



**THE UNITED REPUBLIC OF TANZANIA
PRIME MINISTER'S OFFICE
TANZANIA INVESTMENT CENTRE**

FILE BEGINS

ENDS

PART

FILE TITLE

FILE NUMBER

CONFIDENTIAL

TICC

PP10

04 1656-01

INDEX HEADINGS

Officer or Section	For Action F/M	Initials	Date	Action taken vide F/M	Officer or Section	For Action F/M	Initials	Date	Action taken vide F/M	Officer or Section	For Action F/M	Initials	Date	Action taken vide F/M
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TITLE

SERENGETI

INSTANT COFFEE

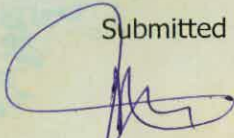
EXD

The approved project has fulfilled the investment requirements, which are: -

- (a) Minimum finance investment threshold has been exceeded, the project expects to invest US\$ 5.37
- (b) Legal entity has been incorporated under certificate
No. 26406 of 08/12/2006

Based on the above, the letter of approval is hereby submitted for signature in order for the project to comply with the requirements of Section 17 of Tanzania Investment Act, 1997.

Submitted for signature.



N. A. Senzia
DIF

2nd October 2009

EXD

In response to the TIC letter of registration dated... 2nd October 2009

the project has submitted the required documents namely: -

- (a) Company Board Resolution.
- (b) Reference letter/Financing from... National Bank of Commerce
- (c) Tenancy Agreement as evidence of land.

With the above submission EXD is requested to sign Certificate of Incentives No. 041762 herein attached.

4/11/09



f. ADD (chore)
Kindly acknowledge receipt of the progress report as per
f. 10. Also set up a site visit with this particular
project ASAP.


30/11/2011



Serengetti Instant Coffee
SAMORA AVENUE,
KELVIN HOUSE 1ST FLOOR
P.O.BOX 7677
DAR ES SALAAM, TANZANIA
T: +255 22 212688/76
F: +255 22 212678
info@sic.co.tz

1

The Executive Director
Tanzania Investment Centre
P. O. Box 938
DAR ES SALAAM
Tanzania.



Dear Madam,

RE: CERTIFICATE OF INCENTIVE

With regards to the above stipulated caption, hereby we are applying for the certificate of incentive.

We are dealing with coffee processing for both local and foreign market, as the response to the marketing demand forces we are compelled to expand our plant so as to increase the supply of our product, therefore there will be requirement for more imported equipments for the expansion plan.

Kindly accept this letter as the request as the application for certificate of incentive.

We have attached all credentials for your perusal.

Looking forward for your help.

Many regards.

Evan Mulokozi

Director



TICC/PP.10/041656-01/2

5/08/2014

Managing Director
Serengeti Instant Coffee Co. Ltd
P.O. Box 7677
DAR ES SALAAM

RE: APPLICATION FOR CERTIFICATE OF INCENTIVES

We acknowledge the receipt of your application for your application for expansion coffee processing project.

We regret to inform you that due to recently budgetary changes and as per Finance Act, 2014 from 1st July 2014, expansion and rehabilitation projects are no longer eligible from fiscal incentives.

However we can proceed with registration of such projects for other non fiscal incentives as stipulated in TIC Act, 1997.

Please be guided accordingly,

Yours sincerely,

TANZANIA INVESTMENT CENTRE



Nakuaja Senzi A

FOR: EXECUTIVE DIRECTOR



TANZANIA INVESTMENT CENTRE

REGISTRATION FORM

FOR

CERTIFICATE OF INCENTIVES

(Tanzania Investment Act 1997, Section 17 and 18,
and the Investment Regulations:
Regulation 42, Government Notice No. 318A of 2002)

Tanzania Investment Centre
9A & B Shaaban Robert Street
P. O. Box 938
DAR ES SALAAM
Tel. 022 2116328
Fax. 022 2118253
e-mail: information@tic.co.tz
Website: www.tic.co.tz

(Please fill the form in duplicate)

UNITED REPUBLIC OF TANZANIA

THE TANZANIA INVESTMENT ACT

(No. 26 of 1997)

APPLICATION FOR REGISTRATION

(Made under Regulation 42)

To: The Executive Director
Tanzania Investment Centre
P. O. Box 938
DAR ES SALAAM
Tanzania

1. I/We EVAN MULOKOZI
(director/directors/agent of SERENGETI INSTANT COFFEE LTD
(name of business enterprise) apply for registration of CERTIFICATE OF INCENTIVE
under Section 17 of the Act and Part IV of the Investment Regulations, 2002.
2. The registered office of the company will be situated at KELVIN HOUSE 1ST FLOOR
SAMORA AVENUE DSM

Copies of the following documents are attached to this application:

- (i) The Memorandum and Articles of Association/or partnership agreement
 - (ii) Certificate of Incorporation/Registration
 - (iii) A copy of the Project Profile or Feasibility Study showing the implementation period, programme of implementation and operative date
 - (iv) Evidence of financing and evidence of land ownership for the project
3. The Head Office of the Company will be situated at
4. The Principal Officers of the Company are EVAN MULOKOZI &
EMMANUEL KAIGARULA
5. Auditors of the Company are SHEBRILA & CO
6. The authorized share capital of the Company is Tshs./US\$ 1,000,000

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is Tshs./US\$ US\$ 250,500

8. The month and day of the financial year end is

Note: *failure to provide all the required information will result in the return of the application by the Centre.*

I/We enclose a cheque/cash made payable to the **Tanzania Investment Centre** for Tshs./US\$

ONE HUNDRED USD Being the Registration Fees. *In the event this application is unsuccessful we understand that this fee will not be refunded.*

I, EVAN MULOKOZI of Post Office Number 7677

..... do solemnly and sincerely declare that I am a director/duly

authorized agent of SERENGETI INSTANT COFFEE LTD

AND that all the requirements of the Tanzania Investment Act, 1997 in respect of matters precedent to the registration of the business enterprise under the Act and incidental thereto have been complied with, **AND** I make this solemn declaration conscientiously believing the same to be true.

EVAN MULOKOZI

Declared at Dar es Salaam }
..... }

The 27 day of JUNE 2014 }

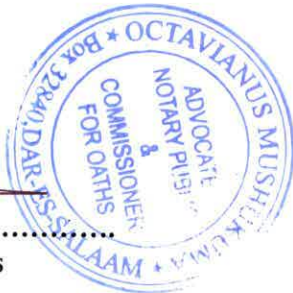


Applicant

Before me:



Commissioner for Oaths



APPLICATION SUMMARY

Company Name: SERENGETTI INSTANT COFFEE CO LTD

Certificate of Incorporation Number: 63648 Status:

Certificate of Incorporation Date: 4 January 2008

Post Box: 7677

Town: D. SALAAM

Sector: Manufacturing

Sub-Sector: coffee processing

Investment Financing Plan in Million US\$/Tshs.

Foreign Equity	Local Equity	Foreign Loan	Local Loan
.....	US\$ 371061	NIL	US\$ 37000

Project Objectives: To produce for foreign market and local market hence enhancing our brand at international level. To create employment to the Tanzanians

Capacity:

Employment: Foreign: NIL Local: 18 Total:

Implementation Period:

Project Location

Site/Plot/Block No.: 301 HOUSE NO. 174

Street: JANGWAP BEKCH District: KINDOKI Region: DDM

Shareholders	Nationality	%
EYAN NYEGEZA MULOKOZI	TANZANIAN	33
EMMANUEL N. KAIGALLA	TANZANIAN	33
ALBERT GAO NKINDA	TANZANIAN	33

Investment Breakdown US\$/Tshs.M

Land/Building	US\$ 50,000
Plant	US\$ 45,000
Vehicles	US\$ 67,000
Furniture & Fittings	US\$ 12,000
Pre-expenses	US\$ 22,000
Others	US\$ 21,500
Working Capital	US\$ 33,000
TOTAL	US\$ 250,500

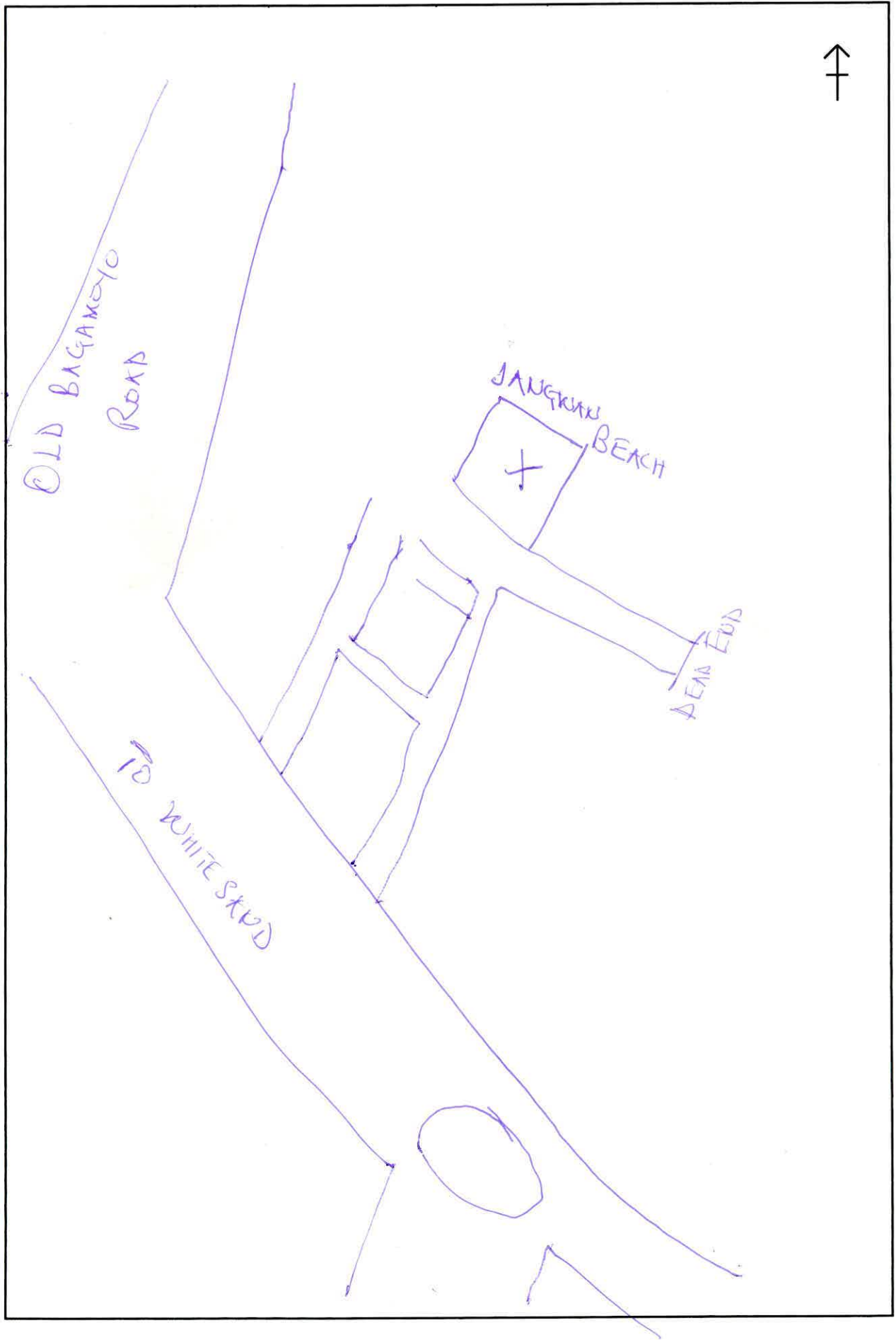
Contact Details:

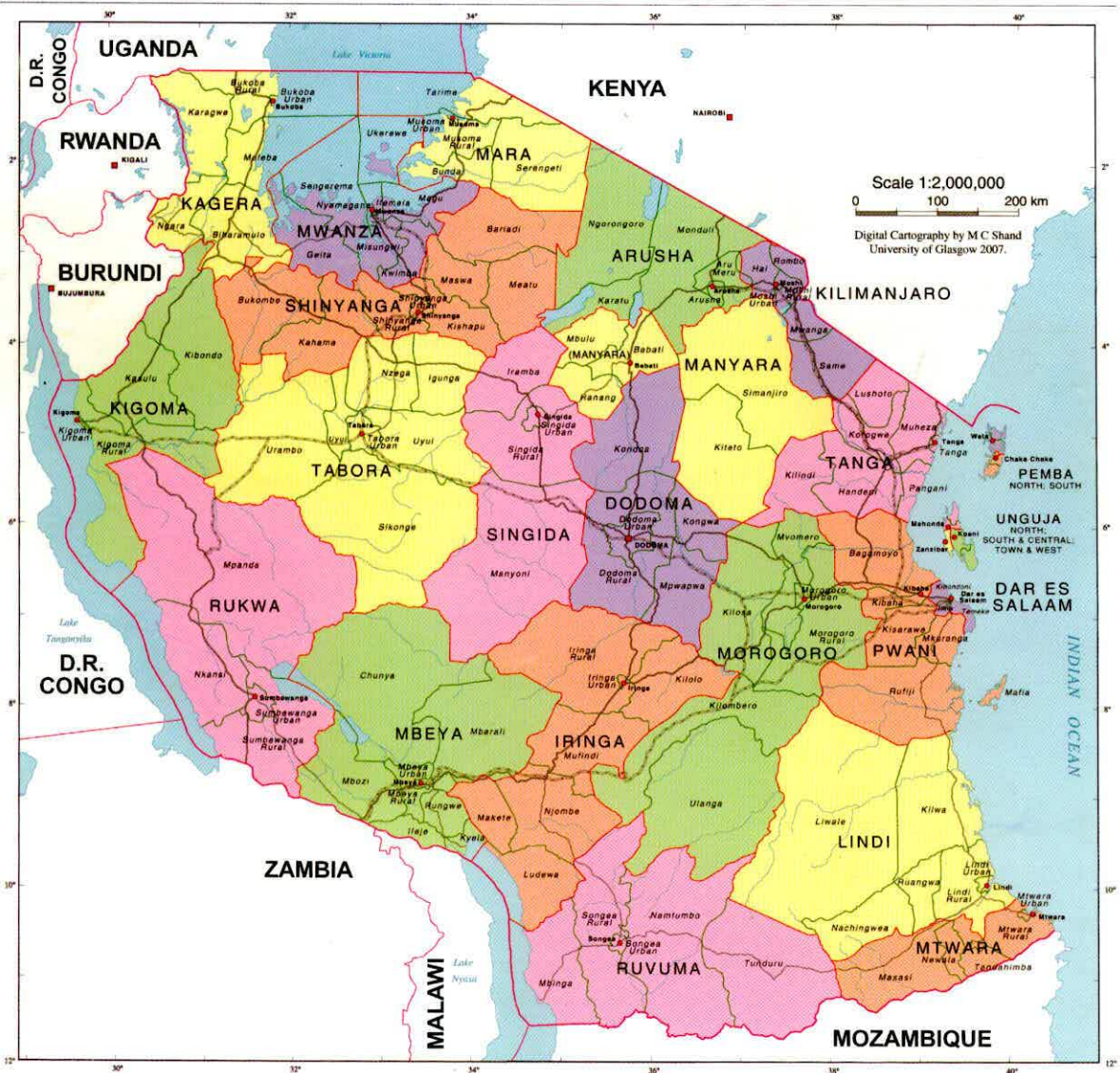
Name: EVAN MULOKEZI Title: DIRECTOR
Telephone: 0754611091 Fax: _____
Email: _____

Payments to be made payable to:

TANZANIA INVESTMENT CENTRE
STANDARD CHARTERED BANK TANZANIA LTD.
SWIFT ADDRESS: **SCBLTZTX**
ACCOUNT NO.: **8702006002000**

SKETCH MAP SHOWING PROJECT LOCATION





SERENGETTI INSTANT COFFEE COMPANY LIMITED

BUSINESS PLAN FOR PROJECT EXPANSION

PRESENTED AT TANZANIA INVESTMENT CENTER

TIC

FOR THE CERTIFICATE OF INCENTIVE

INTRODUCTION

Serengeti Instant Coffee Limited is a newly established company by local Tanzanian to deal with coffee processing and supply. The main intention is to operate coffee industry in DSM and export at least 70% of production capacity while the 30% will be consumed locally.

Objectives

- Provide good quality Tanzanian coffee at an affordable price.
- Offer a variety of locally made coffee products to the Tanzanian Market
- Make sure that Serengeti Coffee is available in retail stores across the country

As part of a social economic contribution, Serengeti Instant coffee is working hand in hand with our consumers in educating and supporting the HIV/AIDS infected population in Tanzania, East Africa and Africa as a whole.

(2% of every product purchased goes towards HIV/AIDS drugs procurement)

Mission

To provide quality Tanzanian coffee at affordable prices, and promote 'a true taste of Africa' world wide.

Vision

To build and promote a house hold brand backed by quality.

THE COMPANY SUMMARY

Company Ownership

Serengeti Instant Coffee Limited was established by Emmanuel Kaigarula, Evan N. Mulokozi and Albert G Nkinda in late 2007.

Start-up Summary

When Serengeti Instant Coffee Limited was earlier established the major first thing were to search for supplier of coffee for production of which **Tanganyika Instant Coffee Company Ltd**, was appointed and this has stand to be the major supplier of Serengeti Instant Coffee Ltd. Secondly it was a duty of establishing the brand and manufacturing of Tins with different volumes.

The first tin was produced in February 2008, and then it was necessary to seek for TBS approval of the product of which was finally obtained. The official launch of the product was done in May 2008. Management has a combined experience of more than 25 years in the sales and marketing industry with a solid background in new product branding, promotion, sales and distribution. The plant is now in progress to increase more machines and the product is in the market.

Company Locations and Facilities

The Marketing office is located along Samora/Mkwepu Avenues. The Factory is located at Jangwani beach, Kinondoni Municipality.

The factory in Jangwani beach is located on a 3 acre plot of land that is easily accessible by road all year round.

