



## Environmental and Social Due Diligence (ESDD) Report for Subproject Supporting Construction of a Rice Storage Warehouse to Enhance Food Security and Reduce Post-Harvest Losses.

<b>Part I: GENERAL INFORMATION</b>		
<b>Client/Customer Name:</b> Mosan Company Limited	<b>Client/Customer Number:</b>	<b>Sector:</b> Agriculture
<b>Location of the Project:</b>  Chakulu and Ilunde village of Uvinza District, Kigoma Region.	<b>Contacts:</b>  Mosan Company Limited, Head Office Address: P.O. Box 25298, Swahili/Mafia Street Near Kariakoo Market, Dar Es Salaam, Tanzania.	<b>Facility Type and Request Amount:</b> <b>Total Exposure:</b> Term Loan –.  TZS 4,921,210,416.88 (TZS 4.9 billion) equivalent to USD 2,416,851.03 Million)  (1USD= TZS 2689.45/=).
<b>Branch:</b> Nguruka	<b>Responsible RM/MCO/MBB/CA:</b> Abel Kunzugala	
<b>Prepared/Updated by:</b> Joseph ISHIMWE		<b>Date:</b> 02 January 2026
<b>Brief Project Description:</b>  The Mosan Company Limited owns a farmland located at Chakulu and Ilunde Villages in Uvinza District, situated along the Ruchugi River. In addition, the company holds another land along the Malagarasi River at Mpeta Village, Musoma Township, within the Nguruka Urban Area. The company plans to implement a large-scale rice production scheme during the agricultural season that commenced in October 2025 with harvest season projected to start in April to May 2026, utilizing modern and climate-smart agricultural practices. This initiative aligns with TACATDP a programme which seeks to enhance the production of food crops by applying appropriate adaptation technologies, strengthen agricultural market systems, and sustainably improve the productivity and incomes of smallholder farmers.  To support efficient farm operations and address post-harvest challenges, the company plans to construct a rice storage warehouse (godown). The facility will be used to safely store harvested paddy, thereby minimizing post-harvest losses, stabilizing supply, and improving market access, while supporting the overall value chain of rice production.  To ensure full regulatory compliance, the bank has required verification of Environmental Impact Assessment (EIA) certification issued by the National Environment Management Council (NEMC). The EIA confirms adherence to national environmental laws and outlines the scale, location, and nature of the proposed		

warehouse and associated facilities. The assessment stipulates conditions related to environmental and social risk mitigation, implementation of impact management measures, emergency preparedness, monitoring, and reporting, ensuring that the warehouse construction and operations are environmentally and socially responsible.

The requested financing will be channelled under FP 179 TACATDP as a term loan to support the construction of the paddy storage warehouse, which forms a critical component of the project's post-harvest management strategy. The project's feasibility and environmental sustainability were confirmed through an Environmental and Social Impact Assessment (ESIA), which concluded that the anticipated impacts are site-specific, manageable, and adequately addressed through proposed mitigation measures. Regulatory approval has been granted, affirming compliance with national environmental and social safeguards, as well as alignment with Green Climate Fund (GCF) requirements.

Furthermore, the warehouse project is designed to operate as a socially and environmentally responsible investment, contributing to climate adaptation and reducing food losses within the rice value chain. In line with Tanzania's Agricultural Sector Development Programme II and the United Nations Sustainable Development Goals, particularly SDG 2 (Zero Hunger) and SDG 13 (Climate Action), the project will adopt climate-smart storage practices to enhance food security, reduce post-harvest losses, and support sustainable agricultural development in the long term.

		Yes/No/NA	Additional information
<b>Exclusion List</b>	Does the activity falls under the Exclusion List? <i>Refer annex 1 of ENVIRONMENTAL &amp; SOCIAL MANAGEMENT PROCEDURES</i> If Yes, reject the application If No – Proceed to the process in Part II through to part III	NO	The activities do not fall under exclusion list meaning that they can be funded under the GCF Proceeds.

## **PART II: ENVIRONMENTAL AND SOCIAL RISKS CATEGORIZATION PROCESS:**

### **SECTION 1:**

#### **E&S Categorization based on the National Laws and Regulations:**

The project activities fall under activities that require an Environmental and Social Impact Assessment as stipulated in the Environmental Management Act (CAP. 191) in its Environmental Management (Environmental Impact Assessment and Audit) (Amendment) Regulations of 2018, as it involves construction of a storage warehouse for post-harvest loss management.

