



Dutch Good Growth Fund

Part of DGGF

Investing Dutch Entrepreneurs executed by Invest International Public Programmes B.V.

Title

Tanzania - Expansion and optimization of a vegetable canning factory / DGGF123TZ1

Company

Baltussen Trading & Investment N.V.

Country

Tanzania

Sector

Agri-Food

Amount of the investment

EUR 1,400,000 (60% guaranteed by DGGF)

Period

March 2024 – October 2029

Involved parties

[African Vegetables Company Ltd](#)

[Rabobank](#)

Short description

With a DGGF guarantee for a term loan from Rabobank, Baltussen T&I NV (BTI) will be able to expand its production locations in Tanzania.

BTI will use the loan proceeds for the expansion of a canning factory of their subsidiary African Vegetables Company Ltd in Tanzania (AVL). This is an existing vegetable canning factory in Moshi, which produces vegetable jars for the European market.

The investment will create 308 direct supported jobs, among which mainly for women. The indirect employment is estimated at >600 jobs. This is related to the sourcing of vegetables from outgrowers.

The project will contribute to the local production capacity of the country. Besides the export of canned vegetables, part of the production will be for the local market. Transport via sea and the use of solar panels will limit the carbon footprint.



The company group was established more than 150 yrs ago and is the oldest cannery of The Netherlands. The company focusses on new food trends which are more organic (60% of their total produce), use less salt or sugar and look at protein rich products to increase the nutrient value of meals (as meat replacement). In the end this contributes to a healthier and sustainable global food supply. Rabobank labels the group as a “duurzame koploper”. The group fits within the Invest’s agriculture strategy components when it comes to alternative protein.

The project will contribute to Sustainable Development Goals:
8 (Decent work & Economic growth), 5 (Gender Equality), 13 (Climate Action),
2 (Zero hunger (Sustainable agriculture), 12 (Responsible consumption and
Production).



Development impact / Economic impact

Employment

SDG 8 Decent Work: The investment will support 45 direct FTEs who will be working full time at the processing plant. In addition, approximately 300 people are expected to carry out processing related work (grading, preparation, filling), during 8 months per year (200 FTE). AVL pays attention to good working conditions and wants to pay living wages to all employees. Besides that, the company is expected to generate at least 1,390 indirect seasonal jobs at outgrowers level and at a principal farm. .

SDG 5 Gender equality: 66% of the full-time workers and 85% of the seasonal workers will be female. Currently 3 out of 7 managers and supervisors are women. AVL has good gender policies, including non-harassment policy, non-discrimination policy, equal

Transfer of Knowledge

400+ people will benefit from trainings. This is to ensure knowledge on procedures and protocols necessary for production and to transfer knowledge to farmers on organic production and G.A.P. practices.

Production capacity

The production capacity of AVL will increase. At the end of the project, 10 million jars of vegetables will have been produced.

SDG 13 Climate Action: by canning the vegetables and fruit in Tanzania there is no need to fly the fresh food to Europe; all production is transported by truck and ship. Since many years, haricots verts are not produced in the Netherlands anymore as the production is too



labour intensive. As part of the DGGF investments, AVL will install solar panels, which will be part of the carbon reduction measures.

SDG 2 End hunger and promote sustainable agriculture: AVL sources its production for 40% from local smallholders (family and female farmers), supporting them to achieve improvements in yield, profitability and sustainability, a.o. by improving the soil quality and the resilience of the agricultural system (target 2.3 and 2.4). For this purpose, AVL has partnered with Rikolto, a Belgium NGO active in strengthening and professionalizing producer groups. In addition, AVL will also supply the local market with canned goods at affordable prices (20% of total production).

SDG 12 Responsible consumption and production: The company will reduce food waste by buying all production of the local farmers, processing and canning it. By canning, the shelf life is increased considerably, as such reducing the amount of beans, pineapples etc being lost due to lack of local markets (SDG 12.3). SDG 12.4: Farmers are stimulated and trained to work according to the G.A.P principles and to reduce the use of pesticides. Large part is produced organic by default. The company is already IFS food safety certified and will obtain SMETA in the first year. The farms will be certified according to Global G.A.P..

Contribution to Dutch economy: The number of supported jobs at Jamael in the Netherlands will increase from 3 to 5, while the revenues will increase significantly.

iCSR

The investment is scaled in category B in terms of CSR-risk. An Environmental and Social Action Plan (ESAP) will be drafted, which is based upon the OECD and IFC performance standards, which aims to reduce the risk of non-compliance with these standards.