BUSINESS PLAN

FOR

BASE STONE INVESTMENT LIMITED

Project Title: Manufacture and Distribution of Alternative Charcoal from Coconut Shells

Submitted to: Tanzania Investment Centre (TIC) Dar es Salaam, Tanzania

Submitted by:

BASE STONE INVESTMENT LIMITED

Incorporation No: 185496473

TIN No: 185-496-473

Business License No: BL01396922025-2600000546

Address: Goba, Kinzudi Street, Ubungo, Dar es Salaam

Email: tzample@gmail.com

Phone: +255 713 764 051

Date of Submission: 14th August, 2025.

TABLE OF CONTENTS

1.0 EXECUTIVE SUMMARY

BASE STONE INVESTMENT LIMITED is a Tanzanian-registered company (Incorporation No. 185496473) headquartered in Goba, Kinzudi, Dar es Salaam. The company holds a valid business license to engage in the wholesale and retail of alternative Charcoal (***mkaa mbadala*),** manufactured primarly from **coconut shells**. This clean- energy project supports Tanzania's transition away from unsustainable wood-based fuels.

The company seeks to establish a semi-industrial production facility for the manufacture of high-quality, environmentally friendly **charcoal briquette**. These briquettes are designed to serve as a sustainable alternative to traditional charcoal, targeting urban households, restaurants, food vendors, institutions, and the export market.

The total investment required for this project is estimated at **TZS 1,850,000,000/= billion**, which will cover land acquisition, construction, machinery procurement and installation, raw material collection, packaging, logistics, staff recruitment, and working capital. Once operational, the facility is projected to process large quantities of coconut shells and other biomass per month, converting them into **low-smoke, energy-efficient charcoal briquettes.**

Through this investment, the company aims to create over 50 direct and indirect jobs, promote environmental sustainability by reducing deforestation, contribution to green industrialization in line with Tanzania's Vision 2025 and SDGs, and expand access to affordable, clean cooking energy for Tanzanians.

To realize this goal, **BASE STONE INVESTMENT LIMITED** is applying for support through the Tanzania Investment Centre (TIC), specifically requesting a certificate of Incentives to access tax benefits, facilitation services, and fast-tracked permits and licenses.

This project is viable, impactful, and fully aligned with national economic and environmental priorities.

2.0 COMPANY BACKGROUND

The Company Name: BASE STONE INVESTMENT LIMITED

Incorporation Number: 185496473

Date of Incorporation: 2nd June 2025

Registered Office: Goba, Kinzudi Street, Ubungo Municipality, Dar es Salaam, Tanzania

Tax Identification Number (TIN): 185-496-473

Legal Form: Private Limited Company

Licensing Authority: Ubungo Municipal Council

Business License Number: BL01396922025-2600000546

Nature of Business: Wholesale and retail of alternative coconut shell charcoal (*mkaa mbadala*)

Principal Activity: Manufacturing and distribution of eco-friendly charcoal briquettes from coconut shells.

BASE STONE INVESTMENT LIMITED was established with the purpose of addressing the growing demand for sustainable cooking fuel in Tanzania while contributing to national efforts to combat deforestation and environmental degradation. The company is committed to promoting clean energy solutions by utilizing agricultural waste particularly coconut shells to produce carbonized briquettes that are affordable, efficient, and environmentally friendly.

With a vision to become a leader in clean energy innovation, the company plans to scale energy innovation, the company plans to scale its operations to meet both local and regional market needs, create employment, and support Tanzania's green economy transition.

3.0 PROJECT DESCRIPTION

BASE STONE INVESTMENT LIMITED plans to establish a semi-industrial facility for the production of alternative charcoal made from coconut shells and other agricultural waste. The project will be located in Goba, Kinzudi street, within Dar es Salaam, strategically positioned for access to raw materials, labor, and major markets.

The project aims to provide a clean, affordable, and sustainable alternative to traditional wood charcoal, thereby reducing deforestation and promoting green energy usage in Tanzania.

3.1 PRODUCTION PROCESS

The manufacturing process involves the following steps, and this system utilizes the world's most advanced continuous carbonization technology, combined with automated control systems, to achieve efficient, energy-saving, and environmentally friendly coconut shell carbonization production. Below is the specific process flow:

Stage 1: Preheating Startup

1. **Initial Heat Source Supply**

A liquefied gas/natural gas burner is used to heat the carbonization furnace, with a target temperature of ≥400℃ (ensuring the furnace has sufficient initial heat).

