

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:

- Expansion of spice procurement from local farmers.
- Establishment of additional processing facilities to enhance production capacity.
- Acquisition and installation of new equipment for spice cleaning, drying, and packaging.
- Strengthening quality control measures to meet international export standards.
- Market expansion efforts, including securing new export contracts.
- Hiring and training of additional staff for processing and logistics.

2. Achievements made on the project implementation to date:

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

2.1 Procurement and Supply Chain

- Successfully established agreements with local farmers, increasing raw material supply.
- Implemented improved procurement processes to ensure consistent quality and supply.

2.2 Infrastructure and Equipment

- Leasing of a new warehouse and processing facility in Kihonda, Morogoro.
- Acquired and installed essential processing equipment, including sorting, and packaging machines.
- Improved logistics infrastructure for better raw material transportation and export handling.

2.3 Market Expansion

- Secured new export contracts with buyers in Europe, UAE and Asia.
- Strengthened relationships with existing international clients to ensure sustained demand.
- Enhanced branding and packaging to meet international retail standards.

2.4 Workforce Development

- Recruited and trained employees for processing and logistics operations.
- Conducted training programs for local farmers on sustainable and high-quality spice production.

Project Overview and Objectives

3. Project Overview

The spice procurement, processing, and export project aims to establish a sustainable and efficient supply chain for high-quality spices sourced from local farmers. The project focuses on enhancing the value of raw spices through processing, ensuring compliance with international standards, and expanding export markets. By supporting local farmers, investing in processing infrastructure, and improving market access, the project seeks to contribute to economic growth and job creation in the region.

4. Project Objectives

The key objectives of the project include:

- **Enhancing Local Farmer Participation:** Strengthening partnerships with small-scale farmers to ensure a steady supply of high-quality raw spices.
- **Improving Processing Infrastructure:** Establishing modern processing facilities to add value to raw spices through cleaning, drying and packaging.
- **Ensuring Quality and Compliance:** Implementing strict quality control measures to meet international food safety and export standards.
- **Expanding Market Reach:** Securing new international buyers and increasing exports to high-demand markets.
- **Sustainable Business Growth:** Increasing operational efficiency, reducing costs, and maximizing profitability while ensuring environmental sustainability.
- **Employment Creation and Skills Development:** Generating job opportunities and training workers in spice processing and export management.

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	Company communication Information	Email address 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			
Grand Total	1,237,751		1,237,751

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
Total Investment	7,407,573	

8. Problems and Solutions

8.1 Challenges Encountered

- Fluctuations in Raw Material Supply: Seasonal variations in spice production affected procurement.
- Regulatory Compliance: Meeting evolving international export regulations required additional documentation and process adjustments.
- Logistics and Transportation Issues: Delays in shipping due to customs clearance and logistical disruptions.

8.2 Solutions Implemented

- Diversified supplier base to ensure a consistent supply of raw materials throughout the year.
- Hired regulatory experts to streamline compliance with export requirements.
- Partnered with reliable logistics providers to optimize shipping efficiency and reduce transit times.

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.
- Investing in research and development to enhance product quality and develop new spice blends.
- Exploring opportunities for value-added spice products such as extracts and essential oils.
- Allocating an estimated financial commitment for infrastructure expansion and market development.

10. Recommendations and Additional Comments

- Continued government and institutional support for local farmers will be crucial in ensuring sustainable spice production.
- Streamlining of export regulations and customs processes will help improve shipment efficiency.
- Investments in technology and automation will be necessary for scaling up operations while maintaining high-quality standards.

This progress report highlights the significant advancements made in the project while outlining strategic steps to address challenges and ensure continued growth in the spice processing and export business.