Shower and toilet facilities are available both inside and outside the factory building. There is a fully equipped kitchen complete with a refrigerator and cooker, a store room with additional attic storage space for empty boxes.

A sorting room as well as a ready to go product room is also part of the main factory building.

There is additional space located outside in a 20ft fully customised container that is insulated in the inside and weather protected in the outside. An additional 20 foot container is also on site as additional office space (needs to be customised).

The whole compound is wall enclosed for added security.

Machinery

- 2 semi automatic tin Seamer
- 1 electronic flavour mixer
- 2 electronic precision scales
- 2 expiration date printers
- 5 work tables
- 1 Sachant Machine
- 1 Coffee Grander

Serengetti Instant Coffee Limited manufacturing process and trade activities;

The coffee we use for the Serengetti products is mainly Robusta and Arabica. The instant coffee is of a Robusta blend that is cultivated in and around Bukoba area in the north of Tanzania. Irrigation around this area is dependant on seasonal rains and man made distributaries off of Lake Victoria. Serengetti Instant Coffee licence allows us to purchase our coffee directly from the farmers, the coffee auctions, or the corporative unions of Kagera or Kilimanjaro growers.

Plain Instant Coffee

At the moment we purchase all coffee directly from TANICA (Tanzania National Coffee Company) that is based in Bukoba with branches in Dar es Salaam, Mwanza and Arusha. TANICA is the only East African Company that is capable of roasting, grinding, and percolating coffee to an instant state of completion.

We purchase the coffee in bulk vacuumed sealed bags of 25kg directly from the TANICA Dar es Salaam warehouse. The coffee is then transported to the Serengetti factory where the following happens;

The vacuum sealed bag is cracked open ready for re-packing into either 50g or 100g tin can containers that are procured from Nampack (tin can manufacturer).

Our production team has a total of 2 volume verifiers that would carefully scale the required quantity into the tin cans,

1 machine operator would pick 1 tin at a time; place it on the seamer that would seal the tin airtight.

This process is repeated until the entire 25kg bag is complete. Please note that any 25kg bag that is cracked open for processing has to be processed the same day. Absolutely no bag can be left overnight for next day completion.

Bearing the above statement in mind, our seamer is semi automatic allowing for manual sealing in the event of a power outage during the manufacturing process.

After all the tins are sealed, they are wiped clean ready for expiration date stamping.

After the expiration dates have been stamped, the tins are all QC'd (quality controlled) to make sure that all the tins have visible expiration dates and that all damaged tins due to scraps and scratches are removed from the lot.

After QC, all the tins are boxed and stored ready for distribution.

Flavoured Coffee

The process for flavoured coffee is similar to the Instant coffee process explained above with the sole exception that the instant coffee is first blended with flavour in a high speed industrial mixer before it is handed over to the volume verifiers.

The flavour is added at established measurements for consistency in taste.

After the above process is complete, the products are then;

Packed into appropriate cartons in accordance with the customer needs.

Sales and distribution of products to relevant retail outlets, and after sales services which also involves customer experience and feed back.

Brief market analysis

In the Tanzanian market, there is a growing trend of coffee drinkers and this is apparent in the increase in sales of coffee as advocated by the local store owners. There are three major coffee processing companies in Tanzania namely; TANICA, TANZANIA TEA BLENDERS and TANAPA. The steady growth of these companies has further confirmed the growth of this industry both locally and internationally.

Serengetti Instant Coffee Limited backed by innovative and modern coffee products and promotions, is in a good position to manoeuvre gradual market share in the local and international coffee drinking communities.

Serengetti flavoured Coffee tasting surveys has already shown a promising desire for the product.

Market Research / Development

Consultant fees:- There is a few companies in Tanzania that can provide thorough market research information. Just to name a few; Steadman and Push technology would be the most appropriate for our course, however for a more hands on approach, we intended to consult the national scout association with a questionnaire survey that they could float in different towns, districts, cities. The National Scout Association is spread out country wide with a very wide demographic penetration range.

Product Research, Design, Development, Testing and Approval

Visit to specialist trade fairs to identify product concept;- This process will most likely be achieved by visiting department stores in developed city such as Dubai so as to get a wider variety of coffee goods and the manner in which they are packed. Dubai has a very well developed coffee drinking population that has a wide variety of coffee product to choose from. Dubai has also an annual trade fair that exhibits various coffee products called the Dubai Shopping Festival (Global Village) that is held in December of every year.

Market Survey

Survey of competing products:-This exercise can initially be done here in Dar-es-Salaam to analyse local competition but also in neighbouring markets such as Kenya and Uganda. Also for an international prospective, it can also be done at the Dubai Trade fair.

Distribution System

Identification of market representatives

Leasing / renting overseas warehouses spaces

Social Responsibility:- Serengetti Instant Coffee has decided since it's inception that will work hand in hand with our farmers as well as consumers in trying to assist with the fight against HIV/AIDS. Especially affected are the farmers of Kagera, which receive very limited support. Serengetti Instant coffee intends to give back to this community in the form of retroviral drugs that prolong human life

IMPLEMENTATION STRATEGY

Pricing strategy

At the moment, Serengetti is attempting a penetration strategy of pricing. By selling our product at a lower price (then the competition) to the wholesalers, we are hoping that the profit margin and retail recommended price will attract both the wholesalers and the consumers.

Sales Strategy

In order to meet expected sales, we will link our marketing programs with the needs of customers. We will produce the needed sizes, charge reasonable prices and ensure a wide range of distribution. To

ensure an aggressive sales and marketing campaign, Serengetti is planning to put in place the following strategies.

Sales Agents: We will appoint individuals or company to act as agents in designated towns or cities. These agents will keep a commission not exceeding 10% of the amount charged to their sub-agents.

Promotion: We will use various media of communication to publicize and promote our products. Promotional channels use will include; brochures, flyers, and catalogues, mass media, i.e. newsprints, radio and television, internet through our website (yet to be designed), tradeshows, Sales literatures, telemarketing, and banner advertising.

Trade Discount: Through trade discounts, we will establish preferred buyer programs that will allow for bulk buying.

Management Team

Mr. Emmanuel Kaigarula is an experienced coffee farmer and sales executive. He has been involved with a similar start-up of **INCAFE LIMITED** that had a turn over of over 30 million shillings a week.. Mr. Evan N. Mulokozi is an expert Sales and Marketing executive that has had more then 15 years of experience in international sales in various industries. He has had the opportunity of working with both Anglophone and Francophone markets across Africa and Europe. Mr Albert Nkinda is a seasoned management executive with more then 10 years of experience in Banking, focusing more on commodity markets and international trade.

Serengetti Instant Coffee Limited has also taken initiative to hire the Services of Mr. Symphorian Malingumu a Certified Public Accountant having vast experience is setting the financial policies and procedure of various companies so that our financial structure and management process could be done right from the beginning.

Personnel Plan

The current terms of employment are both temporary and permanent. We are staffed with skilled and semi -skilled employees that are capable of adopting and learning new production techniques as Serengetti Instant Coffee grows. We intent to recruit more staff with relevant qualifications as needed for our growth.

Staffing

Permanent Staff

Currently we have a team of six permanent staff; we intend to grow this to a total of eleven staff in the next 6 months. Area of focus will be to expand the sales team as at the moment all daily sales activities are being coordinated by the management team.

Temporary staff

We intend to recruit additional 2 temporary staff to assist in the factory. Duties will involve packing and mixing flavours.

Cost summary

S/n	Type of activities	Budgeted fund (\$)
1	Market research / Development	4,880
2	Product research / Design /Development / Test	16,410
3	Product Efficiency/ Quality Management	1,000
4	Packaging /Presentation materials	500
5	MIS	750
6	Advertising /promotion materials	8,820
7	Trade fairs	5,950
8	Human resources Development training	5,500
9	Distribution system	5,500
	TOTAL	49,310

Financial aspect of the project

The financial analysis of the serengetti instant coffee can be analysed by looking the financial compliments for the past, the Income statement, balance sheet and cash flow statement depict how strong the project is financially stable, liquid, solvent or profitable enough to be invested in. The five years projection conveys the sound performance of the project as it is illustrated below.

FIVE YEARS FINANCIAL PROJECTIONS STATEMENT FOR SERENGETTI INSTANT COFFE LIMITED

	2008	2009	2010	2011	2012
Income statement					
Turnover	\$50,000	\$62,500	\$93,750	\$117,187	\$146,484
Cost of sales	\$42,000	\$52,500	\$78,750	\$98,438	\$123,047
Gross profit	\$8,000	\$10,000	\$15,000	\$18,749	\$23,437
Company Expenditure					
Office rental	\$1,800	\$1,980	\$2,178	\$2,396	\$2,635
Salaries	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500
Other operating Expenses	\$5,550	\$6,105	\$6,716	\$7,387	\$8,126
Total Expenses	\$11,850	\$12,585	\$13,394	\$14,283	\$15,261
BPT	(\$3,850)	(\$2,585)	(\$1,606)	(\$4,466)	(\$8,176)
Corporate Tax (30%)	\$0	\$0	\$482	\$1,340	\$2,453
Net profit/(Loss)-NPAT	(\$3,850)	(\$2,585)	\$1,124	\$3,126	\$5,723
Balance sheet					
Fixed Assets					
Coffee processing Machines	\$22,340	\$26,808	\$32,170	\$38,604	\$46,324
Land	\$70,000	\$77,000	\$84,700	\$93,170	\$102,487
Building	\$100,000	\$90,000	\$81,000	\$72,900	\$65,610
Furniture and Fitting	\$500	\$600	\$720	\$864	\$1,036
Total Fixed assets	\$192,840	\$194,408	\$198,590	\$205,538	\$215,457
Current Assets					
Cash Book Balance	\$250	\$250	\$250	\$250	\$250

Bank Account	\$30,000	\$37,500	\$46,875	\$58,594	\$73,243
Prepaid Expenses	\$3,000	\$3,000	\$3,000	\$3,000	\$3,000
Trade debtors Account	\$20,000	\$25,000	\$62,000	\$109,375	\$167,969
Total Current assets	\$53,250	\$65,750	\$112,625	\$171,219	\$244,462
Current Liability					
Creditors Account	\$9,000	\$9,900	\$10,890	\$11,979	\$13,177
Accrual expenses	\$150	\$165	\$182	\$200	\$220
Total current liabilities	\$9,150	\$10,065	\$11,07	\$12,179	\$13,397
Net current assets/current liability	\$44,100	\$55,685	\$101,553	\$159,040	\$231,065
NET ASSETS	\$236,940	\$250,093	\$300,143	\$364,578	\$446,522
FINANCED BY					
Ordinary share capital	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Retained Earning	(\$3,850)	(\$2,585)	\$1,124	\$3,126	\$5,723
Long term loan (Bank)	\$0	\$100,000	\$80,240	\$60,480	\$40,720
Shareholders fund	\$230,790	\$142,678	\$208,779	\$290,972	\$390,079
CAPITAL AND LIABILITIES	\$236,940	\$250,093	\$300,143	\$364,578	\$446,522

Cash flow Statement.

Operating Activities						
Net profit/(loss)		(\$3,850)	(\$2,585)	(\$1,124)	(\$3,126)	(\$5,723)
Account receivable						
Pre paid expenses						
Account payable						
Accrual Expenses		(\$13,850)	(\$17,935)	(\$54,428)	(\$100,196)	(\$157,572)
Net cash flow from operation		(\$17,700)	(\$20,520)	(\$53,304)	(\$97,070)	(\$151,849)
Investing Activities						
Machinery account		(\$22,340)	(\$4,468)	(\$5,362)	(\$6,434)	(\$7,720)
Other non current assets						
Land	(\$70,000)					
Building	(\$100,000)					
Furniture and fitting	(\$500)	(\$170,500)	\$2,900	\$1,180	(\$514)	(\$2,199)
Net cash flow from investing		(\$192,840)	(\$1,568)	(\$4,182)	(\$6,948)	(\$9,919)
Financing Activities						
Shareholders fund		\$230,790	(\$70,412)	\$66,101	\$82,193	\$99,107
Long term loan		\$0	\$100,000	\$760	\$33,544	\$77,310
Net Cash flow from Financing activities		\$230,790	429,588	\$66.86	\$115,737	\$176,417
Net cash increase for the period		\$20,250	\$7,500	\$9,375	\$11,719	\$14,649
Cash at the beginning		\$10,000	\$30,250	\$37,750	\$47,125	\$58,844
Cash at the end		\$30,250	\$37,750	\$47,125	\$58,844	\$73,493

Assumptions aligning the projected Financial statement above:-

1. Turnover is assumed to increase by 25% from 1st year to 2nd year and 50% in the third year and then 25% on subsequent years.
2. All other expenses are assumed to increase by 10% except the Salary figure is assumed to remain constant for 5 years, assuming that number of staff in 5 years will decrease on learning curve.
3. Coffee processing machines are the actual cost of the new machine already installed and the assumption is that there would be additional and replacement by 20% each year as the production volume increases.
4. The land is valued at 70 million and it is assumed to appreciate value by 10%
5. The building stand at a value of 100 million and it will depreciate value on diminishing return by 10% signifying renovation and rebuilding requirement on the 5th year.
6. Turnover is assumed to have annual collection of 60% while the 40 % can be the outstanding to customers.
7. Shareholders funding is a promise of shareholders to fund the company for five years to a level when it shall be self sustaining.

Economic Analysis of the project

The needs for expansion of the Serengetti Instant Coffee is a market driven response, the flavoured coffee enjoyed maximum acceptability around the world, the rise of demand of our products compel us to increase our production capacity so as to enjoy the market share. The current market situation compels us to expand our ventures since the firm has reached its maximum capacity. We need to expand by investing by introducing new machinery, new technology and enhance our distribution channels for local market and the foreign market. Economically the expansion of Serengetti Instant coffee project is feasible to employ and much social economical benefits will be generated such as the rise of employment to the Tanzanian and the inflow of foreign currencies due to the exported coffee.

Environmental Impact assessment.

Our project is perfect environmental friendly as we upkeep the surroundings areas quit well and comply with all prescribed standards as NEMC requires. As the whole process conducted in enclosed system there are no interactions with externals, all west products are being highly managed and treated to ensure that there will be no any harmful to any organisms ranging from flora and fauna to human being when it comes the issues of west product dispose.

PROJECT EXPANSION PLAN

With response to the demand forces we are looking forward to expand our plant in order to much with the market demand. Thus we need to acquire more machines, vehicles, trucks, Furniture and electrical equipments

INVESTMENT EXPANSION SRTUCTURE

Land and Building	\$50,000
Plant and Machinery	\$45,000
Semi automatic seamer	\$18,000
Electronic flavour mixer	\$22,000
Electronic precision scales	\$15,000
Expiration date printers	\$4000
Expiration date printers	\$4000
Sachant Machine	\$4,500
Coffee Grander	\$7,000
,Vehicles and trucks	\$67,000
Furniture and Fitting	\$12,000
Others	\$2,000
Working capital to be invested	\$250,500

TANZANIA



Certificate of Incorporation

Section 15

No **63648**

I HEREBY CERTIFY THAT

SERENGETTI INSTANT COFFEE LIMITED ===

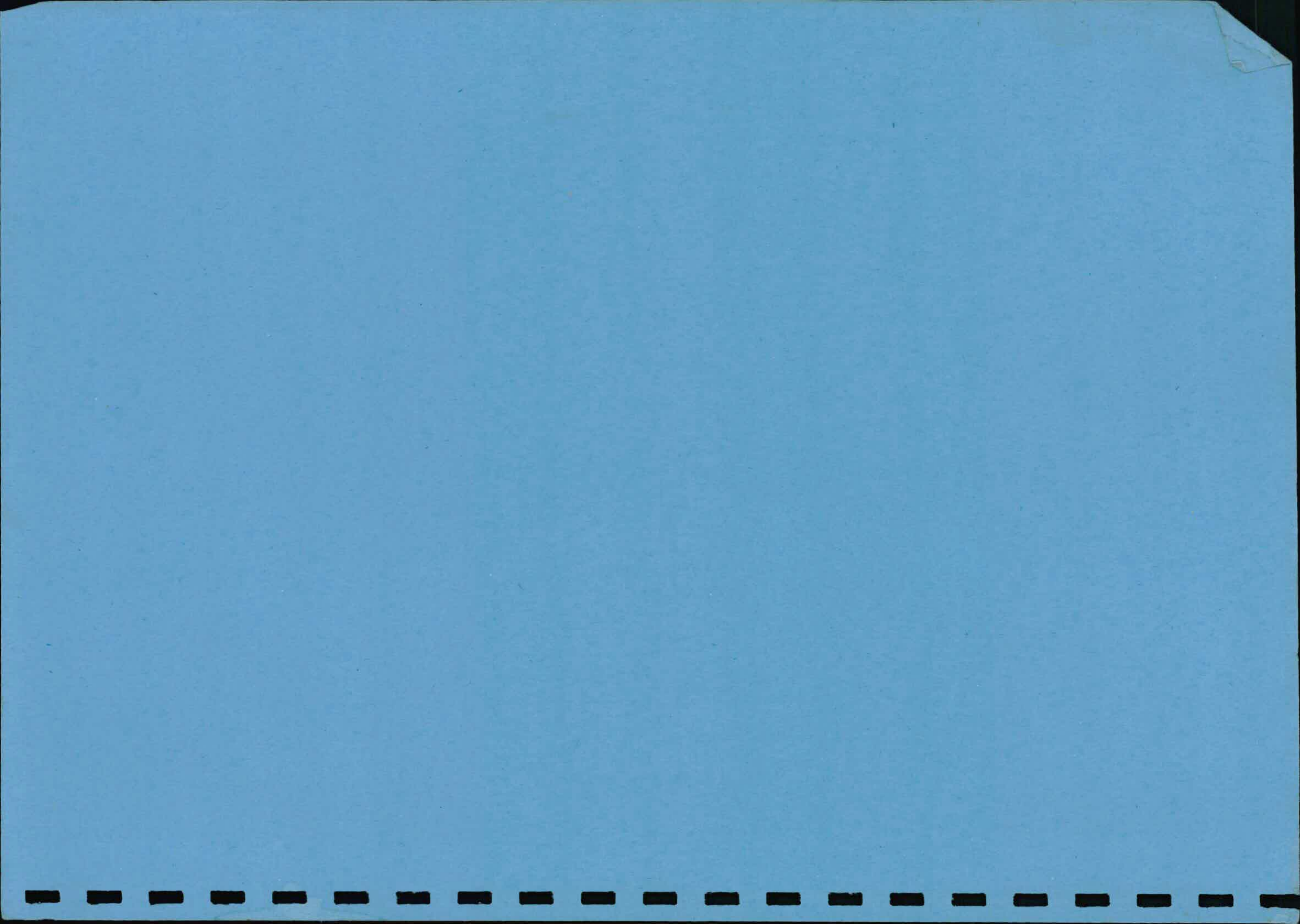
is this day incorporated under the Companies Act, 2002 and that the Company is Limited.

