

23rd July 2020

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

RE: PROJECT PROGRESS REPORT

1. Planned activities for the period

Below is the list of planned activities and achievements made on the project to date

- Erecting and commissioning: Plant erection started in 2014 and commissioned in 2016
- Construction of buildings such as raw material sheds and offices are all completed to date
- All electrical equipment such as PLC, weigh feeders, panel board, generator, 0.5HP to 800HP motors, compressors and packing machine are all installed and functional.
- Cement production: Commenced cement production in April 2017

2. Project Financial Expenditure to date

Item description	Foreign	Local	Total
Land & Buildings	-	4,544,995,393	4,544,995,393
Plant and Machinery	-	30,176,300,652	30,176,300,652
Vehicles/Aircrafts	-	435,244,068	435,244,068
Furniture	-	95,417,220	95,417,220
Office equipment	-	241,074,371	241,074,371
Insurance Cover	-	60,588,870	60,588,870
Pre-operational expenses	-	3,261,500,834	3,261,500,834
Grand Total	-	38,815,121,408	38,815,121,408

3. Project Financing

Project financing is as indicated below

Item description	Amount (Tzs)
Equity	5,581,724,745
Term loans	33,232,673,520
Grand Total	38,814,398,265

4. Problems and Solutions

Problems	Solution
Unstable power supply	Plan of alternative power source e.g. Solar Plant
High cost of power	Plan of alternative power source e.g. Solar Plant
Availability of major raw material to be imported e.g. Petroleum coke due to limited sources (currently available from U.S.A, Saudi Arabia and India)	Efforts for searching from other countries are being done
Shortage of water supply	Construction of underground water tank

5. Future Plans

Currently the management is looking at stabilizing the business/project to cover the effects caused by Covid pandemic.

The management and shareholders of Kilimanjaro Cement Company Limited is thankful for the opportunity and support received from TIC and is still committed to ensure that the project is implemented successfully.


Philbert Nshange
Financial Controller















