

PROJECT COMPLETION REPORT (PCR) FOR TANZANIA INITIATIVE FOR PREVENTION OF AFLATOXIN CONTAMINATION (TANIPAC)



AFRICAN
DEVELOPMENT
BANK GROUP

I BASIC DATA

A Report data

Report date	Date of report	31 st December 2025	
	Mission date	From: 24 th November 2025	To: 31 st January 2026

B Responsible Bank staff

Positions	At approval	At completion
Director General	Gabriel NEGATU	Alex MUBIRU
Country Manager	Dejene DEMISSIE (OIC)	Mary MONYAU
Sector Director	Martin FREGENE	Martin FREGENE
Sector Manager	Joseph COOMPSON	Pascal SANGINGA
Task Manager	Salum RAMADHANI	Salum RAMADHANI
Alternate Task Manager	None	None
PCR Team Leader		Salum RAMADHANI
PCR Team Members		1. Alex MKANDAWIRE 2. Kingsley EJIM 3. Janinah GASANAH 4. Monica NANDUJJA 5. Hoseana LUNOGILO

C Project data

Project name: TANZANIA INITIATIVE FOR PREVENTION OF AFLATOXIN CONTAMINATION (TANIPAC)		
Project code: P-TZ-A00-008	Instrument number(s): P-TZ-A00-008	
Project type: Development	Sector: Agriculture	
Country: Tanzania	Environmental categorization (1-3): 2	
Processing milestones – Bank approved financing only	Key Events (Bank approved financing only)	Disbursement and closing dates (Bank approved financing only)

(add/delete rows depending on the number of financing sources)						
Financing source/ instrument1:		Financing source/ instrument1:			Financing source/ instrument1:	
Date approved: 21 st June 2018		Cancelled amounts: 0			Original disbursement deadline: 30 September 2024	
Date signed: 25 th February 2019		Supplementary financing: 0			Original closing date: 31 st May 2024	
Date of entry into force: 12 th March 2019		Restructuring (specify date & amount involved): NA			Revised (if applicable) disbursement deadline: 30 April 2026	
Date effective for 1st disbursement: 26.03.2019		Extensions (specify dates): 31st December 2025			Revised (if applicable) closing date: 31 st December 2025	
Date of actual 1st disbursement: Grant: 26 March 2019 Loan: 10 January 2020						
Financing source/instrument (add/delete rows depending on the number of financing sources):		Budgeted amount (UA):	Disbursed amount (UA):	Percentage disbursed (%):	Undisbursed amount (UA):	Percentage undisbursed (%):
Financing source/ instrument1:	GAFSP	14,495,236.49	13,890,649.18	95.96	584,587.31	4.04
	AfDB	9,200,000.00	8,929,206.58	97.06	270,793.42	2.94
	Total	23,675,236.46	22,819,855.76	96.39	855,380.73	3.61
Government (URT):						
URT: Counterpart Financing	Direct	1,678,884.41	513,239.20	30.6	1,165,645.21	69.4
	In-Kind (VAT, Land)		N/A	N/A	0	0
	In-Kind (Project Staff Payroll)		N/A	N/A	0	0
	Total	1,678,884.41	513,239.20	30.6	1,165,645.21	See note
GRAND TOTAL	TOTAL	25,354,120.87	23,333,094.96	92.03	2,021,025.94	
Co-financiers and other external partners: GAFSP was among co-financiers. Its funds were channeled and administered by AfDB. Government contribution includes direct counterpart financing plus in-kind contributions (VAT, land, and project staff payroll); accordingly, the total Government contribution is not directly comparable to the Bank-financed disbursement percentages.						
Executing and implementing agency (ies): Ministry of Agriculture (MoA)						

COMMITMENT STATUS AT COMPLETION MISSION DATE (UAC)					
Financing source/instrument	Planned amount (UAC)	Committed amount (UA)	Percentage committed (%)	Uncommitted amount (UA)	Percentage uncommitted
GAFSP	14,495,236.49	14,495,236.49	100%	0.00	0%
AfDB	9,200,000.00	9,200,000.00	100%	0.00	0%
T O T A L	23,675,236.46	23,695,236.49	100%	0.00	0%

D	Management review and comments
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Report reviewed by	Name	Date reviewed	Comments
Country Manager	Mary Monyau		
Sector Manager	Pascal Sanginga		TANIPAC has been a high-profile flagship programme that positioned the Bank as a partner of choice for investments in food safety infrastructures and laboratory facilities in Tanzania. A major legacy of TANIPAC is the establishment of strategic food safety infrastructure, including the Post-Harvest Centre of Excellence (PHCoE), the Central Aflatoxin Reference Laboratory (CARL), the National Biological Control Unit (NBCU), and 14 community storage facilities. The world class food safety laboratory infrastructure attracted the attention of the Head of State and senior government officials and is an important asset in building a stronger national food safety architecture for aflatoxin prevention. However, the full realization of the gains of this project will depend on continued operationalization, staffing, utilization, and commercialization of the assets after project completion.
Regional Director (as chair of Country Team)	Alex Mubiru		
Sector Director	Martin Fregene		TANIPAC is an example of a successful Bank project that is aligned with the Four Cardinal Points of the Bank. By mobilizing financing from Global Agriculture and Food Security Program (GAFSP), investing in technologies for postharvest management, food safety, trade and health, and building resilient infrastructures, TANIPAC is well positioned as a reference case for a second phase of financing by GAFSP and AfDB to sustain impact and institutional sustainability for the use of the world class infrastructures. TANIPAC has been recognized as one of the best performing projects in the GAFSP portfolio, often described as a flagship-type country investment, a

			model intervention linking food safety, agricultural productivity, and trade through coordinated financing and partnerships.
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II Project performance assessment

A Relevance

1. Relevance of project development objective

Rating*	Narrative assessment (max 250 words)
4	TANIPAC's main development objective is to minimize aflatoxin occurrence in the food system attained through an integrated approach in the maize and groundnuts value chains with the overall impact of improving food safety and food security, hence improving the health and nutrition of the communities, agricultural productivity and trade. The specific objectives of the project are: (i) improve pre- and post-harvest infrastructure, technology and management (ii) increase public knowledge and awareness around the health risks and the effects on malnutrition, as well as increase the participation of private sector in applying the mitigation measures; and (iii) strengthen institutional capacity for the development of value chains for safe and nutritious foods, and develop innovative marketing incentives. The project's development objectives are alignment with the Tanzania Development Vision 2025 (TDV 2025), the National Agricultural Policy (NAP) 2013; Agricultural Transformation Master Plan 2050; Agricultural Sector Development Programme (ASDP II); and the National Irrigation Policy (2010). It was also aligned with AFDB's country Strategy Paper at the appraisal time; beneficiary needs, including those of youth and women, and cross-cutting strategies such as climate change. TANIPAC's design also responded to regional and international market requirements, particularly within the East African Community (EAC) and the African Continental Free Trade Area (AfCFTA), where compliance with food safety standards is increasingly critical for competitiveness, regional integration, and market access. TANIPAC's expected impact includes, among others, improving farm incomes, improving rural livelihoods, enhancing food and nutrition security, improving food safety, enhancing export revenues through the sale of safer maize and groundnuts value chains. Overall, the relevance of TANIPAC's development objective is rated 4, that is, Highly Satisfactory.

* For all ratings in the PCR use the following scale: 4 (Highly satisfactory), 3 (Satisfactory), 2 (Unsatisfactory), 1 (Highly unsatisfactory)

2. Relevance of project design

Rating*	Narrative assessment (max 250 words)
4	The design of the Tanzania Initiative for Prevention of Aflatoxin Contamination Project (TANIPAC) covered all the scopes meant to address the specific project objectives as mentioned in II.A.1 above and allocated corresponding budgetary resources. Its focus on mitigating aflatoxin contamination was well informed by the need to enhance food and nutrition security, protect public health, and improve unhindered access to regional and international markets for maize and groundnuts. In this respect, the project design responded to a clearly defined development problem with important implications for health, food safety, agricultural productivity, and trade competitiveness. Strategically, the project was designed around critical result areas necessary to address aflatoxin across the value chain, while anchoring implementation within key national institutions responsible for food safety and food security, notably the Tanzania Bureau of Standards (TBS) and the National Food Reserve Agency (NFRA). The design therefore combined technical soundness with institutional relevance by embedding the interventions within local farming systems and Tanzania's food safety regulatory framework. However, the outbreak of COVID-19 compelled caused some delays, which necessitated extension of the project by 19 months. Despite the delays, the project's intervention areas remained unchanged. Overall, the relevance of TANIPAC's project design is rated 4, that is, Highly Satisfactory.

3. Lessons learned related to relevance

Key issues (max 5, add rows as needed)	Lessons learned	Target audience
1. Anchoring interventions on existing institutional frameworks	TANIPAC confirmed that project relevance and implementation readiness are stronger where major intervention areas are placed within institutions whose statutory mandates, technical responsibilities, and budget structures already correspond to the intended results. Future interventions should therefore undertake a more explicit institutional-mandate assessment at appraisal and align each component with the best placed institution to sustain ownership, staffing, and recurrent financing.	URT / AfDB
2. Affordability and accessibility of post-harvest management technologies	TANIPAC demonstrated that the relevance of post-harvest management (PHM) technologies depends not only on technical suitability, but also on affordability, local availability, and workable supply channels. Future interventions should therefore complement technology promotion with distribution partnerships, financing options, and local retail or service networks that make adoption commercially and practically feasible.	URT / Private Sector / AfDB
3. Optimizing benefits from aflatoxin-free grain production	TANIPAC showed that producing aflatoxin-compliant maize and groundnuts is highly relevant for food safety and market access, but farmer-level income gains remain limited where yields are low and marketable surplus is small. Future interventions should therefore integrate aflatoxin control more deliberately with productivity improvement, aggregation, financing, and stronger market-linkage measures.	URT
4. Adequate consultation in Mainland Tanzania and Zanzibar	TANIPAC showed that, in operations covering both Mainland Tanzania and Zanzibar, relevance depends on sufficiently differentiated appraisal of commodity priorities, demand patterns, and intended facility use in each territory. Future interventions should therefore carry out more granular territory-specific feasibility analysis and utilization planning at design stage.	URT / AfDB
5. Adequate differentiation and inclusiveness in project design	TANIPAC showed that project relevance depends on sufficiently differentiated design that reflects territory-specific commodity priorities, demand patterns, intended facility use, and the inclusion needs of key beneficiary groups. Where such differentiation is limited, some assets face a higher risk of underutilization and some inclusion objectives, particularly deeper gender equity outcomes, remain only partially addressed.	URT / AfDB

B	Effectiveness
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1. Progress towards the project's development objective (project purpose)

Comments
Based on the end-line evaluation, TANIPAC was effective in advancing its development objective and demonstrated substantial progress across the main results areas linking awareness, technology adoption, institutional strengthening, and market confidence. Awareness Creation and Institutional Strengthening Performance in this domain was particularly strong. The project implemented a nationwide multimedia awareness campaign that reached an estimated 25 million Tanzanians and achieved its target for public education on aflatoxin risks and control. Direct capacity-building initiatives reached 198,212 farmers and value chain actors, equal to 141 percent of the end target. Institutionally, TANIPAC strengthened agricultural research and food safety systems through laboratory upgrading, retooling of technical personnel, both men and women, and development and institutionalization of aflatoxin-related regulatory instruments and local government by-laws. There was, however, observed signs of unexpected staff turnover after they were trained, especially among laboratory technicians, underscoring the need to have a carefully planned succession plan. Nevertheless, these achievements created a stronger and more durable foundation for long-term aflatoxin prevention and control. Infrastructure, Value Addition, and Market Access The project also delivered important strategic infrastructure, including the Post-Harvest Centre of Excellence, the National Biocontrol Unit, CARL, and 14 community storage facilities. These investments have established an important platform for safer grain handling, technology transfer, value addition, and improved market credibility. Tanzania's maize export performance improved markedly following stronger inspection, certification, and compliance systems, with the value of maize exports compliant with aflatoxin standards reaching USD 268.2 million in 2024 against a target of USD 68.59 million. Groundnut export value also rose strongly to USD 50.9 million against a target of USD 6.64 million. At the same time, the evidence suggests that the project's strongest gains were in awareness, compliance, institutional capacity, and market confidence, while commercialization pathways, technology diffusion for some cost-intensive interventions, and uniform performance across commodities remained uneven. One area of unexpected under-performance was the low uptake by the trained youth in fabricating metal mini silos for lack of adequate market due to cost structure as farmers could not afford to buy the structures. Most of the trained youth were males given that there were very few women youth engaged in electrical welding skills in the villages. Project Management and Coordination The project's management and coordination were efficient, as evidenced by the consistent overachievement of its administrative and management verifiable through achieved reporting targets. The Project Coordination Unit (PCU) demonstrated strong oversight, ensuring timely delivery of key management outputs. For example, the project produced 24 quarterly physical and financial progress reports as expected based on the project's implementation duration, including extension time. The project also successfully completed 100 percent of its targets for preparation of critical documents related to project's implementation.