<b>SECTION 2:</b> <b>E&amp;S Risk Category Identification based on IFC Performance Standards 1 to 8:</b>		
<b>Applicable Requirements</b>	<b>Yes /No/ NA</b>	<b>Management Plan</b> <i>(Please provide additional information for actions taken/to be taken to minimize/mitigate the impacts)</i>
<b>Performance standards 1:</b> “Assessment and Management of Environmental and Social Risks and impacts.”		
<p><b>(a) E&amp;S policy/Management System available?</b></p>		
	Yes	<p>Mosan has an approved Environmental and Social Management Plan (ESMP) designed to integrate sustainability into every aspect of its milling operations. This comprehensive plan outlines clear mitigation measures and assigns responsibilities to ensure effective implementation. The ESMP focuses on identifying and assessing potential environmental and social risks associated with the milling process, establishing strategies to minimize negative impacts, and setting up a continuous monitoring system to evaluate outcomes. Central to the plan is active stakeholder engagement, particularly with local communities, to ensure transparency, inclusivity, and local ownership of environmental and social safeguards. It also includes capacity-building initiatives for stakeholders involved in the implementation of these safeguards. By aligning with both national and international regulatory standards, the ESMP ensures that Mosan operates in a socially responsible and environmentally sustainable manner while supporting broader goals such as sustainable agricultural practices and community development.</p>
	Yes	<p>Mosan has an Environmental and Social Management Plan that stipulates potential E&amp;S risks and impacts and they are to be managed and also as part of compliance, Mosan Mill work hand in hand with intergovernmental authority such as National Environment Management Council (NEMC), Prime Minister's Office - Labour, Youth, Employment and Persons with Disability, Occupational Safety and Health Agency (OSHA), and Local Government authorities.</p>
<p><b>(b) Is the system/procedure in place to identify, assess and manage the potential E&amp;S risks and impacts?</b></p>		

<p>(c) Is <b>E&amp;S Officer</b> for managing E&amp;S issues available?</p>	<p>Yes</p>	<p>The E&amp;S issues in Mosan operations will be overseen by a designated HSE personnel who will also be assisted by a contracted and certified EIA/EA consultancy firm (GSG Consulting (T) Limited)</p> <p>Moreover, at site level, the HSE will be assisted by trained SHE Reps and OSHA shall conduct regular training to the workforce on safe working practices.</p>
<p>(d) Is the procedure in place to engage with <b>local communities</b> (eg. <b>grievance mechanism, stakeholder engagement plan</b>) to address community grievance?</p>	<p>Yes</p>	<p>Mosan being a limited company is subjected to follow a set feedback and complaints mechanisms that will include the feedback channels such as suggestion boxes and phone numbers for lodging grievances.</p> <p>The existing feedback and complaint system in limited companies in the United Republic of Tanzania operates in the principles and procedures, such as impartiality, confidentiality, and timely resolution of complaints and easily accessible to all stakeholders which are in alignment with CRDB GRM and GCF IRM as all captured feedback and complaints are escalated to relevant regulatory such as the Fair Competition Commission (FCC) and Tanzania Union of Industrial and Commercial Workers (TUICO).</p>
<p>(e) Does the company have the <b>emergency response Plan</b>?</p>	<p>Yes</p>	<p>Mosan activities require the minimal of emergency response plan for cases such as theft and disasters such that the premises are guarded by security personnel and that an intra-governmental agencies collaboration such as with Fire and Rescue Force and other forces are in place in case of emergencies.</p> <p>However, the company has an emergency response plan (embedded exclusively in the ESIA Report) in place that will involve Fire extinguishers, First Aid Kit, Safety signages and Personal Protective Equipment that will enable Mosan to respond adequately in case of emergencies.</p>

<b>Performance standards 2:</b> "Labour and Working Conditions."		
(a) How many <b>employees</b> does the company have?		<p>Mosan has around 10 permanent workers with 8 being men and 2 being women, moreover in peak seasons the contracted and casual labour reach up to 300 people with majority being the local people within the vicinity, in majority are women. The employment is based with renewable terms and provided with annual leave of 28 days, sick leave and maternity leave as subject to Section 31-34 of the Employment and Labour Relation Act (CAP. 366 R.E. 2019).</p>
(b) Is <b>Human Resource (HR) Policy</b> available? (that is consistent with the requirements of national labour laws)	Yes	<p>Mosan is committed to human resources policy that is adopted and developed as per the Employment and Labour Relation Act (CAP. 366 R.E. 2019).</p> <p>Mosan also strictly abides to the Sexual Offenses (Special Provisions) Act, Chapter 16 (CAP 16) of the Laws of Tanzania and labour laws which focus on preventing sexual exploitation, abuse, and harassment (SEAH) in the workplace.</p> <p>Moreover, as per the Tanzania's laws prohibit discrimination in employment, including issues related to race, gender, disability, and sexual orientation. The Equal Opportunities Employment Act (CAP. 366 R.E 2019) outlines such policies. These regulations apply to all Tanzanian employers, including Mosan, to ensure non-discriminatory practices in hiring, promotion, and workplace treatment.</p>
(c) Are policies and procedures for managing and monitoring the performance of <b>third-party employee contractors</b> in terms of labour and working conditions available?	Yes	<p>The Mosan's construction processes will involve third parties (contractors). These third parties are crucial as due to the nature of construction activities.</p>

