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TANZANIA INVESTMENT CENTRE

DIRECTORATE OF INVESTMENT FACILITATION



EASTERN ZONE

**REPORT FOR PROJECT VERIFICATION VISIT TO RADDY FIBER
MANUFACTURING (T) LIMITED, 06/2020**

MAY 2020

Project's Profile				
S/N	Item	Description		
1.	COMPANY NAME	Raddy Fiber Manufacturing Tanzania Limited		
2.	PROJECT NAME	Raddy Fiber Manufacturing Tanzania Limited		
3.	PROJECTS' LOCATION	Plot No. 13, Mwanambaya/Mivule Mkuranga – Coast Region		
4.	PROJECTS' CORE ACTIVITIES	Manufacturing of Fiber Optic Cables		
5.	ADDRESS	P.O. Box 13567 DAR ES SALAAM		
6.	CONTACT PERSON	Mr. Husuna +255 710480531		
7. SHAREHOLDERS		Name	Nationality	% Share
		Ramadhan H. Mlanzi	Tanzania	30
		Raddy Fiber Soltion	Tanzania	70

1.0 INTRODUCTION

Raddy Fiber Manufacturing Tanzania Limited is a private entity incorporated 4th September, 2014 under the laws of the United Republic of Tanzania and issued with Certificate of Incorporation Number 120048. The company has its project registered with TIC in 2016 and was issued with certificate of incentives number 043071. The objective of the project is to establish a project for manufacturing fibre optic cables.

2.0 OBJECTIVES OF THE VISIT

Project Verification Visit intended to assess project's execution progress, evaluate achievements and analyze challenges affecting the project. Furthermore, the verification team was to review rationale for the Company's request to extend project implementation period for the Certificate of Incentives number 043071 as requested by the investor.

3.0 PRESENT

The PVV team members present during site verification include:-

- | | | | |
|-------|------------------------|---|----------------------------------|
| (i) | Tibenda Njoki | - | SIFO |
| (ii) | Leonard Arthur Mapunda | - | TRA |
| (iii) | Athuman Kisumo | - | TBS |
| (iv) | Eng. Alfred Clemence | - | Structural Engineer |
| (v) | Eng. Paschal Kasheku | - | Cargo works (Raddy Fiber (T) Ltd |

4.0 PROJECT LOCATION

The Project site is located on Plot No. 13, Block E, Mwanambaya Mkuranga – Coast Region

5.0 OBSERVATIONS, FINDINGS AND ANALYSIS

The team managed to visit the premises of the investor. During visit, the team noted the following:

5.1 Capital invested

According to the investor's report, the company has already pumped in TZS 4,585,970,932 for various activities including land acquisition, structural design and drawings, acquisition of construction materials, payment to contractors and consultants and other daily running expenses.

5.2 Project Progress

It was noted that 1st phase of the project is almost 99% complete.

- (i) Construction of fence is complete;



- (ii) Concrete foundation base for the whole factory have been constructed;



(Concrete base as found at the site)



(view of the constructed concrete base)

- (iii) At least 30% of the required structural beams has been imported and were found in the project area;



(steel structural beams imported for factory construction found at the site)

- (iv) The team was informed that an order for manufacturing plant and machineries have been placed

6.0 CHALLENGES

The following are the challenges, which delayed project implementation:

(i) Bank Loan Default

The Company signed loan pact with Tanzania Investment Bank (TIB), however the bank did not execute the agreement. The company had to seek an alternative source of financing. It is fortunate that, the investor was privileged to secure loan facility from CRDB Bank.

(ii) Delays in obtaining environmental impact assessment approval

According to the investor, it took two (2) years for the company to process approval from National Environmental Management Council (NEMC)

7.0 FUTURE PLANS

After completion of phase one, the next stage will involve erection of still structures for the main factory building and construction of warehouse, offices building and canteen building.

In addition, the company plans to import, install and commission manufacturing plants and machineries by the end of 2020.

The company expects to start production by early 2021.

8.0 CONCLUSION AND RECOMMENDATIONS

8.1 CONCLUSION

The project presents greater value in Tanzania, venturing in a project with a long future in technology enhancement in the country. Such investment makes Tanzania a pioneer in fibre optic cables manufacturing in East and Central Africa. The investor has demonstrated seriousness and genuineness towards implementation of the project for what has been witnessed by the team on the ground and that conveyed through their report.

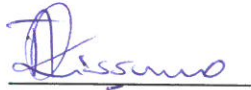
8.2 RECOMMENDATIONS

The team is satisfied with the project progress and in favour of the application therefore recommends a year of extension of operative period of certificate of incentives to help it access fiscal incentives on deemed capital goods.

Mr. Tibenda Njoki



Mr. Athuman Kisumo



Mr. Leonard Mapunda