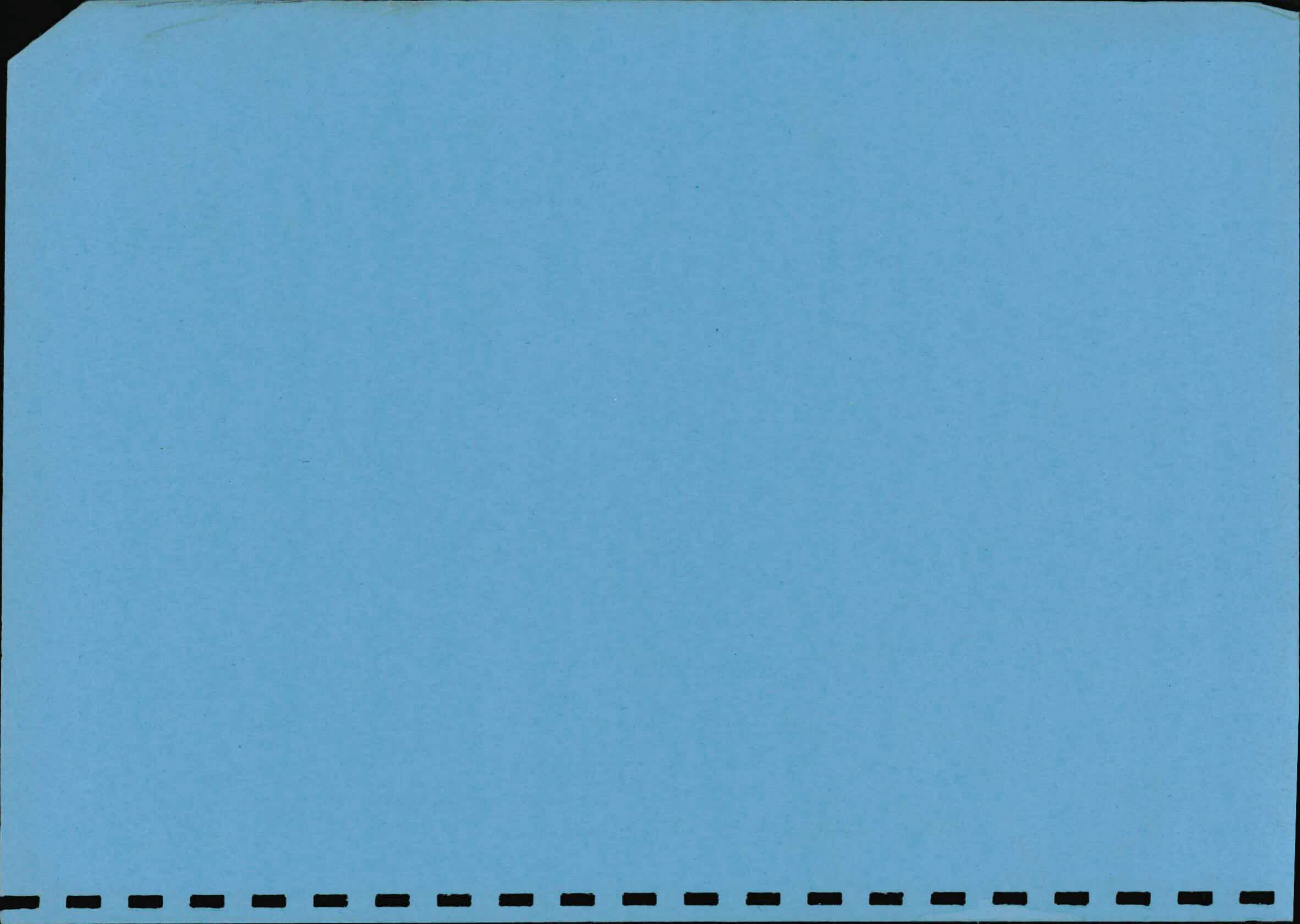
Given under my hand at Dar es salaam
this **4TH** day of **JANUARY**

TWO THOUSAND AND EIGHTY

I, OCTAVIANUS MUSHUKUMA
Advocate, Notary Public and Commissioner
for Oaths hereby certify that this is a true copy
of the original. Certified at Dar es Salaam
This 26th day of June 2014
Signature [Signature]

[Signature]
Asst. Registrar of Companies





AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2013

SERENGETTI INSTANT COFFEE LIMITED
P.O.BOX 7677
DAR ES SALAAM

SHEBRILA & CO
CERTIFIED PUBLIC ACCOUNTANTS
IN PUBLIC PRACTICE
P.O.BOX 22131
TEL. 255-22-2443492
MOBILE 255-748221248/305865
E-MAIL:shebrilacpapp@yahoo.com
DAR ES SALAAM

**AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2013**

**SERENGETTI INSTANT COFFEE LIMITED
P.O.BOX 7677
DAR ES SALAAM**

**SHEBRILA & CO
CERTIFIED PUBLIC ACCOUNTANTS
IN PUBLIC PRACTICE
P.O.BOX 22131
TEL. 255-22-2443492
MOBILE 255-748221248/305865
E-MAIL:shebrilacpapp@yahoo.com
DAR ES SALAAM**

**SERENGETTI INSTANT COFFEE LIMITED
REPORT OF THE AUDITORS TO THE MEMBERS**

We have examined the attached Statement of Financial Position of **Serengetti Instant Coffee Limited** as at 31st December, 2013, the related Income Statement for the year ended on that date.

Our examination was made on test check basis in accordance with International Standards on Auditing. This included tests on the accounting records such as cashbooks, ledgers, bank accounts including a review of internal controls and accounting for resources of the Company. Physical inspection of some of the Company assets was carried out. We also carried out such other auditing procedures as we considered necessary in the circumstances.

The Management is responsible for the preparation of financial statements. It is our responsibility to form an independent opinion based on our audit of those statements and to report our opinion to you.

Our audit included examination, on a test check basis, of evidence relevant to the transactions and disclosures in the financial statements. It included a review of the statements to ascertain as to whether actual expenditures were incurred specifically and in line with the intended activities as was provided for in the budget for the Company.

We planned and performed our audit so as to obtain all the information and explanations, which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in financial statements.

In our opinion the accompanying Statement of Financial Position and Statement of Comprehensive Income together with the supporting notes present fairly the financial position of Serengetti Instant Coffee limited as at 31st December, 2013 and its profit for the year on that date.

SHEBRILA & CO-PF 033
CERTIFIED PUBLIC ACCOUNTANTS
IN PUBLIC PRACTICE
P.O. BOX 22131
TEL: 255-22-2443492
FAX: 255-22-2400131
EMAIL: shebrilacpapp@yahoo.com
DAR-ES-SALAAM - TANZANIA



B.R.KILAMILE - CPA 139
PARTNER

SERENGETTI INSTANT COFFEE LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2013

DIRECTORS REPORT

The Directors have the pleasure in submitting the report together with the financial statements for the year ended 31 st December, 2013 which discloses the state of affairs of the company,

1 Principal Activities

The company engage in the business of processing of coffe.

2 Results

The results for the year are set out on pages 4 to 7.

3 Dividends

Directors do not recommend the payment of any dividend for the year ended 31st December, 2013

4 Directors

The directors who served during the year are:

(a) EVAN NYEGEZA MULOKOZI

(b) EMMANUEL NESTORY KAIGARULA

©ALBERT GAO NKINDA

5 Future Development of the Company

The company future development plan is to raise its funding in order to maintain and grow its sales volume.

The company is considering the possibility of growing coffe in its plantation.

6 Employees Welfare

The relationship between the management of the company and employees is good. Employment terms are reviewed annually in discussion with the employees, to ensure they continue to meet statutory and market conditions.

7 Disabled Persons

The company is equal opportunity to all workers. All necessary assistance is given to disabled persons at initial training.

A career plan is developed which ensures that opportunity for advancement are provided to all persons.

8 Solvency

The Directors considers the company to be solvency for the next twelve months.

SERENGETTI INSTANT COFFEE LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2013

DIRECTORS REPORT (Continued)

9 Statement of Director's Responsibility in respect of the Financial Statements:

The Directors are required by the Company Act 2002 to prepare financial statements for each Financial year that give a true and fair view of the state of affairs of the company. It also require the directors to ensure the company keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the company. They are also responsible for safeguarding the assets of the company.

The directors therefore accepts the responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgment and estimates in conformity with IFRS and in manners required by Company Act, 2002 .

The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company and its operating results for the period ended.

The Directors Further accepts responsibilities for maintenance of accounting records, which may be relied upon in preparation of financial statements as well as adequate systems of internal financial control.

Nothing has come to the attention of the directors to indicate the company will not remain in going concern for at least the next twelve months form the date of this statements.

10 Auditors

Shebrila & Co. of P.O.Box 22131 -Dar Es Salaam are the statutory auditors of the Company, continued in office pending re-appointed at the Annual General meeting.

By order of the Board

.....
Managing Director

.....
Date:

SERENGETTI INSTANT COFFEE LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2013

STATEMENT OF COMPREHENSIVE INCOME:

	Notes	2013 \$	2012 \$
Turnover	2	153,808	146,484
Cost of sales	3	128,150	122,048
Gross profit		25,658	24,436
Non manufacturing costs			
Operating and Administrative Costs	4	14,794	14,089
Depreciation Expenses		6,122	5,830
Total Expenses		20,915	19,919
Profit/(Loss) before tax		4,743	4,517
Income tax expense		1,423	1,355
Net Profit / (Loss)		3,320	3,162



The income statement is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 8 to 12

.....
Managing Director:

.....
Date

SERENGETTI INSTANT COFFEE LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2013

STATEMENT OF FINANCIAL POSITION :

		2013	2012
ASSETS	Notes	\$	\$
Non-Current Assets			
Property, Plant & Equipments	7	224,408	215,457
Total Non Current Assets		224,408	215,457
Current Assets			
Receivables and Prepayments	10	135,974	123,613
Cash in hand		303	275
Bank Balances		70,899	64,453
		207,175	188,341
TOTAL ASSETS		431,583	403,798
EQUITY AND LIABILITIES			
Capital and Reserves			
Share Capital		12,100	11,000
Retained Earnings		3,782	3,439
Revaluation Reserve		351,858	319,871
Profit for the Year		3,320	3,162
Total Equity		371,061	337,472
Liabilities			
Long term Liabilities			
Loan		37,720	40,720
Current Liabilities			
Trade Creditors & Accruals	11	22,802	25,606
Total Current Liabilities		22,802	25,606
TOTAL EQUITY AND LIABILITIES		431,583	403,798



The income statement is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 8 to 12

.....
Managing Director:

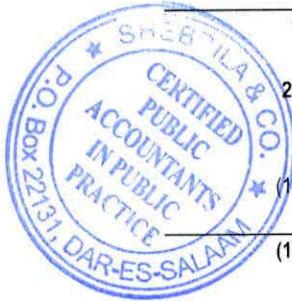
.....
Date

SERENGETTI INSTANT COFFEE LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2013

CASH FLOW STATEMENT

	2013 \$	2012 \$
A CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before taxation	4,743	4,516
Adjustments for:		
Depreciation:	6,122	5,830
Operating Profit/(Loss) before	10,864	10,347
B CHANGES IN WORKING CAPITAL		
Increase/ Decrease in Debtors	12,361	11,238
Increase/ Decrease in Trade Creditors	(2,804)	13,427
TAX Paid	68	1,278
Cash (used by) operations	9,625	25,942
Net cash (used by) operating activities	20,489	36,289
C CASH FROM INVESTING ACTIVITIES		
Purchases of fixed assets/property	(14,874)	(14,874)
Disposal of Assets	-	-
Cash Used by Investments	(14,874)	(14,874)
D CASH FLOW FROM FINANCING ACTIVITIES		
Capital Injected	-	-
Increase/decrease in Loans	(7,766)	(6,766)
	(7,766)	(6,766)
E Net (decrease)/increase in cash and cash equivalents	(2,151)	14,649
F CASH AND CASH EQUIVALENTS AT		
Beginning of the year	73,493	58,844
End of the year	71,342	73,493
Cash and Bank Balances	71,342	73,493



The income statement is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 8 to 12

.....
Managing Director:

.....
Date

SERENGETTI INSTANT COFFE LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2013

STATEMENT OF CHANGES IN OWNERS EQUITY

	Share Capital	Retained Earnings	Revaluation Reserves	TOTAL
2013	\$	\$	\$	\$
At 1st January, 2013	10,000	6,108	390,079	406,187
Capital Injected	-	-	-	-
Profit/(Loss) After Tax	-	3,320	-	3,320
Tax Adjustments	-	-	-	-
Revaluation reserve	-	-	102,107	102,107
At 31st December, 2013	10,000	9,428	492,186	511,614

	Share Capital	Retained Earnings	Revaluation Reserves	TOTAL
2012	\$	\$	\$	\$
At 1st January, 2012	10,000	3,126	290,972	304,098
Capital Injected	-	-	-	-
Profit/(Loss) After Tax	-	3,162	-	3,162
Tax Adjustments	-	-	-	-
Revaluation reserve	-	-	99,107	99,107
At 31st December, 2012	10,000	6,288	390,079	406,367

The income statement is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 8 to 12

.....
Managing Director:

.....
Date

SERENGETTI INSTANT COFFE LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2013

NOTES TO THE FINANCIAL STATEMENTS

SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below:

a) Basis of Preparation

The financial statements are prepared in accordance with and comply with International Financial Reporting Standards. The financial statements are prepared under the historical cost convention.

b) Revenue Recognition

Revenue is recognised on 'accruals' basis and as when services are rendered/ supplied and accepted by the customer. The sales reflect trucks services and fuel sales

c) Functional currencies

Functional currencies of this business is foreign currency i.e USD and for this purpose is required to present in operating currencies.

d) Non Current Assets

Property, Plant and Equipments are recorded at purchase cost less accumulated depreciation and impairment losses.

Depreciation is charged on Straight Line Method to write off the cost of each asset evenly over its expected useful economic shelf life as follows:

Description	Rate
Furniture & fittings	12.50%
Processing machine	25

f) Trade and other Debtors

Trade and other receivables are stated at nominal value less write down for any amounts expected to be irrecoverable.

g) Trade and other Payables

Trade and other payables are stated at their costs.

h) Taxation

Tax on the profit or Loss for the year comprises current and deferred tax.

Current tax is provided on the results in the year as shown in the accounts adjusted in accordance with income tax act

i) Cash and cash equivalents

For purposes of cash flow statements, cash and cash equivalents, comprise cash in hand and banks.

SERENGETTI INSTANT COFFEE LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2013

Notes to the Financial Statements Cont'd

	2013	2012
	\$	\$
Note 2 Turnover		
Sales	153,808	146,484
TOTAL SALES	153,808	146,484
Note 3 Cost of Sales		
Raw materials	70,254	66,909
Direct labour	24,468	23,303
Variable manufacturing overhead cost	94,723	90,212
Total variable manufacturing cost	25,518	24,303
Fixed manufacturing overhead costs	7,910	7,533
	128,150	122,048
Note 4 Operating and Administrative Expenses:		
Salaries and Wages	4,725	4,500
SDL	298	284
Staff Welfare	342	326
Communication Expenses	882	840
Medical Expenses	857	816
Travelling and Accomodation	882	840
Electricity and Water	630	600
Printing and Stationery	496	473
Consultancy Fees	1,050	1,000
Rent	2,642	2,516
Donations	157	150
Fuel Expenses	945	900
Newspapers and periodicals	157	150
Repairs and Maintenance	732	697
	14,794	14,089



SERENGETTI INSTANT COFFEE LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2013

Notes to the Financial Statements Cont'd

Note 7 Property, Plant and Equipment

Period Ended 31st December, 2013

Description	Furniture and Fitting \$	Machinery \$	Land and Building \$	Total \$
Period Ended 31st December, 2013				
Cost				
As at Beginning of the Year	1,036	46,324	168,097	215,457
Additions	336	24,319	2,128	26,783
As at 31 December 2013	1,372	70,643	170,225	242,240
Depreciation				
As at Beginning of the Year	130	11,581	-	11,711
Charge for the Year	42	6,080	-	6,122
Disposal	-	-	-	-
As at 31st December, 2013	172	17,661	-	17,832
Carrying Amount as at 31st December, 2013	1,201	52,982	170,225	224,408

Period Ended 31st December, 2012

Description	Furniture and Fitting \$	Machinery \$	Land and Building \$	Total \$
Period Ended 31st December, 2012				
Cost				
As at Beginning of the Year	864	38,604	166,070	205,538
Additions /(Disposal)	320	23,161	2,027	25,508
As at 31 December 2012	1,184	61,765	168,097	231,046
Depreciation				
As At Beginning of the Year	108	9,651	-	9,759
Charge for the Year	40	5,790	-	5,830
Adjustment/Disposal	-	-	-	-
As at 31st December, 2012	148	15,441	-	15,589
Carrying Amount as at 31st December, 2012	1,036	46,324	168,097	215,457

SERENGETTI INSTANT COFFEE LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2013

Notes to the Financial Statements Cont'd

	2013	2012
	\$	\$
Note 10 Receivables & Prepayments		
Trade Receivables	132,344	120,313
Prepaid expenses	<u>3,630</u>	<u>3,300</u>
	<u><u>135,974</u></u>	<u><u>123,613</u></u>
Note 11 Trade Creditors & Accruals		
Trade Creditors	22,560	25,386
Accrual expenses	<u>242</u>	<u>220</u>
	<u><u>22,802</u></u>	<u><u>25,606</u></u>
		22,560.00

Note 12 Related Party Transactions

The parties are said to be related if one part can affect the other part in making financial and operational policies of the other part. The related parties consist of major shareholders, Board of Directors and key management personnel and their close family members.

