Compiled by: SFI Tanzania Ltd March 2022





# SFI TANZANIA LTD PUBLIC MONITORING REPORT 2021

# ABSTRACT

Annual report on social impact, environmental data and development at SFI Tanzania Ltd.

PO Box 57 Korogwe Tanzania www.sfitanzania.com

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# 1. Introduction

Management is a continuous process. This means that the management will be adapted over time related to changes in the field. To keep track of these changes, SFI Tanzania apply a system of monitoring in which information is gathered annually. The process of planning, monitoring and evaluation supports a further fine-tuning of the management plan. The monitoring plan for 2021 was developed at the beginning of the year.

This report builds on the 2020 report and incorporates refinements made in the past year. It informs on the various monitoring activities that have taken place the past year, and what has been learned from it. As more knowledge is gained on monitoring activities, these are further refined, and the setup of the monitoring system will be adapted accordingly.

This annual monitoring report is public to allow interested persons to be informed on the progress of SFI Tanzania and the impact its activities have on the people and the environment at both estates.

# 2. Economical sustainability

## 2.1 Plantation establishment

In 2021 a total area of 237.5ha was planted. Less than the 476.8ha planted in 2020. Nurseries the size of 23.75ha were also created. This will ensure that bulbill material for 250ha will be available for 2022. Figure 1 shows the land use classification of the planted areas at both estates. Figure 2 shows the hectare planted at SFI Tanzania since 2006.



Figure 1 Planted areas at both estates



## 2.2 Plantation condition and regeneration

### 2.2.1 Sisal plantation productivity

The productivity of the sisal fields is estimated using the daily cutting reports per field. Figure 3 shows the sisal production per estate in metas per ton and ton per ha.





Figure 3 Production recovery 2015-2021

For both estates it can be observed that there are some sisal compartments with no production. This is mainly because of (1) the compartment is still immature, (2) the compartment is not planted, or (3) the compartment is a very old sisal compartment used for bullbill harvesting (nursery material) only.

### 2.2.2 Forestry nursery development

During 2021, 300kg of teak seeds were sown in the nursery which will be sufficient for 50ha in the 2022 planting season. The amount of teak seeds sown was less compared to the previous year because a lot of stumps dried up in 2020's planting season due to poor rainfall. The teak plants was supplied to outgrowers to plant in their plots. The nursery however produced more than enough teak stumps for outgrowers during 2021 as only 6 new outgrowers signed contracts. The farmers who were initially interested to plant teak in their plots could not finish all the teak stumps.

The forestry nursery also produced some Kapok seedlings and Dalbergia melanoxylon in the polybags for our own planting. Kapok was planted along the Kwamdulu road which starts from the western boundary of the estate and goes to Section II. Dalbergia melanoxylon was planted on the buffer zone of the Section II dam. Some indigenous seedlings were also sown in polybags - planted in the buffer zones within our estates.

Pruning target was fully reached for Kwamdulu. All the teak stands were pruned to their respective heights. For Kwaraguru only 67% of the planned area was pruned, the small portion left showed no need for pruning. Pruning is done once in a year at SFI Tanzania.

#### 2.2.3 Protection of the plantations against fire

Due to lack of fire-fighting equipment; fire remains a challenge at SFI Tanzania. Majority of fires are experienced during dry weather conditions. Korogwe Fire and Rescue Services assist the company with annual training and stand-by assistance during fire season. Fires increased from 20 during 2020 to 24 during 2021 of which 14 were reported at Kwamdulu and 10 at Kwaraguru. It must be noted that the estates received very low rainfall which also contributes to the increase in fires due to dry vegetation.

During 2020, 3,25 ha sisal was damaged whereas in 2021 Kwamdulu estate experienced one fire that caused damage to 14.5ha of Teak, Dalbergia Melanoxylon (Mpingo) & Eucalyptus trees while Kwaraguru estate suffered loss of 2ha sisal.

The main causes were farmers preparing land in dry and windy weather conditions and honey hunters setting fires to extract honey. Measures were put in place to ensure effective fire prevention in collaboration with surrounding communities. Formal fire training was provided to the communities and community meetings scheduled to ensure effective communication regarding fire prevention and fire safety.