<p><b>(d) Has the company established a grievance mechanism for workers and third-party contract workers?</b></p>	<p>Yes</p>	<p>Mosan being a limited company follows a set feedback and complaints mechanisms that includes the feedback channels such as suggestion boxes and phone numbers, for lodging grievances that covers the third-party contract workers.</p> <p>The existing feedback and complaint system operates in the principles and procedures, such as impartiality, confidentiality, and timely resolution of complaints and easily accessible to all stakeholders which are in alignment with CRDB GRM and GCF IRM as all captured feedback and complaints are escalated to relevant regulatory such as the Fair Competition Commission (FCC).</p>
<p><b>(e) Does the company provide its workers with a safe and healthy work environment?</b></p>	<p>Yes</p>	<p>Mosan workers are provided with PPE and supply of drinking water. Moreover, to ensure a safe and healthy working environment, there are regular breaks, changing rooms and sufficient lavatories as stipulated in the OSHA Act.</p>
<p><b>(f) Where applicable does the company provide workers with and mandating that workers to use personal protective equipment (PPE)?</b></p>	<p>Yes</p>	<p>Workers are provided with PPEs at the workplace at all times.</p>
<p><b>(g) Does the company comply with Occupational health and safety procedures?</b></p>	<p>Yes</p>	<p>Mosan has OSHA workplace compliance certificate and are being audited by OSHA on regular basis as per the OSHA Act 2003 and The Occupational Safety and Health (General Administrative) Rules, 2015 Section 12 guidelines in relation to compliance with the Occupational Health and Safety procedures.</p>
<p><b>(h) Does the company track and report on rates of injury, occupational diseases, lost days, and number of work-related facilities? Please provide recent data.</b></p>	<p>Yes</p>	<p>No incidents recorded over the past 2 years, Mosan is being audited by OSHA on regular basis as per the OSHA Act 2003 and The Occupational Safety and Health (General Administrative) Rules, 2015 Section 12 guidelines.</p>

<p>(i) Does the company have <b>training programs</b> in place for workers on Occupational health and safety?</p>	Yes	<p>Mosan does receive mandatory trainings on First Aid and SHE Reps from Occupational Safety and Health Authority.</p>
<p>(j) Is the company involved in <b>harmful child labour or forced labour</b> (Including supply chain for Agri-commodity clients)?</p>	No	<p>Mosan operations are governed by a Human Resources policy that is adopted as per The Employment and Labour Relation Act (CAP. 366 R.E. 2019) which under Part II Section 5 &amp; 6 strictly entails prohibition to Child and Forced Labour.</p> <p>Moreover, Mosan as a listed company strictly adhered to this as Tanzania is a signatory to international conventions such as the International Labour Organization (ILO) Conventions that prohibit child labour and forced labour which is cascaded and incorporated in the Employment and Labour Relation Act (CAP. 366 R.E. 2019).</p>
<p>(k) <b>Is the borrower engaged in a business or activity where workers on-site could potentially be seriously hurt or killed?</b></p> <p>Examples of threats include working at heights, handling toxic chemicals, electrical shock, moving or lifting heavy loads, operating machinery, confined space entry, driving cars/trucks, etc.</p>	Yes	<p>The nature of the work has potentials hazards such as lifting heavy loads, however, there are Safety Procedures to follow, and adequate lifting tools are to be used to reduce over exhaustion of manpower.</p>
<p><b>Performance standards 3:</b> “Resource Efficiency and Pollution Prevention.”</p>		

