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FYA.  
12/03/2020

DIRECTOR GENERAL  
TANZANIA INVESTMENT CENTRE  
P.O.BOX 938  
DAR ES SALAAM  
TANZANIA



Dear Sir/Madam,

**RE: REQUEST TO EXTENSION OF INCENTIVE CERTIFICATE**

Reference is made to the above heading.

Viettel Tanzania PLC (Halotel) would like to express our sincerely thankfulness for support so far.

Halotel was granted an Incentive Certificate No. 110102 for our telecommunication investment. Halotel has also submitted an application for extension of incentive. The issuance of new incentive is on the progress in your office.

Based on the good will and promises we brought to Tanzania Government, Halote is willing to continue bringing to Tanzania more investment besides our current telecom project. Among of them, Halotel currently is implementing 2 telecom projects of which, in order to be successfully implemented, require Halotel to invest and import a lot of materials:

- 1) The USCAF Project phase 4 for cover 114 lots from remote area over the country which its contract was signed on 31<sup>st</sup> January 2020 between Universal Communications Service Access Fund (USCAF) and Halotel. The initial equipment for this project will be implemented in very short time for launching the USCAF telecom services and more shall be invested to maintain the operation of the services.
- 2) The 4G Project which enhances citizen to enjoy cutting-edge telecom technologies and services in Tanzania which we are further implementing in 2020.

On the other hand, in the previous granted period, Halotel already invested 625 million USD for entire projects as the super strategy investors which including 361 million USD utilized as Capital Goods List and the remaining as installation and project implementation cost. We also hope that we can invest more based on your facilitation.

In additions, the most important point, the quota in Capital Goods list in the exemption is not yet exhausted; and Halotel have not finished our enjoyment for that incentive while our investment on the telecom project is still increasing. Halotel was unable to exhaust the list in due time given due to the reason beyond our controls. Such as delay of material delivery from oversea suppliers, the related permit issuance for project implementation such as building and installation permit, environmental impact analysis, expatriate working and resident permit and our limited cash flow which made us could not buy all the material listed in Quota of Capital Goods list within the due period.

Currently, Halotel is facing the difficulties when implementing above mention projects due to our expiration on last Incentive Certificate.

On 6<sup>th</sup> March 2020, Halotel submitted a letter to request your good office make a special incentive and support for importation of 2,500 Lithium Batteries 48V-50Ah first for the USCAF phase 3 project and for our 4G telecom project. These Batteries are supposed to import and put into use in 2019, however, due to problem at production stage, the consignment of those Batteries was only arrived on last day of December 2019. Moreover, due to the big congestion in the port, Halotel was impossible to unload the goods on time that lead to our failure to enjoy the Incentive on that Batteries under the Incentive Certificate No. 110102. Until now, the goods still stuck for more than 3 months without any solution out of getting extension of Incentive Certificate. At the same time, the demand for services under the USCAF Phase 3 is in high pressure as the Ministry of Works, Transportation and Communications required us to provide the service in the soonest time. Thus, we would like to your good office to grant the extended incentive as soon as possible to take out the Batteries and to accelerate the USCAF project.

Besides, at the same time, we are still looking for your positive consideration on our application for extension of new incentive certificate for our telecommunications project which is currently being processed in your office which submitted in last October 2019. Regarding the application for new incentive certificate, our application applied for an additional period of 5 years from the expiry of the Incentive Certificate No. 110102.

Based on all of reasons, difficulties mentioned above, we humbly request your good office to grant us the extended incentive certificate to facilitate us on implementation of projects in future.

We are looking forward to your positive support and wish to hearing from you soon.

Sincerely yours,

**FOR AND ON BEHALF OF VIETTEL TANZANIA PLC**



**NGUYEN ANH SON**  
**MANAGING DIRECTOR**