Figure 4 Number, cause and damage of fires per estate in 2021

### 2.2.4 Plantation health monitoring

During 2021, 4 cases of Sisal Weevil (scyphophorus interstidialu) was reported, one case of Potassium deficiency and one incident whereby wild pigs damaged sisal. No pests or diseases were reported in forestry compartments. Figure 5 depicts the pest and diseases during 2021 stipulating: type of disease and scale of infestation.





Figure 5 Pests and diseases recorded in 2021

# 3. Ecological sustainability

### 3.1 Plantation ecosystem

#### 3.1.1 Extent of protected area

The protected areas are identified on maps and are mainly the remnant forest patches and buffer zones along the water courses. At Kwaraguru this is 101 hectares, of which the remnant forest at the big dam is the major portion. At Kwamdulu there are only 2 hectares remnant forest, which is the full conservation area of this estate. SFI Tanzania plans to plant indigenous trees at the Mnyuzi stream at Kwamdulu to re-establish the natural ecosystem that was eroded due to overgrazing thereby increasing the protected area. The forestry nursery also produced some Kapok seedlings and Dalbergia melanoxylon in the polybags for our own planting. Kapok was planted along the Kwamdulu road which starts from the western boundary of the estate and goes to Section II. Dalbergia melanoxylon was planted on the buffer zone of the Section II dam. The company will endeavour to continue to expand protected areas in unplanted portions of the estate, where the indigenous vegetation will be protected. Those areas will be selected as protected areas that are not suitable for commercial plantation of either sisal or forestry.

### 3.1.2 Protection of flora and fauna species

In the biodiversity study of 2013, some endangered species were identified. Fauna is protected through the prohibition of hunting, while trees are protected as logging is also prohibited. Also, awareness of the protected states is raised for both company staff and surrounding communities through community meetings and trainings. In addition to these protection measures the protected tree species Mpingo (Dalbergia melanoxylon) is planted at both estates, which will further strengthen the local population of this tree species. SFI Tanzania has acquired quotations from reputable institutions during 2020/21 to conduct a follow up biodiversity study. This will be conducted pending funding.

#### 3.2 Water conservation

#### 3.2.1 Protection of indigenous forest and vegetation along water courses

Buffer zones are protected along water courses. No farming or other activities were allowed in the buffer zones to protect the water courses and give indigenous vegetation the chance to develop.

#### 3.2.2 Rainfall

Figure 6 shows the rainfall per estate from 2015 to 2021. Season patterns in Tanzania is renowned for two rainfall peaks, with the main peak over April-May followed by a short season over Nov-Dec. Actual precipitation during 2021 shows Kwamdulu received 662 mm and Kwaraguru 789 mm of rain. The delayed La Nina predicted by the Tanzania Meteorological Agency (TMA) became a reality for the period October to December. Both Estates receiving well below the seven-year average.