<p><b>(a) Does the company implement measures for improving efficiency in its consumption of energy, water, raw materials and other resources and inputs?</b></p>	<p>Yes</p>	<p>The warehouse will use electricity from TANESCO and rely on water from a drilled borehole with associated 5000 litres storage tanks with water abstraction permits from the water basin board in place.</p>
<p><b>(b) Does the company generate any air, liquid or solid waste emissions during construction and /or operational phases? If yes please provide details.</b></p>	<p>Yes</p>	<p>During proposed project operation solid waste that will be generated include rice husks. The husks are a beneficial waste as it is treasured as a fertilizer whereas Mosan. Other wastes are domestic wastes such as food and general wastes, and office wastes including paper, cardboard, and printer cartridges/ribbons and human sewage.</p>
<p><b>(c) Is there procedure in place for monitoring air and water emissions. Please provide a copy of any effluent discharge permit issued by the local authorities.</b></p>	<p>Yes</p>	<p>Wastewater that will be generated by the project is due to such activities as facilities cleaning as well as domestic activities. In addition to sweeping to remove litter, they shall be washed in order that any residual materials are removed. The process will lead to washdown water containing very small amounts of organic matter and microbes. No direct discharge shall be made into environment instead all water resulting from the washing down of the warehouse will be passed over fine mesh screens to remove solid particles which will then be used for fertilizer, the remaining water will be processed through a septic tank system on the site to breakdown any organic matter and then released into a soak pit. Similarly, all wastewater from domestic activities (staff housing and cottages) shall be handled through septic tanks with soak away pits and later on disposed to designated oxidation ponds. Moreover, storm water from roof tops shall be directed towards the installed septic tanks and not directly into the surrounding environment.</p>

(d) Is the procedure to guide the storage, handling, and disposal of the solid wastes		The main wastes produced from warehouses are organic matters such as rice husks (pumba) and they cannot cause significant hazards to human health or the environment when properly managed.
(e) Are the diesel storage tanks fitted with secondary containment bunds?	N/A	There are no diesel storage tanks.
(f) Is there response procedure in place to manage spills or accidental discharge?	N/A	There are no diesel storage tanks.
<b>Performance Standard 4:</b> “Community Health, Safety, and Security.”		
(a) Are there local communities in close proximity to the company's facilities and does the company have procedure to address <b>community health, safety and security</b> issues in the context of its operations?	No	Mosan activities are not proximity with the local community who will positively be impacted by the warehouse through job creation and is in alignment as stipulated by the village and ward office during consultation that are aimed at improving the livelihoods of the local communities and ensure the implementation of the Small and Medium Enterprises Development Policy (2003) whose overall objective is to foster job creation and income generation through promoting the creation of new SMEs and improve the performance and competitiveness of the existing ones to increase their participation and contribution to the Tanzania economy.
(b) Are safety procedures in place to deal with <b>hazardous material release, transport and disposal</b> to avoid or to minimize exposure of local communities to those materials?	N/A	<p>There is no use of hazardous substances in the operations.</p> <p>However, during the construction phase the Project Manager is mandated to ensure health and safety issues to workers during construction by enforcing the use of Personal Protective Equipment's (PPEs) to all workers, this has also been emphasized through stakeholder engagement with the local government and OSHA.</p>
(c) Are <b>armed security personnel</b> to provide security services at the facility available?	Yes	There are security personnel to guard the premises, who are generally present to allow access and egress from the premises.

<p><b>(d) Is there a <b>traffic management plan</b> for managing additional traffic associated with company's activities?</b></p>	N/A	<p>Mosan proposed operations will involve the construction of warehouse for post-harvest loss management and in turn enhancing food security in the country.</p>
<p><b>(e) Is the borrower engaged in a business or activity that has the potential to cause harm to a neighboring community?</b></p> <p>If the borrower's activity uses harmful chemicals that could spill, could have a toxic air emission release, could explode or catch fire, is maintaining or will construct a dam, is employing security forces, is bringing in a large workforce from outside the community, etc. then this is possibly a risk/impact</p>	No	<p>The construction activities pose no threat to the neighbouring communities and no interaction with the community in any means.</p>
<p><b>Performance standards 5:</b> “Land Acquisition and Involuntary Resettlement”.</p>		
<p><b>(a) Is there any <b>involuntary land acquisition</b> planned/happened for/in the proposed investments?</b></p>	No	<p>Mosan proposed operations will involve the construction of warehouse for post-harvest loss management and in turn enhancing food security in the country which does not involve involuntary land acquisition and the land where the warehouse is to be built have low risk of involuntary land acquisition (has never occurred).</p> <p>Moreover, the land where Mosan is operating is legally owned by Mosan acquired through willing buyer-willing seller basis and issued with the certificate of occupancy by the Ministry of Lands, Housing and Human Settlements Developments.</p>