2. **Temperature Monitoring**

The temperature inside the carbonization furnace is monitored in real-time using temperature sensors to ensure the carbonization zone reaches above 400℃.

3. **Preheating Goals**

- Carbonization Zone Temperature: ≥400℃
- Purpose: Ensures instant thermal decomposition when coconut shells are introduced.

Stage 2: Continuous Carbonization (Automatic Feeding → Pyrolysis Decomposition)
Feeding and Drying

1. **Material Requirements**: Coco shells with moisture content ≤15%.
2. **Feeding Method:** Coconut shells are conveyed into the carbonization furnace via a screw feeder.
3. **Drying Process:** Rapid dehydration and initial carbonization occur in the inner chamber (temperature range: 300~500℃).
4. **High-Temperature Carbonization**
5. **Carbonization Environment**: Pyrolysis occurs in an oxygen-free environment.
6. **Carbonization Temperature**: 550~850℃.
7. **Process Results:**
8. **Solid Product**: Coco shell charcoal (carbon content >80%, high density).

9. **Gaseous Product:** Combustible gases (Main components include hydrogen and methane).

Stage 3: Gas Circulation Utilization

1. **Gas Recovery and Purification**
   - **Recovery Method:** Pyrolysis gases are quickly recovered through return smoke ducts.
   - **Combustion Treatment:** The gases enter the main and secondary combustion chambers for complete combustion.

2. **Energy Self-Circulation**
   - Heat Utilization:
   - The heat generated from the combustion of pyrolysis gases maintains the temperature of the carbonization furnace (external heat source can be turned off).
   - Excess heat is cooled via a heat exchanger and distributed to a rotary dryer for coco shell drying (target moisture content ≤15%).
3. **Energy Efficiency and Environmental Protection**
   - **Energy Efficiency:**
     • Once the furnace reaches the preset temperature, continuous feeding and discharging can begin.
     • The system can run continuously for ≥30 days.
   - **Environmental Protection:**
     • All combustible gases are fully combusted, minimizing emissions.
     • Dust Collection: Particulate matter is collected by a cyclone dust collector

Stage 4: Cooling and Charcoal Discharging

1. **Cooling Process**
   - **Cooling Method:** The charcoal is cooled in a water-cooled discharge machine (final temperature <80°C).
     4.2 Charcoal Discharging and Packaging
   - **Discharging Method:** The carbonized product is automatically conveyed to the packaging area via a screw conveyor.
2. **System Features Summary**
   - **High Degree of Automation:** Continuous feeding and discharging.

- **Energy Efficiency and Environmental Protection:** Uses internal gas circulation to provide heat, reducing external energy consumption.
- **High Efficiency and Stability**: Can run continuously for ≥30 days with high production efficiency.

3.2 PRODUCTION CAPACITY

The production facility will operate with an estimated daily input of 30 tons of raw materials, primarily coconut shells. With this input level, the company projects a daily output of 20-25 tons of charcoal briquettes, depending on the moisture content and carbonization efficiency.

Operating at full capacity, the facility is expected to produce approximately:

- **600-750 tons per month**
- **7,200-9000 tons annually**

This volume will support both wholesale supply contracts and retail packaging lines, ensuring consistent availability across various market segments.

The product line will run in shifts, with flexibility to scale up based on demand growth and market expansion.

3.3 LOCATION

The production facility is located in Goba, Kinzudi street, within Dar es Salaam, Tanzania. This location was strategically selected due to:

- **Proximity to raw material**, particularly coconut-growing regions along the coast and nearby agricultural waste suppliers.
- **Accessibility to target markets,** including urban households, restaurants, and institutions in Dar es Salaam and surrounding areas.
- **Good transport infrastructure**, enabling efficient logistics for both raw material delivery and product distribution.
- **Availability of utilities**, such as water and electricity, which are essential for semi-industrial production.

The site also offers sufficient space for future expansion, warehousing, staff accommodation, and compliance with environmental and safety regulations.

