,000      | 335,160,000                  |
| 6    | 1,304,077,000       | 302,200,000                   | 50,274,000                    | 167,580,000                      | 520,054,000          | 784,023,000      | 167,580,000                  |
| 7    | 1,304,077,000       | 302,200,000                   | 25,137,000                    | 167,580,000                      | 494,917,000          | 809,160,000      | 0                            |

**Medium Scale (Lease Land) - 7-Year Financial Projections (TZS):**

| Year | Total Revenue (TZS) | Total Operational Costs (TZS) | Annual Interest Payment (TZS) | Annual Principal Repayment (TZS) | Total Expenses (TZS) | Net Profit (TZS) | Remaining Loan Balance (TZS) |
|------|---------------------|-------------------------------|-------------------------------|----------------------------------|----------------------|------------------|------------------------------|
| 1    | 1,304,077,000       | 377,200,000                   | 130,959,000                   | 124,722,857                      | 632,881,857          | 671,195,143      | 748,337,143                  |
| 2    | 1,304,077,000       | 377,200,000                   | 112,250,571                   | 124,722,857                      | 614,173,428          | 689,903,572      | 623,614,286                  |
| 3    | 1,304,077,000       | 377,200,000                   | 93,542,143                    | 124,722,857                      | 595,465,000          | 708,612,000      | 498,891,429                  |
| 4    | 1,304,077,000       | 377,200,000                   | 74,833,714                    | 124,722,857                      | 576,756,571          | 727,320,429      | 374,168,572                  |
| 5    | 1,304,077,000       | 377,200,000                   | 56,125,286                    | 124,722,857                      | 558,048,143          | 746,028,857      | 249,445,715                  |
| 6    | 1,304,077,000       | 377,200,000                   | 37,416,857                    | 124,722,857                      | 539,339,714          | 764,737,286      | 124,722,858                  |
| 7    | 1,304,077,000       | 377,200,000                   | 18,708,429                    | 124,722,857                      | 520,631,286          | 783,445,714      | 0                            |

**Large Scale (Purchase Land) - 7-Year Financial Projections (TZS):**

| Year | Total Revenue (TZS) | Total Operational Costs (TZS) | Annual Interest Payment (TZS) | Annual Principal Repayment (TZS) | Total Expenses (TZS) | Net Profit (TZS) | Remaining Loan Balance (TZS) |
|------|---------------------|-------------------------------|-------------------------------|----------------------------------|----------------------|------------------|------------------------------|
| 1    | 5,216,308,000       | 1,174,000,000                 | 317,436,000                   | 302,320,000                      | 1,793,756,000        | 3,422,552,000    | 1,813,920,000                |
| 2    | 5,216,308,000       | 1,174,000,000                 | 272,088,000                   | 302,320,000                      | 1,748,408,000        | 3,467,900,000    | 1,511,600,000                |
| 3    | 5,216,308,000       | 1,174,000,000                 | 226,740,000                   | 302,320,000                      | 1,703,060,000        | 3,513,248,000    | 1,209,280,000                |
| 4    | 5,216,308,000       | 1,174,000,000                 | 181,392,000                   | 302,320,000                      | 1,657,712,000        | 3,558,596,000    | 906,960,000                  |
| 5    | 5,216,308,000       | 1,174,000,000                 | 136,044,000                   | 302,320,000                      | 1,612,364,000        | 3,603,944,000    | 604,640,000                  |
| 6    | 5,216,308,000       | 1,174,000,000                 | 90,696,000                    | 302,320,000                      | 1,567,016,000        | 3,649,292,000    | 302,320,000                  |
| 7    | 5,216,308,000       | 1,174,000,000                 | 45,348,000                    | 302,320,000                      | 1,521,668,000        | 3,694,640,000    | 0                            |