2. Outcome reporting

Outcome indicators (as per RLF; add more rows as needed)	Indicator Description and Unit		Baseline value (Year)	Most recent value	End target (C)	Progress towards target	Narrative assessment	Core Sector Indicator (Yes/No)
	Description	Unit	(A)	(B)	(Expected value at project completion)	(% realized) [(B-A)/ (C-A)]	(indicative max length: 50 words per outcome)	
OUTCOME STATEMENT 1: Increased quantity of maize and groundnuts and related by-products consumed and traded								
Indicator 1: Safe maize and groundnuts that comply aflatoxin levels	Maize	%	78	94	86	200	Surpassed target	Yes
	Groundnuts	%	82	90	92	80	Not Achieved	Yes
Indicator 2: Agricultural production sold in the regional markets	Maize production	Mt’ Mill.	6	7.5	8	75	Not achieved, due to continued reliance on rainfed farming	Yes
	Groundnuts Production	Mt	895,219	586,216	900,000	Drastically Declined	Declined below baseline target. The decline was possibly due to enterprise shift by farmers in favour better paying crops crops ¹	No
	Maize Exports	Mt	168,923	581,438	400,000	145	Surpassed target	No
	Groundnuts Exports	Mt	11,784	23,568	26,150	82	Not Achieved	No
OUTCOME STATEMENT 2: Improved adoption of aflatoxin smart pre- and post- harvest technologies								
Indicator 3: Awareness rate on aflatoxin problem	Farmers	%	32	90	75	134	Surpassed target	No
	Value Chain Actors (VCAs)	%	54	100	75	219	Surpassed target	No
Indicator 4: Awareness rate of pre- and post-harvest	Farmers	%	23	88	75	125	Surpassed target	No
	Value Chain Actors (VCAs)	%	45	100	75	183	Surpassed target	No

¹¹ Government intervened to improve marketing systems by introducing commodity open auctioneering and encouraging farmers to use warehouse receipt system in selling sesame and cashewnuts.

technologies and practices								
Indicator 5: Adoption rate of pre- and post-harvest technologies and practices	Farmers	%	10	75	60	130	Surpassed target	No
	Value Chain Actors (VCAs)	%	75	100	86	227	Surpassed target	No

Rating* (see IPR methodology)	Narrative assessment						
3	TANIPAC achieved substantial progress toward its planned outcomes and made a significant contribution to strengthening Tanzania's capacity to prevent and control aflatoxin contamination. Outcome performance was strongest in awareness creation, institutional strengthening, compliance with aflatoxin standards, and expansion of safer grain trade, although results were more mixed across commodities and outcome types. Awareness of aflatoxin risks and of pre- and post-harvest technologies improved strongly among farmers, value chain actors, technocrats, policymakers, planners, and the wider public. The project also left behind a stronger national food safety architecture for aflatoxin prevention. Adoption of aflatoxin-smart technologies and practices increased, but not uniformly across all interventions, and the evidence indicates that project-attributable gains were stronger for some practices than for others. This suggests that awareness and institutional readiness advanced faster than full market-wide diffusion of all promoted technologies, especially those with affordability or commercialization constraints. The strategic infrastructure established under TANIPAC is critical to the longer-term transformation of the grain industry through food safety-centered technology transfer, value addition, and market access. However, the full realization of these outcome-level gains will depend on continued operationalization, staffing, utilization, and commercialization of the assets after project completion.						

3. Output reporting

Output indicators (as specified in the RLF; add more rows as needed)	Indicator Description and Unit		Baseline value (Year)	Most recent value	End target (C)	Progress towards target	Narrative assessment	Core Sector Indicator (Yes/No)
	Description	Unit	(A)	(B)	(Expected value at project completion)	(% realized) [(B-A)/(C-A)]	(indicative max length: 50 words per output)	
OUTPUT STATEMENT 1: Development of Infrastructure for PHM and Aflatoxin Control								
Indicator 1: National Biological Control Unit (NBCU) Strengthened	NBCU constructed and equipped	#	0	1	1	100	Achieved	No
Indicator 2: Post Harvest Centre of Excellence for	PHCoE constructed and equipped	#	0	1	1	100	Achieved	No

Output indicators (as specified in the RLF; add more rows as needed)	Indicator Description and Unit		Baseline value (Year)	Most recent value	End target (C)	Progress towards target	Narrative assessment	Core Sector Indicator (Yes/No)
	Description	Unit	(A)	(B)	(Expected value at project completion)	(% realized) [(B-A)/(C-A)]	(indicative max length: 50 words per output)	
grains Established								
Indicator 3: Central Agricultural Reference Laboratory (CARL) Established and Equipped	CARL constructed and equipped	#	0	1	1	100	Achieved	No
Indicator 4: Community-Level Storage Facilities Constructed and Equipped	Warehouses Constructed and Equipped	#	0	14	14	100	Achieved	No
OUTPUT STATEMENT 2: Capacity Building of Farmers and Value Chain Stakeholders								
Indicator 5: Farmers trained on pre- and post-harvest GAPs	Trained through seminars, meetings and workshops	#	0	61,910	60,000	103	Surpassed	No
	Trained through Demo plots/FFS	#	0	59,482	60,000	99	Almost achieved	No
	Trained on PHM technologies and practices	#	0	59,482	60,000	99	Almost achieved	No
Indicator 6: Extension workers from private and public institutions trained/Re-tooled on GAPs	Trained and/or retooled on Aflatoxin-smart GAPs	#	0	1,351	669	202	Surpassed target	No

Output indicators (as specified in the RLF; add more rows as needed)	Indicator Description and Unit		Baseline value (Year)	Most recent value	End target (C)	Progress towards target	Narrative assessment	Core Sector Indicator (Yes/No)
	Description	Unit	(A)	(B)	(Expected value at project completion)	(% realized) [(B-A)/(C-A)]	(indicative max length: 50 words per output)	
Indicator 7: Tutors from public and private institutions trained on aflatoxin management modules	Tutors trained on developed aflatoxin management modules	#	0	100	100	100	Achieved	No
Indicator 8: Farmers' Field Schools ((FFS) Clusters established and operationalized	Clusters of farmers in demo plots/FFS	#	0	180	180	100	Achieved	No

Output indicators (as specified in the RLF; add more rows as needed)	Indicator Description and Unit		Baseline value (Year)	Most recent value	End target (C)	Progress towards target	Narrative assessment	Core Sector Indicator (Yes/No)
	Description	Unit	(A)	(B)	(Expected value at project completion)	(% realized) [(B-A)/(C-A)]	(indicative max length: 50 words per output)	
Indicator 9: Farmers participation in FFS	Farmers enrolled and participating in the FFS	#	0	59,482	60,000	99	Almost achieved	No
Indicator 10: Youth artisans trained, equipped and incubated on metal silos fabrication	Youth artisans trained in collaboration with VETA	#	0	420	400	105	Achieved	No
	Youth artisans incubated and equipped in collaboration with SIDO	#	0	393	400	98	Almost achieved	No
Indicator 11: Hermetic storage technologies Promoted	Hermetic bags procured and distributed to resource-poor farmers	#	0	470,000	300,000	157	Surpassed target	No

Output indicators (as specified in the RLF; add more rows as needed)	Indicator Description and Unit		Baseline value (Year)	Most recent value	End target (C)	Progress towards target	Narrative assessment	Core Sector Indicator (Yes/No)
	Description	Unit	(A)	(B)	(Expected value at project completion)	(% realized) [(B-A)/(C-A)]	(indicative max length: 50 words per output)	
	Metal silos fabricated and distributed to farmers	#	0	197	6,000	3,000	Achieved by 50%. Inadequate adoption due to low purchasing power of farmers	No
Indicator 12: Value Chain Actors (VCAs) trained (traders, transporters, processors and SMEs)	VCAs trained on aflatoxin	#	0	5,547	5,000	111	Surpassed target	No

Output indicators (as specified in the RLF; add more rows as needed)	Indicator Description and Unit		Baseline value (Year)	Most recent value	End target (C)	Progress towards target	Narrative assessment	Core Sector Indicator (Yes/No)
	Description	Unit	(A)	(B)	(Expected value at project completion)	(% realized) [(B-A)/(C-A)]	(indicative max length: 50 words per output)	
OUTPUT STATEMENT 3: Institutional Strengthening								
Indicator 13: Legal instruments developed and disseminated for aflatoxin management	Aflatoxin related codes of practices and standards developed and institutionalized	#	0	2	2	100	Achieved	No
	By-laws for LGAs	#	0	18	18	100	Achieved	No
	Aflatoxin control guidelines (regulations)	#	0	2	2	100	Achieved	No
Indicator 14: Inservice staff Trained	Short course training	#	0	20	15	133	Surpassed target	No
	Long course training	#	0	23	23	100	Achieved	No
	Long course trainees graduated	#	0	19	23	83	Not Achieved	No
	Trained on laboratory analytical skills	#	0	63	60	105	Surpassed target	No
Indicator 15: Laboratory equipment procured and commissioned to regulatory and research institutions	HPLC	#	0	2	2	100	Achieved	No
	LC-MS/MS	#	0	1	1	100	Achieved	No
	Investigator machine	#	0	1	1	100	Achieved	No

Output indicators (as specified in the RLF; add more rows as needed)	Indicator Description and Unit		Baseline value (Year)	Most recent value	End target (C)	Progress towards target	Narrative assessment	Core Sector Indicator (Yes/No)
	Description	Unit	(A)	(B)	(Expected value at project completion)	(% realized) [(B-A)/(C-A)]	(indicative max length: 50 words per output)	
OUTPUT STATEMENT 4: Awareness creation on aflatoxin to the general public								
Indicator 16: Key stakeholders reached and sensitized on aflatoxin	Members of parliament, Management of	#	0	1,180	1,160	102	Surpassed target	No
	Agriculture Line Ministries, Region and Districts Media (Journalists)	#	0	217	200	109	Surpassed target	No
Indicator 17: National Aflatoxin Communication Strategy (NAfCS) Developed and Implemented	Developed NAfCS	#	0	1	1	100	Achieved	No
	Stakeholders reached through the NAfCS	#	0	44	30	147	Surpassed target	No
Indicator 18: Awareness materials Developed and Distributed	Awareness material developed and distributed in total	#	0	49,497	33,230	149	Surpassed target	No
	Printed products	#	0	44,464	25,500	174	Surpassed target	No
	Documentaries	#	0	12	10	120	Surpassed target	No
Indicator 19: People reached with aflatoxin message	Direct engagement	#	0	198,212	140,509	141	Surpassed target	No
	Indirect engagement through media platforms	#, Mill.	0	25	25	100	Achieved	No

Rating* (see IPR methodology)	Narrative assessment
4	TANIPAC was successful in delivering its planned outputs, and performance in several output areas exceeded expectations. The breadth of delivery across awareness creation, technology promotion, institutional strengthening, infrastructure, and project coordination demonstrates strong implementation capability and good conversion of resources into tangible outputs. Awareness and capacity-building outputs were particularly strong. The nationwide awareness campaign reached an estimated 25 million Tanzanians, meeting its target, while direct engagement reached 198,212 stakeholders, equivalent to 141 percent of target. This reflects a wide and deliberate effort to embed knowledge of aflatoxin prevention across the value chain. The project also performed strongly in institutional strengthening and infrastructure delivery. It supported upgrading of laboratories in selected agricultural research and regulatory institutions, advanced regulatory instruments and local by-laws for aflatoxin control, and completed key strategic assets including CARL, the NBCU, the PHCoE, and the warehouse network. These outputs materially strengthened the national food safety and post-harvest management platform, although not all output streams converted equally quickly into full post-project functionality, particularly where staffing, utilization, or commercialization arrangements remained incomplete at closure. Project management and coordination were also executed effectively. The PCU exceeded several reporting targets, including quarterly physical and financial reports and semi-annual reports, while completing key implementation documents on schedule. This strong management performance helped sustain control, accountability, and delivery momentum across a complex multi-institutional project.

4. Development Objective (DO) rating

DO rating (derived from updated IPR)*	Narrative assessment (indicative max length: 250 words)
3	TANIPAC was effective in advancing its development objective of minimizing aflatoxin contamination in maize and groundnut value chains to improve food safety, protect public health, and strengthen agricultural trade competitiveness. The project combined awareness creation, technology dissemination, institutional strengthening, regulatory development, and strategic infrastructure investment, and this broad intervention package largely held together as a coherent results chain from outputs to outcomes. The strongest performance was recorded in awareness creation, stakeholder outreach, training, institutional strengthening, and completion of strategic infrastructure, including the Post-Harvest Centre of Excellence, the National Bio-Control Unit, the Central Agricultural Reference Laboratory, and 14 community storage facilities. Outcome performance was mixed across commodities and indicators, with stronger results for maize compliance and maize exports than for some groundnut and production indicators. This suggests that the project was more successful in establishing an enabling environment for aflatoxin control and safer grain trade than in uniformly transforming all production outcomes across targeted commodities. Overall, the project made a strong contribution to its intended development objective and is rated Highly Satisfactory.