3.4 MACHINERY & EQUIPMENT

The facility will be equipped with semi-automated briquette production technology, designed to balance efficiency, affordability, and environmental safety. Key equipment to be installed includes:

- **Carbonization kilns or retorts**- for converting coconut shells and other biomass into char
- **Crusher or grinder** – to grind the carbonized material into fine powder
- **Mixer and binder tanks** – for mixing charcoal powder with eco-friendly binders
- **Briquetting press machines** – to compress the mixture into uniform briquette shapes
- **Drying system** – either solar dryers or mechanical dryers to remove moisture
- **Packaging machines** – for sealing briquettes in branded eco-friendly bags

All equipment will be sourced from reliable manufacturers and installed by experienced technicians to ensure compliance with **Tanzania Bureau of Standards (TBS)** and environmental regulations.

The technology selected will allow high-volume, consistent production while minimizing energy consumption and waste.

3.5 END PRODUCTS

The primary end product of the project is **alternative charcoal briquettes** made from coconut shells. These briquettes are;-

- **Carbonized and smokeless,** making them cleaner and healthier than traditional wood charcoal.
- **High in energy content,** providing longer burning time and consistent heat.
- **Compressed into uniform shapes**, making them easier to package, store, and transport.
- **Available in various packaging options** to suit both wholesale and retail markets.

The product will be sold under unique brand name and packaged in eco-friendly bags with clear labeling and usage instructions. It will be distributed to households, restaurants, food vendors, supermarkets, hotels, and institutions such as schools and hospitals.

3.6 ENVIRONMENTAL BENEFITS

The project directly supports Tanzania's environmental goals by offering a sustainable and eco-friendly energy alternative. Its environmental benefits includes:-

- **Reduction in tree-cutting and deforestation:** By replacing wood-based charcoal with briquettes made from agricultural waste, the project helps conserve forests and natural ecosystems.
- **Sustainable use of agricultural waste:** Waste recycling it gives value to agricultural by-products (e.g., coconut shells), reducing landfill pollution and supporting a circular economy.
- **Lower carbon emissions:** the briquettes produce less smoke and carbon monoxide compared to traditional charcoal, contributing to cleaner air and a reduction in greenhouse gas emissions.
- **Sustainable energy transition:** Supports national and global goals of adopting clean and renewable energy sources.

3.7 SOCIAL IMPACT

The project is designed to create widespread social and economic benefits, especially for local communities. These includes:-

- Employment generation: The business will directly employ workers in production, logistics, sales, and administration, while also creating indirect jobs in raw material collection, packaging, and distribution.
- Skills development: Workers will receive training in eco-friendly production techniques, machinery handling, and safety protocols.
- Income opportunities for farmers and collectors: Coconut producers and waste collectors will have a reliable market for selling their by-products, boosting rural incomes.
- Improve health outcomes: by promoting clean fuel with less smoke, the project will reduce exposure to indoor air pollution, especially for women and children.

- Community awareness: The project will promote awareness of sustainable energy practices through education and partnerships with local groups.

4.0 MARKET ANALYSIS

The demand for clean, affordable, and sustainable cooking energy in Tanzania and the wider East African region continues to grow rapidly. Rising urbanization, government regulations on deforestation, and increased awareness about health and environmental impacts of traditional charcoal have created a strong market opportunity for eco-friendly alternatives such as charcoal briquettes.

BASE STONE INVESTMENT LIMITED aims to tap into this demand by producing and distributing high-quality charcoal briquettes made from coconut shells, targeting both domestic and export markets.

4.1 MARKET TRENDS & OPPORTUNITIES

- **Urbanization & Population Growth:** Increased demand for fuel in urban centers such as Dar es Salaam, Dodoma, Arusha, and Mwanza.
- **Environmental Pressures:** The government and NGOs are discouraging the use of traditional wood charcoal to protect forests.
- **Policy Alignment:** The project supports national energy and climate goals, including Tanzania's Vision 2025, the Clean Cooking Energy Strategy, and Sustainable Development Goals (SDGs)
- **Growing Export Demand:** Neighboring countries like Kenya, Rwanda, and DRC are actively importing sustainable briquettes due to local shortages and green policy incentives.