| Estate    | Year<br>ar | Per<br>nnum | 7yr<br>Avg | Monthly<br>Avg |     | Feb | Mar | Apr  | May |     |     | Aug | Sep | Oct | Nov | Dec |
|-----------|------------|-------------|------------|----------------|-----|-----|-----|------|-----|-----|-----|-----|-----|-----|-----|-----|
| Kwamdulu  | 2021 🔿     | 662         | 1668       | 55             | 119 | 60  | 43  | 227  | 107 | 10  | 0   | 15  | 25  | 8   | 0   | 48  |
| Kwamdulu  | 2020 🕒     | 1116        | 1668       | 93             | 144 | 64  | 95  | 342  | 150 | 15  | 43  | 10  | 0   | 59  | 177 | 17  |
| Kwamdulu  | 2019 🎱     | 1767        | 1668       | 147            | 0   | 0   | 20  | 93   | 382 | 0   | 18  | 61  | 35  | 940 | 107 | 111 |
| Kwamdulu  | 2018 🕒     | 1205        | 1668       | 100            | 70  | 0   | 210 | 294  | 235 | 81  | 81  | 22  | 63  | 110 | 39  | 0   |
| Kwamdulu  | 2017 🌒     | 1980        | 1668       | 165            | 0   | 45  | 330 | 543  | 536 | 38  | 0   | 50  | 70  | 68  | 300 | 0   |
| Kwamdulu  | 2016 🔵     | 2458        | 1668       | 205            | 295 | 170 | 97  | 1383 | 67  | 55  | 25  | 262 | 42  | 0   | 0   | 62  |
| Kwamdulu  | 2015 🔵     | 2486        | 1668       | 207            | 15  | 70  | 252 | 663  | 837 | 10  | 109 | 89  | 64  | 127 | 175 | 75  |
| Kwaraguru | 2021 🔘     | 789         | 1806       | 66             | 82  | 66  | 53  | 169  | 104 | 23  | 3   | 31  | 26  | 14  | 5   | 213 |
| Kwaraguru | 2020 🕒     | 1275        | 1806       | 106            | 230 | 65  | 119 | 279  | 156 | 9   | 38  | 16  | 8   | 90  | 245 | 20  |
| Kwaraguru | 2019 🕒     | 1447        | 1806       | 121            | 45  | 7   | 0   | 121  | 273 | 0   | 0   | 66  | 28  | 683 | 118 | 106 |
| Kwaraguru | 2018 🔘     | 1124        | 1806       | 94             | 44  | 0   | 236 | 265  | 189 | 33  | 59  | 25  | 58  | 89  | 30  | 96  |
| Kwaraguru | 2017 🔵     | 2999        | 1806       | 250            | 232 | 354 | 209 | 570  | 871 | 112 | 24  | 141 | 270 | 33  | 108 | 75  |
| Kwaraguru | 2016 🌙     | 2272        | 1806       | 189            | 143 | 110 | 36  | 1360 | 73  | 78  | 15  | 125 | 90  | 62  | 58  | 122 |
| Kwaraguru | 2015 🔵     | 2738        | 1806       | 228            | 71  | 78  | 350 | 514  | 645 | 26  | 186 | 48  | 58  | 146 | 484 | 132 |



Figure 6 Precipitation comparison since 2015

#### 3.2.3 Water quality

The Pangani Water Basin, based in Tanga, Tanzania conducted water testing during October 2021. (Refer Annex A and B for testing locations) The following water bodies were tested.



| No | ESTATE    | WATERBODY                              | CATEGORY         |
|----|-----------|--|------------------|
| 1  | Kwamdulu  | Water filtration                       | Water filtration |
| 2  | Kwamdulu  | Section II Dam                         | Open water body  |
| 3  | Kwamdulu  | Open dug well at Dry ground area       | Open water body  |
| 4  | Kwamdulu  | Dug well with cover at Dry ground area | Open water body  |
| 5  | Kwamdulu  | Pangani River                          | Open water body  |
| 6  | Kwamdulu  | Sisal water                            | Sisal wastewater |
| 7  | Kwamdulu  | Mnyuzi stream                          | Open water body  |
| 8  | Kwaraguru | Water filtration                       | Water filtration |
| 9  | Kwaraguru | Big dam near Mbando house              | Open water body  |
| 10 | Kwaraguru | Sisal water – Jan's dam                | Sisal wastewater |
| 11 | Kwaraguru | Kabuku dam                             | Open water body  |
| 12 | Kwaraguru | Animal dam                             | Open water body  |

Table 1 List of water bodies tested

Physical, Chemical (in milligrams per litre) and Bacteriological examination was conducted based on the following parameters:

| PHYSICAL EXAMINATION   |        | Cŀ                       | BACTERIOLOGIAL<br>EXAMINATION    |                |                            |
|------------------------|--------|--------------------------|----------------------------------|----------------|----------------------------|
| Parameter              | Units  | Alkalinity (as<br>CaCO₃) | Hardness (as CaCO <sub>3</sub> ) | Parameter      |                            |
| Colour                 | mgPt/L | Phenophthalein           | Carbonate                        | Calcium        | E. coli/100ml (44 °C)      |
| Turbidity              | NTU    | Cadmium                  | Non Carbonate                    | Magnesium      | Fecal coli (44 °C)         |
| Settleable<br>matter   | ml/L   | Chromium                 | Total Nitrogen                   | Sodium         | Total coli / 100ml (37 °C) |
| рН                     |        | Copper                   | Ammonical<br>Nitrogen            | Potasium       |                            |
| Conductivity at 25 °C  | μS/cm  | Iron                     | Nitrate Nitrogen                 | Chloride       |                            |
| Total dissolved solids | mg/L   | Lead                     | Nitrite Nitrogen                 | Fluoride       |                            |
|                        |        |                          |                                  | Permanganate   |                            |
| Temperature            | °C     | Manganese                | Total Phosphorus                 | Value (as mg/L |                            |
|                        |        |                          |                                  | KMnO4)         |                            |
|                        |        | Mercury                  | Orthophosphate                   | BOD (5 days)   |                            |
|                        |        | Zinc                     | Sulphate                         |                |                            |