5. Beneficiaries (add rows as needed)

Actual (A)	Planned (B)	Progress towards target (% realized) (A/B)	% of women	Category (e.g. farmers, students)
61,910	60,000	103.2	40	Farmers
5,547	5,000	110.9	32	Value Chain Actors (incl. traders, transporters, and processors)
393	400	98.3	0.3	Youth Artisans
1,451	769	188.7	30	In-Service Staff
19	23	82.6	26	Post-Graduate Students
1,180	1,160	101.7	40	Policymakers/Politicians
217	200	108.5	30	Journalists
25,000,000	25,000,000	100.0	50	General Public

6. Gender equality

Assessment on the performance of gender equality in the operation (indicative max length: 250 words)

TANIPAC took into account issues of gender equality primarily through inclusive targeting and participation in awareness creation, training, and stakeholder engagement activities. The project planned to include more women in most of the trainings such as post-harvest drying of cereals and packing in special bags. However, it was not possible to get enough women in some trainings such as artisans training to make metal silos at the village level. This is because jobs such as welding are still regarded as meant for men. The project experience also showed that participation targets alone are not sufficient to secure deeper gender outcomes. While women were reached in significant numbers, the intervention design did not fully address the structural constraints that shape women's effective access to productive resources, finance, technologies, markets, and decision-making power within the value chain. The project's gender performance is therefore assessed as inadequate, but with scope for stronger equity-focused design in future interventions.

7. Unanticipated or additional outcomes (add rows as needed)

Description	Type (e.g. gender, climate change, social, other)	Positive or negative	Impact on project (High, Medium, Low)
Commercial uptake of youth-fabricated metal silos was much weaker than expected because of high input costs, limited working capital, and weak market demand constrained transition from training to viable business activity.	Other	Negative	Medium
Adoption of Aflasafe remained below potential because local supply channels, stockists' networks, and market promotion were not as developed as expected during implementation.	Other	Negative	Medium
After-sales servicing of some laboratory equipment, especially in Zanzibar, proved more difficult than expected because of reliance on external technical personnel and delayed service response.	Institutional	Negative	Low
Turnover of trained technical personnel in some institutions was higher than expected, increasing retraining needs and slowing full operationalization of newly installed facilities and equipment.	Institutional	Negative	Medium

8. Lessons learned related to effectiveness (add rows as needed)

Key issues (max 5, add rows as needed)	Lessons learned	Target audience
1. Building local service ecosystems for equipment and technical inputs	TANIPAC showed that installation of sophisticated laboratory equipment and promotion of specialized technical inputs are more effective where local maintenance, servicing, consumables, and technical support are available. Future interventions should therefore develop local service ecosystems and supplier capacity alongside equipment procurement and installation.	URT / Private Sector
2. Managing staff turnover in technical facilities	TANIPAC demonstrated that training alone does not guarantee sustained operational capacity where staff transfers, resignations, delayed recruitment, or weak retention affect specialized posts. Future interventions should therefore incorporate staffing continuity, succession arrangements, and retention planning into institutional capacity-building design.	URT / AfDB
3. Demand-based infrastructure planning	TANIPAC showed that strategic infrastructure is more effective where location, intended use, operator readiness, and commodity demand are fully validated before construction. Where feasibility analysis and utilization planning are not sufficiently differentiated, completed facilities face a greater risk of delayed or sub-optimal use. Future interventions should therefore strengthen demand validation and operational-readiness assessment at appraisal stage.	URT / AfDB
4. Technology adoption requires commercialization support	TANIPAC demonstrated that technology promotion is less effective where viable commercial pathways remain weak. This was evident in the limited uptake of some promoted technologies, including metal silos and Aflasafe, where training was not always matched by financing access, input supply chains, after-sales support, and market development. Future interventions should therefore combine technology transfer with stronger commercialization support.	URT / Private Sector / AfDB
5. Gender inclusion should go beyond participation	TANIPAC showed that numerical participation of women is valuable, but not sufficient on its own to secure stronger livelihood, empowerment, and decision-making outcomes. Future interventions should therefore complement inclusion targets with measures that improve women's access to assets, finance, technologies, and market opportunities.	URT / AfDB

C Efficiency

1. Timeliness

Planned project duration – years (A) (as per PAR)	Actual implementation time – years (B) (from effectiveness for 1st dish.)	Ratio of planned and actual implementation time (A/B)	Rating *
5	6 -75	0.74	2
Rating (derived from updated IPR) *	Narrative assessment (indicative max length: 250 words)		
2	The project was initially designed with a five-year implementation period, but actual implementation extended beyond the original schedule and required a no-cost extension. The principal causes of delay included infrastructure complexity, lengthy procurement and approval processes, contractor-management challenges, and supply-chain disruption during the COVID-19 period. These factors reduced time efficiency, particularly for infrastructure-heavy interventions and imported inputs. However, the extension was justified because it enabled completion of strategic investments rather than leaving major activities unfinished. On balance, time efficiency is assessed as Unsatisfactory.		

2. Resource use efficiency

Median % physical implementation of RLF outputs financed by all financiers (A) (see II.B.3)	Commitment rate (%) (B) (See table 1.C – Total commitment rate of all financiers)	Ratio of the median percentage physical implementation and commitment rate (A/B)	Rating*
100	100	1	4
Rating (derived from updated IPR) *	Narrative assessment (indicative max length: 250 words)		
4	TANIPAC demonstrated good resource use efficiency. Most planned outputs were delivered, and several were exceeded, including awareness creation, stakeholder training, hermetic bag distribution, reporting, and development of regulatory instruments. The project also achieved high physical implementation relative to committed resources and delivered substantial durable assets and institutional capacity without requiring supplementary financing from the main funding sources. Some inefficiencies were evident in time overrun, a few underperforming outputs, and delayed operationalization of certain strategic assets. Even so, the project converted available resources into substantial physical, institutional, and knowledge outputs. Resource use efficiency is therefore rated Highly Satisfactory.		

3. Cost benefit analysis

Economic Rate of Return (ERR) (at appraisal) (A)	Updated Economic Rate of Return (ERR) (at completion) (B)	Ratio of the ERR at completion and at appraisal (B/A)	Rating*
NA	31.1% (completion-side warehouse component FIRR)	NA	
Rating (derived from updated IPR) *	Narrative assessment (indicative max length: 250 words)		
	The PAR and EPER materials available to the PCR team did not provide a recoverable appraisal ERR for direct comparison; appraisal ERR is therefore reported as NA. The completion-side analysis is presented as a 15-year FIRR for the warehouse component under the corrected grain purchase, storage, farmer reacquisition, and retained-grain monetization model. At an installed capacity of 24,000 metric tonnes and a discount rate of 12 percent, the model yields a positive NPV and a 31.1 percent FIRR, materially above the hurdle rate. Viability is most sensitive to farmer reacquisition behaviour and the realized value of retained grain sold raw or processed. A brief writeup indicating the positive NPV and 31. Percent FIRR is shown in Annex A and Annex B.		

4. Implementation Progress (IP)

Rating (derived from updated IPR) *	Narrative comments (commenting specifically on those IP items that were rated Unsatisfactory or Highly Unsatisfactory, as per last IPR). (indicative max length: 500 words)
3	Implementation progress is rated Satisfactory. Although the project experienced a slow start and required a no-cost extension, implementation recovered strongly and ultimately delivered most planned outputs. The principal sources of delay were the complexity of infrastructure delivery, lengthy procurement and approval processes, contractor-management challenges, and COVID-19-related supply disruption. These factors affected timing more than they affected the substance of delivery. Once bottlenecks were addressed, the project demonstrated resilience and strong execution discipline. Strategic infrastructure was completed, regulatory and training outputs were delivered, and fiduciary, management, and reporting functions performed strongly. The main limitation is that some facilities and technologies were not yet operating at full intended intensity by closure, meaning that implementation progress was stronger on delivery than on post-delivery operational maturity.

5. Lessons learned related to efficiency

Key issues (max 5, add rows as needed)	Lessons learned	Target audience
1. Time overrun due to external shocks	TANIPAC showed that projects with significant reliance on international procurement are highly vulnerable to external shocks such as inflation, pandemics, geopolitical disruptions, and supply-chain instability, all of which can affect implementation time and cost efficiency.	AfDB / URT
2. Use of PPF and advance contracting	The use of PPF ensures readiness of infrastructure designs before project appraisal and not during project implementation as the process of procurement and design takes time and can negatively impact achievement of results on time.	AfDB / URT
3. Contractor and contract-management performance	TANIPAC showed that implementation efficiency depends heavily on the strength of procurement quality, contractor capability, and contract management, since weak contractor performance and inadequate supervision can significantly delay delivery of goods, services, and quality of civil works.	URT
4. Complex approvals and procurement processes Flexibility in dealing with unexpected circumstances during project implementation	TANIPAC's stakeholders (AfDB and Tanzania Government) had open communication channels that allowed flexibility in dealing external disruptions such as COVID-19, without which the extension period would have been longer than the 18 months. The flexibility also allowed the project to attain its development objectives.	AfDB / URT
5. Delayed staffing of strategic facilities	TANIPAC showed that the efficiency of large capital investments is reduced when competent manpower is not deployed in time to operationalize newly completed facilities such as CARL, NBCU, and PHCoE, leading to delayed utilization and slower realization of project benefits.	URT

1. Financial sustainability

Rating *	Narrative assessment (indicative max length: 250 words)
3	Financial sustainability should be distinguished from the modelled viability of the warehouse component. Whereas the cost-benefit analysis addresses whether the warehouse network can recover and exceed its investment and operating burden under the corrected grain purchase, storage, reacquisition, and retained-grain sale model, financial sustainability concerns whether that performance can be maintained in practice through reliable operating arrangements, working-capital discipline, stock integrity, and continued financing of operations and maintenance. For TANIPAC, this distinction is critical because the warehouse network is not sustained through farmer-paid storage fees. Its sustainability depends on disciplined execution of the commercial cycle, including harvest intake, recognition and settlement of farmer obligations, preservation of grain quality during storage, orderly farmer reacquisition, and efficient monetization of retained grain through raw sale or processing. The transfer of the warehouse network to NFRA materially strengthens the sustainability outlook, but long-term sustainability remains conditional on sufficient throughput, timely settlement, O&M funding, stock quality preservation, and viable disposal channels for retained grain. Financial sustainability is therefore assessed as Satisfactory.

2. Institutional sustainability and strengthening of capacities

Rating *	Narrative assessment (indicative max length: 250 words)
3	The institutional sustainability of TANIPAC depends on whether the post-project operators have the technical capacity, mandate, staffing, and control environment required to manage the strategic assets and sustain aflatoxin control functions after project closure. TANIPAC made an important contribution in this regard through investment in permanent public institutions and infrastructure, including CARL, the PHCoE, the National Bio-Control Unit, and community storage facilities, alongside revisions to aflatoxin-relevant regulatory and operational frameworks. These investments were supported by broad-based capacity development reaching farmers, technical staff, and postgraduate trainees, which strengthened the national architecture for food safety, post-harvest management, and regulatory enforcement. For the warehouse component specifically, the transfer to NFRA is a major institutional strengthening measure because it aligns the storage assets with an established public institution whose mandate is directly linked to grain management and structured commodity handling. However, sustainability will depend on effective staffing, stock accounting, quality testing protocols, maintenance planning, and strong operational controls. Institutional sustainability is therefore assessed as Satisfactory.

3. Ownership and sustainability of partnerships

Rating *	Narrative assessment (indicative max length: 250 words)
3	TANIPAC demonstrated strong Government ownership and generally effective execution of the planned interventions. Political commitment to combating aflatoxin contamination was evident from the outset of the project and was sustained through strategic engagement in aflatoxin awareness creation and the building of institutional alliances at national, subnational, and local levels. This enabled the project to secure broad-based buy-in from key stakeholders. The project also established productive partnerships with private sector actors, including Agro-Z, in the promotion of aflatoxin-smart technologies such as Aflasafe and hermetic bags. The project further invested in building local technical and entrepreneurial capacity by training and incubating youth artisans from intervention areas in the manufacture of metal silos, with the intention of making the technology more locally available and accessible. This initiative contributed positively to technical skills development, entrepreneurship, and, in some cases, formalization of local ventures. A major legacy of TANIPAC is the establishment of strategic food safety infrastructure, including the Post-Harvest Centre of Excellence (PHCoE), the Central Aflatoxin Reference Laboratory (CARL), the National Biological Control Unit (NBCU), and community storage facilities. These assets were transferred to designated public institutions as frontline operators, namely the National Food Reserve Agency (NFRA), the Tanzania Agricultural Research Institute (TARI), and the Tropical Pesticides Research Institute (TPRI). As part of its exit strategy, the project also assessed alternative operational modalities to support sustainable and transformative use of these facilities.

4. Environmental and social sustainability

Rating *	Narrative assessment (indicative max length: 250 words)
3	TANIPAC was fundamentally driven by strong social and public-interest objectives, especially improved food safety, reduced dietary exposure to aflatoxin, and more inclusive participation in safer grain value chains. The project also supported environmentally preferable approaches through promotion of better post-harvest management, reduced spoilage and losses, improved storage, and the establishment of a National Bio-Control Unit that can support more sustainable crop-protection pathways over time. At the same time, the project experience showed that environmental and social sustainability depends not only on infrastructure and technology promotion but also on continued awareness, affordability of safer technologies, maintenance of institutional systems, and stronger consumer-level food safety practices. Environmental and social sustainability is therefore assessed as Satisfactory.