#### Large Scale (Lease Land) - 7-Year Financial Projections (TZS):

| Year | Total Revenue (TZS) | Total Operational Costs (TZS) | Annual Interest Payment (TZS) | Annual Principal Repayment (TZS) | Total Expenses (TZS) | Net Profit (TZS) | Remaining Loan Balance (TZS) |
|------|---------------------|-------------------------------|-------------------------------|----------------------------------|----------------------|------------------|------------------------------|
| 1    | 5,216,308,000       | 1,474,000,000                 | 137,436,000                   | 130,891,429                      | 1,742,327,429        | 3,473,980,571    | 785,348,571                  |
| 2    | 5,216,308,000       | 1,474,000,000                 | 117,802,286                   | 130,891,429                      | 1,722,693,715        | 3,493,614,285    | 654,457,142                  |
| 3    | 5,216,308,000       | 1,474,000,000                 | 98,168,571                    | 130,891,429                      | 1,703,060,000        | 3,513,248,000    | 523,565,713                  |
| 4    | 5,216,308,000       | 1,474,000,000                 | 78,534,857                    | 130,891,429                      | 1,683,426,286        | 3,532,881,714    | 392,674,284                  |
| 5    | 5,216,308,000       | 1,474,000,000                 | 58,901,143                    | 130,891,429                      | 1,663,792,572        | 3,552,515,428    | 261,782,855                  |
| 6    | 5,216,308,000       | 1,474,000,000                 | 39,267,429                    | 130,891,429                      | 1,644,158,858        | 3,572,149,142    | 130,891,426                  |
| 7    | 5,216,308,000       | 1,474,000,000                 | 19,633,714                    | 130,891,429                      | 1,624,525,143        | 3,591,782,857    | 0                            |

*Note: Negative net profit in early years for small-scale models (purchase and lease) indicates that initial operational revenues are not sufficient to cover both operational costs and loan repayments. This highlights the importance of sufficient initial capital or a longer repayment period for smaller ventures. Large-scale operations demonstrate strong profitability from year one.*

#### Share Sales Model for Capital Raising:

TSAHEY Company Limited has the option to raise additional capital through the sale of company shares. The current ownership structure is 51% for Senait Tamene and 49% for Banjure Mohamud Mohamed, giving them a combined 100% ownership. To maintain majority ownership of the company, the owners can collectively sell up to 49% of the company's shares to new shareholders.

This strategy offers several benefits: \* **Reduced Debt Burden:** Capital raised through equity can significantly reduce the amount of commercial bank loans required, thereby lowering interest payments and improving the company's debt-to-equity ratio. \* **Strategic Partnerships:** New shareholders might bring not only capital but also valuable expertise, networks, or strategic advantages to the company. \* **Increased Liquidity:** Provides an avenue for future liquidity for the existing owners if they choose to divest a portion of their holdings later.

### **Model for Share Sales:**

To determine the capital that can be raised, a company valuation would be required. For illustrative purposes, if TSAHEY Company Limited were to raise a portion of its commercial loan requirement through share sales, the calculation would be as follows:

- **Example:** For the Large Scale (Purchase Land) model, the Commercial Bank Loan Required is TZS 2,116,240,000. If the owners decide to raise, for instance, 25% of this amount through share sales (while still maintaining majority ownership):
  - Capital from Share Sales = TZS 2,116,240,000 \* 0.25 = TZS 529,060,000
  - Remaining Commercial Bank Loan Required = TZS 2,116,240,000 - TZS 529,060,000 = TZS 1,587,180,000

This TZS 529,060,000 would represent the value of the shares sold (e.g., 49% or less, depending on the valuation). The owners would need to agree on the valuation of the company and the percentage of shares to be offered to new investors. The key constraint is that the combined ownership of Senait Tamene and Banjure Mohamud Mohamed must remain at 51% or higher after any share sale to ensure continued majority control.

### **Conclusion of Financial Plan:**

The financial projections indicate that large-scale Teff farming, particularly with land purchase, offers substantial profitability and a strong return on investment over the 7-year period. While smaller scales may face initial challenges in covering costs, they can become profitable with careful management and sufficient initial capital. The flexibility of land acquisition (purchase vs. lease) and the option for equity financing provide robust strategies for managing capital and mitigating financial risk. The detailed financial models will serve as a critical tool for securing financing and guiding the company's growth.