Table 2 Water testing parameters

The following remarks and recommendations were made by the Pangani Water Basin based on test results:

| ESTATE   | WATERBODY                     | REMARKS               | RECOMMENDATION                       |
|----------|-------------------------------|-----------------------|--------------------------------------|
| Kwamdulu | Water filtration              | Moderate, hard water  | Suitable for domestic use. Bacterial |
|          |                               |                       | disinfection required                |
| Kwamdulu | Section II Dam                | Moderate, hard and    | Suitable for domestic use. Bacterial |
|          |                               | contaminated water    | disinfection required                |
| Kwamdulu | Shallow well (covered) at Dry | Soft and contaminated | Suitable for domestic use. Bacterial |
|          | ground area                   | water                 | disinfection required                |

| Kwamdulu  | Open shallow well at Dry ground area         | Hard and contaminated water                     | Suitable for domestic use. Bacterial disinfection required                                |
|-----------|--|---|---|
| Kwamdulu  | Mnyuzi Stream                                | Hard and contaminated water                     | TDS, Chloride is above required standards. Bacterial disinfection required.               |
| Kwamdulu  | Sisal Decortication wastewater<br>at factory | Effluent. Moderate, hard and contaminated water | Discharge permit issued. Suitable<br>for domestic use. Bacterial<br>disinfection required |
| Kwamdulu  | Kwamdulu sisal pond                          | Effluent  | Water permit and discharge permit issued  |
| Kwaraguru | Jan's Dam                                    | Effluent  | Water permit and discharge permit issued  |
| Kwaraguru | Water filtration                             | Hard water                                      | Suitable for domestic use   |
| Kwaraguru | Big dam near Mbando house                    | Hard and contaminated water                     | Suitable for domestic use. Bacterial disinfection required                                |
| Kwaraguru | Kabuku dam                                   | Soft and contaminated water                     | Suitable for domestic use. Bacterial disinfection required                                |
| Kwaraguru | Animal dam                                   | Soft and contaminated water                     | Suitable for domestic use. Bacterial disinfection required                                |

**Table 3 Water test results** 

While majority of tests in water bodies indicated bacterial activity; SFI Tanzania is not required to conduct treatment thereof due to the allocation of water treatment factories on both estates allowing for clean drinking water to the population. It was also established that the dry weather conditions automatically affect the sisal wastewater. A compliance plan was drafted.

During the annual EA and EIA audits sisal wastewater samples were also taken in December 2021 for laboratory analysis. Based on the results, 43% of the measured parameters of the evaporation pond that contains factory effluents were within the allowable limits of the Environmental Management (Water Quality Standards), Regulations, 2007 for Municipal and Industrial effluents while 57% were not within the recommended limits. Whereas the sisal wastewater monitoring done in October, 55% were well within the allowable limits while 45% were not with reference to the same standards. The results could be contributed by stagnation condition of the pond. Nevertheless, the water was contained within the pond of the farm area as there was no overflow towards downstream.

### 3.2.4 Water consumption

In October 2017 a study was done to get among others a better understanding of the water consumption of the decortication process. The water flow was measured for several days to have an accurate estimate of the water flow per hour. This is 48,6 m3/hour at Kwaraguru estate, and 48,7 m3/hour at Kwamdulu estate. However, since the sisal production per hour differs significantly, this will also significantly affect the water consumption per ton sisal. A timer was used for several months to determine the running hours of the water pumps used in the decortication process. Against the daily production a good estimate was obtained of the water consumption per ton sisal. For Kwaraguru estate this is 108,9 m3/ton, and for Kwamdulu estate this is 241,3 m3/ton. The figure for Kwaraguru is relatively close to the industry figures of 100



m<sup>3</sup>/ton, while the figure for Kwamdulu is much higher. Investigations are currently carried out to recycle the water in order to reduce water consumption significantly.