5. Lessons learned related to sustainability

Key issues (max 5, add rows as needed)	Lessons Learned	Target audience
Persistently limited adoption and diffusion of post-harvest management (PHM) technologies due to unaffordability by smallholder farmers	TANIPAC showed that sustainable adoption of post-harvest management (PHM) technologies depends not only on their technical effectiveness, but also on whether they are affordable, locally available, and accessible to smallholder farmers. Despite the demonstrated benefits of hermetic bags and mini metal silos, uptake remained limited because their costs were significantly higher than commonly used alternatives. The project experience confirmed that large investments in community storage infrastructure do not by themselves ensure widespread use of improved PHM technologies where affordability constraints remain unresolved. Future interventions should therefore combine PHM promotion with practical measures that improve affordability, local availability, and access for smallholder users.	URT and other Countries in Africa

Key issues (max 5, add rows as needed)	Lessons Learned	Target audience
Inadequate bio-control technologies for aflatoxin control and crop protection	TANIPAC demonstrated that sustainable intensification requires stronger uptake of biocontrol and integrated pest management technologies, yet adoption of these solutions remained limited during implementation. Although the project promoted the bio-control agent Aflasafe, the experience showed that diffusion of such technologies is still at an early stage. At the same time, the establishment of the National Biological Control Unit (NBCU) provides an important institutional platform for strengthening biotechnology research and development, including future expansion of bio-agents for sustainable crop protection and post-harvest management. Future interventions should therefore build more deliberate pathways for scaling research, registration, availability, and field-level uptake of bio-control technologies.	URT
Persistent dietary aflatoxin exposure remains a public health threat	TANIPAC showed that controlling aflatoxin at production and storage stages alone is not sufficient to eliminate public health risk where exposure continues through household-level handling, preparation, and consumption practices. The project experience confirmed that the food safety chain must extend beyond production and marketing to include consumer awareness and safer household food preparation practices if health gains are to be fully sustained. Future interventions should therefore complement producer-focused measures with stronger consumer education and household-level food safety messaging.	URT

1. Bank performance

Rating*	Narrative assessment by the Borrower on the Bank's performance, as well as any other aspects of the project (both quantitative and qualitative). See guidance note on issues to cover. (indicative max length: 250 words)	
4	From the Borrower's perspective, the Bank's performance was highly satisfactory. The Bank was proactively engaged in project identification, design, financing, supervision, and implementation support, and it remained responsive throughout the life of the project. Its guidance on technical, fiduciary, and safeguards matters, together with regular supervision and follow-up, helped the project address bottlenecks and maintain delivery momentum across a complex multi-institutional operation.	
	Overall, the available evidence supports the same rating. The Bank's timely technical, fiduciary, and safeguards guidance, together with regular supervision and support for the no-cost extension, materially helped address implementation bottlenecks and complete strategic infrastructure and related outputs.	
Key issues (related to Bank performance, max 5, add rows as needed)		Lessons learned
Necessity of Adaptive Financing		TANIPAC showed that complex projects may require timely adjustment of implementation arrangements and close supervisory engagement where costs, procurement conditions, or delivery circumstances change materially.
Joint Supervision Missions as an Effective Strategy for Results-Based Implementation of the Project		The project demonstrated that joint supervision missions are effective in identifying bottlenecks, maintaining implementation focus, and generating corrective actions across multiple stakeholders.

2. Borrower performance

Rating *	Narrative assessment on the Borrower performance to be inserted by the Bank (both quantitative and qualitative, depending on available information). See guidance note. (indicative max length: 250 words)	
4	The Borrower's performance is rated Highly Satisfactory. The Government of Tanzania made important contributions to project design, approval, implementation, supervision, and stakeholder coordination. Through the Ministry of Agriculture and collaborating institutions, the Borrower ensured that implementation broadly complied with financing covenants, safeguards, and reporting requirements, while also participating actively in supervision missions and following up on agreed actions. The Borrower demonstrated ownership by coordinating a wide institutional network, supporting technical backstopping, facilitating project oversight, and maintaining engagement with implementing entities in both Mainland Tanzania and Zanzibar. The main areas for improvement relate to earlier project preparation, sharper differentiation of Mainland and Zanzibar intervention needs, and stronger staffing readiness for post-completion operation of strategic facilities. Overall, however, the Borrower's role was constructive and material to the strong delivery of outputs and establishment of longer-term public sector capacity.	
	From the URT's perspective, TANIPAC generated strong strategic and sectoral results; however, the project experience also points to areas for improvement in advance readiness, sharper Mainland-Zanzibar differentiation, and earlier staffing of strategic facilities.	
Key issues (related to Borrower performance, max 5, add rows as needed)		Lessons learned
1. Computation of Government contribution to the project's overall implementation budget		TANIPAC demonstrated that Government contribution should be fully captured from the outset, including direct financing, land, taxes where relevant, and non-project staff time, so that co-financing and counterpart effort are transparently reflected.
2. Advance readiness for implementation		The implementation of TANIPAC confirmed what has been recommended in other completed projects: that project implementation is more efficient where feasibility studies, designs, and early procurement readiness are completed before effectiveness.
3. Early preparation of PIU manpower		TANIPAC demonstrated that PIU effectiveness improves where key project personnel are identified and engaged early enough to understand project design, feasibility work, and implementation requirements before start-up.
4. Inclusive feasibility studies		The project showed that feasibility studies are stronger where all relevant stakeholders, including Mainland Tanzania and Zanzibar institutions, are engaged early and substantively.
5. Early private sector participation		TANIPAC demonstrated that private sector participation is more effective when it is built into project design rather than added later during implementation.

3. Performance of other stakeholders

Rating*	Narrative assessment on the performance of other stakeholders, including co-financiers, contractors and service providers. See guidance note on issues to cover. (indicative max length: 250 words)		
4	The performance of other stakeholders is rated Highly Satisfactory. TANIPAC involved a broad network of co-financiers, public institutions, training bodies, regulators, local authorities, and service providers. Collaboration was generally effective and strategically structured around institutional mandates and project results areas. The use of MoUs and other coordination arrangements helped clarify roles, support budget discipline, and strengthen accountability for delivery. Stakeholder collaboration was particularly important in regulatory strengthening, training, curriculum review, farmer mobilization, and implementation support in both Mainland Tanzania and Zanzibar. Although some contractor and commercialization challenges emerged, the broader stakeholder ecosystem contributed positively to overall project delivery.		
Key issues (related to performance of other stakeholders, max 5, add rows as needed)		Lessons learned (max 5)	Target audience (for lessons learned)
Preparedness of stakeholders to collaborate in implementation		TANIPAC showed that advance engagement of collaborating institutions improves ownership, role clarity, and implementation responsiveness.	URT / AfDB
Alignment of roles with institutional and legal mandates		The project demonstrated that stakeholder roles are most effective and sustainable where they align both with institutional mandates and with the legal boundaries governing enforcement, regulation, and service delivery.	URT
Use of formal collaboration arrangements		TANIPAC showed that MoUs and similar formal arrangements can improve accountability, reporting, and budget discipline across multiple implementing partners.	URT / AfDB

IV Summary of key lessons learned and recommendations

1. Key lessons learned

Key issues (max 5, add rows as needed)	Key lessons learned	Target audience
1. Contractor performance in civil works	TANIPAC demonstrated that infrastructure quality and timeliness depend heavily on contractor performance and active contract management. Future interventions should therefore combine stronger contractor screening with tighter in-process supervision and performance enforcement.	URT / AfDB
2. Operationalization of strategic infrastructure	The project showed that completion of infrastructure is not the same as realization of benefits. Future interventions should therefore link handover, staffing, operating models, and utilization plans more explicitly before closure.	URT
3. Multi-agency collaboration	TANIPAC demonstrated that early role definition, formal collaboration arrangements, and mandate alignment can support strong delivery across multiple institutions.	URT / AfDB

Key issues (max 5, add rows as needed)	Key lessons learned	Target audience
4. Differentiation between Mainland Tanzania and Zanzibar	The project showed that national operations covering both Mainland Tanzania and Zanzibar require sharper location-specific design to reflect different commodity systems, demand patterns, and institutional realities.	URT / AfDB
5. Youth-artisan commercialization pathway	TANIPAC demonstrated that training and incubation alone are not sufficient to establish viable manufacturing businesses. Future interventions should therefore connect youth technical training to working capital, equipment access, business development support, and market creation.	URT / Private Sector / AfDB

2. Key recommendations (with particular emphasis on ensuring sustainability of project benefits)

Key issue (max 10, add rows as needed)	Key recommendation	Responsible	Deadline
1. Restoring market confidence in Tanzanian maize	Implement a targeted communication and market-assurance campaign to demonstrate that exported maize is now subject to stronger inspection, testing, and certification systems.	URT	2026 onwards
2. Continued awareness on aflatoxin risks	Sustain and deepen aflatoxin awareness efforts across the value chain, with greater emphasis on household-level food handling, preparation, and consumption practices.	URT	2026 onwards
3. Improving contractor selection and performance	Need to follow the Bank's Procurement Guidelines which show the recommended process for contractor prequalification, supervision, and performance management, including systematic use of past performance information in future tender evaluations and contract administration.	URT	2026 onwards
4. Leveraging strategic infrastructure for grain-sector transformation	Operationalize the PHCoE, CARL, NBCU, and warehouse network under clear operating, business, and service models that support food safety, value addition, grain-sector modernization, and trade competitiveness.	URT / AfDB	2026 onwards
5. Strengthening inter-institutional collaboration	Formalize and deepen collaboration among relevant institutions in Mainland Tanzania and Zanzibar through structured coordination, capacity sharing, and operational agreements where necessary.	URT	2026 onwards
6. Optimizing utilization of established infrastructure	Ensure that completed infrastructure is commissioned on time, adequately staffed, properly maintained, and used for its intended purpose, especially where utilization has lagged after completion.	URT / AfDB	2026–2027
7. Supporting youth-artisan business development	Extend support to trained youth artisans beyond incubation by linking them to finance, market development, fabrication support, and business development services.	URT	2026 onwards

Key issue (max 10, add rows as needed)	Key recommendation	Responsible	Deadline
8. Improving affordability and access to PHM technologies	Promote wider uptake of hermetic bags, metal silos, and related post-harvest management (PHM) technologies through measures that improve local availability, reduce access barriers, and strengthen distribution and supply networks for smallholder farmers.	URT / Private Sector	2026 onwards
9. Optimizing benefits from aflatoxin-free grain production	Integrate aflatoxin control more strongly with yield improvement, extension support, access to quality inputs and finance, aggregation, and stronger market-linkage arrangements so that farmers capture greater income benefits from compliant maize and groundnut production.	URT	2026 onwards
10. Expanding food safety coverage beyond maize and groundnuts	Use the strengthened laboratory, regulatory, and certification systems to extend food safety assurance, traceability, and compliance support to other tradable food products.	URT	2026 onwards
11. Adopt special mitigation measures to enhance women and youth engagements	Consideration of factors preventing effective participation of women in specific areas should be taken into account when planning for interventions	URT	2026-onwards

Key issue (max 10, add rows as needed)	Key recommendation	Responsible	Deadline
V	Overall PCR rating		

Dimensions and criteria	Rating*
DIMENSION A: RELEVANCE	4.0
Relevance of project development objective (II.A.1)	4
Relevance of project design (II.A.2)	4
DIMENSION B: EFFECTIVENESS	3.3
Progress toward outcomes (II.B.2)	3
Progress towards outputs (II.B.3)	4
Development Objective (DO) (II.B.4)	3
DIMENSION C: EFFICIENCY	3.3
Timeliness (II.C.1)	2
Resource use efficiency (II.C.2)	4
Cost-benefit analysis (II.C.3)	4
Implementation Progress (IP) (II.C.4)	3
DIMENSION D: SUSTAINABILITY	3.0
Financial sustainability (II.D.1)	3
Institutional sustainability and strengthening of capacities (II.D.2)	3
Ownership and sustainability of partnerships (II.D.3)	3
Environmental and social sustainability (II.D.4)	3
AVERAGE OF THE DIMENSION RATINGS	3.4
OVERALL PROJECT COMPLETION RATING	3

Annex A

FINANCIAL VIABILITY ANALYSIS for the TANIPAC PROJECT COMPLETION REPORT

IRR for Infrastructure Network Component – TANIPAC Project

Aligned to the 24,000 MT Network Capacity Model

Item	Description
Date	15 March 2026
Prepared for	TANIPAC Project Management / Ministry of Agriculture / NFRA
Subject	Financial viability of the warehouse network under the grain purchase, selling/repurchase, and downstream sale model
Model basis	Infrastructure investment base reflected in the submitted financial model
Operating assumption	One annual turn across 14 warehouses with total installed capacity of 24,000 MT, equivalent to 240,000 bags of 100 kilograms each

Key Commercial and Financial Anchors

Item	Value
Harvest procurement price	TZS 48,000 per 100-kilogram bag
Farmer repurchase or traders/buyers' price	TZS 72,000 per 100-kilogram bag
Gross repurchase/selling spread	TZS 24,000 per bag
Approximate 15-year required average contribution	TZS 11,462.48 per bag
Core conclusion	The warehouse network should be assessed as a government grain purchase, seasonal storage, farmer repurchase/buying, and downstream sale system rather than as a fee-based storage business

Executive Summary

This report presents the financial viability analysis of the TANIPAC warehouse network using the 24,000 metric tonne capacity model. The analysis is based on the completed network of 14 warehouses, an adopted installed capacity of 24,000 metric tonnes, conversion at 100 kilograms per bag, and one annual storage turn, resulting in annual throughput of 240,000 bags. Its purpose is to determine, through Net Present Value and Internal Rate of Return analysis over a 15-year horizon, whether the warehouse investment can be justified under the actual operating arrangement by which government purchases grain at harvest, stores it at government cost, allows later traders to buy or farmer repurchase at a fixed price, and monetises grain not repurchased through downstream sale or processing.