4.2 TARGET MARKET SEGMENTS

BASE STONE INVESTMENT LIMITED will serve a wide range of customers who rely on charcoal or alternative fuels for cooking and heating. The primary target market segments includes:-

- **Urban Households:** Seeking affordable, clean-burning, and long-lasting cooking fuel. Especially in Dar es Salaam and other major cities, where families are switching to cleaner and more efficient cooking solutions due to rising cost and environmental awareness.
- **Food Vendors (Mama Lishe):** These require bulk, cost-effective briquettes for long cooking hours. These small-scale food business operators require reliable, long-burning fuel that reduces operational costs.
- **Restaurants and Hotels:** hospitality businesses are looking for clean-burning, low-smoke alternatives that maintain a professional kitchen environment.
- **Supermarkets and Retail Shops:** Retailers require well-packaged, market-ready products that can be displayed and sold to walk-in customers.
- **Institutions (Schools, Hospitals, Prisons):** These facilities cook large quantities and prefer stable supply arrangements. Briquette offer cost savings and consistent performance.
- **Regional Export Markets:** Countries such as Kenya, Rwanda, Uganda, and the Democratic Republic of Congo are adopting alternative energy sources. BASE STONE is positioned to export quality briquettes to meet growing cross-border demand.

4.3 COMPETITOR ANALYSIS

The charcoal briquette industry in Tanzania is still developing, with a few players in the market. These competitors include:

- Small-scale producers operating with limited technology.
- NGOs and community-based projects focusing on local distribution.
- Businesses with inconsistent product quality and low branding efforts.

However, most of these competitors lack scalability to meet large institutional or export demands. This presents a strong market entry opportunity for BASE STONE INVESTMENT LIMITED to establish itself as a reliable, high-capacity, and quality-driven producer.

4.4 COMPETITIVE ADVANTAGE

BASE STONE INVESTMENT LIMITED holds several competitive advantages that differentiate it from current market players:

- **Higher Production Capacity:** With a planned output of 30 tons per day, the company can serve larger contracts and meet growing demand effectively.
- **Quality & Consistency:** By utilizing coconut shell waste and reliable machinery, the company ensures that its briquettes are long-lasting, eco-friendly, and of uniform quality.
- **Attractive Branding and Packaging:** Professionally designed packaging will attract customers and allow placement in major supermarkets and retail outlets.
- **Strategic Location:** Located at Goba, Kinzudi street in Dar es Salaam, the company has logistical access to both local urban centers and export routes via Dar es Salaam port.
- **Export –**Readiness: The company is aligned with regional and international standards, allowing for immediate entry into neighboring markets through export.

5.0 TECHNICAL AND OPERATIONAL PLAN

5.1 PRODUCTION AND CAPACITY OUTPUT

BASE STONE INVESTMENT LIMITED intends to establish a modern production facility capable of producing **30 tons of alternative charcoal briquettes per day,** which translates to approximately **900 tons per month and 10,800 tons annually** at full capacity. This capacity positions the company to meet the growing demand for eco-friendly cooking fuel in both domestic and regional markets.

5.2 LOCATION AND INFRASTRUCTURE

The production site will be located at Goba, Kinzudi street, Dar es Salaam, in an area with strategic access to both urban consumers and raw material supply chains. The location offers:

- Reliable electricity and water supply
- Road connectivity for smooth logistics and transportation
- Proximity to coconut- processing zones, ensuring a steady supply or raw materials (coconut shells)

Infrastructure will include:

- A processing warehouse (for draying carbonizing, mixing, and briquetting)
- Storage areas for raw materials and finished products

- Offices, sanitation blocks, and staff resting areas
- Loading and unloading bay

5.3 RAW MATERIAL AND OUTPUTS

The core raw material is coconut shells, which are readily available in coastal Tanzania and are typically discarded as agricultural waste. The company will establish partnerships with coconut processors and smallholder farmers for regular supply. Other production inputs include:

- Binders (e.g., cassava starch or molasses)
- Packaging material (bags, labels)
- Energy for draying and carbonizing

5.5 MACHINERY AND EQUIPMENT

Although the specific brand of machinery is yet to finalized, the company plans to procure semi-automated briquetting equipment suitable for medium-to-large scale production.