The related party transactions at the end of the period were:-

1. Salaries to Key Management Personnel \$ 5,800 (2010: \$ 5,400)
2. Directors Emoluments \$ 3,600 (2010: \$2, 800)

Note 13 Currency

The Financial Statements have been prepared in the USD for purpose of this presentation

Note 14 Incorporation

The company is incorporated in the United Republic of Tanzania

TICC/PP.10/042628-01/5

22nd July, 2014

Permanent Secretary
Ministry of Livestock and Fisheries
(Fisheries Department)
P.O BOX 9152
DAR ES SALAAM

**REF: REQUEST FOR LETTER OF NO OBJECTION FOR MS HONGLIN
INTERNATIONAL TRADE DEVELOPMENT CO. LIMITED**

Please refer the subject matter mentioned above.

Ms. Honglin International Trade Development Co Limited is TIC registered with a project of fish maws processing and related products. The investor was granted Certificate of Incentives for that project in 2011 which has already expired.

Currently Tanzania Investment Centre has received and register investment proposal for expanding fish maws processing facilities in Mwanza. The projected investment cost to the project is anticipated to be 0.725 m\$. In order to enable TIC prepare Certificate of Incentives to the project, the investor was required to submit the letter of no objection from the Ministry of Livestock and Fisheries.

With this letter, we kindly ask you to provide a letter of no objection to Tanzania Investment Centre with regard to the establishment and expansion of this project before TIC issues Certificate of Incentive to the Investor.

Yours Sincerely


Nakuala Senzia
FOR: EXECUTIVE DIRECTOR

MINUTE SHEET



018

Dokezo
No.

(1)

TO: DIF
FROM: ZONAL MANAGER - LAKE
DATE: JUNE 5 2014

RE: DEMAND FOR LETTER OF NO OBJECTION - HONGLIN INTERNATIONAL TRADE DEVELOPMENT CO. LTD (FISH MAWS PROCESSING PROJECT)

We are in receipt of your letter of approval Ref. No: TICC/PP.10/042628-01/3 dated 27th May, 2014 demanding a Letter of No Objection from the Ministry of Natural Resources and Tourism before the Certificate of Incentives is issued.

We wish to advise that TIC Mwanza Office is very conversant with this project since its inception. After meeting and discussing the TIC requirement with investors, we wish to advise the following:

1 The investors have always been aware on the importance of having an export licence (by the Ministry of Livestock and Fisheries) and hence applied for one before they started production way back in 2011 but to-date it has not been availed to them.

Presently, the investors are in contract with fish processing factories in the Lake Zone to the effect that the factories supply the investors with the raw materials (fish maws/bladders), process and then send back the finished products to the respective fish processing factories for export to the investors' OWN MARKETS in China, Hong Kong, Vietnam and other East Asian countries for lack of Export Licence

2. During the recent Lake Zone Investment Forum, we arranged a meeting between the investors and the Minister of Livestock and Fisheries on the said application for Export Licence which has been shelved for all those years. The Minister agreed to intervene as he found no reason for the delay.

Copy of the investors' letter to the Minister is attached herewith as an annexure..

3. The investors started production in 2011, and the current application is a mere renewal of the same activities in which we never found a reason for demand of a Letter of No Objection before.

4. The investors are in the business of processing Fish Maws. These are in fact by-products (fish bladders) of fish processing. It is not much different from production of animal feeds using fish processing wastes as raw materials. In my honest opinion, the Ministry of Natural Resources and Tourism is not required to issue any authorization on this activity as it has nothing to do with fishing.

On the basis of the above background, we kindly request issuance of the Certificate to allow the investors proceed with their expansionary programme, bearing in mind the following points:

(2) Khaw
Plse write to Minstry of Natural Resources, to have
their go ahead.
Copy the Zonal Manager
DIF

042028
042683

MINUTE SHEET

Dokezo
No.

- Since their arrival in Mwanza, they have shown seriousness and commitment in investing in the country
- They currently plan to diversify into more serious projects. They have acquired an 18-acre plot in Misungwi District in which they plan to establish and run various industrial projects including water and carbonated soft drinks processing and bottling; processing of fresh fruit juices and concentrates as well as production of various fruit and vegetable products and related products using locally available assorted fruits and vegetables. They are likewise studying the possibility of establish large scale processing and packaging cereals and related agri-products.
- The investors have already acquired another 5-acre plot at Nyashishi Village, Misungwi District for establishing a meat processing factory planned to start production before the end of the year with a production capacity of processing and packaging 100 herds of cattle per day exclusively for export.

Please let us encourage them to invest even more

submit


Emanuel Yona Lukwaro
ZONAL MANAGER - LAKE

TICC/PP.10/042628-01/3

27th May, 2014

Managing Director,
Hongling International Trade Development Co. Ltd,
P.O. Box 6482

MWANZA

**RE: CERTIFICATE OF INCENTIVES FOR EXPANDING FISH MAWS
PROCESSING FACILITIES IN MWANZA**

We wish to acknowledge receipt of your project proposal to expand fish maws and related products processing facilities in Mwanza as presented in the TIC P.A. 1 Form No. 11971 and Feasibility Study with a projected investment amounting to USD 0.725m.

We are pleased to inform you that your investment proposal is officially registered by TIC and therefore the project will be granted a certificate of incentives under authority conferred upon TIC under Part III, Section 17 (1-8) of the Tanzania Investment Act, 1997. In order to enable TIC prepare your Certificate of Incentives, You will be required to submit the following:-

- Letter of no objection from Ministry of Natural Resources and Tourism

Also be informed that you will have to submit a project implementation Progress Report on the implementation of the project in every six months for centre's information and review. Guidelines for the preparation of the report are contained in annexure attached to this letter. Please do not hesitate to contact the Centre for any clarification if the need arises. Also note that a facilitation fee equivalent to US\$ 1000.00 is payable at the ruling exchange rate prior issuance of the Certificate of Incentives. Please make deposit direct to the bank as per bank details below:-

.../2

TICC/PP.10/042028-01/3

27th May, 2014

*Tanzania Investment Centre
Standard Chartered Bank (T) Ltd
US Dollar A/C 8702006002000
T.Shs A/C 0102006002000*

We wish you every success in the implementation of the project.

Yours sincerely,
Tanzania Investment Centre



N. Senzia
Ag. EXECUTIVE DIRECTOR

Copy to: Permanent Secretary,
Ministry of Finance,
P. O. Box 9111,
DAR ES SALAAM

Permanent Secretary,
Ministry of Industry, Trade and Marketing,
P.O. Box 9503,
DAR ES SALAAM

Commissioner General,
Tanzania Revenue Authority,
P. O. Box 11491,
DAR ES SALAAM



TIC Evaluation Report

Name of the Company
Hongling International Trade Development Co.Ltd

Post Box		COI Number	82844-01	Contact	Wang Sheng Hong
Post Office	6482	COI Date	20/04/2011	Designation	Managing Director
Region	Mwanza	Application F. No	11971	Phone	
Country	Tanzania	Status	Expansion	Direct Phone	
		Sector	Manufacturing	Cell Phone	0755260169
		Sub Sector	Fish Processing	Fax	
		File No	042028-01	E-Mail Address	

Project Location		Investment Finance Plan in Millions USD			
Plot/Block	Plot No. 005/036 Pasiansi Chini, Iluganzala Area	Foreign Equity	Local Equity	Foreign Loan	Local Loan
Street	TBL Road	0.725	0	0	0
District	Ilemela				
Region	Mwanza				

Shareholders Detail			Investment Breakdown (USD Million)	
Name	Nationality	(%)	Land/Building	0.125
Ou Guan Chao	Chinese	60	Plant	0.305
Wang Shen Hong	Chinese	40	Vehicles	0.095
			Furniture & Fittings	0
			Pre-expenses	0
			Others	0
			Working Capital	0.2
			Total	0.725

Employment	50	Evaluated By	wf officer4
Capacity	72 Metric tons /annum	Drawn By	wf registry2
Project Turn Over		Project Type	Foreign

Description

To expand facilities for processing fishmaws and allied products

Recommendations

Be approved subject to providing evidence as required by section 17 of Tanzania Investment Act, 1997

Decision

*Approved
 Subject to
 permits to
 Ministry of
 Resources
 Conservation
 and
 Tourism
 M9 EXD
 27/05/2014*

HONGLIN INTERNATIONAL TRADE DEVELOPMENT CO. LIMITED

Plot No: 005/036 TBL Road, Pasiansi Chini, Iloganzala Area, Ilemela District
P.O. Box 6482 Mwanza, Tanzania Cell Phone: +255 755 260 169/0764 377 196

Ref. No: HITCL/TIC/2014/1

Date: May 19, 2014

Executive Director
Tanzania Investment Centre
P.O. Box 938
Dar es Salaam



RE: APPLICATION FOR TIC CERTIFICATE OF INCENTIVES FOR EXPANSIONARY PROGRAMME

We are a TIC-registered project carrying out the business of Nile Perch fish maws processing and export. The project was granted TIC Certificate of Incentives No: 042028 on June 2011. It expired on April 30, 2014.

We now plan to expand our processing facilities which include rehabilitation and expansion of factory buildings, acquisition of new working tools, machinery and equipment as well as procurement of utility vehicles. For this reason, we once again submit our application for TIC Certificate of Incentives to facilitate implementation of our expansionary project.

Attached herewith please find the following basic documents for ease of reference and approval:

1. Original form of Application for TIC Certificate of Incentives
2. Copy of Company Certificate of Incorporation
3. Copy of Company Memorandum and Articles of Association
4. Copy of project Business Plan
5. **LONG LEASE** Agreement in respect of the project site
6. Banker's Letter of Reference
7. Company Board Resolution to register the project with TIC

8. ERV 37897061 for US\$1000 being certificate fee.
Thanking you for your kind cooperation.

Yours sincerely,

HONGLIN INTERNATIONAL TRADE DEVELOPMENT LIMITED


Wang Shen Hong
DIRECTOR

TICC/M.50/9/2

3 Aprili 2017

Katibu Mkuu,
Wizara ya Kilimo, ya Mifugo na Uvuvi,
S. L. P 9152,
DAR ES SALAAM

YAH: KUSIMAMISHWA KWA VIWANDA VYA UCHAKATAJI MABONDO YA SAMAKI


Tafadhali husika na kichwa cha habari hapo juu.

Kituo cha Uwekezaji Tanzania (TIC) kimepokea malalamiko kutoka kwa Mwekezaji M/S Honglin International Trade Development Co. Limited mwenye kiwanda cha kuchakata mabondo mkoani Mwanza ambapo mwekezaji analalamikia amri ya kufungiwa kwa kiwanda chake mwezi Januari 2017 kutokana na ukaguzi ulioendeshwa na kikosi kazi kilichoundwa na Wizara yako kwa lengo la kuhakiki uhalali wa kampuni zinazojishughulisha na biashara ya mabondo ya samaki kama zinazingatia Sheria, Kanuni na Taratibu za Nchi uliofanyika mkoani Mwanza mwezi Novemba na Desemba 2016, ambapo ilibainika kuwa kampuni zote za kigeni zinazofanya shughuli za kuchakata mabondo bila kibali kutoka kwa Mkurugenzi wa Uvuvi ni kinyume na sheria ya Uvuvi Na. 22 ya mwaka 2003 na Kanuni Namba 13 na 77 ya Kanuni za Uvuvi za mwaka 2009.

Amri hii inawataka wachakataji wote wa mabondo kusimamisha uzalishaji mara moja mpaka hapo watakapokidhi matakwa ya Sheria ya Uvuvi ya mwaka 2003 na kanuni zake za mwaka 2009. Amri hii imetolewa chini ya barua Kumb. Na. CTD/158/200/01 ya tarehe 2 Januari, 2017 (imeambatanishwa)

Kutokana na makampuni hayo kuwa na leseni za uchakataji zilizotolewa na taasisi yako katika ngazi ya Manispaa (imeambatanishwa), Kituo kinaomba kupatiwa ufafanuzi kuhusu leseni hizo zinazomilikiwa na mwekezaji. Aidha tungependa pia kufahamu hatua ambazo mwekezaji anatakiwa kuchukuwa ili aweze kupata vibali sitahiki kwa biashara ya kuchakata mabondo ya samaki ili tuweze kumwelewesha mwekezaji.

Tunatanguliza shukrani zetu kwa ushirikiano wako.


Venance M. Mshiba

K.n.y: MKURUGENZI MTENDAJI

MINUTE SHEET



Dokezo
No.

KWENDA KWA: KAIMU MKURUGENZI MKUU
TOKA KWA: MENEJA - KANDA YA ZIWA
TAREHE: FEBRUARI 3, 2017

YAH: OMBI LA KUKITAKA KITUO CHA UWEKEZAJI KUINGILIA KATI KWA
HALI YA DHARURA MGOGORO UTOKANAO NA AMRI YA KUSIMAMISHWA
GHAFLA UCHAKATAJI WA MABONDO MWANZA

1.0 UTANGULIZI

Tumepokea kwa masikitiko makubwa taarifa ya kusimamishwa ghafla shughuli za uchataji wa mabondo kwa wachakataji wote iliyotolewa na Mkurugenzi Idara ya Uvuvi. Malalamiko haya yamefikishwa kwetu na mwekezaji aliyesajiliwa kwetu, M/s Honglin International Trade Development Co. mwenye Cheti cha Uwekezaji Na. 042028 kwa niaba ya wenzake wengine kumi (10), wawili kati yao wakiwa wameshapata barua za "approval" ilhali wengine wawili wakiwa tayari kwenye mchakato wa kujisajili baada ya kuwashawishi kufanya hivyo wakati tulipowatembelea mwezi Novemba/Desemba, 2016 chini ya Kikosi Kazi Maalum kilichoundwa na Mkurugenzi huyo.

Sababu iliyotolewa na Mkurugenzi Idara ya Uvuvi ni **madai** kwamba katika ukaguzi uliondeshwa na Kikosikazi kilichoshirikisha taasisi za Kituo cha Uwekezaji (TIC), Ofisi ya Kamishna wa Kazi, Mamlaka ya Mapato (TRA), Idara ya Uhamiaji, na Idara ya Uvuvi kwa lengo la kuhakiki uhalali wa wamiliki wa kampuni zinazojishughulisha na biashara ya mabondo kwa kuzingatia sheria, kanuni na taratibu za nchi uliofanyika mkoani Mwanza mwezi Novemba na Desemba, ilibainika kuwa kampuni zote zinafanya shughuli ya kuchakata mabondo bila kibali kutoka kwa Mkurugenzi wa Uvuvi kinyume na Sheria ya Uvuvi Na. 22 ya Mwaka 2003 na Kanuni Namba 13 na 77 ya Kanuni za Uvuvi za Mwaka 2009. Amri hii inawataka wachakataji wote kusimamisha uzalishaji mara moja mpaka hapo watakapokidhi matakwa ya Sheria ya Uvuvi ya Mwaka 2003 na Kanuni zake za Mwaka 2009. Amri hii imetolewa chini ya barua Kumb. Na. CTD/158/200/01 ya tarehe 2 Januari, 2017 ambayo inaambatanishwa hapa kama Kielelezo I.

2.0 ZISEMAVYO KANUNI ZINAZODAIWA KUKIUKWA

Nimepitia Kanuni Na. 13 na 77 zinazodaiwa kukiukwa na wachakataji na kugundua Kanuni inayohusika zaidi ni Kanuni Na. 13 Kifungu (18) kinachosomeka (kwa tafsiri isiyokuwa rasmi):

2.1 Kanuni Na. 13

Kifungu (18): mtu asiyekuwa raia, anapomba leseni ya uvuvi, kujihusisha ama kusafirisha nje ya nchi mazao ya samaki, hana budi kuambatanisha Cheti cha Uwekezaji (Certificate of Investment Incentives) kitakachokuwa kimetolewa na Mamlaka husika juu Uwekezaji, *a proof on the value of physical investment relevant to fisheries activities* (yaelekea ikimaanisha - kama ushahidi wa uwezo wa kujihusisha na mradi husika); Company Certificate of Incorporation; Memorandum & Articles of Association; Feasibility Study/Project Write up, Work/Residence Permit, Environmental Impact Assessment Report issued by a Competent Authority responsible for environment.

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2.2 Kanuni Na. 77

Kanuni hii inahuzu zaidi matakwa ya ubora wa miundombinu na mitambo/vifaa vya uchakataji wa samaki, na haihusiani moja kwa moja na uchakataji wa mabondo ambayo ni **masalia ya uchakataji wa samaki**. Hapa tutagusia tu vifungu vichache vinavyoweza kuwa na maana katika uchakataji wa mabondo:

Kifungu (1): kinasema, makampuni yanayokusudia kujenga au kukodisha majengo ni lazima yawasilishe maombi kwa Mkurugenzi yakiambatanisha michoro ya jengo kama ilivyo kwenye Form 5 na Form 7 kama zinavyoonekana kwenye Fist Schedule ya Kanuni hizi.