The financial model is not based on storage tariffs charged to farmers. Farmers do not pay warehouse fees. However, to compute the value of the storage services provided, we had to take the practice used by private sector warehouse operators who buys grain at the market price during harvest period and releases the stored stock at the prevailing market during scarcity period. Based on that information, we have assumed the government “purchases” maize at harvest at approximately TZS 48,000 per 100-kilogram bag, stores the grain through the season, and later permits farmer repurchase or other traders to buy at approximately TZS 72,000 per bag. This creates a gross spread of TZS 24,000 on each bag repurchased by the farmer or sold to traders. Where grain is not repurchased/sold, government retains ownership and must recover value through sale of raw grain or through milling and sale of flour and bran. The economics of the warehouse network therefore arise from the combined effect of this repurchase spread and the commercial value realised on retained grain.

Using the submitted financial model, the warehouse network is evaluated against an infrastructure investment base of TZS 15,442,719,181. Over a 15-year appraisal horizon at a 12 percent discount rate, and after allowing for terminal salvage value, the warehouse system must generate an average contribution of approximately TZS 11,462.48 per bag to recover its capital and annual operating burden. This figure is not a storage tariff. It is the minimum average contribution that must be generated through the operating cycle as a whole.

The results of the model therefore turn primarily on two commercial variables. The first is the farmer repurchase rate, which determines how much of the annual grain volume yields the TZS 24,000 repurchase spread. The second is the net flour selling price achieved on grain that remains in government ownership. A high repurchase rate strengthens viability because more bags generate direct contribution through the repurchase mechanism. A lower repurchase rate increases dependence on the processing and disposal value of retained grain.

On this basis, the warehouse component has a credible path to financial sustainability, but not through a user-charge tariff model. Its viability depends on maintaining throughput, preserving grain quality, controlling warehousing and processing cost, managing stock efficiently, and achieving commercially realistic selling values on non-repurchased grain. The report therefore concludes that the warehouse network should be managed as a strategic grain purchase and inventory management mechanism supported by post-harvest infrastructure, rather than as a conventional fee-based warehouse business.

Purpose, Scope and Boundary of the Analysis

The purpose of this annex report is to determine whether the warehouse network delivered under TANIPAC is financially defensible as an operating asset under the actual grain purchase and repurchase arrangement. More specifically, the report evaluates whether the warehouse infrastructure can recover its capital burden and annual operating cost through the economic value generated by the cycle of harvest procurement, seasonal storage, farmer repurchase, and downstream sale of grain retained by government. The report is intended as a management decision paper and financial appraisal, not as a generic model note.

The scope of the analysis is limited to the warehouse network component. TANIPAC is a wider public programme supported by grant, concessional financing, and government counterpart resources, with broader objectives relating to food safety, aflatoxin control, post-harvest management, laboratory capacity, research, awareness, and institutional strengthening. The full actual project expenditure reflected in the source workbook extends beyond warehousing alone. However, the present financial model isolates the warehouse-related infrastructure investment base used in the submitted workbook and evaluates that component on its own operating economics.

This boundary is essential to the integrity of the analysis. The wider TANIPAC programme delivers significant public-good benefits, including improved food safety, reduced contamination risk, stronger post-harvest management, and enhanced agricultural quality control. Those benefits are real and important, but many of them are not appropriately recovered through warehouse-level commercial cash flows. A financially disciplined appraisal must therefore distinguish between the strategic economic value of TANIPAC as a whole and the narrower operating viability of the warehouse network as a specific infrastructure asset.

Accordingly, this report does not attempt to recover the full cost of the wider programme through warehouse charges or grain trading margins. Instead, it evaluates whether the warehouse network, taken on its own, can sustain the capital invested in it through the grain transaction model. The analysis therefore focuses on throughput, harvest procurement price, trader/farmer repurchase price, repurchase behaviour, warehousing cost, processing yield, bran recovery, and realised output prices as the principal drivers of financial performance.

The report should therefore be read as a financial appraisal of the warehouse network component within TANIPAC, rather than as a valuation of the entire programme. The warehouse investment may be commercially defensible under the operating model, while the wider programme may continue to be justified on broader food security, public health, and agricultural development grounds.

Core Model Variables Used in the Financial Appraisal

Item	Assumption
Infrastructure investment base	TZS 15,442,719,181
Appraisal period	15 years
Discount rate	12.0%
Salvage value at end of year 15	10.0% of capex
Annual throughput	240,000 bags
Harvest purchase price	TZS 48,000 per bag
Farmer repurchase price	TZS 72,000 per bag
Gross repurchases spread	TZS 24,000 per bag
Fixed O&M	3.0% of capex per annum
Major maintenance	2.0% of capex every 5 years
Flour yield	75 kg per bag
Bran yield	25 kg per bag

Item	Assumption
Bran price	TZS 200 per kg
Milling cost	TZS 1,000 per bag

TANIPAC Infrastructure Context and Operator Model

The End of Project Evaluation Report confirms that TANIPAC was not conceived as an isolated warehouse construction programme. The first component focused on infrastructure for controlling aflatoxin contamination along the maize and groundnut value chains. In addition to the fourteen storage facilities, the programme delivered the National Biological Control Unit, the Post-Harvest Centre of Excellence for grains, and the Central Agricultural Reference Laboratory. This wider institutional architecture matters because it explains why the warehouse network should be viewed as part of a food-safety and market-modernisation system rather than as an ordinary stand-alone storage facility.

The same evaluation also resolved the operator question. The project initially tested whether Farmer Based Organizations could manage the community warehouses. The assessment found material weaknesses in management, financial governance, technology, and business sustainability. The final decision was therefore to transfer the fourteen warehouses to the National Food Reserve Agency. That decision materially strengthens the operational credibility of the network. It places grain handling, quality enforcement, maintenance discipline, stock control, and disposal responsibility in the hands of a frontline public institution with an existing mandate in grain management rather than in under-capacitated community entities.

This institutional arrangement is important to the financial model presented in this report. Under the operating structure, the warehouse network is not analysed as a simple fee-based storage business. It is analysed as a grain purchase, seasonal storage, farmer repurchase, and downstream sale system operated within a controlled public grain-management framework. NFRA's role therefore extends beyond custody of physical infrastructure. It includes management of grain intake, preservation of stock quality, maintenance of storage conditions, record integrity, repurchase administration, and monetisation of grain that remains in government ownership.

Summary of TANIPAC Strategic Infrastructure

Asset	Quantity	Frontline operator	Primary function
Community storage warehouses	14	NFRA	Aggregation, storage, grain handling, stock preservation, and downstream grain management
Post-Harvest Centre of Excellence	1	NFRA	Technology transfer, agro-processing, marketing, and future trade-facilitation platform
Central Agricultural Reference Laboratory	1	TARI	Aflatoxin and food-safety laboratory services, methods, and protocol support
National Biological Control Unit	1	TPHPA	Biocontrol technology development, including control of toxigenic fungi

The warehouse viability model in this report applies only to the first row of the table above. The remaining assets form part of the broader programme context and strategic justification for TANIPAC as a national intervention, but they are not directly included in the warehouse financial model.

Installed Capacity, Throughput Logic and Core Assumptions

The financial model is based on the installed capacity of the 14 TANIPAC warehouses. Using the adopted network capacity of 24,000 metric tonnes and the working assumption of 100 kilograms per bag, the model converts this capacity into 240,000 bags of static storage. On the further assumption of one annual turn, the annual throughput applied in the financial appraisal is therefore 240,000 bags. This is the adopted throughput basis for the workbook and for this report.

This throughput basis is important because it aligns the financial appraisal with the physical storage capacity of the warehouse network. The viability question is therefore assessed by testing whether the tariff charged on this installed annual throughput is sufficient to recover the warehouse investment and meet the required return threshold over the 15-year and 20-year appraisal horizons.

For clarity and ease of policy application, each scenario in the workbook is modelled as a single all-in tariff per bag. This is a deliberate simplification for appraisal purposes. In practice, management may choose to structure the charge into a base storage fee and related service components such as quality assurance, safe handling, fumigation support, weighing, documentation, or certification support. For financial modelling purposes, however, the relevant variable is the total recoverable revenue per bag.

Core Financial Assumptions Used in the Excel Model

Parameter	Value	Comment
Warehouse capex used in model	TZS 15,442,719,181	Actual warehouse line item in the submitted workbook
Full project actual expenditure	TZS 80,503,173,860	Programme context only; not recovered through warehouse tariff
Annual throughput	240,000 bags	24,000 MT converted at 100 kg per bag, one annual turn
Discount rate	12.0%	Hurdle rate applied to both horizons

Parameter	Value	Comment
Fixed O&M	3.0% of capex	Equivalent to TZS 463,281,575 per year
Major maintenance	2.0% of capex every 5 years	Equivalent to TZS 308,854,384 every fifth year
Average annualized major maintenance	TZS 61,770,877	Used in break-even interpretation
Salvage value	10.0% of capex	Equivalent to TZS 1,544,271,918 at end of model life
Growth assumption	0.0%	Conservative flat-volume and flat-price modelling

The hurdle rate is the minimum acceptable rate of return adopted for investment appraisal. In this analysis, a hurdle rate of 12% was used. The project is considered financially acceptable where the Internal Rate of Return exceeds 12% and the Net Present Value is positive at that discount rate.

The model is intentionally conservative. It assumes no growth in throughput, no price escalation, no ancillary revenue beyond the chosen all-in tariff, and no monetization of wider programme benefits such as reduced contamination, reduced post-harvest losses elsewhere in the chain, stronger trade credibility, or public-health gains. Financial viability is therefore being tested on a narrow warehouse-income basis, not on the full economic value created by TANIPAC.

Financial Model

How the Warehouse Arrangement Operates

The financial model for the TANIPAC warehouse network is based on a government grain purchase, storage, repurchase, and downstream sale arrangement. Under this mechanism, farmers deliver maize to the government warehouse at harvest time, when market prices are typically low. For modelling purposes, the harvest purchase price is taken at TZS 8,000 per debe². Using the working conversion of approximately 6 debe per 100-kilogram bag, this is equivalent to TZS 48,000 per bag. At this stage, the grain is sold outright to government and ownership passes to the warehouse system.

Once the grain has been purchased, it is stored by government at government cost. Farmers do not pay storage charges. The government bears the cost of warehousing, preservation, handling, maintenance, and inventory management during the storage period.

At a later stage, the farmer has the option to repurchase an equivalent quantity of grain at a fixed government price of TZS 12,000 per debe, which is equivalent to TZS 72,000 per 100-kilogram bag. Economically, a farmer will exercise this repurchase option only where the prevailing market value of maize at that later date is above the fixed repurchase price. If the market value is lower than the repurchase price, the farmer is unlikely to repurchase, and the grain remains in government ownership.

Accordingly, the warehouse system generates value in two ways. First, where farmers repurchase, government earns the difference between the harvest purchase price and the repurchase price. Second, where farmers do not repurchase, government retains the grain and must realise value through sale of raw grain or through processing and sale of milled output and by-products such as bran. The financial viability of the warehouse network therefore

² Debe= Tin or bucket equivalent to 20 kilograms of maize

depends not on storage fees, but on the interaction between purchase price, repurchase behaviour, storage cost, and downstream sale value.

Basis of Financial Appraisal

The financial appraisal is undertaken over a 15-year investment horizon using Net Present Value and Internal Rate of Return methodology. The model uses the infrastructure investment base adopted for the warehouse system and applies a discount rate intended to represent the opportunity cost of capital. The objective of the analysis is to determine whether the warehouse network can recover its capital burden and annual operating cost through the economic value generated by the grain purchase and resale arrangement.

For purposes of the model, the warehouse network is assumed to have static storage capacity equivalent to 24,000 metric tonnes. At 100 kilograms per bag, this is equivalent to approximately 240,000 bags. On the assumption of one full annual cycle, the model therefore uses annual throughput of 240,000 bags.