Besides water consumption in the factory the other water consumer at Kwamdulu estate is the teak nursery. Consumption of the sprinkler installation in the nursery is recorded since June 2017. This is a major part of the consumption in the nursery, as there is also some consumption through manual watering. Figure 13 shows that the volume of monthly water consumption in the nursery is 9.9% of the total water consumption at the Estate. From an historical 30% this reduction is directly related to less teak that was planted to sustain the outgrower program at SFI Tanzania only. This consumption vary with the rainfall pattern as rainfall will replace the need of watering.



Figure 7 Water consumption per Estate vs. Rainfall

#### 3.3 Soil conservation

#### 3.3.1 Erosion prevention

On sloped terrain erosion can be a problem, and for this reason SFI Tanzania pay special attention to erosion on the roads and in the fields. As much as possible weeding is done mechanically and manually to ensure a permanent vegetative cover of the soil. In the permanent sample plots in the forestry erosion is checked every time the plot is measured, and in the sisal plantations this is monitored through regular field observations.

## 4. Social sustainability

#### 4.1 Social impact

#### 4.1.1 Human capital

Provision of employment is one of the major social impacts of the company. Figure 8 shows the number of employees since establishment of SFI Tanzania in September 2013.





Besides absolute data on total workers also the composition of the labour force is of importance when talking about social impact. Figure 9 shows some key data on labour force composition namely employees per departement, gender, contract status and un/skilled level of employees for 2021.









#### 4.1.2 Farming and intercropping

Besides employment many people are dependent on the estate area for (subsistence) farming. In 2016 the company started with a farming and intercropping system. This system intends to provide local communities with access to farmland, while having a more effective control on land-use on the estates. Farming is considered to be on fallow land of the estates, while intercropping is farming within planted areas of sisal or forestry. 139 Intercropper contracts were signed during 2021. This may be attributed to poor rainfall experienced in 2021. A total of 1,246 Intercroppers have benefitted from this project since inception of the project in 2016 (Figure 10).



Figure 10 Number of signed farmer / intercropper agreements over time and per gender



#### Figure 11 provides data pertaining to total acres planted since inception of the project in 2016.

Figure 11 Farmland covered by farmer / intercropper agreements over time

#### 4.1.3 Impact of operations on surrounding communities

Social Monitoring for 2021 was conducted by the company's Safety, Health, Environment and Quality (SHEQ) officer and Estate Managers. Villages ranged from bordering the estates up to 10km away. Appointments are scheduled and female leaders are encouraged to attend. The opportunity was also utilized to discuss the following important company information:

- Corporate Responsibility Policy
- Teak outgrower program
- Intercropping Contract Procedure

- Grievance and Complaints Procedure
- Illegal activities
- Community rights
- Fire safety and awareness
- Fishing contract procedure

The following villages were included in the 2021 social monitoring.

| Kwamdulu  | Kwaraguru   |
|-----------|-------------|
| Kwamngumi | Kwedizinga  |
| Kwakombo  | Kabuku town |
| Jitengeni | Taula       |
| Mandela   | Mtakuja     |
| Kikwajuni | Kwediloko   |
| Komsala   |             |

Communities displayed an overall positive disposition towards the company and listed the following improvements since the inception of SFI Tanzania Ltd in 2013.

- Economic growth through job creation
- Social improvement and development
- Environmental changes, awareness and conservation
- Increase in community income
- Improved communication and relationship building
- Medical travel assistance
- Sustainability of the project
- Increased understanding of company policies and procedures.

The following appreciation statements was received from the monitored communities:

- 1. Taula and Kwedizinga Primary School for the land preparation for maize cultivation.
- 2. Kwedizinga village for support of waste dump and allowed them to fetch water in estate ponds.
- 3. Kwamngumi village for the provision of water at the school and village.
- 4. Kwamdulu primary school for the preparation of land for maize cultivation.
- 5. Mandera primary school for cement bags donated.
- 6. Kwakombo primary school for cement bags donated.