Kifungu (2): Maombi yataainisha:

- (a) Jina kamili, anwani ya posta na eneo la biashara, majina ya mameneja, wakurugenzi na wamiliki wa biashara
- (b) Aina ya mazao/bidhaa zitakazozalishwa (finished products)
- (c) Idadi ya wafanyakazi wanaotarajiwa kuajiriwa
- (d) Uwezo wa uzalishaji na uhifadhi (storage capacity)

3.0 UTARATIBU ULIOZOELEKA NA UHALALI WA BIASHARA YA UCHAKATAJI WA MABONDO KAMA ILIVYO KWA SASA

Makampuni yote kumi na moja (11) yaliyotembelewa yameonyesha kwamba:

3.1 Uandikishwaji wa Makampuni

Yamesajiliwa BRELA na hivyo yana Certificate of Incorporation na Memorandum & Articles of Association kama Kanuni Na. 13 Kifungu (18) kinavyoagiza;

3.2 Leseni ya Ukusanyaji/Uchakataji wa Mabondo

Yameomba na kupatiwa leseni ya kukusanya/kuchakata mabondo kupitia kwa halmashauri husika, yaani Minicipal/City Fisheries Officer kama Kifungu (15) cha Kanuni za Uvuvi kinavyoagiza:

Kifungu (15) kinasema: Maombi kwa ajili ya uvuvi au kujishughulisha na biashara na mambo ya samaki ama mazaoi ya samaki au leseni ya kusafirisha nje ya nchi ni lazima yapitishiwe katika mamlaka ya serikali za mtaa yenye mamlaka (jurisdiction) juu ya rasilimali ya samaki (fishery resources) kwa kutumia fomu maalumu inayoonekana kwenye Kanunu hizi kama Form 3a ou 3c.

Kwa kupitishia maombi yao kwenye Mamlaka husika na kupatiwa leseni halali, ni vigumu kuwalaumu wachakataji hawa kwamba hawakufuata sheria na taratibu. Leseni hii inaambatanishwa hapa kama **Kielelezo 2**.

Makampuni yaliyotembelewa na ambayo yanafanya biashara hii kwa sasa mkoani Mwanza ni haya yafuatayo:

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- (i) Honglin International Trade Development Co. Ltd
- (ii) Dayaxu Tanzania Ltd
- (iii) Weish A.S.T (T) Ltd
- (iv) Tongfu Trading (T) Ltd
- (v) Win Ink Home Company Ltd
- (vi) Fun Co. Ltd
- (vii) Shen Hua Co.Ltd
- (viii) Sunshine Sea Foods Co Ltd
- (ix) Nata Fish Maws Ltd
- (x) Rong Zheng T(Tanzania) Ltd
- (xi) Dong Brothers Trade Company Ltd

Orodha ya makampuni na taarifa zaidi inaambatanishwa hapa kama Kielelezo 3.

3.3 Uratibu wa Idara ya Uvuvi kwenye Uchakataji wa Mabondo kwa Sasa

Makampuni yote yenye leseni za uchakataji zinaratibiwa na taasisii mbili za Idara ya Uvuvi na kwa muda wote, zimekuwa zikitembelea makampuni haya ya uchakataji wa mabondo na zikitoa mwongozo, hivyo hakuna wakati wowote ambao wachakataji hawa walikuwa na sababu ya kuwa na mashaka juu ya uhalali wa uendeshaji wa shughuli zao. leleweke hapa kwamba makampuni yote ya uchakataji yanatokea China, na hivyo tusitarajie kama wana uwezo wa kusoma Kanuni hizi na kuzielewa, isipokuwa kwa msaada wa Mamlaka husika.


Taasisi hizi ni:

- (i) Taasisi ya Udhhibiti Uboras, Viwango na Masoko - Kanda ya Ziwa
- (ii) Taasisi ya Usimamizi na Ulinzi wa Raslimali za Uvuvi - Kanda ya Ziwa

3.4 Wameendesha Biashara Kwa Zaidi ya Miaka 10 Bila Kuambiwa Tatizo

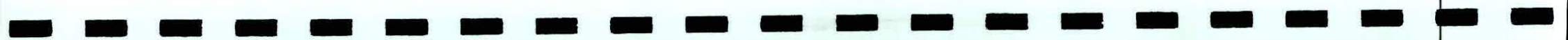
Biashara ya uchakataji wa mabondo ni kongwe hata kuliko uchakataji wa minofu ya sangara. Makampuni mengi kutoka China yamekuwa yakijishughilisha na uchakati wa mabondo, na nyingi zimefunga biashara na kuondoka, ilhali nyingine nyingi zikifungua biashara mpya. Kwa sasa, kampuni kongwe kuliko zote, M/s Shen Hua Co. Limited ilianza biashara mwaka 2007 kwa hiyo imekuwa ikichakata mabondo Mwanza kwa muda wa takribani miaka kumi (10). Katika muda wote huo, wachakataji hawa hawakuwahi kushauriwa juu ya mapungufu ya Kisheria na Kikanuni, si na Idara ya Uvuvi, wala taasisi zake mbiii zilizoko Mwanza ambazo siku zote zimekuwa zikiwatembelea, kuwakagua, huku zikiwapatia ushirikiano wa karibu.

3.5 Kukaguliwa kwa Viwanda vya Uchakataji na Idara Mara kwa Mara

Idara ya Uvuvi kupitia  kwa Afisa Mfawidhi - Udhhibiti Uboras, Viwango na Masoko imekuwa ikifanya ukaguzi wa ubora wa mazingira ya uchakataji mabondo kila baada ya miezi mitatu. Kila wanapofanya ukaguzi huu, viwanda vinalipa TShs 100,000/= kama Ada ya Ukaguzi (Audit Fee) na kupatiwa stakabadhi halali za malipo. Mfano wa stakabadhi hizi inaambatanishwa hapa kama Kierlelezo 4.

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Pia, viwanda vyote vya uchakataji mabondo vimeandikishwa na Wizara ya Kazi na Ajira (OSHA) na kupewa Certificate of Registration of Work Place. Certificate, mfano unaoambatanishwa hapa kama **Kielelezo 5**.

Ukaguzi huu unakidhi Kanuni Na. 77 inayozungumzia ubora wa miundombinu ya uchakataji, japokuwa Kanuni yenyewe inalenga zaidi uchakataji wa samaki.

4.0 ATHARI ZA UTEKELEZWAJI WA AMRI YA KUSIMAMISHA GHAFLA UCHAKATAJI WA MABONDO MWANZA NA USAFIRISHAJI NJE YA NCHI

Utekelezwaji wa amri hii ya kusimamisha **ghafila** uchakataji na usafirishaji nje ya nchi) wa mabondo itakuwa na athari zifuatazo:

4.1 Hasara ya Mali za Wachakataji

Ni dhahiri wakati amri hii inatolewa, wachakataji wote walikuwa na akiba (stock) ya mabondo mabichi na makavu pia. Mfano rahisi ni mwekezaji wetu, M/s Honglin International Trade Development Co. Limited ambaye wakati amri inatolewa alikuwa tayari amelipia mabondo mabichi tani kumi na mbili (12) kutoka kampuni ya uchakataji samaki, M/s Vic Fish Limited - Kagera. Kwa amri hii, amezuiwa hata kuyasafirisha mabondo yake kutoka Bukoba kuja Mwanza kuyahifadhi wakati anasubiri mustakabali wa amri hii

Pia, baadhi ya wawekezaji katika biashara hii wamejenga majengo kwa ajili ya biashara hii, aidha kwa kununua viwanja vyao, ama kwa ukodishaji wa muda mrefu wa viwanja toka kwa wananchi kwa utaratibu wa Build, Operate and Transfer, utaratibu wenye manufaa makubwa kwa wenye viwanja. Kuwakatisha ghafla kufanya biashara hii ni kuwaingizia hasara kubwa kwa uwekezaji ambao tayari wameshaufanya.

4.2 Kulazimika Kusafirishwa Mabondo Mabichi na Makavu Nje ya Nchi kwa Magendo

Kwa kuwa amri hii inazuia uchakataji na pia usafirishaji wa mabondo kwa watu wote, na ukizingatia mabondo ni bidhaa yenye thamani kubwa, kitakachofuata ni usafirishaji kwa njia ya magendo kuyapeleka mabondo mabichi na pia makavu nje ya nchi, hususan Uganda ambako serikali ya nchi hiyo inasemekana inaiunga sana mkono biashara hii.

4.3 Kupotea Ghafla kwa Mapato ya Serikali

Kwa mujibu wa mteja wetu, M/s Honglin International Trade Development Co. Limited, kampuni yake inazalisha mabondo makavu kiasi cha wastani wa tani moja na nusu (1,500 kgs) kwa mwezi au kilo 18,000 kwa mwaka. Mrahaba unaolipwa serikalini ni US\$ 0.45 kwa kila kilo moja, ambao hautapatikana tena kwa sasa. Mapato mengine tutakayopoteza ni pamoja na ada/tozo mbalimbali za halmashauri pamoja na kodi ya mapato.

4.4 Kupoteza Ghafla Ajira Zaidi ya 1,000 Hasa kwa Wanawake

Kwa mujibu wa M/s Honglin International Trade Development Co. Limited, kampuni yake inaajiri wachakataji kati ya themanini (80) na mia moja na

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themanini (180) (kutegemeana na upatikanaji wa mabondo mabichi kwa wakati huo)- ambao karibu wote ni akina mama. Ukizingatia jumla ya makampuni kumi na moja (11) yanayojishughulisha na biashara hiyo kwa sasa, wanawake zaidi ya 1,000 tayari wamesitishiwa ajira zao.

5.0 RAI KWA IDARA YA UVUVI

Kwa maelezo yaliyotangulia, ni kweli kwamba baadhi ya Kanuni zimekiukwa, hususan Kanuni 13 (18) katika uendeshaji wa shughuli ya uchakataji mabondo kwa raia wa kigeni. Hata hivyo ukichunguza kwa undani utagundua tatizo liko pande zote: Idara ya Uvuvi na taasisi zake, pamoja na Halmashauri ya Jiji la Mwanza na Manispaa ya Ilemela wameshindwa kutoa mwongozo sahihi na kuwafanya wawekezaji hawa wa kigeni kuamini na kujiona wanafanya biashara hii kwa kufuata Sheria, Kanuni na Taratibu zote za nchi, ambapo baadhi ya wachakataji wamefanya biashara hii kwa muda wa zaidi ya miaka kumi (10) bila ya kunyoshewa kidole na yeyote, huku wakiratibiwa vilivyo na Idara za Uvuvi za halmashauri husika, taasisi za Idara ya Uvuvi, huku Idara yenyewe ikifahamu fika kilichokuwa kinaendelea kwa muda wote huo bila kusema chochote..

Kwa kuzingatia kwamba **makosa yako pande zote mbili**, tunapenda kutoa rai ifuatayo ili haki ionekane imetendeka kwa pande zote:

5.1 Wewekezaji Wapewe Muda wa Miezi Sita Kuendelea na Uzalishaji Wakati Wanarekebisha Mapungufu

Inahitajika kutumika busara zaidi katika kutatua mgogoro huu. Ni rai yetu kuwa wawekezaji hawa wapewe muda wa kutosha kuyafanyia marekebisho mapungufu yaliyojitokeza katika ukaguzi huu.

5.2 Watakaokidhi Vigezo Wapewe Leseni Bila Ubaguzi

Kwa wale wote watakaokidhi vigezo, itakuwa busara kuwapatia leseni rasmi za uendeshaji wa biashara hii. Kwa mujibu wa Kanuni 13 (18), vigezo hivyo ni:

(i) Cheti cha Uwekezaji.

M/s Honglin International Trade Development Co. Limited anacho cheti hiki tangu mwaka 2007. M/s Dayaxu Tanzania Limited pamoja na M/s Tongfu Trading (Tanzania) Limited wameshapata barua za kukubaliwa kusajiliwa Kituo cha Uwekezaji, na vyeti vyao vitatoka muda wowote kuanzia sasa. M/s Dong Brothers Trade Company Limited wameshawaliisha maombi yao na utayarishaji wa cheti uko kwenye mchakato. M/s Rong Zheng (Tanzania) Limited wanajiandaa kuleta maombi yao. Ni Imani yetu kwamba baada ya kuwashawishi kufanya hivyo wakati wa ukaguzi, wote waliobaki ambao wanatimiza vigezo wataleta maombi yao siku za karibuni.

(ii) Kuandikishwa BRELA

Wachakataji wote wanakidhi kigezo hiki.

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(iii) Feasibility Study Report/Project Write up

Wote waloiandikishwa TIC wanakidhi kigezo hiki, na wengine watakaoleta maombi yao TIC ni lazima watakuwa wameshatayarisha Feasibility Study/Business Plan kutimiza matakwa ya TIC.

(iii) Work/Residence Permit

Wawekezaji hawa wote pamoja na wafanyakazi wao kutoka nje ya nchi wana vibali halali vya kufanya kazi na kuishi nchini

(iv) Environmental Impact Assessment Report

M/s Honglin International Trade Development Co. Limited wako kwenye mchakato, na tayari wameshalipia ada husika.

Kwa maelezo haya ni kwamba wachakataji wa mabondo wanakidhi vigezo vilivyokuwa vingi katika sifa za kupewa leseni ya biashara yao. Wanachohitaji ni muongozo wetu kutekeleza hayo machache yaliyobaki, ambayo ni rahisi kutekelezeka.

5.3 Ubabe na Ubaguzi Katika Kutoa Leseni ya Usafirishaji Mabondo Makavu Nje ya Nchi

Kwa utaratibu uliopo, leseni ya usafirishaji mabondo makavu nje ya nchi (Export Licence) hutolewa kibabe na kiubaguzi kwa Watanzania tu, japokuwa sikuwahi kuona Kanuni yoyote inayotamka hivyo. Hivyo, inawalazimu wageni kutumia jina la Mtanzania na kumlipa Commission kwa kulitumia jina lake tu, ilhali ni wao pekee wanaofahamu masoko yalipo, na ndio wenyewe wanafanya taratibu zote za usafirishaji. Hii inamwongezea mwekezaji "cost of doing business without any apparent reason"

Hii ni kinyume na Kanuni Na. 13 Kifungu (18) kinachotamka kwamba raia wa kigeni wana haki ya kupatiwa leseni hii maadam wanakidhi matakwa ya kifungu hiki. Hii inamaanisha kwamba yeyote anayekidhi matakwa ya Kanuni na kuruhusiwa kuchakata mabondo, pia anakuwa tayari ana sifa za kuomba na kupatiwa leseni hii. Cha kushangaza, ni ubabe zaidi kuliko Kanuni inayotumika katika kuwanyima raia hawa wa kigeni Export Licence,

Kuthibitisha hili, mwaka 2014, Mwekezaji wetu, M/s Honglin International Trade Development Co. Limited aliwahi kuomba leseni ya kusafirisha mabondo nje ya nchi lakini Idara ya Uvuvi haikujali hata kumjibu. Alionana na Waziri husika wakati ule (2014) lakini pamoja na ahadi yake nzuri, hakuweza kumsaidia.. Barua yake ya maombi ambayo haikujibiwa inaambatanishwa hapa kama Kielelezo 6.

5.4 Uelewa Mdogo Juu ya Biashara ya Uchakataji wa Mabondo

Mwaka 2014, mteja wetu M/s Honglin International Trade Development Co. Limited aliomba kupitia TIC, "a Letter of No Objection" toka Wizara ya Mifugo na Maendeleo ya Uvuvi ili kukidhi matakwa ya TIC. Kwa mshangao mkubwa, pamoja na kwamba kampuni hii ilikuwa tayari inafanya biashara hii kwa

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utaratibu uliozoeleka, Idara ya Uvuvi ilikataa kutoa barua ilyoombwa kupitia barua yao Ref. No. TA.216/433/01/21ya tarehe 25/02/2015 kwa madai kwamba kuidhinisha uchakataji wa mabondo kutahatarisha usalama wa samaki ziwani! Hii ni hoja dhaifu kwa kuzingatia ukweli kwamba wachakataji wa mabondo hawavui samaki, wala kuhamasisha uvuvi. Mabondo ya samaki ni masalia ya uchakataji wa samaki ambayo hupatikana kutoka kwa vijana wanaokusanya masalia haya kutoka katika masoko ya samaki, au wawekezaji kuyanunua moja kwa moja kutoka kwenye viwanda vya uchakataji wa minofu ya samaki. Hapo tujiulize: kwa kutumia busara ya kawaida, ni vipi uchakataji wa masalia ya samaki kutoka kwenye masoko na viwanda uathiri samaki ziwani? Hivi ni vitu viwili visivyokuwa na uhusiano kabisa. Ni dhahiri mwandishi wa barua hii aliandika kwa kukariri sababu zinazotolewa kusitisha uanzishwaji wa viwanda vipya vya kuchakata samaki, bila kuzingatia kwamba mabondo ni masalia ya samaki toka kwenye viwanda vyenye leseni halali au toka kwenye masoko halali ya samaki ambayo yanakaguliwa kwa mujibu wa Sheria. Katika zama hizi za biashara huria, ni busara tukawaachia wachakataji wakagombea mabondo yanayopatikana kwenye masoko bila kuwawekea vikwazo kwa sababu biashara hii haina athari ya aina yoyote kwa usalama wa samaki ziwani. Barua ya majibu Wizara inaambatanishwa hapa kama **Kielelezo 8**.

6.0 HAJA YA TIC KUINGILIA KATI MGOGORO

Kwa maelezo yaliyotangulia, napendekeza TIC kupitia kitengo chetu cha After Care, kufanya utaratibu wa haraka kuwasiliana na Katibu Mkuu wa Wizara ama Mkurugenzi Idara ya Uvuvi na kumuomba asitische amri ya kuzuia shughuli za uchakataji wa mabondo, na badala yake atoe muda wa kutosha kama miezi sita hivi kwa wawekezaji kuendelea kufanya uchakataji wakati wanarekebisha mapungufu yaliyoonekana, ikiwa ni pamoja na kuomba upya leseni ya uchakataji (collection/processing licence), na pia ya usafirishaji (export licence). Pia ashauriwe kutoa leseni hizo kwa wote walioko kwenye biashara hiyo kwa sasa bila ubaguzi kwa wale wote watakaooomba na kukidhi vigezo kama inavyotamkwa kwenye **Kanuni Na. 13 Kifungu (18)**.