<p><b>(b) Has there been any physical and /or economic displacement because of land acquisition for this project?</b></p>	No	<p>Mosan proposed operations will involve the construction for post-harvest loss management and in turn enhancing food security in the country with no physical and/or economic displacement involved.</p>
<p><b>(c) Has the company disclosed all relevant information, consulted with affected persons and communities and facilitated their informed participation in the decision-making process relating to resettlement?</b></p>	N/A	<p>There are no affected persons and communities.</p>
<p><b>(d) Did the company consider alternative design to avoid or minimize economic and physical displacement?</b></p>	N/A	<p>The project execution was the most feasible one, as it has minimal impacts with no economic and physical displacement.</p>

<p>(e) Has the borrower acquired land in the past 5 years or is the borrower planning to acquire land in the near future? If yes, did/does the borrower or a designated authority have the right to use lawful expropriation, even if a willing buyer-willing seller negotiation was/will be completed?</p> <p>If the borrower has not or will not be acquiring land in the near future, then this is a low risk.</p> <p>If the borrower has acquired land or plans to in the near future and they have access to expropriation the risk can be high.</p>	No	<p>Mosan proposed operations will involve the construction for post- harvest loss management and in turn enhancing food security in the country.</p> <p>Moreover, the land ownership of the current associated facilities is of more than five (5) years.</p>
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**Performance Standard 6:**

“Biodiversity Conservation and Sustainable Natural Resource Management”.

<p><b>(a) Does the company's activities impact on biodiversity?</b></p>	No	<p>Mosan operations involves the farming of paddy and enhancing food security in the country and has no impact on biodiversity.</p>
<p><b>(b) Does the business operate in a legally protected area?</b> If Yes, confirm that the company has the requisite approvals to operate in such area.</p>	No	<p>Mosan activities of the proposed warehouse construction are not in a legally protected area.</p>

(c) Are there any biodiversity impacts associated with supply chain? (eg. Agri-commodity supply chain).	No	The Mosan in its operations does not have biodiversity impacts associated with value chain.
(d) <b>Will the borrower's activities potentially impact biodiversity and/or ecosystem services?</b>  If the borrower will be clearing land for construction or is in or near a Provincial or National Park, Protected Area or ecologically sensitive area (e.g. swamp, mangrove, coral reef, forest, etc.) then there is a possibility that there will be impacts upon biodiversity or ecosystem services.  If borrower activities will only take place within an existing facility or on land that has previously been cleared/converted, then the risk is low.	No	<p>The Mosan in its operations does work with other intra-governmental agencies such as such as Ministry of Agriculture and local authorities (during pre-construction and construction phase) as well as farming.</p> <p>Moreover, Mosan activities are not in or near a Provincial or National Park, Protected Area or ecologically sensitive area.</p>
<p><b>Performance standards 7:</b> “Indigenous Peoples (IPs).”</p> <p>IPs are communities or groups of people practicing unique traditions, and that retain social, cultural, economic and political characteristics that are distinct from those of the dominant society in which they live.</p>		
Are there any <b>Indigenous Peoples</b> (IPs) in the area of the borrower's activities?	No	There are no indigenous people in the vicinity of Mosan operating area in Chakulu and Ilunde village of Uvinza District, Kigoma Region.

Is it likely that <b>Indigenous people</b> will be adversely impacted because of the company's operations?	No	It is not likely as the indigenous people found in Tanzania are primarily hunter-gatherer and pastoralist communities whose activities are not linked with Mosan operations therefore no construction materials (during pre-construction and construction phase) from Indigenous people.
<b>Performance standards 8:</b> “Cultural Heritage”.		
(a) Is the project/the borrowers activities located in/or near cultural heritage sites and structures (eg. Artefacts, archaeological sites, graves, and sacred forests) can be found?	No	None of the national identified cultural heritage resources by the Ministry of Tourism and Heritage of the United Republic of Tanzania, Antiquities Division Antiquities Sites (AD 2018) is located within the proposed warehouse, and there are overall no known tangible and intangible cultural heritage sites within the proposed site.
(b) Will the borrower commercially use cultural heritage?	No	The borrower will construct a warehouse to store rice to manage post-harvest loss and enhance food security.