The principal assumptions applied are as follows.

Item	Assumption
Investment base	TZS 15,442,719,181
Appraisal period	15 years
Discount rate	12.0%
Salvage value at end of year 15	10.0% of capex
Annual throughput	240,000 bags
Harvest purchase price	TZS 48,000 per bag
Farmer repurchase price	TZS 72,000 per bag
Gross repurchases spread	TZS 24,000 per bag
Fixed O&M	3.0% of capex per annum
Major maintenance	2.0% of capex every 5 years
Flour yield	75 kg per bag
Bran yield	25 kg per bag
Bran price	TZS 200 per kg
Milling cost	TZS 1,000 per bag

These assumptions establish the framework within which annual cash flows are projected and discounted.

Annual Cost Structure

The annual warehousing burden is made up of fixed operations and maintenance cost together with periodic major maintenance. Using the above assumptions, annual fixed O&M at 3.0% of the investment base amounts to TZS 463,281,575. Major maintenance at 2.0% of capex every five years is equivalent to an annualised burden of TZS 61,770,877. The combined annual warehousing and infrastructure burden is therefore TZS 525,052,452.

This cost is borne by government regardless of whether the grain is later repurchased by farmers or retained for processing and sale. It is therefore treated as a direct annual project cost in the model.

Annual Revenue Logic

The model recognises two revenue pathways.

The first pathway arises where farmers repurchase grain. In that case, the government receives the fixed repurchase price of TZS 72,000 per bag on grain originally purchased at TZS 48,000 per bag. The gross contribution from a repurchased bag is therefore TZS 24,000.

$$\text{Repurchase contribution per bag} = \text{TZS } 72,000 - \text{TZS } 48,000 = \text{TZS } 24,000$$

The second pathway arises where farmers do not repurchase grain. In this case, government retains the grain and derives value by processing and selling it. Under the assumed milling structure, each 100-kilogram bag yields 75 kilograms of flour and 25 kilograms of bran. Bran is assumed to realise TZS 200 per kilogram, giving bran revenue of TZS 5,000 per bag. Milling cost is assumed at TZS 1,000 per bag.

If the net realised flour price is represented by F in TZS per kilogram, then the contribution from one non-repurchased bag is:

Contribution from retained bag

= Flour revenue + Bran revenue – Harvest purchase price – Milling cost

$$= (75 \times F) + (25 \times 200) - 48,000 - 1,000$$

$$= 75F - 44,000$$

This means that each retained bag contributes a variable amount depending on the realised flour selling price.

In this financial model, “flour realization” means the net selling price actually achieved for flour produced from maize retained by government after farmers do not exercise the repurchase option. It is expressed in Tanzania Shillings per kilogram and represents the amount effectively earned from the sale of flour in the market, rather than a theoretical or quoted price. The term is used in the model because the viability of retained grain depends on the actual value recovered through milling and sale. For clarity in the main report, this may also be described as the “net flour selling price per kilogram.”

Annual Net Cash Flow Formula

Let total annual throughput be represented by Q, and let the farmer repurchase rate be represented by b. Then:

$$\text{Repurchased bags} = Q \times b$$

$$\text{Retained bags} = Q \times (1 - b)$$

The annual net cash flow generated by the warehouse arrangement is therefore:

Annual NCF

$$= [Q \times b \times 24,000] + [Q \times (1 - b) \times (75F - 44,000)] - 525,052,452$$

Using the adopted annual throughput of 240,000 bags, this becomes:

Annual NCF

$$= [240,000 \times b \times 24,000] + [240,000 \times (1 - b) \times (75F - 44,000)] - 525,052,452$$

This is the core operating equation of the model. It shows that annual project returns depend primarily on three variables: the proportion of farmers who repurchase, the realised sale value of flour on grain retained by government, and the fixed warehousing cost borne by the project.

Required Annual Net Cash Flow for 15-Year Break-even

To justify the infrastructure investment over a 15-year period at a 12.0% discount rate, and after allowing for a 10.0% terminal salvage value, the project must generate an annual net cash flow of TZS 2,225,941,582 in order to achieve a zero NPV.

When this annual return requirement is combined with the annual warehousing burden of TZS 525,052,452, the grain operation must generate a total annual contribution of TZS 2,750,994,034.

At annual throughput of 240,000 bags, this is equivalent to an average required contribution of:

Required contribution per bag

$$= \text{TZS } 2,750,994,034 / 240,000$$

$$= \text{TZS } 11,462.48 \text{ per bag}$$

This amount should not be interpreted as a tariff or storage charge. It is the average economic contribution that each bag must generate, through the combined repurchase and downstream sale mechanism, in order for the warehouse investment to break even over the appraisal period.

Interpretation of the Model

The model demonstrates that the financial viability of the warehouse network is driven by the structure of the grain transaction rather than by charging farmers for storage. Where farmers repurchase a large proportion of the grain, the government benefits from the spread between harvest purchase price and repurchase price. Where farmers do not repurchase, government must recover value through milling and sale of flour and bran. The larger the repurchase rate, the less dependent the model becomes on downstream milling margins. Conversely, where repurchase is low, the viability of the system depends increasingly on the realised selling price of processed grain.

The model therefore evaluates the warehouse as a strategic price-support and inventory-management mechanism supported by post-harvest infrastructure, not as a conventional fee-based storage business. Its

sustainability depends on efficient warehouse utilisation, disciplined operating cost control, adequate repurchase behaviour, and commercially viable monetisation of grain retained by government.

Break-even Analysis

Break-even Analysis by Farmer Repurchase Rate

The most sensitive variable in the financial model is the farmer repurchase rate. This determines how much grain is bought back by farmers at the fixed repurchase price and how much grain remains with government for downstream processing and sale. A higher repurchase rate improves the financial performance of the warehouse system because government earns the repurchase spread of TZS 24,000 per bag on a greater proportion of annual throughput. A lower repurchase rate increases the volume of grain retained by government and therefore increases dependence on the realised sale value of flour and bran.

For purposes of break-even analysis, the model calculates the minimum net flour realisation required to achieve a zero NPV over the 15-year appraisal period, after taking into account the capital burden, annual warehousing cost, bran revenue, and milling cost. The results are set out below.

Farmer repurchase rate	Bags repurchased	Bags retained by government	Minimum net flour realisation required
80%	192,000	48,000	TZS 70.83 per kg
60%	144,000	96,000	TZS 488.75 per kg
50%	120,000	120,000	TZS 572.33 per kg
40%	96,000	144,000	TZS 628.06 per kg
20%	48,000	192,000	TZS 697.71 per kg
0%	0	240,000	TZS 739.50 per kg

These results show that the model remains relatively robust across a wide range of repurchase outcomes. Where 80% of annual throughput is repurchased by farmers, the net flour realisation required on the remaining grain is very low, because the repurchase spread already provides most of the contribution needed to recover the annual investment burden. Even where the repurchase rate falls to 50%, the minimum required flour realisation remains moderate at TZS 572.33 per kilogram. Where no farmers repurchase at all, the entire annual throughput must be monetised by government through processing and sale, and the break-even flour realisation rises to TZS 739.50 per kilogram.

The table should be interpreted carefully. The figures above represent the minimum net flour realisation required at the warehouse-model level after recognising bran revenue of TZS 5,000 per bag and milling cost of TZS 1,000 per bag. They do not yet include additional downstream commercial costs such as packaging, transport, selling commission, inventory financing, or working capital carrying cost. If those additional costs are to be recognised separately, the break-even flour prices would rise accordingly.

Interpretation of the Break-even Results

The break-even analysis confirms that the warehouse system is commercially stronger than a conventional storage-only model because it benefits from a built-in repurchase spread on grain bought back by farmers. In practical terms, the warehouse does not depend exclusively on milling margins for viability. Instead, it derives value from a combination of seasonal procurement margin and downstream processing margin.

This has two important implications. First, the repurchase rate becomes a key operating indicator and should be monitored closely, because it directly affects the volume of grain that government must process and sell. Second, the realised value of flour and bran becomes increasingly important where repurchase rates are low. Under such circumstances, operational efficiency in milling, product recovery, and sale price realisation becomes critical to maintaining financial viability.

A further useful distinction arises from the per-bag contribution requirement of TZS 11,462.48. This is the average contribution each bag must generate in order for the warehouse investment to break even over 15 years. Since the repurchase spread alone is TZS 24,000 per repurchased bag, the model shows that a sufficiently strong repurchase pattern can materially reduce the pressure on flour sale margins. Conversely, if repurchase is weak, the warehouse system must rely more heavily on the commercial performance of the grain retained by government.

Financial Meaning of the Model

The financial model therefore demonstrates that the TANIPAC warehouse network should be understood as a strategic grain purchase and inventory management mechanism supported by post-harvest infrastructure. Its viability is not driven by charging farmers for storage. Rather, it depends on the economic value generated between harvest procurement, seasonal repurchase, and downstream monetisation of grain retained by government.

The model also shows that viability is achievable under reasonable operating conditions. However, this conclusion is contingent on disciplined cost control, effective grain handling, stable throughput, and commercially realistic sale values for processed output. The final reported NPV and IRR should therefore be presented as outcomes of an integrated procurement, storage, repurchase, and processing model rather than as returns from a simple warehousing business.

Strategic Interpretation within the TANIPAC Programme

The financial model must now be read in light of the programme realities described in the End of Project Evaluation Report. TANIPAC delivered strategic infrastructure, created construction employment, and transferred the warehouses to NFRA because FBOs were found not to have the managerial and financial capacity to run the facilities sustainably. The same evaluation also highlighted that long-term value depends on disciplined maintenance, professional operations, stakeholder coordination, and strong asset controls after handover.

Those findings reinforce the tariff conclusions. A model that prices too low may look socially attractive in the short term, but it increases the risk that the operator underfunds maintenance, allows service quality to deteriorate, or becomes dependent on uncertain ad hoc support. That is particularly important for an aflatoxin-control programme, because service failure does not merely reduce warehouse earnings; it undermines grain quality, food safety, user confidence, and the credibility of the wider intervention.

At the same time, TANIPAC is not a purely commercial project. It has explicit public-good characteristics in food safety, post-harvest loss reduction, institutional strengthening, and market-system development. This is why the lower tariffs can still have a legitimate role in policy discussions. They simply need to be described honestly. TZS 4,000 is a subsidized public-interest tariff. TZS 8,000 is a partial cost-recovery tariff. Neither should be mischaracterized as a self-financing warehouse price.

The TANIPAC warehouse network creates value through more than storage alone. It preserves grain safely, reduces moisture-related deterioration, supports aflatoxin mitigation through controlled handling and storage practices, strengthens quality assurance and traceability, links users to laboratory and regulatory systems, reduces post-harvest losses, improves market access and public-health outcomes, and generates knowledge benefits through improved training and handling practices among farmers and traders. This wider value proposition is important in interpreting the tariff structure, because part of the infrastructure’s benefit is commercial and recoverable through user charges, while part is systemic and developmental in character.

Grain Pricing and Commercial Implications

As explained in Section 5, the TANIPAC warehouse arrangement is not a fee-based storage model and does not generate revenue through tariffs charged to farmers. The relevant commercial variables are the harvest procurement price, the farmer repurchase price, the farmer repurchase rate, and the sale value realised on grain retained by government. For this reason, the financial sustainability of the warehouse network should not be assessed through a storage tariff framework, but through the combined contribution generated by seasonal grain purchase, farmer repurchase, and downstream sale or processing of non-repurchased grain.

Under the assumptions adopted in this report, government purchases maize at harvest at approximately TZS 48,000 per 100-kilogram bag and allows subsequent sell or repurchase at approximately TZS 72,000 per bag, creating a gross spread of TZS 24,000 on each repurchased bag. Where grain is not repurchased, value must be recovered through sale of raw grain or through milling and sale of flour and bran. The practical implication is that project viability depends on throughput, repurchase behaviour, processing yield, realised output prices, and cost control in warehousing and processing, rather than on a tariff per bag.

Accordingly, the appropriate management focus is not the setting of a farmer storage charge, but the management of the grain pricing cycle. The key commercial indicators to be monitored are annual throughput, harvest purchase price, farmer repurchase rate, milling recovery, bran recovery, realised flour prices, and annual warehousing cost. These variables determine whether the warehouse system generates sufficient contribution to recover its capital and operating burden over the appraisal period.

Sustainability, Internal Control and Conditions for Success

The financial appraisal should not be read in isolation from the operating and control environment required to sustain the warehouse network. Infrastructure delivery, by itself, does not guarantee long-term value. The long-term performance of the TANIPAC warehouse system will depend on whether the assets are managed as an integrated grain handling and inventory operation with clear accountability, disciplined maintenance, reliable records, and commercially sound operating procedures. Post-construction issues such as incomplete operation and maintenance arrangements, defects in some facilities, weaknesses in asset-transfer controls, and the need for stronger stakeholder coordination at operating sites should therefore be treated as conditions of financial success rather than as peripheral implementation matters.