Tunaamini itakuwa ni busara zaidi endapo Idara ya Uvuvi itatoa ushirikiano na kuwapa mwongozo wachakataji wote wa mabondo ili waweze kurekebisha mapungufu yaliyojitokeza kwa faida ya pande zote mbili, jamii inayotegemea uwepo wa biashara hii, na taifa kwa ujumla, badala ya kuwachukulia kama wahalifu kwa kuwaamuru kufunga biashara zao ghafla bila hata kuwapa Notice au muda wa kujirekebisha, ilhali Idara imekuwa ikitambua uwepo wao siku zote na hivyo kuwaratibu na kuwapa ushirikiano kwa namna mbalimbali siku zote, pasipo kuwashauri kama uendeshaji wa biashara yao ilikuwa na mapungufu yoyote, kama inavyothibitishwa na baadhi ya vielelezo vilivyoambatanishwa.

Naomba kuwasilisha.


Fanel Yona Lukwaro
MENEJA WA KANDA YA ZIWA

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VIAMBATANISHO

Pamoja na Dokezo hili, tunaambatanisha hapa vielelezo mbalimbali vinavyodhihirisha jinsi mteja wetu, M/s Honglin International Trade Development Co. Ltd (pamoja na wawekezaji wengine katika sub sector hii) wanavyojitahidi kufuata Sheria, Kanuni na Taratibu, huku Idara/Wizara ikikataa kutoa ushirikiano wa kutosha.

Kielelezo 1: Nakala ya Barua ya Amri ya Usitishwaji Biashara Kumb. Na. CTD/158/200/01 ya tarehe 2/01/2017

Kielelezo 2: Nakala ya Leseni zinazotolewa na kutumika kwa sasa toka zinazoonyesha kutolewa na Idara ya Uvuvi kupitia Manispaa/Jiji

Kielelezo 3: Orodha ya Makampuni Yenye Leseni za Kukusanya/Kuchakata Mabondo Mwanza

Kielelezo 4: Nakala ya Stakabadhi za Serikali zinazothibitisha Malipo ya Ada ya Ukaguzi (Audit Fee) kwa Idara ya Uvuvi kupitia Afisa Mfawidhi - Udhibiti Ubora Viwango na Masoko - Kanda ya Ziwakutoka kwa Makampuni ya Uchakataji wa Mabondo kukidhi Kanuni Na. 77

Kielelezo 5: Nakala ya Certificate of Registration of Work Place toka Wizara ya Kazi na Ajira kukidhi Kanuni Na. 77

Kielelezo 6: Nakala ya Barua ya M/s Honglin International Trade Development Co. Ltd ya tarehe 27 Februari, 2015 kwenda kwa Katibu Mkuu, Wizara ya Maendeleo ya Mifugo na Uvuvi kuomba Export Licence ambayo haikujibiwa

Kielelezo 7: Nakala ya Barua ya M/s Honglin International Trade Development Co. Ltd ya tarehe 8 April, 2014 kwenda kwa Mhe. Waziri, Wizara ya Maendeleo ya Maendeleo ya Mifugo na Uvuvi kuomba msaada wa kupatiwa Export Licence ambayo pia haikujibiwa, licha ya kukutana na kuongea na Waziri kabla.

Kielelezo 8: Nakala ya Barua ya Katibu Mkuu wa Wizara ya Maendeleo ya Mifugo na Uvuvi inayokataa kutoa ridhaa kwa kampuni ya M/s Honglin International Trade Development Co. Ltd kuandikishwa TIC kwa uwekezaji katika uchakataji mabondo bila kutoa sababu ya maana

Kielelezo 9: Orodha ya Wajumbe na Taasisi zao Walioshiriki katika Ukaguzi

Kielelezo 10: Nakala halisi ya Kanuni Na. 13 - The Fisheries Regulations, 2009 (G.N. No. 308 of 28/8/2009)

Kielelezo 11: Nakala halisi ya Kanuni Na. 77 - The Fisheries Regulations, 2009 (G.N. No. 308 of 28/8/2009)

Kielelezo 12: Nakala ya barua ya M/s Honglin International Trade Development Co. Ltd kulalamikia Amri ya Kufunga Biashara ya Mabondo

Kielelezo 13: Nakala ya Barua kutoka kwa Katibu Mkuu Wizara ya Kilimo, Mifugo na Uvuvi Kumb. Na. CTD 158/200/01 ya tarehe 27 Oktoba, 2016 ya kuwaalika wadau kushiriki kufanya uhakiki wa

MINUTE SHEET

Dokezo
No.

MINUTE SHEET

Dokezo
No.

uhalali wa kampuni hizi (mabondo). Barua ina kichwa cha habari "WAGENI KUVAMIA BIASHARA YA MAZAO YA UVUVI" na "HADIDU ZA REJEA KWA TIMU MAALUM KUFUATILIA UKIUKWAJI WA SHERIA NA TARATIBU KATIKA UWEKEZAJI KWENYE SEKTA YA UVUVI"

Kwa kusoma kichwa cha habari na hadidu za rejea peke yake inatosha kutilia mashaka kama kweli timu hii iliundwa kwa nia njema, maana inaweza kutafsiriwa kwamba wawekezaji hawa tayari walishahukumiwa kabla hata ya kukaguliwa!!

MINUTE SHEET

Dokezo
No.

VIAMBATANISHO

Kielelezo 1 - 13

SIRI Kielelezo No. 1

JAMHURI YA MUUNGANO WA TANZANIA
WIZARA YA KILIMO, YA MIFUGO NA UVUVI

Telegram: "Mifugo"
Simu: 255 022 2861910
Fax: 255 022 2861908
E-Mail: ps-ld@mifugo.go.tz



Veterinary Complex,
131 Barabara ya Nelson Mandela,
S. L. P. 9152,
15487 DAR ES SALAAM.

Unapojibu tafadhali taja:
Kumb. Na. CTD/158/200/01

02 Januari, 2017

Mkurugenzi,
Honglin International Trade Development Co. LTD,
S. L. P. 6222,
Mwanza.

YAH: KUSIMAMISHA UCHAKATAJI WA MABONDO

Tafadhali husika na kichwa cha habari hapo juu.

Utakumbuka kuwa, ukaguzi uliendeshwa na Kikosikazi kilichoshirikisha Taasisi za Kituo cha Uwekezaji Tanzania (TIC), Ofisi ya Kamishina wa Kazi, Mamlaka ya Mapato Tanzania (TRA), Idara ya UHAMIAJI na Idara ya Uvuvi kwa lengo la kuhakiki uhalali wa wamiliki wa Kampuni inayojishughullisha na biashara ya mabondo kwa kuzingatia sheria, kanuni na taratibu za Nchi.

Baada ya uchunguzi imebainika kuwa, Kampuni yako inafanya shughuli ya kuchakata mabondo bila Kibali kutoka kwa Mkurugenzi wa Uvuvi kinyume na Sheria ya Uvuvi Na. 22 ya Mwaka 2003 na Kanuni **Namba 13 na 77** ya Kanuni za Uvuvi za Mwaka 2009.

Kutokana na ukweli huu Kampuni yako imevunja Sheria za Uvuvi na Kanuni za Uvuvi za Mwaka 2009 hivyo unatakiwa kusimamisha uzalishaji mara moja mpaka hapo Kampuni yako itakapokidhi matakwa ya Sheria za Uvuvi za Mwaka 2003 na Kanuni zake za Mwaka 2009.

M.E. Bulayi

MKURUGENZI IDARA YA UVUVI

Nakaia: Afisa Mfawidhi - Udhubiti Ubora Viwango na Masoko-Kanda ya Ziwa

Afisa Mfawidhi - Usimamizi na Ulinzi wa Rasilimali za uvuvi
Kanda ya Mwanza

Kidolezo No. 2

ORIGINAL



7/25/2017

THE UNITED REPUBLIC OF TANZANIA

AFISA UVUVI WA MANISPAA

THE FISHERIES ACT, 2003
(The Fisheries Regulations 2009)
(Regulation 13(10))

00046076

LICENCE FOR FISHING OR DEALING IN FISH AND FISHERY PRODUCTS

Licence is hereby granted to M/S HONGLIN TRADE DEV. CO. LTD. (Name)
Postal full address P.O. Box 6222 Mwanza
Telephone No. - Mobile phone 0755-260169
Fax No. - E-mail linfang.chao@hotmail.com
Physical business address ILOGANZARA - Mwanza
Residential address ILOGANZARA - Mwanza
This licence is valid from 14.01.2015 to 31.12.2015

for fishing or dealing in fish or fishery product hereunder described:
DEALING IN FISHERY PRODUCTS
(FISH MAJUS)

Fee paid 968,000/= Tshs ERV/HW^s No. 00024352 of
(date) 14.01.2015
Issued at KIRUMBA FISH MARKET Date 14.01.2015

This licence is issued under the following conditions:

- 1. NOT TRANSFERABLE
- 2. NOT FOR EXPORT
- 3.
- 4.

Full name of licensee M/S HONGLIN TRADE DEV CO LTD Signature [Signature] Date 14.01.2015
Full name of Licensing Officer MUSA P. MUKONGA Signature [Signature] Date 14.01.2015

AFISA UVUVI WA MANISPAA
Official Stamp

Renewals
1st Renewal:
From 04.01.2016 To 31.12.2016 Fee paid 1,079,000/= Tshs
ERV/HW^s No. 37021 of date 04.01.2016
Name of Licensing Officer Mukonga Musa P. Signature [Signature] Date 04.01.2016

MUNICIPAL FISHERIES OFFICER
Official Stamp

2nd Renewal:
From 03.01.2017 To 31.12.2017 Fee paid 1,095,200/= Tshs
ERV/HW^s No. 319021314332 of date 03.01.2017
Name of Licensing Officer Mukonga Musa P. Signature [Signature] Date 03.01.2017

2

LIST OF ACTIVE FISH MAWS PROCESSING COMPANIES IN MWANZA

S/NO.	COMPANY NAME	LOCATION	CONTACTS
1.	Honglin International Trade Dev. Co. Limited Certificate of Incorporation (CoI) No. 82844 dated 21/04/2011	Plot No: 005/036 TBL Road, Pasiansi Chini, Iloganzala Area, Ilemela District P.O. Box 6482 Mwanza	Mrs. Wang Shen Hong (a.k.a Anna) - Director Cell: +255 755 260 169/ 0764 377 196 Fax: +255 28 254 0168 E-mail: linfang.chao@hotmail.com
2.	Dayaxu (T) Co. Limited CoI No. 101194 dated 2/098/2013	Plot No. 25 "E" Airport Area, Ilemela District P.O. Box 6175 Mwanza	Mr. Zhang Huo Zhi (Director & Board Chairman) and Li Hue Yi (Director and Company Secretary)
3.	Weish A.S.T (T) Limited CoI No. 118757 dated 10/07/2015 TIN No. 127-525-498	Sabasaba Area, off Kiseke Road, Ilemela District	Mr. Leo Chen (Director) Cell: 0745 178 816
4.	Tongfu Trading (T) Limited CoI No. 125241 dated 5/04/2016	Plot No. 19 Block "M" Kabumbo Area, off Kiseke Road, Ilemela District	Mr. Wei Linsen (Resident Director) Cell: 0745 688 668
5.	Win Ink Home Company Limited Incorporated January 2016	Off Kiseke Road, Ilemela Area	Mr. Jian Cheng (a.k.a. Johnson Lee) Cell: 0752 332 213
6.	Hang Fun Co. Limited CoI No. 117488 dated 25/05/2015 TIN No. 127-595-151 dated 29/07/2015	Plot No. 384 Block "A" Nyasaka Area, Ilemela District	Mr. Jin Boli (Director) Cell: 0765 862 232
7.	Shen Hua Co. Limited (formerly Lee Fish Maws Co. Ltd Incorporated 22 nd July, 2007 TIN No. 108-630-027	Plot No. 76 Nyakato Industrial Area, Nyamagana District	
8.	Sunshine Sea Foods Co. Limited	Nyakato Industrial Area, Ilemela District	Mr. Wan Jin Lin (Director) and Mr. Fabian Lugola (Local Director with 60% shares)

	Incorporated May 2014 TIN No. 127-234-981 dated 6/11/2015		
9.	Nata Fish Maws Limited CoI No. 123316 dated 11/02/2016 TIN No. 129-203-420	Nata Area, near Islamic Institute	Mr. Mai Hai Rong (Foreign Director - 25% shares) Cell: 0758 885 777 and Ms. Amina John Daroshi (Local Director - 60% shares)
10.	Rong Zheng (Tanzania) Limited CoI No. 110993 dated 28/08/2014 TIN No. 124-889-049 dated 9/09/2014	Bwiru Area, Ilemela District	Mrs. Elizabeth J. Lefi (Local Director with 60% shareholding)
11.	Dong Brothers Trade Company Limited CoI No. 114159 dated 31/12/2014 TIN No. 127-486-719 dated 15/07/2015	Plot No. 12 Block "A" Nyasaka Area, Ilemela District P.O. Box 1623 Mwanza	Mr. Dong Li - 0769 885 588 Chinese Director & Shareholder (45%) Mr. Benzhao Li - 0769 756 445 Chinese Director & Shareholder (4%) Abdulhafi Abdillah- 0766 797 653 Tanzanian Director and Shareholder (51%)

Sources: Fish Maws Processors Survey by Special Task Force by Department of Fisheries, Ministry of Agriculture, Livestock and Fisheries - 2016

Kielelezo No. 5



THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF LABOUR AND EMPLOYMENT

OCCUPATIONAL SAFETY AND HEALTH AUTHORITY

THE OCCUPATIONAL HEALTH AND SAFETY ACT NO. 5 OF 2003



CERTIFICATE OF REGISTRATION OF WORKPLACE

REG CERTIFICATE NO:.....MZA/1028.....

NO: 13425

DATE OF ISSUE:.....20-May-2016.....

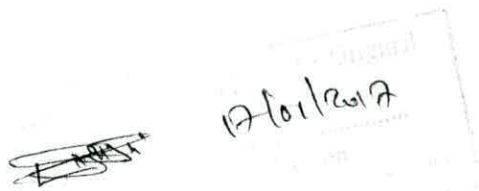
I hereby certify that the workplace named below has been duly registered in pursuance of section 16 of The occupational Health and Safety Act, 5 of 2003.

Name of the Occupier / Owner:.....HONGLIN INTERNATIONAL TRADE
DEVELOPMENT CO. LTD.....

Address Workplace:..... P. O BOX 6222, MWANZA.....

Location of Workplace:..... PLOT NO. 005/036, TBL, ILEMELA.....

Nature of Work:..... DRY FISH MAWS.....




.....DR. A.V KAYUMBA.....
CHIEF INSPECTOR

Note

1. This certificate is valid only in respect of the occupier and workplace named above.
2. This certificate is issued under, and solely for the purpose of, the Occupational Health and safety Act, and without prejudice to the requirements of any other legislation relating to the occupation of ~~business~~ for industry purposes.

Kielelezo No. 6

HONGLIN INTERNATIONAL TRADE DEVELOPMENT CO. LIMITED

Registered Office: Plot No: 005/036 Pasiansi Chini, TBL Street off Airport Road
P.O. Box 6222 Mwanza , Tanzania Cell Phone: +255 755 260 169

Ref. No: HITCL/TIC/2015/1

Date: February 27, 2015

Permanent Secretary
Livestock Development and Fisheries
P.O. Box 9252
Dar es Salaam

Ufs: Executive Director
Tanzania Investment Centre
P.O. Box 938
Dar es Salaam

RE: APPLICATION FOR EXPORT PERMIT FOR FISH MAWS

Please refer to the subject above.

Honglin International Trade Development Co. Limited is a locally registered company incorporated under Certificate No: 82844 issued on 20th April 2011. We are engaged in business of processing of Fish Maws for Export with our operating base in Mwanza, employing about 30 people. Our business is duly registered with Tanzania Investment Centre (TIC) under Certificate of Incentives No: 042028 granted on the 2nd day of June, 2011.

Fish Maws refers to Nile Perch fish bladders obtained as wastes from fish processing industries.

We started operations in year 2011 but since then we have never managed to obtain an export licence, and therefore have to export through fish processing factories and thereby act as commissioned agents as we obtain raw materials from the factories, process and then send back the processed Fish Maws to them for export to our own markets in China, Hong Kong, Vietnam and other East Asian Markets for lack of own Export Licence. We find this kind of arrangement cumbersome and unrealistic in the business circles.

In light of the above background, we kindly request your good office to issue us a Fish Maws Export Permit which is a prerequisite in applying for Export Licence as well as in the renewal of our TIC Certificate of Incentives.

Thanking you for your kind cooperation.

Yours sincerely,
HONGLIN INTERNATIONAL TRADE DEVELOPMENT LIMITED

Wang Shen Hong
DIRECTOR



Attachments:

- (1) Copy of Company Certificate of Incorporation No: 82844 dated 20/04/2011
- (2) Copy of Company Memorandum and Articles of Association
- (3) Copy of TIC Certificate of Incentive No: n042028 dated 2/06/2011

HONGLIN INTERNATIONAL TRADE DEVELOPMENT CO. LIMITED

Plot No: 005/036 Pasiansi Chini, Iloganzala Area, Itemela District
P.O. Box 6222 Mwanza, Tanzania Cell Phone: +255 755 260 169

Ref. No: HL/RP/VOL.01/14**Date: April 8, 2014**

**Hon. Minister
Livestock Development and Fisheries
P.O. Box 9252
Dar es Salaam**

RE: APPLICATION FOR EXPORT LICENCE FOR FISH MAWS

Please refer to the above subject.

Honglin International Trade Development Co. Limited is a locally registered company incorporated under Certificate of Incorporation No: 82844 issued on 20th April 2011. We are engaged in the business of processing of Fish Maws in Mwanza for export, employing about 30 local people. Our business is duly registered with Tanzania Investment Centre (TIC) under TIC Certificate of Incentives No: 042028 granted on the 2nd day of June, 2011.