Key machines includes:-

- **Carbonizer kilns**- for converting coconut shells into charcoal powder
- **Crusher/grinder-** to crush the charcoal into fine powder
- **Mixing machine-** to mix binder and charcoal power
- **Briquetting press –** to compress the mixture into uniform briquettes
- **Drying racks or mechanical dryers-** fro moisture removal
- **Packaging equipment –** for final packing and sealing

These selected machines will prioritize energy efficiency, durability, and ease of maintenance. The company will seek technical advice to ensure procurement of machines aligned with production goals and NEMC compliance.

5.6 HUMAN RESOURCES AND OPERATIONS MANAGEMENT

The company will hire a combination of skilled and semi-skilled personnel including:

- Production supervisor
- Machine operator and technicians
- Quality control officer
- Warehouse and logistics staff
- Sales and marketing officers
- General laborers for packaging and handling

Training and health & safety protocols will be implemented to ensure efficiency, productivity, nd a safe work environment.

5.7 QUALITY CONTROL

To maintain high standards, BASE STONE INVESTMENT LIMITED will have implemented strict quality assurance procedures:

- Regular moisture and density testing
- Uniform sizing and packaging standards
- Clean handling and storage conditions
- Customer feedback integration to improve product consistency

6.0 ENVIRONMENTAL AND SOCIAL CONSIDERATIONS

6.1 ENVIRONMENTAL IMPACT AND BENEFITS

BASE STONE INVESTMENT LIMITED is deeply committed to environmental sustainability and climate resilience. The company's core product alterative charcoal briquettes made from coconut shells is a direct response to the environmental degradation caused by traditional charcoal production, which heavily relies on cutting down trees.

Key Environmental Benefits:

- **Reduction in Deforestation:** the use of coconut shells, a renewable agricultural waste, helps reduce pressure on natural forests that are currently being depleted for firewood and charcoal.

- **Lower Greenhouse Gas Emissions:** briquettes produce less smoke and fewer carbon emissions compared to traditional charcoal, contributing to improved air quality and climate change mitigation.
- **Waste Management:** the project adds value to agro-waste (specifically coconut shells) which would otherwise be discarded or burned, contributing to pollution.
- **Sustainable Energy Source:** Promotes the use of clean and renewable energy in cooking, especially in urban areas.

An Environmental Impact Assessment (EIA) will be conducted in line with the requirements of the **National Environment Management Council (NEMC).** The company will comply fully with environmental laws and will adopt best practices in waste disposal, emissions control, and occupational health.

6.2 SOCIAL IMPACT AND COMMUNITY CONTRIBUTION

The project will also deliver important social benefits across multiple dimensions:

- Job Creation: The production facility and distribution network will create direct and indirect employment opportunities for youth, women, and skilled technicians within Goba, Kinzudi street area and beyond.
- Affordable Cooking Energy: By offering an affordable, clean, and efficient fuel source, the company helps to ease household energy costs for low-and middle-income families.
- Health Improvement: The use of smokeless briquettes will reduce indoor air pollution, which is a major cause of respiratory diseases, especially among women and children who cook indoors.
- Women Empowerment: The company will prioritize the involvement of women in packaging, marketing, and community distribution, thereby supporting gender inclusion and economic empowerment.
- Training and Capacity Building: Community members will be trained in briquette usage, environmental protection, and sustainable practices contributing to broader awareness and behavioral change.

7.0 COMPLIANCE AND RISK MITIGATION

The company will implement an **Environmental and Social Management Plan (ESMP)** to monitor and mitigate any potential negative impacts.

7.1 LEGAL AND REGULATORY COMPLIANCE

BASE STONE INVESTMENT LIMITED is committed to fully complying with the laws and regulations governing the alternative charcoal and renewable energy sector in Tanzania. This include:-

- **Business Registration and Licensing:** The company registered with BRELA under the Companies Act, Cap 212, also will obtain business licenses from relevant local authorities and registration with TRA for tax compliance (TIN and VAT where applicable).
- **Environmental Compliance**: The company will undertake an **Environmental Impact Assessment (EIA)** and obtain an **Environmental Clearance Certificate from the National Environment Management Council (NEMC).** A full **Environmental and Social Management Plan (ESMP)** will be implemented in line with environmental best practices and regulations.
- **Health and Safety Compliance:** Workplace operations will conform to the Occupational Health and Safety Act, 2003, ensuring a safe environment for all workers. Workers will be provided with protective gear and safety training.
- **Quality and Standards Compliance:** The company aims to meet the standards set by the Tanzania Bureau of Standard (TBS) for solid biofuels. The products will be tested and certified to ensure safety, usability, and efficiency.
- **Labour Laws and Employment Regulations:** Compliance with the Employment and Labour Relation Act, including fair contracts, social security registration (NSSF), and proper wage structures.