## **Incentives Offered by Tanzania Investment Centre (TIC)**

TSAHEY Company Limited is strategically positioned to leverage the significant investment incentives offered by the Tanzania Investment Centre (TIC). These incentives are designed to attract and facilitate both local and foreign investment in key sectors, including agriculture, which is a priority area for economic development in Tanzania. By obtaining a Certificate of Incentives from TIC, TSAHEY Company Limited can benefit from a range of fiscal and non-fiscal advantages that will enhance its profitability and operational efficiency.

## Fiscal Incentives:

Fiscal incentives directly impact the financial viability of the project by reducing tax burdens and import costs. Key fiscal incentives relevant to TSAHEY Company Limited include:

- **Zero-rated Value Added Tax (VAT) on Exports:** As TSAHEY plans to export a significant portion of its Teff grain and products to North America, the zero-rated VAT on exports will directly reduce the cost of goods sold and increase export competitiveness [26].
- **100% Capital Expenditure Allowance for Agricultural Projects:** This is a crucial incentive that allows for the full deduction of capital expenditures on plant and machinery used in agricultural activities in the first year of use [27]. This will significantly reduce the company's taxable income in the initial years, improving cash flow and accelerating the return on investment for major assets like tractors, processing equipment, and irrigation systems.
- **0% Import Duty on Project Capital Goods, Computers, Raw Materials, and Parts used in Agriculture:** This incentive will substantially lower the initial investment costs for machinery, equipment, and essential inputs required for large-scale Teff cultivation and processing [28]. This includes items such as specialized Teff harvesters, milling machinery, and potentially even high-quality seeds or specific fertilizers if imported.
- **Depreciation Allowances:** A 20% depreciation allowance is applicable on buildings, structures, dams, water reservoirs, fences, and similar works of a permanent nature used in agriculture [29]. This will provide ongoing tax benefits as the company develops its agricultural infrastructure.
- **Reduced Corporate Income Tax Rates:** While specific rates were not detailed in the research, TIC incentives often include reduced corporate income tax rates for qualifying investments, further enhancing profitability.

## Non-Fiscal Incentives:

Non-fiscal incentives provide crucial support in navigating the regulatory landscape and ensuring a smooth operational environment.

- **Recognition of Private Property and Protection against Non-Commercial Risks:** This provides legal assurance and protection for TSAHEY's assets, including its agricultural lands in Mbeya, Iringa, and Dodoma, and the Dar es Salaam property [30].
- **After-Care Services from TIC:** TIC provides ongoing support and assistance to investors, helping them resolve operational issues, navigate regulatory challenges, and access relevant government services [31].
- **Assistance with Company Registration and Facilitation of Permits and Licenses:** TIC streamlines the process of company registration and assists in obtaining necessary permits and licenses, reducing bureaucratic hurdles and accelerating project implementation [32]. This is particularly valuable for a large-scale agricultural project that requires various environmental, land use, and export permits.
- **Access to Dispute Resolution Mechanisms:** TIC can facilitate dispute resolution, providing a supportive environment for investors.

## Eligibility and Application:

To qualify for these incentives, TSAHEY Company Limited will need to obtain a Certificate of Incentives from TIC. The minimum fixed investment cost to qualify for Tanzanian investors has been reduced to USD 50,000 [33]. Given the significant planned investment in land, machinery, and infrastructure, TSAHEY Company Limited will comfortably exceed this threshold.

By actively engaging with the Tanzania Investment Centre and securing the Certificate of Incentives, TSAHEY Company Limited will significantly enhance its financial viability, reduce operational risks, and benefit from a supportive investment climate, thereby accelerating its journey towards becoming a leading Teff producer and exporter.

## Constraints and Challenges

While the prospects for TSAHEY Company Limited are promising, the implementation of a large-scale agricultural project in Tanzania, particularly for a relatively new crop like Teff, will inevitably face various constraints and challenges. Proactive identification and mitigation strategies are crucial for the project's success.

