

Ref: MNY/TIC/2020/01

EXECUTIVE DIRECTOR,
TANZANIA INVESTMENT CENTER
P.O. BOX 938
SHABANI ROBERT STREET
DAR ES SALAAM



RE: REQUEST FOR RENEWAL OF CERTIFICATE OF INCETIVE NO. 042903

The subject in the heading above refers.

The Certificate of Incentive no. 042903 was issued by your good office on 17th July 2015 in favor of investment for implementation of Sunflower Processing Plant at Manganjuki, Nkuku ward in Singida urban area. The operative date for the certificate was July 2018.

The project was planned to commence its operation by 2018 however, its completion of implementation has been delayed beyond its scheduled time.

After being issued with the certificate of investment incentive, implementation of the project commenced immediately by procuring some of the assets (land, prefabricated building structures, machineries). Commencement of operation was planned in mid 2017. However, completion of its implementation has been delayed for about 2.5 years todate due to the following factors:

1. Change of project site

The project was compelled to shift its site to Manyoni township, plot no. 1-12, block A, Mnadani area due to denial by the Singida urban council to approve the site at Manganjuki area for industrial use. The council had earlier advised us to secure an open land in that area and later request to change its use to industrial, the request which was later denied as per the attached letter. This compelled us to search for another area for the project. Apart from wasted resources, the change of project site contributed to delay in project implementation for about 6 months.

Ifm(P)
Proceed to evaluate the
applications & advise
C-DIF
19/3/2020

2. Environmental Impact Assessment (EIA)

Despite the fact that the change of project site contributed to delay in getting EIA approval by NEMC for the project since the assessment has to be re-done at the new site, the approval process took about 12 months to be complete. The delay in issuance EIA approval also contributed further delay in implementation of the project.

3. Project Financing

Difficulty in securing suitable financing support for construction and procuring further assets for the project is the major factor that has contributed to delay in completion of the project implementation. At the time of TIC certificate application, it was expected to secure financing support from the TIB bank but our application was turned down in February 2017. However, we ultimately secured financing support from the Tanzania Agricultural Development Bank (TADB) in 2019. Construction of the project buildings is now progressing well scheduled for completion by Q4 2020.

The availability of project financing has now allowed us to proceed with procurement of investment items under the project, however, the existing certificate of incentive has expired. In that regard, we request to submit our application for extension of the expired certificate of incentive in order to facilitate completion of implementation of the investment project. The original certificate of incentive no. 042903 is herewith surrendered for your attention.

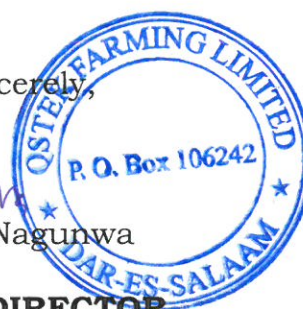
We look forward to your continued support and further guidance in regard to this request.

“TOGETHER WE BUILD OUR NATION”

Yours sincerely,


Emmanuel Nagunwa

EXECUTIVE DIRECTOR



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CC: Zonal Manager
TIC Central Zone, Dodoma