Accordingly, the economic recommendation in this report should be read together with a management condition set. First, NFRA should establish and implement a formal operation and maintenance regime for the warehouse network, including routine inspections, preventive maintenance plans, annual maintenance budgeting, and documented responsibility for asset upkeep. Second, the asset register, handover documentation, and site-level custody arrangements should be regularized and brought under formal internal control so that each facility operates within a clearly defined chain of responsibility. Third, local operating protocols should be clarified with LGAs, host communities, and site-level stakeholders so that the warehouses function as professionally managed public assets rather than as stand-alone construction outputs. Fourth, grain intake, storage, repurchase, processing, and disposal procedures should be supported by clear service standards and operating protocols covering quality verification, stock records, moisture and aflatoxin control, segregation, milling recovery, bran recovery, and sales documentation.

If these conditions are met, the warehouse network has a credible basis for long-term operational sustainability under the financial model. If they are not met, even a technically viable commercial structure may fail in practice because poor maintenance, weak controls, inventory losses, inadequate quality management, and unclear operating responsibility can erode throughput, reduce recovery values, and undermine confidence in the system.

Conclusion

The warehouse network component of TANIPAC should be evaluated as a grain purchase, seasonal storage, selling to traders or farmer repurchase, and downstream sale system, rather than as a conventional fee-based warehouse business. Using the adopted throughput basis of 24,000 metric tonnes, equivalent to 240,000 bags of 100 kilograms each with one annual turn, and using the infrastructure investment base reflected in the financial model, the appraisal shows that the project's viability depends on the combined contribution generated by selling to traders or by the farmer repurchase, spread and the commercial realization achieved on grain retained by government.

Under the assumptions applied in this report, government purchases grain at harvest at approximately TZS 48,000 per bag and permits later farmer repurchase or sell to traders at approximately TZS 72,000 per bag, creating a gross spread of TZS 24,000 per repurchased bag. Over a 15-year appraisal horizon at a 12 percent discount rate, the warehouse system must generate an average contribution of approximately TZS 11,462.48 per bag in order to recover its capital and annual operating burden. This contribution is not a storage tariff. It is the minimum average economic contribution required from the operating model as a whole.

The financial results indicate that the warehouse network can be justified on this basis, provided that throughput is maintained, warehousing costs are controlled, and either traders or farmer repurchase behaviour remain sufficiently strong or retained grain is monetized at commercially sustainable processing and sale values. The repurchase mechanism materially supports project viability because the spread on repurchased grain contributes directly toward cost recovery. Where grain is not sold/repurchased, the project remains dependent on milling recovery, bran recovery, realized flour prices, and disciplined disposal of retained inventory.

The appropriate management conclusion is therefore not to adopt a farmer storage tariff, but to manage the warehouse network through a grain pricing and inventory strategy built around harvest purchase price, traders/farmer repurchase price, selling/repurchase rate, processing yield, output realization, and cost control. On that basis, the TANIPAC warehouse network has a credible path to financial sustainability, but its success will

depend on disciplined operation, sound internal controls, effective asset management, and commercially realistic monetization of grain retained by government.

A final practical implication follows from this analysis. The key indicators that should be monitored on an ongoing basis are annual throughput, harvest procurement price, buyers/farmer repurchase rate, milling recovery, bran recovery, realized flour prices, warehousing cost, and stock integrity. These are the variables that will determine whether the warehouse system delivers the economic contribution required to sustain investment over the appraisal period.

ANNEX B- SUMMARY OF IRR AND NPV COMPUTATION

Base-Case Key Inputs

Active capex used in model	15,442,719,180.80
Annual bags handled	240,000
Harvest purchase price per bag	48,000.00
Farmer repurchase price per bag	72,000.00
Repurchase spread per bag	24,000.00
Base-case farmer repurchase rate	80.0%
Base-case flour realization	800.00

Base-Case Model Results

Metric	15 Years	20 Years	Unit
NPV	17,968,151,331.23	21,049,504,214.63 TZS	
IRR	31.1%	31.5%	%
Required annual NCF for NPV=0	2,225,941,581.78	2,046,019,794.15 TZS	
Required contribution per bag	11,462.48	10,712.80 TZS/bag	
Break-even flour realization at current repurc	70.83	20.85 TZS/kg	
Minimum repurchase rate if retained-grain co	47.8%	44.6%	%

ANNEX C- SAMPLED FIELD PHOTOGRAPHS

Photo 1- Warehouse Facilities Managed by NFRA (Tanzania Mainland)





Photo 2- Laboratory Facilities Managed by TBS (Tanzania Mainland)



Photo 3- Laboratory Facilities Managed by ZBS (Zanzibar)





Annex D: Last IPR

IMPLEMENTATION PROGRESS AND RESULTS REPORT (IPR)

A. Report summary and proposed actions

Report Data

Project name:	TANZANIA INITIATIVE FOR PREVENTING AFLATOXIN CONTAMINATION (TANIPAC)		
Project code:	P-TZ-A00-008		
Country	Tanzania		
Sector:	Agriculture and Rural Development		
Environmental categorization	2-Category 2		
Report type:	Date of report: 24.12.2024	Mission: FIELD MISSION 0007	
		From: 25.11.2024	To: 07.12.2024
Prepared by	Task Manager: Salum RAMADHANI	Alternate Task Manager:	Division Manager: SANGINGA Cigoho Pascal (AHAI4)

Project Data

PROJECT FINANCING in (UAC)					
Financing source/instrument		Foreign currency		Local currency	Total
A.D.F.	Project	4,500,000.00		4,700,000.00	9,200,000.00
GAFSP Trust Funds	InsSup&ReGrant	9,300,000.00		10,700,000.00	20,000,000.00
T O T A L		13,800,000.00		15,400,000.00	29,200,000.00
PROCESSING MILESTONES (bank approved financing only)					
Loan Number	Date approved	Date signed	Date of entry into force	Date effective for first disbursement	Disbursement deadline
2100150039793	20.06.2018	15.11.2018	25.02.2019	25.02.2019	31.05.2025
5570155000801	20.06.2018	15.11.2018	15.11.2018	25.02.2019	31.05.2025
LOAN AMOUNT (in UAC)					
Loan Number	Net loan	Approved (UAC)	Signed (UAC)	Cancelled (UAC)	Net Loan (UAC)
2100150039793	9,200,000.00	9,200,000.00	9,200,000.00	0.00	9,200,000.00
5570155000801	20,000,000.00	14,475,236.49	14,475,236.49	0.00	14,475,236.49
T O T A L		23,675,236.49	23,675,236.49	0.00	23,675,236.49
DISBURSMENT STATUS at supervision date (in UAC)					
Loan Number	Disbursed to date	Disbursed to date (UAC)	% Disbursed to date	Undisbursed to date (in UAC)	% Undisbursed to date
2100150039793	8,181,241.75	8,181,241.75	88.93%	1,018,758.25	11.07%
5570155000801	15,517,829.21	11,231,212.38	77.59%	3,244,024.11	22.41%
T O T A L		19,412,454.13	81.99%	4,262,782.36	18.01%
Executing and Implementation agencies					
Borrower		GOVERNMENT OF TANZANIA			
Guarantor		GOVERNMENT OF TANZANIA			
Executing Agency		MIN OF AGRICULTURE			

Performance status

Progress towards development objective			
Rating on Development Objective (DO)	Performance rating		Summary of key findings
	Current	Previous	Most of the outputs have been delivered and there are good chances that the project development objectives will be achieved by the time the project is closed.
	highly satisfactory	satisfactory	
Implementation progress			
Rating on Implementation Progress (IP)	Performance rating		Summary of key findings
	Current	Previous	Overall, the project performance is highly satisfactory.
	highly satisfactory	highly satisfactory	
Overall project performance classification			
Overall Project Performance (PP, PPP or NPPP)	Performance rating		Summary of key findings
	Current	Previous	The project should intensify supervision and management contracts for the on-going infrastructure to ensure that they are completed before April 2025, as the project is due for closure in May 2025.
	Non-Potentially Problematic Project	Non-Potentially Problematic Project	

Issues, risks and actions for management consideration

Issues affecting project implementation				
Key issues	Corrective actions	Responsible	Deadline	Status
Non-utilisation of infrastructured constructed in Unguja (Kizimbani) and Pemba (Ole Dodeani)	Expedite the use of the constructed infrastructures and ensure their use as per project objectives	PIT and Government of Zanzibar	31.12.2024/Before the end of year 2024	In progress
Disbursement of counterpart funds	Disbursement of counterpart funds currently stand at only 33%. There is a need for enhancing the disbursement rate and ensure 100% disbursement before the closure of the project	Government of Tanzania	31.05.2025/before the end of the project	In progress
Main risks and mitigation				
Risks	Mitigation measures applied or proposed		Responsible	Deadline
Delayed start-up of construction of fence at Mtanana Grain Market Engagement of contractor awaits signing of the contract, which has not been done so far. Given the fact that five months have remained before closure of the project, delayed signing of the contract could afflict completion of the project. Also, even if the contract is signed now, slippages may occur which could leave the fence uncompleted by the end of May 2024 (project completion date)	(1) Ensure that the contract is signed before 21 December 2024 (2) Close management of the contract is needed to avoid slippages		Government of Tanzania and PIU	21.12.2024
Slow construction of silos, which affects testing of the installed maize mill The silos and maize mills are interdependent. As such, functioning of the maize mill depends on silos, which are still under construction. Installation of maize mill was completed in the first quarter 2024 and has not been tested to date. With the slow pace of construction of silos, the project could be closed before testing of the maize mill if proper contract management actions are not undertaken.	Ensure close follow up on the construction of silos to make sure that they are completed well before project completion date and the installed maize mill is tested.		PIU	31.03.2025

B. Results reporting and assessment

Progress towards development objective (project purpose)

State the project development objective (usually the project purpose as set out in the Results-based Logframe) and assess progress
To improve farm incomes, rural livelihoods, food and nutrition security and safety, export revenues and contribute to poverty reduction through aflatoxin control in maize and groundnuts value chains

Outcome reporting

Outcome indicators (as per RLF)	Baseline value	Most recent value	End target	Progress toward endtarget (%)	Assesment
Increased quantity of safe maize and groundnuts and their related byproducts consumed and traded					
Proportion of safe maize that comply with aflatoxin levels (per)	77.600	93.100	86.000	184.52%	Achieved/Likely to be achieved Surpassed the project target by approximately 85%
Volume of maize traded (t/y)	140,797.000	230,000.000	204,156.000	140.79%	Achieved/Likely to be achieved Target the project target by 41%
Proportion of safe groundnuts that comply with aflatoxin safe level (%)	81.700	91.000	92.000	90.29%	Achieved/Likely to be achieved target likely to be achieved by April 2025
Volume of groundnuts traded (t/y)	19,284.000	375,000.000	362,764.000	103.56%	Achieved/Likely to be achieved Target achieved by surpassed by approximately 4%.
Average Household Income per month (tzs)	296,737.000	375,000.000	362,764.000	118.53%	Achieved/Likely to be achieved Target surpassed by approximately 9%
Improved adoption of aflatoxin smart pre-and postharvest technologies					
Awareness rate (%) of new technologies and practices (per)	75.000	96.000	95.000	105.00%	Achieved/Likely to be achieved Target surpassed by 5%
[WOMEN]-Awareness rate of new technologies and practices (disaggregated by gender) (per)	27.000	96.000	95.000	101.47%	Achieved/Likely to be achieved Target surpassed by 1%
Adoption rate of pre and post harvest technologies (%)	73.000	86.000	85.000	108.33%	Achieved/Likely to be achieved Target surpassed by approximately 9%
[WOMEN]-Adoption rate of pre and post harvest technologies (%)	25.000	86.000	85.000	101.67%	Achieved/Likely to be achieved target surpassed by approximately 2%
Enabling environment for aflatoxin control (policies, laws and regulations)					
Awareness rate by stakeholders in project area of aflatoxin-relevant laws and regulations (per)	0.000	89.500	50.000	179.00%	Achieved/Likely to be achieved Surpassed the project target by 79%
[WOMEN]-Awareness rate by stakeholders in project area of aflatoxin-relevant laws and regulations (per)	0.000	89.500	50.000	179.00%	Achieved/Likely to be achieved Surpassed the project target by 79%

Outcome rating			
Rating on project outcomes	Performance rating		Summary of key findings
	Current	Previous	The project has surpassed most of the project targets
	4	3	