### 1. Land Acquisition and Tenure:

- **Complexity of Land Titling:** Despite claims of ownership, less than 10% of Tanzanians hold official land titles [34]. This lack of formal documentation can complicate large-scale land acquisition, leading to potential disputes, delays, and increased legal costs. Ensuring clear and undisputed land tenure will be paramount.
- **Community Relations:** Acquiring large tracts of land may involve relocating or impacting local communities. Poorly managed land acquisition processes can lead to social unrest, negative public perception, and operational disruptions. Building strong, transparent relationships with local communities and ensuring fair compensation or alternative livelihoods will be critical.
- **Foreign Ownership Restrictions:** While TSAHEY Company Limited is a Tanzanian private company, the owners are foreign. Research indicated that foreign individuals might not be able to acquire agricultural land directly [35]. This necessitates careful navigation of legal frameworks to ensure the company, as a Tanzanian entity, can legally own and operate the agricultural lands.

### 2. Climate and Environmental Risks:

- **Weather Variability:** Teff cultivation, like all agriculture, is susceptible to adverse weather conditions. Droughts, unseasonal heavy rainfall, or extreme temperatures can significantly impact yields and crop quality. While Teff is relatively water-efficient [2], prolonged dry spells or floods could pose risks.
- **Pests and Diseases:** Large-scale monoculture can increase the risk of pest infestations and disease outbreaks. Effective integrated pest management (IPM) strategies and continuous monitoring will be necessary to prevent significant crop losses.
- **Soil Degradation:** Intensive farming without proper soil management practices can lead to soil degradation, nutrient depletion, and erosion, impacting long-term productivity. Adherence to

sustainable farming practices and regular soil testing will be vital.

### 3. Operational and Technical Challenges:

- **Specialized Equipment and Expertise:** Teff, with its small seed size, requires specialized planting and harvesting equipment. Sourcing, maintaining, and operating this machinery, along with training skilled personnel, can be challenging and costly [19].
- **Post-Harvest Handling and Storage:** Improper post-harvest handling, drying, and storage can lead to significant losses due to spoilage, pests, or mold [13]. Investing in appropriate infrastructure and implementing best practices will be crucial.
- **Quality Control:** Maintaining consistent quality for both local consumption and export markets requires rigorous quality control measures throughout the value chain, from farm to processing to packaging. Meeting international food safety standards (e.g., FDA, CFIA) can be demanding [8], [9].

### 4. Market and Regulatory Challenges:

- **Market Acceptance (Local):** While the local Teff market is growing, it is still emerging. Educating consumers about Teff's benefits and integrating it into local diets may require sustained marketing efforts.
- **Export Market Competition:** The North American Teff market is competitive, with established suppliers. TSAHEY will need to differentiate its product and build strong relationships with importers and distributors.
- **Changing Regulations:** Agricultural and trade regulations, both in Tanzania and in target export markets, can change. Staying abreast of these changes and ensuring continuous compliance will be an ongoing challenge [36]. The recent changes in Tanzanian grain export procedures highlight this risk [37].

### 5. Financial and Funding Challenges:

- **High Initial Capital Requirements:** Large-scale commercial farming, especially with land purchase and significant machinery investment, requires substantial upfront capital. Securing commercial bank loans of the required magnitude can be challenging, and interest rates can impact profitability.
- **Cash Flow Management:** Agricultural projects often have seasonal cash flows. Effective financial planning and management will be essential to ensure liquidity throughout the year, especially during planting and non-harvest periods.
- **Currency Fluctuations:** For export-oriented businesses, fluctuations in exchange rates between the Tanzanian Shilling and the US Dollar can impact revenue and profitability.

### 6. Human Resources:

- **Skilled Labor Availability:** While general labor is abundant, finding and retaining skilled labor for operating modern machinery, managing processing facilities, and overseeing agronomic practices can be difficult in rural areas.

- **Training and Development:** Significant investment in training programs will be required to equip the workforce with the necessary skills for modern commercial farming and processing.

By acknowledging these potential constraints and challenges, TSAHEY Company Limited can develop robust mitigation strategies, build resilience into its operations, and increase its likelihood of long-term success.