No official concerns were raised; the communities rather reiterated for the company to continue with current services and increase community contributions where financially able.

#### 4.1.4 Training and capacity building for employees and intercroppers

At SFI Tanzania training opportunities are offered as and when needed in order to enhance staff skills and attitude. Besides on the job trainings, workers and management of SFI Tanzania have been trained formally on various subjects and training has also been offered to the surrounding communities. Table 4 provides an overview of the training subjects, the number of training



Table 4 Training courses provided in 2021 **Training Conducted Trainer/Institution** Month **# Trainees Fire Safety** 30 Korogwe Fire & Rescue January Importance of PPE: Decorticator employees 62 SFI Tanzania January Safety Awareness: Workshop employees January 12 SFI Tanzania Sisal training to Korogwe Town Council 15 February Estate Manager Ward Agriculturalists Temperature monitoring for vaccinations: 3 Majengo Hospital Health Officer April dispensaries Forestry Development Trust Advisory Panel Forestry Development Trust 1 May Safety induction course to field students June 12 SFI Tanzania and new employees Safety course: vehicles and drivers June 19 SFI Tanzania Chemical handling: chemical spray team 13 SFI Tanzania June Safety induction to new employee July 1 SFI Tanzania 7 Safety induction to VETA students SFI Tanzania July Safety induction course to field students 2 SFI Tanzania August Safety induction - Electrician 1 SFI Tanzania August 80 Magunga District Hospital TB testing and awareness training September Covid-19 vaccine awareness training September 765 Magunga District Hospital 48 SFI Tanzania Capacity and effects of noise pollution to October decorticator and carpentry departments Total 1071

participants and trainer for the formal trainings provided in 2021.

Due to the global Covid-19 pandemic, SFI Tanzania conducted preventative safety awareness training to employees, estate school and dispensaries. The Department of Health conducted vaccine awareness training on-site.

SFI Tanzania also provided practical training to eighteen students during 2021.

| Institution & Number of Students                                     | Length of<br>Training | Training provided            |
|--|-----------------------|------------------------------|
| MATI Mlingano – 6 students   | 3weeks                | Agro Mechanisation Practical |
| University of Dar es salaam (UDSM) – 7<br>students                   | 8Weeks                | Crops science and Technology |
| Institute of Rural Development<br>Planning (IRDP)-DODOMA – 1 student | 6Weeks                | Crops science and Technology |
| DIT-Dar es Salaam - 1 student  | 7Weeks                | Mechanical Engineering       |
| VETA – TANGA - 1 student   | 10Weeks               | Auto Electrical Training     |
| IFM – 1 student  | 8Weeks                | Accountancy                  |
| Morogoro Institute of Business and<br>Management – 1 student         | 13 weeks and<br>2days | Secretarial                  |

#### 4.1.5 Outgrowing program

In 2015 Form Tanzania initiated an outgrowing program where people from local communities grow teak on their own plot using teak stumps supplied from the Kwamdulu nursery. Training is provided and a contract is entered into. This project was integrated into SFI Tanzania during January 2021. Due to poor rainfall during 2021 only 6 new outgrowers signed contracts, now totalling 162 teak outgrowers since inception of the Teak Outgrower Program in 2015 with 195 ha currently planted and 216 256 teak stumps issued. Refer below the outgrower contracts signed since inception of the project per estate, ha planted per year and teak stumps issued.

Figure 12 lists the number of outgrowers from 2015 to 2021 including the total ha of teak planting and number of stumps issued.



Figure 12 Number of outgrowers

## 4.2 Social interactions

### 4.2.1 Stakeholder activities

Regular stakeholder meetings are held to maintain good relations with all parties impacted by the company and vice versa. 106 Stakeholder, Industry and Government meetings was conducted during 2021 including Senior National Government officials.

Figure 13 gives an overview on the meetings held with the various stakeholder categories since inception and during 2021. It should be noted that the categories contain all kind of stakeholders, such as authorities, communities, suppliers and industry.







### 4.3 Health and Safety

#### 4.3.1 Worker health

Although health is primarily a personal matter and the clinics serve as a benefit to SFI employees and their immediate family members, continuous efforts are implemented to improve the health of the workers and their families. For this purpose, SFI Tanzania is collecting anonymous data from the clinics at both estates. This gives more insight in the health and work-related injuries of the company's labour force and their families and will help to direct improvement programs implemented by the company. Since data cannot be related to individuals; the data is counted in number of consults.