We started full project operations in year 2011 but since then, we have never managed to obtain an export licence, and therefore we have to export through fish processing factories and thereby act as a commissioned agent as we obtain the raw materials from them, process and then send back the processed Fish Maws to them for export to OUR OWN markets in China, Hong Kong, Vietnam and other East Asian markets for lack of our own Export Licence.

We find this kind of arrangement rather cumbersome as it does not reflect the reality of our business. Although we generate substantial amount of exports, this cannot be reflected in our books of account, denying us the opportunity of paying the appropriate taxes and royalties as a company, and therefore recognition as a relevant investor in the fisheries sector.

On light of the above background, we kindly request your assistance in facilitating issuance of an Export Licence for the export of Fish Maws.

Attached herewith please find the following basic documents for ease of reference and approval:

1. Copy of Company Certificate of Incorporation No: 82844 dated 20/04/2011
2. Copy of TIC Certificate No: 042028 dated 2/06/2011

Thanking you for your kind understanding and cooperation.

Yours sincerely,

HONGLIN INTERNATIONAL TRADE DEVELOPMENT LIMITED


Wang Shen Hong (Mrs.)

DIRECTOR

THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF LIVESTOCK AND FISHERIES DEVELOPMENT

Telegram: "Mifugo"
Telephone: 2861910
Fax: 2861908/2861905
E-Mail: ps-ld@mifugo.go.tz
Website: http://www.mifugo.go.tz



Veterinary Complex,
131 Nelson Mandela Road,
P.O. BOX 9152,
15487 DAR ES SALAAM.

In reply please quote:
Ref. No. TA.216/433/01/21

25/02/2015

Executive Director,
Tanzania Investment Centre,
P. o .Box 938,
DAR ES SALAAM.

**REF: REQUEST FOR LETTER OF NO OBJECTION FOR MS HONGLIN
INTERNATIONAL TRADE DEVELOPMENT CO. LTD**

Reference is made to your letter with reference number ~~TIIC/PP:10/042628/01/05 of 22/07/2014~~ regarding to the above heading.

We wish to inform your good office that there is a tremendous decline in Nile-Perch (*Lates niloticus*) fish catches from Lake Victoria. This is due to a number of factors including illegal fishing, climate change, and over capacities in terms of increased fishing effort and installed processing of the same. As such, any extra capacity increment in Nile-Perch processing factories, including fish maws processing, automatically will kill the industry as it will further trigger increased illegal and over-fishing in an effort to do away with raw material scarcity.

As a managerial measure to reduce pressure on Nile-perch fishery, Ministry does not encourage further investment on Nile-perch processing based industries, including fish maws processing.

Based on the above information, The Ministry **IS NOT** granting **NO** objection to MS Honglin International Trade Development Co. Ltd to establish and/or expand Nile-perch fish maws processing establishment in Mwanza.

Thank you for your continued support.


F. Sobo

For: **PERMANENT SECRETARY**

AMU. KATIBU WA JU
WIZARA YA MAENDELEO YA
MIFUGO NA UVUVI
S. L. P. 9152
DAR ES SALAAM

MINUTE SHEET

Dokezo
No.

TO : ZONAL MANAGER -LAKE

FROM: DIF

DATE : 23 MARCH,2015

**REF: REQUEST FOR LETTER OF NO OBJECTION FOR M/S HONGLIN
INTERNATIONAL TRADE DEVELOPMENT CO.LTD**

Please refer to your Minute Sheet dated 12 February, 2015 regarding to the above heading

We regret to inform you that the Ministry of livestock and Fisheries Development have refused to issue a letter of No Objection for M/S HONGLIN INTERNATIONAL TRADE DEVELOPMENT CO.LTD due to Number of factors including illegal fishing, climate change, and over capacities in-terms of increased fishing effort and installed processing of the same.

I attached copy of a letter from the ministry concern

I submit



.....
MREMA

11

COMPOSITION OF THE TASK FORCE

NAME OF TASK FORCE MEMBER	INSTITUTION	POSITION
1. Jerome Fundi	Directorate of Fisheries	Chairman to the Task Force
2. Stephen A. Lukanga	National Fish Quality Control Laboratory (Victoria Zone)	Zonal Officer In Charge
3. Lameck Mongo	Fisheries Resources Protection (Mwanza Zone)	Officer In Charge
4. Emmanuel Mondoka	Fisheries Resources Protection (Mwanza Zone)	
5. Getrude Migodela	Fisheries Resources Protection (Mwanza Zone)	
6. Jacob Nalaila	Directorate of Fisheries	
7. Ida Moshi	Labour Department - H/O	
8. Moses Mutash	Regional Immigration Office - Mwanza	
9. Daudi Maina	Tanzania Revenue Authority - Mwanza	
10. Fanuel Lukwaro	Tanzania Investment Centre	Zonal Manager (Lake)
11. Ivon Maha	Ilemela Municipal Council	Fisheries Officer
12. Suzana Nchangwe	Mwanza City Council	Fisheries Officer
13. Jovice Mkuchu	Directorate of Fisheries	Secretary to the Task Force

Sources: Fish Maws Processors Survey by Special Task Force by Department of Fisheries, Ministry of Agriculture, Livestock and Fisheries - 2016

(8) A person shall not use for fishing purposes any vessel of a class not specified in the Second Schedule, unless such person has a valid licence in respect of such vessel issued in accordance with the Act and these Regulations.

(9) A person shall not employ, cause or permit any other person to use a fishing vessel, in contravention of sub-regulation (4) and (5).

Essentials
for fishing
vessel

12.—(1) A fishing vessel licensed under these Regulations shall not proceed on a fishing voyage unless it has-

- (a) sufficient quantity of food and number of utensils for holding water and food;
- (b) serviceable horn or trumpet;
- (c) at least two life rings, one life jacket or any other approved life saving equipment for each crew; and
- (d) fire extinguishing devices, for purpose of compliance to any other written law

(2) A Licensing Officer shall, where any vessel is detained under sub-regulation (1), before releasing such vessel, require the owner or the master to rectify any observed defects.

(c) *Licensing of fishers and fish dealers*

Engaging
in fishing
or export
of fish or
fishery
products

13.—(1) A person shall not-

- (a) engage in fishing;
- (b) collect, possess, transport or hold fish or fishery products for trading purposes;
- (c) unless he is the holder of a valid licence allowing him to engage in such activity.

(2) A person who intends to engage in any of the activities referred to under sub-regulations (1) and (3) shall-

- (a) make an application in the prescribed Forms 3(a), 3(b) and 3(c) set out in the First Schedule;
- (b) in case of an applicant for industrial fishing, enclose a valid Certificate of Sea worthiness, monthly production data, export performance report, main engine specifications as per manufacturer's Certificate, Valid work permits for foreign personnel, names of share holders, Company Directors and their addresses.

X (3) A person shall not engage in exporting fish or fishery products unless he is the holder of valid licence issued by the Director allowing him to engage in such activity.

(4) Any person who contravenes sub-regulation (1) and (3) commits an offence and upon conviction shall be liable to a fine of not less than one million shillings or to imprisonment for a term of not less than one year or to both.

(5) A non citizen who contravenes sub-regulation (2) commits an offence and upon conviction shall be liable to a fine of not less than three million shillings or to imprisonment for a term of not less than three years or to both.

(6) Any person shall not fish in a controlled area, fish breeding areas and critical habitats unless authorized in writing by the Director.

(7) A person shall not employ or permit any person to engage in fishing, collecting, storing or export of any type of fish or fishery product in contravention of sub regulations (1), (2) and (3).

(8) For the purpose of determining export royalty, fish and fishery products for export shall be graded using the scheme prescribed in Form 24 set out in the First Schedule.

(9) A person other than a licensed fisher or fish dealer shall not possess, store fish or fishery products specified in the Fourth without a Certificate of

(10) Ownership prescribed in QA/APP/07 set out in the Fifth Schedule.

A licence for carrying out an activity under sub-regulations (1), (2) and (3) shall be as prescribed in QA/APP/11 set out in the Fifth Schedule.

(11) A person shall not kill, fish, possess, store, export or deal in parts, products or derivatives of any species listed as endangered in any International Convention to which the United Republic of Tanzania is a party.

(12) A person shall not fish, collect or possess, store or deal in sea cucumber (beche-der-mer) or shell meat unless he is in possession of a special licence issued to him by the Director under Regulation 21.

Fisheries Regulations

G.N. No. 308 (contd.)

(13) Any fishing licence issued by a local government authority shall be valid within the jurisdiction of that authority.

X (14) A non citizen or fish establishment owner shall not carry out collection of fish or fishery products of any kind within Mainland Tanzania.

(15) An application for fishing or dealing in fish or fishery products or license for export shall be lodged through the local government authority with jurisdiction over the fishery resource using prescribed Form 3a or 3c.

(16) An application for with industrial prawn fishing shall be lodged to the Director by using prescribed Form 3b accompanied with an official covering letter.

(17) An application for renewal of export licence shall be enclosed with export performance report as set out in Form 3(d) of the First Schedule.

✓ (18) A non-citizen shall, on applying for fishing or dealing or export of fishery products, attach Certificate of Incentives issued by the Authority responsible for investments, a proof on the value of physical investment relevant to fisheries activities, Certificate of Incorporation, Articles of Associations, Feasibility Study, Project Write Up, Work Permit, environmental impact assessment report issued by the Competent Authority responsible for environment.

(19) A person shall not import, export, transport, sell or expose for sale, receive, acquire or purchase interstate or foreign commerce any fish or fishery product taken, processed, transported or sold in violation of ratified conventions.

(20) Any person who intends to engage in the activity under this regulation shall pay a prescribed fee as set out in the Second Schedule.

Restric-
tion on
engaging
in internal
trade of
fish or
fishery
products

14. A person shall not by way of trade, or otherwise deal in fish or fishery products unless a valid licence is issued to him under Business Licensing Act, or is exempted from such a licence in respect of his trade in fish or fishery products under these regulations.

Register
of
licences

15. Every Licensing Officer shall keep and maintain a register of all fishing vessels licensed within his area of jurisdiction.

KANUNI NA. 77

Fisheries Regulations

Kielelezo No. 11

G.N. No. 308 (contd.)

(c) Approvals

Approval
of fish or
aquacul-
ture
establish-
ments

77.—(1) The management of fish and aquaculture establishment shall, before constructing, reconstructing or adapting an establishment, make an application in the prescribed Form 5 and Form 7 set out in the First Schedule to the Director for his approval.

(2) The application under sub-regulation (1) shall contain-

- (a) the full name, physical, postal and electronic address of the fish establishment, managers, directors and shareholders;
- (b) the designation and composition of finished products;
- (c) the number of employees;
- (d) the production and storage capacities;
- (e) source of ice or own ice production capacity; and
- (f) chiller capacity.

(3) After receiving the application form, the competent authority shall examine the application and proceed with on site verification.

(4) The applicant shall, after on site verification, submit-

- (a) the establishment architectural plan, at a minimum scale of 1:200, indicating-
 - (i) the establishment facilities and their respective utilization, with a clear separation between clean and dirty areas;
 - (ii) the flow of products fit for human consumption and of the products not fit for human consumption;
 - (iii) movement of personnel, utensils and ice;
 - (iv) the equipment lay-out and its respective utilization;
 - (v) the sanitary facilities such as foot dips, shower rooms, changing rooms and toilets;
 - (vi) the establishment hand wash basins and taps;
 - (vii) the water reticulation map including water outlets or taps serially numbered on the map;
 - (viii) the waste water disposal system;
 - (ix) the soil waste disposal system;
 - (x) the system for handling and storage of by-products and disposal of solid waste; and
 - (xi) the pest control system;
- (b) good Manufacturing Practice, Good Hygiene Practice and Hazard Analysis and Critical Control Point manuals; and
- (c) an environmental impact assessment report approved by the relevant authority.

Fisheries Regulations

G.N. No. 308 (contd.)

(14) Certified establishments shall be regularly inspected by fish inspectors to ensure that sanitary requirements are complied with and that the establishment applies proper handling and manufacturing practices.

(15) Routine inspection shall be carried out in accordance with reference standards prescribed in QA/RS/03, QA/RS/04, QA/RS/05, QA/RS/18 and QA/RS/29 after every one month and as the case may be, and shall be ranked using QA/RS/17 as provided in the Sixth Schedule.

(16) Auditing of fish establishment and out post stations shall be carried out in accordance with reference standard set out in the sixth schedule QA/RS/20, QA/RS/21, QA/RS/24 and QA/RS/26 after every three months and the establishment shall be ranked using QA/RS/17 set out in the Sixth Schedule.

(17) Where the Competent Authority identifies serious deficiencies or has to stop production at an establishment repeatedly and the fish establishment is not able to provide adequate guarantee regarding future production, the Competent Authority shall initiate procedures to withdraw the establishment's approval and may suspend a fish establishment's approval where the establishment guarantees that it will resolve deficiencies at least within three months.

(18) Approval granted by the Director under sub-regulation (5) of this Regulation shall be conditional that operations commence not later than thirty six calendar months from the date of that approval.

(19) Where ownership of an establishment under this part is transferred, the transferor shall surrender the approval of such establishment to the Director who shall cancel the approval.

(20) Where the transferee intends to use the establishment for the purpose for which the approval was granted, he shall, within thirty days from the date of transfer, apply for the approval.

(21) Any person who contravenes sub-regulation (19) commits an offence and upon conviction shall be liable to a fine of not less than one million shillings.

Evaluation
Committee

78.-(1) There is established a Committee to be known as Evaluation Committee.

(5) The Director shall, after examining the application and its accompanying documents, and being satisfied that the applicant has complied with requirements of these Regulations, grant approval for the construction of the establishment.

(6) The establishment shall, depending on the type of product, be inspected in accordance with reference standard as prescribed in QA/RS/01, QA/RS/02, QA/RS/19, QA/RS/22 and QA/RS/28 and be ranked using QA/RS/17 set out in the Sixth Schedule.

(7) Where it appears from the on site visit that the establishment meets the infrastructure and equipment requirements, the Competent Authority may grant Conditional Approval.

(8) The Competent Authority shall, where it appears from a new on site visit carried out within three months of granting conditional approval that the establishment meets requirements of these regulations, grant full approval.

(9) The Competent Authority shall, where it is satisfied that the establishment issued with conditional approval has made clear progress but does not meet requirement to be granted full approval, prolong the conditional approval for a period not exceeding six months.

(10) The Competent Authority shall issue approval number to an approved establishment, including those with conditional approval; the codes may be added to indicate the type of fishery products manufactured.

(11) The establishment that conforms to the relevant requirements shall be under supervision of the Competent Authority during operations for a period of not less than three months with reinforced sampling until the Competent Authority is satisfied with the result obtained, the establishment shall be issued with an Approval Certificate as prescribed in QA/APP/01 set out in the Fifth Schedule specifying activities for that establishment which shall be valid from the date of issue and expires at 31st December of the year issued.

(12) The Competent Authority shall update a list of approved establishments when deemed necessary and inform stakeholders accordingly.

(13) The application shall be renewed as often as necessary after any major changes in the infrastructure, equipment, handling or processing procedures or after changes in the types and nature of the finished products.

Kielelezo No. 12

**HONGLIN INTERNATIONAL TRADE DEVELOPMENT
CO. LIMITED**

P.O. BOX 6222 MWANZA
Email: lifang.chao@163.com

Date: 26th January 2017

Director of Fisheries Development Division,
Ministries of Agriculture, Livestock and Fisheries,
131 Mandela Road, Veterinary Temeke
P.O. Box 9152,
DAR ES SALAAM.

Dear Sir

**RE: CLOSURE OF OUR FACTORY - HONGLIN INTERNATIONAL TRADE
DEVELOPMENT CO. LTD**

Kindly refer to the subject above.

We further refer you to your letter dated the 2nd January 2017 with reference number CTD/158/200/01 titled 'KUSIMAMISHA UCHAKATAJI WA MABONDO' the receipt of which we acknowledge effectively from the 24th January 2017. We write this letter in response to your order for purposes of putting matters clear and in search of your humble reconsideration of your order

HONGLIN INTERNATIONAL TRADE DEVELOPMENT CO. LTD is a limited liability company incorporated in Tanzania under the guidance and facilitation of Tanzania Investment Centre in the year 2011 with Certificate of Incorporation number 82844. In the same year we obtained Certificate of Incentives number 042028 which qualified us to operate as investors dully recognised and protected by the investment laws in Tanzania.

Since 2011 the Company has been a good legal compliant. We ensure every year we pay all Government taxes and dues as required, we pay Government royalties as required by laws, we timely pay salaries, Social securities and, WCF without fail. We comply with labour and immigration laws by ensuring all our foreign workers have the necessary work and residence permits required. All this is done to ensure that we are real investors not only complying with the Tanzania's investment laws but also the regulatory requirements by all Government agencies. Currently the Company employs 180 Tanzanians whose lives and that of their dependants, depend on the Company's operations to earn their living.

In the letter addressed to us with reference number stated above, you ordered us to immediately close the factory for failure to obtain the required APPROVAL from your good Office under regulation 13 and 77 of the Fisheries Regulations 2009. This order comes as a result of the inspection conducted by a special taskforce comprising Government Officers from TIC,

LABOUR, TRA, IMMIGRATION and FISHERIES Departments whom we acknowledge of their visit. However and with due respect Sir, we wish to bring to your attention our great concerns regarding this order and we request your good office to reconsider your order in line with our proposed alternatives so that we promote the Country's economy.