7.2 RISK IDENTIFICATION AND MITIGATION STRATEGIES

1. Operational Risks

Risks: Machinery breakdown, raw material, shortages, fire hazards.

Mitigation: Routine maintenance of machinery and timely servicing, establish multiple supply agreements with coconut processors and farms, and install fire extinguishers and adhere to fire safety protocols.

2. **Regulatory Risks**

Risks: The changes in government policies, environmental compliance delays.

Mitigation: Active engagement with TIC, NEMC, and sector associations, and hiring a legal compliance officer or consultant for regular updates.

3. **Market and Demand Risks**

Risks: Low customer awareness, preference for traditional charcoal

Mitigation: Aggressive marketing and education campaigns on the benefits of briquettes, partnering with NGOs and government clean-energy initiatives, and offer incentives such as bulk purchase discounts and free trials.

4. **Financial Risks**

Risks: Rising production costs, delayed cash flows.

Mitigation: Careful budgeting and working capital management, the use of cost-efficient machinery and local labor, and exploring financing options such as grants, loans, or subsidies.

5. **Environmental and Social Risks**

Risks: Pollution, community opposition, waste disposal issues

Mitigation: Implement waste management systems for coconut ash or residue, regular community engagement to build trust and transparency, and regular environmental audits and corrective actions.

6. **Technological Risks**

Risks: Low-tech failure, delays in acquiring suitable machinery

Mitigation: Partner with experienced machinery suppliers, and ensure technical training for local staff and maintenance teams.

with robust compliance protocols and proactive threats and ensure the smooth, sustainable, and lawful operation of its briquette production and distribution business.

8.0 IMPLEMENTATION TIMELINE

The implementation of BASE STONE INVESTMENT LIMITED project will follow a phased approach spread over **6-9 months,** from pre-establishment to full-scale production and market entry.

PHASE	ACTIVITY	TIMELINE	RESPONSIBLE PARTY
1. Project Preparation	Finalize business plan Secure Financing	Month 1	Company Directors, Consultant
2. Regulatory Compliance	Register with TRA, NEMC, Local Authority, TBS-Obtain business licenses and permits	Months 1-2	Legal Advisor, Director
3. Infrastructure Setup	Site clearing and renovation at Goba ,Kinzudi street-Utilities installation (power, water)	Month 2-3	Site Manager, Engineer
4. Equipment Procurement & Installation	Procure and install briquette machinery Setup of production flow layout	Month 3-4	Procurement Officer, Technician
5. Recruitment & Training	Hire machine operators, sales team, Safety and technical training	Month 4-5	HR, Production Manger
6. Trail Production	Being test production of coconut charcoal briquettes	Month 5-6	Production Supervisor

7. Full- scale Production	Begin 30 tons/day production and packaging-Setup sales channels (retailers, distribution	Month 6 onward	Operation Team
8. Marketing Launch	Launch marketing campaigns-Community awareness activities	Month 6 onward	Marketing & Sales Team
9. Monitoring & Evaluation	Monthly reviews and reporting-Adjustment of operational strategies	Ongoing	Management Team

The company may apply for support from the Tanzania Investment Centre (TIC) for facilitation with permits, incentives, and faster-tracking the registration process. The timeline may vary depending on availability of funds, regulatory feedback time, and machinery import logistics.

9.0 SWOT ANALYSIS

The SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis provides a comprehensive overview of the internal and external factors that may influence the success of BASE STONE INVESTMENT LIMITED in its production and distribution of alternative charcoal.

9.1 STRENGTHS

1. **Eco-Friendly Product**

The company's core product-alternative charcoal made from agricultural waste such as coconut shells- is environmentally friendly and aligns with national and global goals to reduce deforestation and carbon emissions.

2. **Availability of Raw Materials**

Tanzania has an abundance of coconut shells as agricultural by-products, especially in coastal regions. This ensure a reliable supply of raw materials at a relatively low cost.