A total of 9,925 clinic visits were reported during 2021. A slight decrease from 10,895 in 2020 after a remarkable increase from 6,278 in 2019. This is due to the availability of medical supplies at SFI Tanzania dispensaries. While Kwaraguru Estate also serves the surrounding communities; it does receive assistance from the Department of Health. A dispensary has been constructed at Taula Village near Kwaraguru estate that will further assist. It is important to note that majority of visits increased at Kwamdulu estate due to the distance of villagers to the regional hospital in Korogwe and the availability of supplies. SFI Tanzania has implemented a biometric system at the estate whereby employees and their immediate families has been registered to ensure limited "outside" patients resulting in a financial strain to the company. Notices has been placed at dispensary entrances and medical personnel trained.

SFI Tanzania did not report any Covid-19 infections during 2021 however, the company adheres to a Covid-19 operational plan consisting of 3 phases. Covid-19 prevention training has been provided to employees, dispensary personnel and estate schools. During 2021 the Department of Health commenced with vaccine awareness training and providing Covid-19 vaccinations on site. Figure 14 depicts number of cases per estate from 2015 to 2021 and per estate.



Figure 14 Medical cases over time and at both estates

Figure 15 shows the 10 most prevalent diseases recorded in 2021. Malaria showed a decline from 3,200 cases in 2020 to 2,094 during 2021. Fumigation was done on water bodies to curb the spread of malaria. Acute respiratory infection increased from 1,330 during 2020 to 1,586 in 2021 while Urinary Tract Infections (UTI) showed a slight decrease from 1,285 in 2020 to 1,155 in 2021.



Figure 15 Top-10 most prevalent diseases recorded in 2021

## 4.3.2 Injuries on duty

SFI Tanzania reported 195 Injuries during 2021 with eleven reported form estate residents while not on duty. This is an increase from 169 injuries during 2020 with 164 on duty. The main cause of injury includes cut wounds and sisal thorns in the Bush knife cleaning and Sisal cutting job categories (Figure 16). All employees have been issued with personal protective equipment.





Figure 16 Reported Injuries on Duty during 2021

| Month     | Estate    | Location<br>of | Summary of Accident                      | Injuries Reported           |
|-----------|-----------|----------------|--|-----------------------------|
|           |           | Accident       |  |                             |
| June      | Kwamdulu  | Workshop/      | Employees' legs hung over the sisal      | No fractures reported. Skin |
|           |           | Brushroom      | trailer while trailer was driving past a | damage. Additional training |
|           |           | road           | wall. 4 Employees' legs were caught      | provided to employees and   |
|           |           |                | between die wall and sisal trailer       | drivers                     |
| September | Kwaraguru | Korogwe        | Driver stopped at a shop in Korogwe      | No injuries reported.       |
|           |           | town           | whereby a car damaged the drivers'       | Quotations obtained for     |
|           |           |                | side panel when reversing out.           | vehicle repairs             |
| October   | Kwamdulu  | Korogwe        | Motorcycle accident at Majengo           | No injuries reported and no |
|           |           | town           | Hospital when a fellow motorcycle        | damage caused               |
|           |           |                | collided with the SFI motorcycle         |                             |

Apart from the above injuries on duty, three accidents were reported during 2021.

# 4.3.3 Disabling Injury Frequency Rate (DIFR)

Refer below the 2021 DIFR for SFI Tanzania. No OSHA recordable injuries have been reported during 2021. The listed non-disabling injuries include minor injuries (not impacting on missed shifts) i.e.: sisal thorns and cut wounds reported under Injuries on Duty. The increase reported during December 2021 was mainly at Kwaraguru estate and will be investigated during 2022.