Output reporting

Output indicators	Most recent value	Annual target	End target	Progress towards annual target (%)	Progress towards end of project target (%)	Assessment
Component 1: Infrastructure development for the prevention of aflatoxin contamination						
Number of NBCUs rehabilitated and strengthened (num)	1.000	1.00	1.000	100.00%	100.00%	On track Project target achieved
Number of Post-harvest Centre of Excellence (PHCE) constructed (num)	1.000	1.00	1.000	100.00%	100.00%	On track Project target achieved
Number of agricultural reference laboratory constructed and functional (num)	1.000	1.00	1.000	100.00%	100.00%	On track Project target achieved
Number of storage structures constructed and equipped (num)	1.000	1.00	1.000	100.00%	100.00%	On track Project target achieved
Number of hermetic silos commercialized and used (num)	0.000	10.00	10.000	0.00%	0.00%	On track Not implemented due to high-cost-perception by the project beneficiaries.
Number of Central Agricultural Reference Laboratories (CARL) constructed (nbr)	0.000	1.00	1.000	0.00%	0.00%	On track Construction is ongoing and it is expected to be completed by February 2025
Component 2: Awareness creation and institutional strengthening						
Number of hermetic bags procured and distributed (num)	6,067.000	10,000.00	10,000.000	60.67%	60.67%	On track On track. The remaining ones to be distributed between December 2024 and April 2025
Number of collaborating institutions with improved analytical capabilities (num)	4.000	4.00	4.000	100.00%	100.00%	On track Project target achieved
Number of farmers trained (num)	61,910.000	60,000.00	60,000.000	103.18%	103.18%	On track Project target surpassed by 3%
[WOMEN]-Number of farmers trained (num)	6,000.000	5,000.00	5,000.000	120.00%	120.00%	On track

						Project target surpassed by 20%
Number of extension workers trained (num)	860.000	669.00	669.000	128.55%	128.55%	On track Project target surpassed by 29%
[WOMEN]-Number of extension workers trained (num)	268.000	669.00	200.000	40.06%	134.00%	On track Project target surpassed by 34%
Number of staff sponsored for PhD course (num)	8.000	8.00	8.000	100.00%	100.00%	On track Project target achieved
[WOMEN]-Number of staff attended long term trainings in agricultural institutes (num)	10.000	10.00	10.000	100.00%	100.00%	On track Project target achieved
Number of tutors trained (num)	100.000	100.00	100.000	100.00%	100.00%	On track Project target achieved
[WOMEN]-Number of ToT sessions conducted (num)	8.000	8.00	8.000	100.00%	100.00%	On track Project target achieved
Number of staff attended short-term trainings (num)	20.000	20.00	20.000	100.00%	100.00%	On track Project target achieved
[WOMEN]-Number of staff attended short-term trainings (num)	8.000	20.00	8.000	40.00%	100.00%	On track Project target achieved
Number of staff attended analytical laboratory trainings (num)	60.000	60.00	60.000	100.00%	100.00%	On track Project target achieved
[WOMEN]-Number of staff attended analytical laboratory trainings (num)	60.000	60.00	20.000	100.00%	300.00%	On track Target exceeded by three folds
Number of staff sponsored for master's course (num)	22.000	22.00	22.000	100.00%	100.00%	On track Project target achieved
[WOMEN]-Number of staff sponsored for master's course (num)	8.000	8.00	8.000	100.00%	100.00%	On track Project target achieved
[WOMEN]-Number of stakeholders reached (num)	3,500.000	2,000.00	2,000.000	175.00%	175.00%	On track Target surpassed by 75%
Number of beneficiary farmers participating in demo plots (num)	5,220.000	4,000.00	4,000.000	130.50%	130.50%	On track

						Project target surpassed by 31%
[WOMEN]-Number of beneficiary farmers participating in trials and adopting practices (num)	250.000	200.00	200.000	125.00%	125.00%	On track Target exceeded by 25%
Number of artisans trained on metal silos fabrication technology (num)	420.000	400.00	400.000	105.00%	105.00%	On track Project target surpassed by 5%
[WOMEN]-Number of artisans trained on metal silos fabrication technology (num)	51.000	400.00	50.000	12.75%	102.00%	On track Target exceeded by 2%
Number of hermetic storage technologies distributed to farmers (silos) (num)	4,400.000	10,000.00	10,000.000	44.00%	44.00%	On track On track. Target to be achieved before April 2025
Number of hermetic storage technologies distributed to farmers (bags) (num)	6,067.000	300,000.00	300,000.000	2.02%	2.02%	On track Distribution to meet the project target to be done between December 2024 and April 2025
Number of value chain actors (traders, transporters, processors, millers) trained on aflatoxin management (num)	4,547.000	2,000.00	2,000.000	227.35%	227.35%	On track Target surpassed by 127%
Number of code of practices for aflatoxin control standards developed (num)	2.000	2.00	2.000	100.00%	100.00%	On track Project target achieved
Number of bylaws reviewed (num)	20.000	1.00	20.000	2,000.00%	100.00%	On track Project target achieved
Number of private sector partnerships (num)	18.000	10.00	10.000	180.00%	180.00%	On track Target exceeded by 80%
Number of laboratory equipment procured (nbr)	1.000	1.00	1.000	100.00%	100.00%	On track Project target achieved
Number of decision makers reached (nbr)	1,180.000	1,160.00	1,160.000	101.72%	101.72%	On track Target surpassed by 2%
Number of mycotoxin steering committee meetings supported (nbr)	4.000	20.00	20.000	20.00%	20.00%	On track This committee ended when TFDA was dissolved. The latter used to host it.
Number of platforms for aflatoxin control (nbr)	2.000	2.00	2.000	100.00%	100.00%	On track

						Project target achieved
Number of platform members sensitised (nbr)	1,000.000	4,000.00	4,000.000	25.00%	25.00%	On track On track. the remaining ones to be sensitised between december 2024 and April 2025
Number of journalists sensitised (nbr)	117.000	100.00	100.000	117.00%	117.00%	On track Target exceeded by 17%
Number of National Aflatoxin Communication Strategy Reviewed (nbr)	1.000	1.00	1.000	100.00%	100.00%	On track Project target achieved
Number of FBOs trained (nbr)	180.000	60.00	60.000	300.00%	300.00%	On track Project target surpassed by three folds
Number of actors implementing national aflatoxin communication strategy (nbr)	30.000	30.00	30.000	100.00%	100.00%	On track Project target achieved
Number of private partnership arrangement in the aflatoxin control (nbr)	5.000	10.00	10.000	50.00%	50.00%	On track Target to be acheieved before the end of April 2025
Number of people reached with aflatoxin messages (nbr)	198,212.000	80,999.00	80,999.000	244.71%	244.71%	On track Project target surpassed by 144%
Number of awareness materials distributed. (nbr)	72,410.000	33,230.00	33,230.000	217.91%	217.91%	On track Project target surpassed by 18%
Number of demo plots established (nbr)	200.000	200.00	200.000	100.00%	100.00%	On track Project target achieved
Number of staff atteded ToT sessions (nbr)	100.000	100.00	100.000	100.00%	100.00%	On track Project target achieved
[WOMEN]-Number of staff atteded ToT sessions (nbr)	30.000	30.00	30.000	100.00%	100.00%	On track Project target achieved
Component 3: Project coordination and management						
Number of PCT staff appointed (num)	5.000	5.00	5.000	100.00%	100.00%	On track Project target achieved
Number of quarterly reports (num)	22.000	24.00	24.000	91.67%	91.67%	On track

						Like to achieve target
Number of audit reports approved and submitted (num)	5.000	6.00	6.000	83.33%	83.33%	On track Next audit report is expected before the end of December 2024
Number of financial report submitted (num)	6.000	4.00	6.000	150.00%	100.00%	On track Project target achieved
Number of AWPB produced and approved (nbr)	6.000	5.00	5.000	120.00%	120.00%	On track Project target surpassed by 20%
Number of baseline surveys reports produced (nbr)	1.000	1.00	1.000	100.00%	100.00%	On track Project target achieved
Number of Situation Assessment Study reports produced (nbr)	1.000	1.00	1.000	100.00%	100.00%	On track Project target achieved
Number of project Steering Committee (PSC) meetings conducted (nbr)	10.000	12.00	12.000	83.33%	83.33%	On track Next Steering Committee meeting is expected before the end of December 2024
Number of ESIA reports produced (nbr)	17.000	17.00	17.000	100.00%	100.00%	On track Project target achieved
Number of ESMP reports produced (nbr)	17.000	17.00	17.000	100.00%	100.00%	On track Project target achieved
Number of GAFSP reports produced (nbr)	9.000	10.00	10.000	90.00%	90.00%	On track On track
Number of outcome reports produced (nbr)	4.000	4.00	4.000	100.00%	100.00%	On track Project target achieved
Number of Mid-term Review (MTR) reports produced (nbr)	1.000	1.00	1.000	100.00%	100.00%	On track Project target achieved
Number of Case Study reports produced (nbr)	0.000	4.00	4.000	0.00%	0.00%	On track To be prepared in the first quarter 2025
Number of impact assessment reports produced (nbr)	2.000	2.00	2.000	100.00%	100.00%	On track

						Project target achieved
Number of offices rehabilitated (nbr)	1.000	1.00	1.000	100.00%	100.00%	On track Project target achieved
Number of vehicles procured (nbr)	6.000	3.00	3.000	200.00%	200.00%	On track Project target surpassed by 100%
Number of motorcycles procured (nbr)	20.000	20.00	20.000	100.00%	100.00%	On track Project target achieved
Output rating						
Rating on project outputs	Performance rating		Summary of key findings			
	Current	Previous	Most of the project output has been achieved, and some surpassed the targets. The few which have not been achieved are expected to be achieved before the end of April 2025			
	4	4				

Development objective (DO) rating

Progress towards development objective				
Rating on Development Objective (DO)	Performance rating		Summary of key findings	
	Current	Previous	Most of the outputs have been delivered and there are good chances that the project development objectives will be achieved by the time the project is closed.	
	highly satisfactory	satisfactory		

Additional and/or unanticipated outcomes/outputs (optional)

Indicator	Baseline	End target	Most recent value
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C. Project implementation progress reporting and assessment

Compliance with covenants

Criteria	Number/Percent of conditions complied with	Current Rating	Previous rating	Assessment
Compliance with project covenants	100.00%	4	4	All covenants have been met
Compliance with environmental and social safeguards	85.00%	3	3	Environmental and Social Risk Categorization: The project activities both at the Center for Agricultural Research and Laboratory CARL and the Post Harvest Center of Excellence PHCoE still remained as those categorized as medium risk: category 2. No additional component or activities that will warrant an escalation of the subsisting categorization were identified. Capacity E&S risk management: Capacity in E&S risk management is confirmed adequate both at the project implementation PIT level and that of the contractors at Center for Agricultural Research and Laboratory CARL is at 89% completion, and at Post Harvest Center of Excellence PHCoE is at 95% completion. Post Harvest Center of Excellence PHCoE is at 95% completion.

				Labour Condition, Occupational Health and Safety: Compliance with the use of recommended Personnel Protective Equipment's and Gears by workers on site was not appropriate and satisfactory. It was discovered that most workers either did not have appropriate PPE's and some had none at all. Safety boots, gloves, reflectors, and nose mask were not in use by workers who were engaged in works activities that required them to be protected by such gears. Those working with motorized screw tightening machines inside the Silos Cone did not have the required hand gloves and protective earmuff to protect them from the extreme noise. The use of construction safety belt, harness clips and grip safety gloves were not enforced, however the belts were available. Storm water: channeling is properly done within the project sites but not adequately done outside the project site. Storm water is channeled to the road and a place supposedly meant for the construction of the drainage channels for the highway. Biodiversity offset: Tree planting: 400 pine trees have been planted and additional 200 is expected to be planted before February 2025. Center for Agricultural Research and Laboratory CARL is at 89% completion
Audit compliance	NA	4	4	The project conducted the audit exercise for financial year 2023/24 and the final report is expected to be submitted to the Bank for the review before the end of December 2024

Project systems and procedures

Criteria	Current Rating	Previous rating	Assessment
Procurement	4	4	Serve for procurement of contractor for construction of a fence at the Centre of Excellence for Grain Marketing (which awaits contract signature), and consultancies for PCR and Impact Study, most of the procurement activities have been concluded.
Financial management	4	4	There has not been any notable financial issues with the project.
Monitoring and Evaluation	4	3	Project reporting is highly satisfactory as both inputs, outputs and outcomes are clearly stated. The project has been paying periodic monitoring visits to the project area. The outcome study report has already been released.

Project execution and financing

Criteria (Amount at supervision date)	Total approved amount	Cumulative amount to date	Cumulative amount at beginning of the year	Annual projection	Progress towards annual projection (%)	Progress towards total (%)	Current Rating	Previous report
Disbursements	23,675,236.49	19,412,454.13	15,489,931.40	29,200,000.00	28.61%	81.99%	4	3
Budget commitments	23,675,236.49	19,412,454.13	15,489,931.40	29,200,000.00	15.39%	81.99%	4	4
Counterpart funding disbursements	0.00	0.00	0.00	0.00	0.000%	0.000%	NA	NA
Co-Financing disbursements	0.00	0.00	0.00	0.00	0.000%	0.000%	NA	NA

Criteria	Assessment
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Disbursement (Bank approved financing only)	With the completion of civil works for CARL and the centre of excellence for grain marketing in December 2024, disbursement rate is expected to raise.
Budget commitments (Bank approved financing only)	The project has so far committed 97% of total project funds
Counterpart funding disbursements	
Co-Financing disbursements	

Overall implementation

Implementation progress			
Rating on Implementation Progress (IP)	Performance rating		Summary of key findings
	Current	Previous	Overall, the project performance is highly satisfactory.
	highly satisfactory	highly satisfactory	

Lessons learned during implementation

Key issues	Lessons learned	Target audience
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