

Zanj Spice Limited

December 2023



Project overview

Zanj Spice Limited is an organic-certified spice enterprise, which stands for fair-trade, sustainable and transparent commerce. Their mission is to improve the social, ecological and financial livelihood of smallholder farmers by including them into the spice value chain, pushing them towards organic production and giving them access to high standards and reliable markets.

Funding objective

EDFI AgriFI will provide a EUR 1 million senior loan to finance a new processing facility and machines so that the company can process an increased volume of spices. To support the growth, additional on-site camps will also be built for farmers' use, in a number of new villages, thus expanding sourcing to new smallholders.

Investment rationale

EDFI AgriFI is willing to support Zanj Spice Limited, which focus is very aligned with the country's agricultural objectives, because the project embraces a holistic approach, impacting positively the farmers and fighting against deforestation. AgriFI is playing a market developer role by providing the company with its first long term loan.

Expected impact story

With the growth targets contemplated, Zanj Spice Limited aims at sourcing from an additional 430 new smallholder farmers, who are expected to produce an extra 125 tons per year cultivated on 450 additional hectares.

AT A GLANCE

- **Project:** Zanj Spice Limited
- **AgriFI financing:** EUR 1m
- **Financial instrument:** Senior debt
- **Region:** Africa
- **Country:** Tanzania
- **Sector:** Spices
- **Allocation:** Tanzania CW

ENVIRONMENTAL & SOCIAL ASSESSMENT

Based on Environmental and Social (E&S) risks/impacts the E&S risk category is **B**.

The potential environmental and social impacts associated with the construction and operation of the processing facility and associated collection network are expected to be site specific, readily identified and addressed through appropriate mitigation and management measures, such as health and safety plans, environmental impact assessment and permit delivered.