<p><b>FORESTRY/AGRICULTURE</b></p> <p><b>Is the borrower's primary business activity in the primary production or purchase of living natural resources, including natural and plantation forestry, agriculture, animal husbandry, aquaculture, or fisheries?</b></p> <p>If the borrower produces or purchases living commodities as part of its core business, then its' activities and/or supply chain has a risk of impacts to biodiversity.</p>	No	<p>The Mosan in its operations does promote sustainable agriculture that enhances the perpetuation of the production lines which also involves working in consultation with governmental agencies not to purchase and source construction materials (during pre-construction and construction phase).</p>
<p>(i) Is the primary production, certified and independently verified by a credible international, regional, or nationally recognized standard?</p> <p>If answer is no then high-risk.</p>	Yes	<p>The Mosan Company Limited is a registered company as per the Tanzania Companies Act, 2002, with the Business Registrations and Licensing Agency (BRELA) whose activities follow Tanzania Bureau of Standards (TBS) related to food storage, handling, and quality assurance of agricultural commodities.</p>

(ii) (For Agri supply chain) Is the borrower purchasing primary agro-commodity production from a geographic area which is in or near to natural and/or critical habitats  If answers is yes then high-risk.	No	The Mosan in its operations does promote sustainable Agri Supply chain of the production lines through inter linkage governmental agencies such as Vice President's Office (Division of Environment), Ministry of Industries and Business, National Environment Management Council (NEMC) and Executive Director's Office: District Planning Office, District Land and Natural Resources and Environment department not to purchase and source construction materials (during pre-construction and construction phase) from geographic area which is in or near to natural and/or critical habitats.
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### Section 3:

#### **Conclusion of the Environmental & Social Risk Categorization.**

##### **3.1 E&S Risk category**

The Project is Category **B**

##### **3.2 Reason(s) for Categorization:**

1. The project activities fall under activities that require an Environmental and Social Impact Assessment as stipulated in the Environmental Management Act (CAP. 191) in its Environmental Management (Environmental Impact Assessment and Audit) (Amendment) Regulations of 2018, as it involves construction of a warehouse for post-harvest loss management, and

2. Based on International Finance Corporation (IFC), the corporation provides a list of categories according to the magnitude of E&S risks impacts and the mitigation measures in place and based on the ESDD assessment against the IFC PSs the project activities within the associated facility are category B.

Conclusively, the environmental and social impacts resulting from Mosan operations are generally site-specific, largely reversible, and readily mitigatable as they involve construction of a warehouse in a designated industrial plot with approved building permit and ESIA report that has incorporated all the Environmental and Social Management Plans. Furthermore, all potential negative impacts identified through ESDD could be mitigated to reduce severity and significance to acceptable levels or use of management controls. The associated negative impacts have been primarily minimized through best management practices, safety and contingencies procedures and practices. Implementing proposed mitigation measures would increase environmental soundness of the project. It is, therefore, concluded that, implementation of the construction of the plant will entail no deterrent impacts provided that recommended mitigation measures are adequately and timely put in place which makes the activities medium risks (Category B).

##### **3.3 Complete the following:**

	<b>Yes/N o/NA</b>	<b>Additional Information/Status/Remarks</b>
<b>EIA certificate</b> from NEMC available? (Attach a copy-with its general and specific conditions.	Yes	Mosan has submitted the EIA report, subject to certificate for the construction of the warehouse in which they now require funds construct to store harvests and enhance food security in Kigoma and Tanzania at large.
<b>OSHA certificate</b> available? (Attach with conditions if any).	Yes	Mosan has OSHA certificates issued by the Occupational Safety and Health Agency, which operates under the Prime Minister's Office (Labour, Youth, Employment and Persons with Disability) for the construction of the warehouse.