3. **Rising Demand for Clean Energy Solutions**

Urban households, institutions, and development programs are shifting toward sustainable energy alternative, creating a ready market for eco-charcoal.

4. **Government and Donor Support**

The Tanzania government, NGO's and international organizations actively promote clean energy solutions, offering policy support, grants, and partnerships.

9.2 WEAKNESSES

1. **Limited Brand Recognition**

As a new entrant in the market, the company lacks brand awareness, which may initially affect its ability to capture market share.

2. **Limited Technical Experience**

The business may face a skills gap in operating machinery and maintaining consistent product quality during the early stage of production.

3. **Capital Constraints**

While the investment is significant, the company may face limitations in automating all production processes or scaling up quickly to meet demand.

4. **Supply Chain Dependency**

The consistency and reliability of raw material supply, especially from rural coconut processors, may be affected by seasonality or logistical challenges.

9.3 OPPORTUNITIES

1. **Export Market Expansion**

The company has the opportunity to expand into regional and international markets, especially in countries where demand for clean energy alternatives is growing

2. **Partnership with Environmental Organization**

Collaborating with NGOs, climate funds, and clean energy programs can open access to technical expertise, funding, and broad distribution networks

3. **Urbanization and Institutional Use**

The increasing urban population, hotels, schools, and food vendors prefer reliable and cleaner sources of cooking energy, representing a high-value customer base.

4. **Carbon Credit Potential**

With the global push for climate-friendly practice, the company may in the future tap into the carbon credit market, generating additional revenue through environmental sustainability.

9.4 THREATS

1. **Traditional Charcoal Competition**

Despite its environmental impact, traditional charcoal remains widely used due to lower costs and deep market penetration, posing a challenge to market entry.

2. **Consumer Price Sensitivity**

Some target customers may find alternative charcoal expensive compared to conventional options, requiring strategic pricing and awareness campaigns.

3. **Policy Uncertainty**

Changes in government policy, taxation on biomass energy products, or shifting environmental regulations may pose risks to operations

4. **Raw Material Supply Disruption**

Any disruption in the availability or transportation of coconut shells and other inputs could affect production schedules and costs.

10.0 FINANCIAL PROJECTIONS

The financial projection of BASE STONE INVESTMENT LIMITED is based on the anticipated capacity of 30 tons of alternative charcoal production per day. These projections reflect startup capital requirements, operational costs, and revenue expectations over a 6-years period

10.1 CAPITAL INVESTMENT REQUIREMENTS

ITEM	ESTIMATED COST (TZS)
Land acquisition & development	50,000,000/=
Construction of production facility	120,000,000/=
Machinery & Equipment (estimated)	100,000,000/=
Delivery Vehicle(s)	40,000,000/=
Office Setup & Furniture	15,000,000/=
Initial Raw Materials	20,000,000/=
Licensing & Compliance	10,000,000/=
Marketing & Branding	10,000,000/=
Working Capital (6 months)	35,000,000/=
TOTAL INITIAL INVESTMENT	**400,000,000/=**

10.2 REVENUE PROJECTION (5 YEARS)

ASSUMPTIONS:

- Selling Price: TZS 800 per kg
- Production: 30 tons/day = 30,000kg/day
- Operational Days: 25 days/month

YEAR	MONTHLY REVENUE (TZS	ANNUAL REVENUE (TZS)
Year 1	600,000,000/=	7,200,000,000/=

Year 2	630,000,000/=	7,560,000,000/=
Year 3	661,500,000/=	7,938,000,000/=
Year 4	694,575,000/=	8,334,900,000/=
Year 5	729,303,750/=	8,751,645,000/=

10.3 OPERTING EXPENSES (ESTIMATED)

CATEGORY	MONTHLY (TZS)	ANNUAL (TZS)
Salaries & Wages	120,000,000/=	1,440,000,000/=
Raw Material Supply	30,000,000/=	360,000,000/=
Transport& Logistics(5 trucks & 3 mini vehicles)	6,000,000/=	72,000,000/=
Utilities (Water, Power)	10,000,000/=	120,000,000/=
Maintenance & Repairs	20,000,000/=	240,000,000/=
Marketing & Promotion	5,000,000/=	60,000,000/=
Administration & Others	5,000,000/=	60,000,000/=
TOTAL ANNUAL EXPENSES	**-**	**2,352,000,000/=**

10.4 GROSS PROFIT PROJECTIONS (YEAR 1)

- Annual Revenue: TZS 7,200,000,000/=
- Annual Expenses: TZS 2,352,000,000/=
- Estimated Gross Profit: TZS 4,848,000,000/=

NOTE: These figures are based on maximum capacity utilization. Actual results may vary depending on market dynamics and production efficiency in the early months.