## Social Impact

TSAHEY Company Limited is committed to creating a positive and lasting social impact in Tanzania, extending beyond its core business operations. Our project is designed to contribute to local economic development, enhance food security, and foster sustainable community growth. A unique aspect of our plan includes the strategic acquisition of land in Dar es Salaam for the owners' residence and the company's main office, reflecting a long-term commitment to Tanzania.

### 1. Job Creation and Livelihoods:

- **Direct Employment:** The establishment of large-scale Teff farms and processing facilities will create significant direct employment opportunities for local communities in Mbeya, Iringa, and Dodoma. This includes roles for general farm laborers, skilled machinery operators, processing plant technicians, and administrative staff. Our financial models account for both general and skilled labor, providing stable income sources [24], [25].
- **Indirect Employment:** The project will also stimulate indirect employment in supporting sectors such as transportation, logistics, agricultural input supply, and local services (e.g., food vendors, accommodation providers) around the farming areas.
- **Skills Development:** Through on-the-job training and formal programs, TSAHEY will invest in developing the skills of its workforce, enhancing their employability and contributing to human capital development in the agricultural sector.

### 2. Contribution to Food Security and Nutrition:

- **Local Food Supply:** By cultivating Teff, a highly nutritious and gluten-free grain, TSAHEY will contribute to diversifying the local food supply in Tanzania. This provides consumers with a healthy alternative to traditional staples, addressing nutritional needs.
- **Dietary Diversity:** Teff is rich in iron, calcium, and protein, offering significant nutritional benefits. Increased availability of Teff can help combat malnutrition and improve public health outcomes in the regions where it is consumed.

### 3. Sustainable Agricultural Practices:

- **Environmental Stewardship:** TSAHEY is committed to implementing sustainable farming practices, including efficient water management, responsible use of fertilizers and pesticides (Integrated Pest Management), and soil conservation techniques. These practices will protect natural resources and ensure the long-term productivity of the land.

- **Knowledge Transfer:** The adoption of modern agricultural technologies and best practices by TSAHEY can serve as a model for local smallholder farmers, potentially leading to knowledge transfer and improved farming techniques across the region.

#### 4. Community Engagement and Development:

- **Local Sourcing:** Where feasible, TSAHEY will prioritize sourcing goods and services from local businesses, further stimulating the regional economy.
- **Corporate Social Responsibility (CSR):** The company plans to engage in CSR initiatives, potentially focusing on community development projects such as improving local infrastructure, supporting education, or health programs in the areas surrounding its operations.
- **Out-grower Schemes (Future Consideration):** As the project matures, TSAHEY may explore out-grower schemes, partnering with smallholder farmers to cultivate Teff under contract. This would provide small farmers with guaranteed markets, technical support, and access to improved inputs, significantly boosting their incomes and livelihoods.

#### 5. Owners' Residence and Main Office in Dar es Salaam:

A significant aspect of TSAHEY Company Limited's long-term commitment to Tanzania is the plan to acquire land in Dar es Salaam for the owners' residence and the company's main office within the same compound. This strategic decision offers several benefits:

- **Long-Term Investment in Tanzania:** By establishing a permanent base in Dar es Salaam, the owners demonstrate a deep and lasting commitment to the country, fostering trust and stability for the business.
- **Operational Hub:** The Dar es Salaam office will serve as the central administrative and strategic hub for the entire operation, facilitating efficient management, coordination with government agencies (e.g., TIC, Ministry of Agriculture), and engagement with local and international partners. Its proximity to key infrastructure like the port will be beneficial for export logistics.
- **Economic Contribution:** The investment in prime real estate in Dar es Salaam contributes to the urban economy through property development, taxes, and the creation of related service jobs.
- **Security and Convenience:** Co-locating the residence and office provides security and convenience for the owners, enabling them to be closely involved in the day-to-day management and strategic direction of the company.
- **Company Asset:** The land and property in Dar es Salaam will be owned by TSAHEY Company Limited, further strengthening the company's asset base and long-term financial stability.

Through these multifaceted social impact initiatives, TSAHEY Company Limited aims to be a responsible corporate citizen, contributing meaningfully to Tanzania's agricultural development and the well-being of its people, while building a successful and sustainable business enterprise.

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