<b>EIA reports</b> available. (attach with EMP/ESMP Section)	Yes	The issuance of the EIA certificate is a result of submission of the ESIA report to NEMC, and the reports are available for the proposed establishment of the milling facility.
Does a project have a <b>free prior informed consent</b> from surrounding community?	Yes	<b>This is a mandatory step before being issued with the EIA certificate.</b>
<p><b>Conclusion:</b></p> <p>Based on the Environmental and Social Due Diligence undertaken, the proposed construction and operation of a rice storage warehouse by Mosan Company Limited is assessed to be environmentally and socially feasible, compliant, and sustainable, with risks that are low, site-specific, and manageable. The project is aligned with the IFC Performance Standards (PS 1–8) and relevant laws and regulations of the United Republic of Tanzania, and it supports national objectives on food security, post-harvest loss reduction, employment creation, and climate-resilient agriculture.</p> <p>In line with IFC Performance Standard 1 (Assessment and Management of Environmental and Social Risks and Impacts), Mosan has an approved Environmental and Social Management Plan (ESMP) that provides a structured framework for identifying, mitigating, monitoring, and reporting environmental and social risks throughout the project lifecycle. The ESMP integrates stakeholder engagement, assigns clear implementation responsibilities, and incorporates continuous monitoring mechanisms. Institutional oversight is ensured through collaboration with competent authorities, including NEMC, OSHA, the Prime Minister's Office Labour, and Local Government Authorities. Environmental and social performance is further strengthened through the engagement of a certified EIA/EA consultancy firm, GSG Consulting (T) Limited, and the appointment of designated Health, Safety, and Environment (HSE) personnel supported by trained SHE representatives.</p> <p>Compliance with IFC Performance Standard 2 (Labour and Working Conditions) is demonstrated through adherence to the Employment and Labour Relations Act (CAP. 366 R.E. 2019), the OSHA Act (2003), and related regulations. Mosan provides fair employment terms, statutory leave entitlements, non-discriminatory hiring practices, and safeguards against child labor, forced labor, and sexual exploitation, abuse, and harassment. Occupational health and safety risks are effectively managed through provision of PPE, regular training, OSHA certification, and routine audits. No occupational incidents have been recorded over the past two years. The company's grievance mechanism is accessible to permanent, casual, and third-party workers and is aligned with national systems as well as CRDB GRM and GCF IRM principles.</p> <p>With respect to IFC Performance Standard 3 (Resource Efficiency and Pollution Prevention), the project demonstrates efficient and responsible use of resources. Electricity is supplied by TANESCO, while water is sourced from a permitted borehole with adequate storage capacity. Waste streams are predominantly non-hazardous and include rice husks, which are beneficially reused as fertilizer. Wastewater is managed through septic tanks and soak pits, with no direct discharge into the environment. There is no storage or use of hazardous fuels such as diesel, and pollution risks during operations are minimal and well controlled.</p>		

Under IFC Performance Standard 4 (Community Health, Safety, and Security), the project poses no material risks to surrounding communities. The warehouse is not located near residential areas, and no hazardous substances are used. During construction, worker safety will be enforced through mandatory PPE and contractor supervision. Site security is maintained by trained personnel, and emergency preparedness measures embedded within the approved ESIA include fire extinguishers, first-aid kits, safety signage, and coordination with the Fire and Rescue Force and other emergency services.

In accordance with IFC Performance Standard 5 (Land Acquisition and Involuntary Resettlement), the project does not involve land acquisition, physical displacement, or economic displacement. The land is legally owned by Mosan Company Limited, acquired on a willing buyer–willing seller basis, and held under a valid Certificate of Occupancy issued by the Ministry of Lands. No affected persons or communities have been identified, and resettlement risks are negligible. Assessment against IFC Performance Standard 6 (Biodiversity Conservation and Sustainable Natural Resource Management) confirms that the project site is not located within or near protected areas, critical habitats, or ecologically sensitive zones. The warehouse construction and operations have no significant impact on biodiversity, and Mosan's agricultural activities support sustainable land use practices under the oversight of relevant government institutions.

Regarding IFC Performance Standard 7 (Indigenous Peoples), no Indigenous Peoples as defined under the standard are present within the project area. The communities in the vicinity do not meet the criteria for IPs, and project activities neither affect nor rely upon Indigenous Peoples' lands, resources, or livelihoods. Finally, in line with IFC Performance Standard 8 (Cultural Heritage), no known tangible or intangible cultural heritage sites are located within the project footprint, as confirmed by national heritage records. Chance-find procedures are implicitly covered under national regulations and ESIA commitments. Mosan's operations comply with Tanzania Bureau of Standards (TBS) requirements for grain storage and handling and with broader regulatory oversight from relevant ministries and agencies.

In conclusion, the proposed warehouse subproject demonstrates full alignment with IFC Performance Standards, Tanzanian environmental, labor, and land laws, and international good practice. With the ESMP effectively implemented and regulatory oversight maintained, the project is expected to deliver positive socio-economic benefits, notably reduced post-harvest losses, improved food security, and local employment, while maintaining a high standard of environmental and social performance.

## **Recommendations:**

Based on the findings of the Environmental and Social Due Diligence and in alignment with IFC Performance Standards and applicable laws of the United Republic of Tanzania, it is recommended that the proposed rice warehouse construction and operation by Mosan Company Limited proceed, subject to continued implementation and strengthening of existing environmental and social management measures. The project presents low to moderate, manageable risks and offers clear developmental benefits related to food security, post-harvest loss reduction, and local employment.

In accordance with IFC Performance Standard 1, Mosan should ensure full and continuous implementation of the approved Environmental and Social Management Plan (ESMP) throughout the construction and operational phases. Clear allocation of responsibilities to HSE personnel, contractors, and management should be maintained, with periodic internal monitoring and external audits undertaken to verify compliance. Regular reporting to lenders and relevant authorities, including NEMC, should be institutionalized to demonstrate ongoing adherence to national and international standards. Any material changes to project scope should be screened for additional environmental and social risks.