10.5 RETURN ON INVESTMENT (ROI)- YEAR 1

- Initial Investment: TZS 400,000,000/= Million
- Net Profit (Year 1): TZS 6,500,000,000/= Billion

- ROI: Approx. 1,625% (High return, considering environmental product demand)

11.0 REQUEST FOR TIC SUPPORT

BASE STONE INVESTMENT LIMITED is formally seeking support from the Tanzania Investment Centre (TIC) in accordance with the Tanzania Investment Act to facilitate the successful implementation of its charcoal briquette production and distribution project.

Specifically, the company requests the following: -

(a) **Certificate of Incentives**

To benefit from the fiscal and non-fiscal incentives granted to strategic investors, including exemption or reduction of import duty on capital goods, VAT deferment on capital goods, access to investment guarantees and protection, reduction or exemption of withholding tax on dividends and 100% repatriation of profits, dividends, and capital.

(b) **Investment Facilitation Services**

TIC support is requested to assist with the coordinated and expedited processing of permits, license, and approvals, assistance in acquiring land for expansion, if needed, liaison with government agencies such as NEMC, TRA, OSHA, and BRELA and immigration support (e.g., work and residence permits if foreign experts are engaged).

(c) **Access to Infrastructure and Utility Support**

Facilitation in ensuring stable and affordable utility connections (electricity, water) to the production site in Goba, Kinzudi street, and guidance in connecting with services providers and local government authorities.

(d) **Market Linkage & Export Facilitation**

Assistance in identifying and accessing export markets for alternative charcoal, and support with product certification and participation in trade fairs or business matching programs.

12.0 CONCLUSION AND RECOMMENDATION

12.1 CONCLUSION

The project proposed by BASE STONE INVESTMENT LIMITED aims to introduce an environmentally friendly, economically viable, and socially impactful solution to the ongoing challenges caused by traditional charcoal use in Tanzania and the East African region.

With a production capacity of 30 tons per day, the company will manufacture high-quality alternative charcoal briquettes using waste materials like coconut shells. The production will take place at Goba,Kinzudi street in Ubungo municipal and is aligned with both national environmental conservation strategies and green energy goals.

This investment is timely, given:

- The increasing governmental efforts to phase out traditional charcoal
- Growing demand for sustainable and affordable energy.
- A large target market consisting of households, institutions, and export customers.

The business will create employment, reduce deforestation, promote clean energy, and generate tax revenue for the government. Its projected investment of **TZS 1,850,000,000 billion** demonstrates serious commitment and capacity to sacale.

12.2 RECOMMENDATIONS

1. **Approval and Support by TIC**

It is recommended that TIC consider this project for the Certificate of Incentives to facilitate growth and sustainability and the incentives will boost investor confidence and fats-track implementation.

2. **Government Support for Alternative Energy Startup**

The project should be supported as a model for other clean energy startup, and the government agencies like NEMC, TRA and TBS should offer technical and regulatory support.

3. **Investment in Modern Equipment**

For quality assurance and operational efficiency, it is recommended that the company acquire modern and energy-efficient machinery, preferably with TIC's facilitation.

4. **Public Awareness and Partnerships**

Awareness campaigns on the benefits of alternative charcoal should be launched and partnering with institutions, schools, and hospitals will enhance adoption.

5. **Export development support**

The company should be supported in entering regional and global markets through trade missions, export certifications, and participation in international expos.

13.0 APPENDIX

1. Production Process Flowchart (Labeled diagram showing the step-by-step charcoal briquette manufacturing process)
2. Estimated Investment Breakdown
3. Project Financial Summary
4. Location Map
5. Photographs or Description of Raw Material
6. Company Registration Certificate & TIN
7. Environmental Compliance Documents (EIA/EMMP Certificate)
8. Product Samples or Prototype Description