| SFI Tanzania                    |         |         |         |         |         |         |         |         |         |         |         | 2021    |
|---------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Reportable Injury Accident Rate | Jan     | Feb     | Mar     | Apr     | May     | Jun     | Jul     | Aug     | Sep     | Oct     | Nov     | Dec     |
| Permanent                       |         |         |         |         |         |         |         |         |         |         |         |         |
| Employees                       | 1 348   | 1 274   | 1 277   | 1 275   | 1 282   | 1 289   | 1 284   | 1 287   | 1 285   | 1 284   | 1 286   | 1 281   |
| Hours Worked                    | 264 208 | 249 704 | 250 292 | 249 900 | 251 272 | 252 644 | 251 664 | 252 252 | 251 860 | 251 664 | 252 056 | 251 076 |
| Deaths                          | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Major Accidents (>3 Days Lost)  | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       | -       |
| Under Three Days (<3 Days Lost) | -       | -       | -       | -       | -       | 1       | -       | -       | -       | -       | -       | -       |
| Non Disabling                   | 10      | 8       | 21      | 13      | 12      | 25      | 18      | 13      | 15      | 16      | 7       | 33      |
| Near Miss                       | -       | -       | -       | -       | -       | -       | -       | -       | 1       | 1       | -       | -       |
| Months DIFR                     |         |         |         |         |         | 0,79    |         |         |         | · • •   | -       |         |
| Months NDIFR                    | 7,57    | 6,41    | 16,78   | 10,40   | 9,55    | 19,79   | 14,30   | 10,31   | 11,91   | 12,72   | 5,55    | 26,29   |
| Cumulative DIFR                 |         | -       |         |         | -       | 0,13    | 0,11    | 0,10    | 0,09    | 0,08    | 0,07    | 0,07    |
| Cumulative NDIFR                | 7,57    | 7,01    | 10,21   | 10,26   | 10,12   | 11,73   | 12,09   | 11,87   | 11,87   | 11,96   | 11,38   | 12,61   |
|                                 |         |         |         |         |         |         |         |         |         |         |         |         |

Figure 17 DIFR during 2021

#### 4.4 Unauthorized activities

#### 4.4.1 Prevention of unauthorized activities and incidents

Illegal activities showed a remarkable decline from 19 in 2020 to 11 reported during 2021. Charcoal factories in the fallow land of the estates constitute the main offence coupled with illegal harvesting for the charcoal factories. This is of a particular concern due to the fire risk. Illegal activities were again discussed with the surrounding communities whereby all committed to support the company in the eradication and reporting of illegal activities. Important to note communities will continue to build charcoal factories due to poverty and the large scale of fallow land on the estates. Figure 18 shows the illegal activities during 2021.



Figure 18 Illegal activities and incidents 2021

A comparison between 2015 to 2021 shows a considerable decrease at Kwamdulu (Figure 19). This is due to more stringent control of illegal activities and the subsequent capturing and monitoring of the llegal Activities procedure. Illegal activities and incidents are reported and managed immediately in collaboration with the surrounding communities.



Figure 19 Illegal activities and incidents 2015-2021



# **5.** Conclusions and recommendations

Based on the data presented in this report valuable information is obtained on many relevant aspects of the company's management. Further implementation and improvement of the monitoring system will yield more valuable information that can be used to direct future management actions. A few findings of this report are highlighted:

#### 5.1 Water consumption for factory and nursery

The current water consumption for both the factory and the teak nursery is high. Recycling of water should be given higher priority to minimize consumption, reduce water pumping costs (electricity), and reduce dependency on natural water bodies (paragraph 3.2.4). Investment capital will be required to construct the power, transformer, pumps and pipeline over the the distances invloved. I.e. at Kwaraguru the closest water body to do this almost 1km from the factory.

#### 5.5 Water for consumption

Water tests of all the water bodies are conducted annually. The tests confirm that all water bodies on the estates are not suitable for human consumption without desinfection. Therefore, a major step was taken with the construction of water purification plants for both estates in 2016. This is also reflected in the health and safety statistics, where a reduction in diarrhoea cases was observed as well as in the absence of cholera.

#### **5.6 Social impact**

The company is having a significant positive social impact (chapter 4) through, among others, (1) provision of employment in a safe and healthy environment, (2) farming and intercropping activities, and (3) an outgrowing program. Further actions, such as community meetings are undertaken to strengthen the relationship with the local communities. The goal is to conduct these meetings on an annual basis.



## Annex A: Water sampling locations Kwaraguru





# Annex B: Water sampling locations Kwamdulu