

## **Initial Project Summary**

**Project Location:** Tanzania

**Name of Applicant:** Silver Street Private Equity Strategies Soparfi Sari

**Name of Project:** Silverlands Tanzania Ltd.

**Project Description:** The proposed Project involves the acquisition of existing assets of two existing agribusinesses to create two integrated holdings: the Makota Poultry Division and the Selous Cropping and Livestock Division. The Makota Poultry Division is a greenfield, integrated poultry operation, which will produce stock feed for poultry, day-old-chicks and table eggs. In addition to acquisition of the land and buildings on the existing farm, the proposed investment will be used to construct and operate a feed mill, grain storage silos, rearing and laying houses, hatchery equipment and related infrastructure (water, power and access roads). The Selous Cropping and Livestock Division entails the acquisition of two contiguous farms (1,483 ha total) and a third farm (1,410 ha). The farms currently produce high value seed crops, malting barley, maize, soya and potatoes as well as for grazing for cattle herds. The investment will also be used to increase acreage under irrigation, improve infrastructure and mechanization on the farms, and improve staff conditions, facilities and training. As opportunities develop, the Selous farms may be used to support additional poultry houses and for running larger cattle herds.

**Environmental and Social Categorization and Rationale:** The Project has been reviewed against OPIC's categorical prohibitions and determined to be categorically eligible. The Project is screened as Category A because the Project involves the construction of an installation for the intensive rearing of poultry. The primary environmental and social issues associated with the project include waste management (disposal of carcasses, manure and waste water), potential for transmission of communicable disease, odor and pest control, potential contamination of surface and ground water, Hazardous material (pesticide) use and management, occupational health and safety, labor practices, security and potential conversion of natural habitats.

Environmental and Social Standards: OPIC's environmental and social due diligence indicates that the Project will have impacts that must be managed in a manner consistent with the following International Finance Corporation (IFC) Performance Standards:

- P.S. 1: Assessment and Management of Environmental and Social Risks and Impacts;
- P.S. 2: Labor and Working Conditions;
- P.S. 3: Resource Efficiency and Pollution Prevention;
- P.S. 4: Community Health, Safety and Security; and
- P.S. 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources.

In addition to the Performance Standards listed above the following International Finance Corporation (IFC) Environmental, Health and Safety (EHS) Guidelines are applicable to this project: IFC General EHS Guidelines (April 30, 2007); IFC EHS Guidelines for Annual Crop Production (April 30, 2007); IFC EHS Guidelines for Mammalian Livestock Production (April 30, 2007); and IFC EHS Guidelines for Poultry Production (April 30, 2007).

PS 5 (Land Acquisition and Involuntary Resettlement) does not apply to the Project because the land was acquired through a willing-seller, willing-buyer transaction, and no involuntary resettlement or economic displacement will occur. The presence of indigenous territories and/or communities were not identified within the Project's operation footprint and therefore, PS 7 (Indigenous People) does not apply. There are no known archaeological, cultural heritage or paleontological sites within the Project properties; however the Project will be required to develop a chance finds procedure in accordance with PS 8 (Cultural Heritage).

**Location of Local Access to Project Information:** The Environmental and Social Impact Assessment Study of the Proposed Integrated Poultry Production at Makota Farms is available at the following location:

Silverlands Tanzania Limited  
Farm Number 960  
Ihemi Village  
Iringa  
Tanzania