Consistent with IFC Performance Standard 2, it is recommended that Mosan continue to strengthen labor management systems, particularly during peak construction and operational periods when contracted and casual labor increases. Contractor management procedures should explicitly require compliance with Tanzanian labor laws, OSHA requirements, and Mosan's internal Human Resources policies, including provisions on non-discrimination, SEAH prevention, and prohibition of child and forced labor. Periodic refresher training on occupational health and safety, workers' rights, and grievance mechanisms should be conducted, with records retained for verification.

In line with IFC Performance Standard 3, Mosan should maintain and periodically review its resource efficiency and waste management practices to ensure optimal performance. Particular attention should be given to wastewater handling systems, septic tanks, and storm water management to prevent any localized contamination. Opportunities to further utilize rice husks and other organic waste for value addition or soil improvement should be explored. Water abstraction permits and energy usage should be monitored to ensure compliance with regulatory thresholds and efficiency targets.

Under IFC Performance Standard 4, it is recommended that Mosan maintain robust community health, safety, and security measures. Contractor adherence to site safety rules during construction should be strictly enforced. The existing emergency preparedness and response measures outlined in the ESIA should be operationalized at site level, including regular inspection of fire-fighting equipment, availability of first-aid supplies, and periodic emergency drills coordinated with relevant government agencies.

In relation to IFC Performance Standard 5, no additional actions are required, as the project does not involve land acquisition or resettlement. However, Mosan should retain and securely archive all land ownership documentation and ensure that any future expansion activities are screened early to avoid potential land-related risks.

Consistent with IFC Performance Standard 6, Mosan is encouraged to continue working with agricultural and environmental authorities to promote sustainable farming practices and ensure that construction materials and operational inputs are sourced responsibly. Any future changes in land use or expansion of operations should be assessed to confirm that they do not encroach upon sensitive habitats or protected areas.

Regarding IFC Performance Standards 7 and 8, no specific mitigation measures are required, as there are no Indigenous Peoples or cultural heritage sites within the project area. Nonetheless, it is recommended that Mosan apply national chance-find procedures during construction and maintain consultation with local authorities should any unforeseen cultural or archaeological materials be encountered.

Overall, it is recommended that the proposed subproject is supported, subject to ongoing compliance with the ESMP, national regulatory requirements, and IFC Performance Standards. With effective implementation of these recommendations, the project is expected to achieve its intended outcomes in a socially responsible, environmentally sound, and legally compliant manner, contributing positively to Tanzania's food security and sustainable agricultural development objectives and to the success and sustainability of TACATDP financing.

## Action Plan

S/No	Action	Objective	Deliverable	Responsibility	Timeline	Status
1	Implement and monitor the Environmental and Social Management Plan (ESMP)	Ensure effective management of identified E&S risks and compliance with IFC PS 1 and national laws	ESMP implementation reports; monitoring checklists; compliance records	Mosan Management; HSE Officer; GSG Consulting (T) Ltd	Ongoing (Construction & Operation)	Ongoing
2	Strengthen Occupational Health and Safety (OHS) management during construction and operation	Prevent workplace accidents and ensure compliance with IFC PS 2 and OSHA Act (2003)	OHS procedures; PPE issuance records; OSHA training and audit reports	HSE Officer; Contractors; OSHA	Construction phase and ongoing operations	Ongoing
3	Mosan to address all grievances raised by all stakeholders and report all grievances recorded to CRDB Bank Plc.	To align Mosan Grievance Redressal Mechanism with the CRDB Bank Plc GRM and GCF IRM.	All raised grievances from all stakeholders have been resolved and communicated through the relevant mechanisms (Mosan GRM, CRDB Bank GRM, and GCF IRM) and disseminated to stakeholders.	Mosan	Ongoing throughout lifetime of the facility.	Ongoing
4	Conducting stakeholder engagements to all stakeholders.	Implementation of a stakeholder engagement plan to ensure all stakeholder are informed and concerns are considered.	Consultations, partnerships, public awareness campaigns, and feedback mechanisms.	Mosan and CRDB Bank Plc (AE)	Ongoing throughout lifetime of the facility.	Planned
5	Mosan to maintain all relevant permits.	To observe national and international laws and regulations associated with construction and operation of Warehouse.	Up-to-date compliance certificates/permits.	Mosan	Ongoing throughout lifetime of the facility.	Planned

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