1. Our Company did not seek and obtain the said approval as we knew the same could be sought and obtained by TIC on our behalf prior to granting Investment Certificate. Before establishing business in Tanzania we made a thorough research and we came to know that for our business to be properly guided and protected both locally and internationally, the same was suppose to be established through TIC. Our understanding was that any approvals required including the approval from your good office were to be sought and obtained by TIC for and on behalf of our Company. This belief was guided by provision 16 of the Tanzania Investment Law and we surely knew that by issuing the Certificate of Incentives, TIC had sought and obtained the said approval. And for about 6 good years our Company has been in business, no body raised this requirement to our attention despite the fact that our Company is fully in good business relationship with your good office. Year after year we seek and obtain all the necessary documentations from the Government Departments such as Business licences, Collection licenses, Renewal of TIC Certificate of incentives and payment of royalties without objection from your Department. Every Three Months your good office visits and inspects our factory and issues a go ahead approval for business. In each inspection our Company pays the prescribed fees of TShs 100,000/= the receipt of which signifies your office's approval for the factory. However as per your letter, it appears, notwithstanding the TIC provisions and all this business practices we have created for long, you have decided to close down our factory without even Notice.
2. According to your letter, your order was preceded by the inspection by a special task force. However and with great concern Sir, your order comes without PRIOR NOTICE OF COMPLIENCE. We thought and for good reasons, that after your Office noticed this anomaly, it was good, for the best interest of creating good investment environment and in compliance to the Best International Business Practices, for your good Office to issue us **at least a Six Months' Compliance Notice** within which to seek and obtain the said approval. This notice would save good purposes given the implied practices already created between our Company, your good Office and other Government departments and/or agencies

Having registered our concern sir we wish to humbly request your humble Office to reconsider your order in the following alternatives

1. As our business is already in operation and; as all the requirements for obtaining approval under regulation 77 are in place, you grant us 6 months notice of compliance within which we submit our application and all the required documentations for approval. After

we submit our application and your Office inspects our business premise you may grant us 3 months conditional approval pending issuance of full approval

2. ALTERNATIVELY and without prejudice to the above proposal, May your good Office be pleased to grant us 6 months compliance notice within which we should apply and obtain the required approval.

It is our belief that both alternatives are in your discretion sir and you are well positioned to make decisions in full attraction and promotion of investments in Tanzania

BASIS OF OUR PROPOSALS

We have made the above two alternatives sir for the following reasons and it is our hope that your humble Office will consider these alternatives in considering our situation

- a. Our failure to personally as a Company seek and obtain the said approval was based on our understanding of Provision 16 of the Tanzania Investment law which appears to lie the duty to liaise with your office and seek and obtain the required approval on TIC for and on behalf of the investor including our Company. According to TIC laws as per our understanding, all communications regarding approvals, seeking and obtaining Government approvals from any Government regulatory authority or agency for any investor dully TIC registered lies on TIC. It is our belief that this procedural requirement in no exception to our Company
- b. We write this letter in compliance to Investment Laws of Tanzania in which we are suppose to resolve this dilemma by negotiation. As such we take our letter as a first step to amicably settle this problem for the interest of both parties. This again is based on Provision 23 of the Tanzania Investment law
- c. The business practices between our Company and your good Office for about Six years now has created an impression that approval is a requirement but not a pre-requisite condition for business operations. That is why every Three Months your good Office visits our factory, inspects the premises and receives our TShs 100,000/= inspection fee the receipt of which signifies your approval for business. We attach the latest inspection receipt for your reference.
- d. Our company has invested much to this business and to complying with TIC Capital requirement which currently stands at a minimum of USD 500,000/= hence making our current capital base more than Tshs 1,000,000,000/=. We already have paid for work and Residence Permits for 5 employees and 2 capital owners costing our company more than Tshs 60,000,000/=. We already have business and Collection Licenses which yearly costs us the Sum of Tshs 5,479,000/=. Every year our company pays over Tshs 36,000,000/= as WCF Contributions, SDL, PAYE, Income Tax, Service levy and rental fees and we are suppose to make same payment to the Government

for this Financial year. We as well pay and renew several government approvals such as OSHA, FIRE SERVICES, MUNICIPAL HEALTH SERVICES and NEMC all of which cost our company over the sum of Tshs 1,170,000/= every year. We make all these payments to government for compliance and as real investors. We already have started paying our this year's Provisional Tax and at the end of our financial year we are suppose to pay Income Tax. Stopping production creates more financial difficulties to our business and will culminate into business loss and loss of income to the Government contrary to the business spirit promoted by the Tanzania Investment Centre.

- e. Currently, as we said earlier, our Company employs 180 Tanzanians all of whom have a minimum of 3 dependants. In simple mathematics it means our Company has 540 Tanzanians whose livelihoods depend on the day to day operation of our Company. Closure of the factory has caused such huge number of people difficulties in life and all of them are starting living miserable life without knowing what will be their fate

In light of the above we HUMBLY and with GREAT HONOUR request your good Office to reconsider your order and in your discretion kindly grant us one of the Two alternatives given above or any other alternative of your choice that will promote business

Attached to this letter are all our necessary documents establishing our legality in business

Kind Regards


WANG SHEN HONG **HONGLIN INTERNATIONAL
TRADE DEVELOPMENT CO. LTD
MWANZA-TANZANIA**
Managing Director

Copy: The Executive Director,
Tanzania Investment Centre,
P.O. Box 938, **Dar-Es-Salaam.**

The Zonal Manager,
Tanzania Investment Centre, Lake Zone,
P.O. Box 638, **Mwanza.**

Zonal Officer Incharge
Fish Quality Control, Standards and Marketing, Lake Victoria Zone
P.O. Box 1213 **Mwanza**

Officer Incharge
Fisheries Protection Unit, Mwanza Zone
P.O. Box 126, **Mwanza**

SIRI

THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF AGRICULTURE, LIVESTOCK AND FISHERIES

Telegram: Mifugo
 Tel: +255 (0)22 2861910
 Fax: +255 (0)22-2861908
 E-mail: ps-ld@mifugo.go.tz
 Website: <http://www.mifugo.go.tz>



Veterinary Complex,
 131 Nelson Mandela Road,
 P. O. Box 9152,
 15487 DAR ES SALAAM

Unapojibu tafadhali taja:
 Kumb. Na. CTD 158/200/01

27 Oktoba, 2016

Meneja wa Kanda,
 Kituo cha Uwekezaji Tanzania,
 S.L.P 938,
MWANZA.



YAH: WAGENI KUVAMIA BIASHARA YA MAZAO YA UVUVI

Husika na kichwa cha habari hapo juu,

Napenda kukufahamisha kuwa kufuatia kazi iliyofanywa na kikosi kazi ambacho kiliundwa na Wizara ya Kilimo, Mifugo na Uvuvi kwa kushirikiana na Taasisi ya Usajili wa Makampuni na Leseni (BRELA), Kituo cha Uwekezaji Tanzania (TIC), Kamishna wa Kazi, Ajira na Walemavu, Mamlaka ya Mapato Tanzania (TRA) na Idara ya Uhamiaji, kwa lengo la kufanya uhakiki wa uhalali wa wamiliki wa kampuni zilizowekeza katika sekta ya uvuvi kama zimezingatia Sheria, Kanuni na Taratibu za nchi.

Kutokana na hadidu za rejea kwa kikosi kazi hiki, zoezi hili ilikusudiwa kufanyika kwa awamu mbili, ambapo awamu ya kwanza ilikuwa Kanda ya Pwani na awamu ya pili Kanda ya Ziwa Victoria. Kwa msingi huu kutokana na matokeo chanya yaliyotokana na kazi hii, Wizara ya Kilimo, Mifugo na Uvuvi imepanga kazi hii kuendelea katika mikoa ya Kanda ya Ziwa Victoria.

Kwa barua hii, naomba umteue Afisa kutoka katika Taasisi yako Mkoani Mwanza aweze kushiriki katika kazi hii muhimu kuanzia tarehe **29/10/2016** hadi tarehe **14/11/2016**, Gharama za kazi hii zinalipwa na Wizara ya Kilimo, Mifugo na Uvuvi.

Nashukuru kwa ushirikiano

M. Bulayi


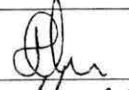


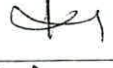



Kny: KATIBU MKUU


SIRI

(23)

Kiambatisho Na. 1

Orodha ya maafisa walioshiriki ukaguzi

	JINA	TAASISI	CHEO	SAHIHI
1	Stephen Lukanga	Idara ya Uvuvi	ZON/AFSO	
2	Lamarck Mongo	Idara ya Uvuvi		
3	Gertrude Migodela	Idara ya Uvuvi		
4	Jovice Mkuchu	Idara ya Uvuvi	SFT	
5	Jacob Nalaila	Idara ya Uvuvi	PAFSO	
6	Jerome Fundi	Idara ya Uvuvi	PAFSO	
7	Emmanuel Mondoka	Idara ya Uvuvi		
8	Idda Moshi	Ofisi ya Waziri Mkuu- Idara ya Kazi na Ajira	LABOUR OFFICER	
9	Moses Mutash	Uhamiaji Mwanza- Kitengo Hati na Ukazi	MURAKIBU MYSALIZI	
10	Daudi Maina	TRA-Mwanza	P/ASSISTANT	
11	Ivon Maha	Manispaa ya Ilemela	MEFO	
12	Suzana Nchangwe	Jiji la Mwanza		

13. Farwel Lukwero Tanzania Investment Centre Zonal Manager 

HADIDU ZA REJEA KWA TIMU MAALUM YA KUFUATILIA UKIUKWAJI WA SHERIA NA TARATIBU KATIKA UWEKEZAJI KWENYE SEKTA YA UVUVI

1. Utangulizi

Tanzania ina maeneo mengi ya maji baridi na bahari yenye rasilimali nyingi za uvuvi ambamo shughuli za uvuvi hufanyika. Usimamizi wa rasilimali za uvuvi ikiwa pamoja na uvunaji na biashara ya samaki na mazao ya Uvuvi zinaongozwa na Sera ya Taifa ya Uvuvi ya mwaka 2015 na kusimamiwa na Sheria ya Uvuvi ya Mwaka 2003 na Kanuni zake za mwaka 2009. Kufuatia Sera na Sheria hizi, sekta binafsi zimeweza kuwekeza katika ujenzi wa viwanda vya kuchakata mazao ya uvuvi kwa ajili ya Soko la ndani na nje, mazao hayo ni pamoja na; samaki aina ya sangara, ngisi, pweza samaki hai wa mapambo; kaa na kamba kochi hai.

Uwekezaji huu unahusisha Kampuni ambazo zinamilikiwa na wazawa na wageni. Kampuni zinazojihusisha na uvuvi na/au biashara ya Samaki na mazao yake sharti wakidhi matakwa ya kisheria ikiwa ni pamoja na kutambulika na Mamlaka mbalimbali zinahusika na biashara, usajili wa makampuni, uraia, uwekezaji n.k.

Katika kipindi cha hivi karibuni kumekuwepo na malalamiko ya ukiukwaji wa Sheria na Kanuni za Uvuvi katika uwekezaji wa viwanda na Kampuni zinazojishughulisha na biashara ya uvuvi kwa wageni kuwekeza nchini kwa kutumia wazawa kinyume na Sheria za nchi.

2. Umuhimu

Uwekezaji katika sekta ya uvuvi unafanyika kwa kufuata Sera ya Uvuvi ya mwaka 2015, Sheria ya uvuvi Na. 22 ya mwaka 2013 na Kanuni zake za mwaka 2009. Sheria hii imeainisha taratibu za wazawa na wageni kuwekeza katika sekta ya uvuvi hii ni pamoja na ujenzi wa viwanda na uvuvi wa samaki na mazao mengine katika maji. Kwa sasa Tanzania kuna jumla ya viwanda 48 vya kuchakata samaki aina ya Sngara, Ngisi, Kamba

mti, Kamba Kochi, Pweza n.k. Pia kuna takribani Kampuni 20 ambazo zinajihusisha na uingizaji samaki nchini kwa ajili ya biashara.

Ili kuwekeza katika biashara ya samaki na mazao yake ni lazima Kampuni iwe imekidhi matakwa ya Sheria ya Uvuvi na Kanuni zake. Kanuni 13(14) inawakataza wageni kufanya ukusanyaji, usafirishaji na ununuzi wa mazao ya uvuvi kutoka kwa wavuvi kwa ajili ya kuchakata au kuhifadhi na kusafirisha nje ya nchi. Aidha, Kanuni 77-80 zimeainisha taratibu za wageni kuwekeza nchini kwenye Sekta ya uvuvi.

Kwa kuzingatia sababu hizi, Idara ya Uvuvi imeona ni vema ikashirikiana na Taasisi zinazohusika na usajili, uwekezaji, kazi, uraia na Kodi ifanye uhakiki wa uhalali wa wamiliki wa kampuni zilizowekeza katika sekta ya uvuvi kama zimezingatia Sheria, Kanuni na Taratibu husika za nchi.

3. Lengo

Kufuatilia ukiukwaji wa Sheria za Uvuvi Na. 22 ya Mwaka 2003 na Kanuni zake za Mwaka 2009 ili kubaini uwepo wa wageni kumiliki Kampuni zinazofanya biashara ya mazao ya uvuvi nchini kinyume na Taratibu za nchi.

4. Majukumu

- *i. Kupata taarifa na kupitia nyaraka za kampuni zinazohusika na biashara ya mazao ya uvuvi kutoka kwa Wakala wa Usajili wa Makampuni-BRELA na Mkurugenzi wa ya Uvuvi;
- ii. Kufanya ~~uk~~aguzi wa uwepo wa wageni katika viwanda ili kubaini ukiukwaji wa Sheria kuhusiana na uwekezaji katika sekta ya Uvuvi;
- iii. Kuhakiki uhalali wa vibali vya wageni kuishi na kufanya kazi nchini katika Kampuni hizo;
- iv. Kupata taarifa za Kibenki na Mitaji, kwa Makampuni yatakayo shukiwa kukumbatia au kumilikiwa na wageni;
- v. Kuchukua Hatua za kisheria papo kwa papo kwa kampuni zilizobainika kukiuka Sheria, Kanuni na taratibu za nchi;
- vi. Kuandaa taarifa ya kina ambayo inashauri Wizara juu ya hatua za kisheria zitakazopaswa kuchukuliwa na kuiwasilisha kwa Katibu Mkuu-U

5. Wigo wa Kazi

Kazi hii itafanyika katika viwanda vyote vinavyojihusisha na uhifadhi na uchakataji wa mabondo, vilivyopo Mkoa wa Mwanza na Kagera.

6. Muda

Kazi hii inatakiwa kukamilika mapema katika muda usiopungua siku (7) na kuwasilishwa kwa Katibu Mkuu (KMU) kwa utekelezaji wa hatua za kisheria.

- Mkoa wa Mwanza
 - Siku (5) za kufanya kazi ya ukaguzi;
- Kanda ya Kagera
 - Siku (2) za kazi;

7. Malipo

Pesa ya kujikimu kwa wajumbe wa tume itatolewa na Idara ya Uvuvi

8. Utoaji wa Taarifa

Tume itatoa taarifa ya kazi hii kwa Katibu Mkuu (U).



No 00217723

THE UNITED REPUBLIC OF TANZANIA

Verified True Copy of the Original
Signature *[Signature]*

Date *30/04/2017*

For: Executive Director
Tanzania Investment Centre

Certificate of Incentives

(Section 17 of the Tanzania Investment Act, 1997)

No: 042028

This is to certify that

HONGLIN INTERNATIONAL TRADE DEVELOPMENT CO. LTD

of address P.O. BOX 6482

MWANZA

has been granted a Certificate of Incentives to invest in a new, ~~XXXXXXXXXXXXXXXXXXXX~~
~~XXXXXXXXXXXX~~ enterprise known as

HONGLIN INTERNATIONAL TRADE DEVELOPMENT CO. LTD

Which is located at PLOT NO. 005/036 PASIANSI CHINI, ILOGANZALA AREA

TBL ROAD, ILEMELA - MWANZA

Further particulars required by Section 17 of the Tanzania Investment Act are set out overleaf.

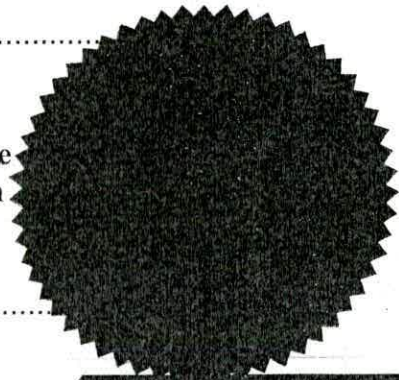
[Signature]

Ag. Executive Director

Tanzania Investment Centre
P.O. Box 938, Dar es Salaam

Dated 2ND JUNE 2011

28



THE COMPANIES ACT 2002

COMPANY LIMITED BY SHARES

MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

SERENGETTI INSTANT COFFEE LIMITED

Incorporated at..... this..... day of.....2007

Drawn by:

Evan N. Mulokozi
(Subscriber)
P.O. BOX 7677
DAR ES SALAAM

THE UNITED REPUBLIC OF TANZANIA



CERTIFICATE OF INCORPORATION

No.

I HEREBY CERTIFY THAT

SERENGETTI INSTANT COFFEE LIMITED

In this day incorporated under the Companies Act 2002

And that the Company is Limited

GIVEN under my hand at Dar es Salaam, the day of
Two Thousand and Seven

Registrar of Companies

THE COMPANIES ACT 2002
COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION

OF

SERENGETTI INSTANT COFFEE LIMITED

TANZANIA

Stamp Duty Shs. 5000/-

PAID ON ORIGINAL

Receipt: 31030389 21/12/07

Stamp Duty Officer

2500/-
31030389 21/12/07

1. The name of the company is "SERENGETTI INSTANT COFFEE LIMITED"
2. The Registered office of the Company will be situated in Tanzania.
3. The objects for which the Company is established are:-
 - (a) To carry on, conduct, manage, develop and prosecute any of these businesses in such manner and in such place or places, either in Tanzania or elsewhere, as the Company may think requisite or proper, and generally to blend, pack, buy, sell grow, cultivate, manipulate, manufacture, import, export and deal (both wholesale and retail) in coffee, tea, cocoa, or other products of forms of coffee and also any articles or things connected with such business or which are likely to be require in any shape or form by consumer of coffee.
 - (b) To carry on in Tanzania or elsewhere the trade business of coffee brokers or dealers in all its branches, including the purchase and selling of coffee, either growing or otherwise, or any produce or form of tea or the advancing of money by way of loan upon the security of or in respect of the same, or upon or against bills of lading, dock warrants or other documents of title representing the same.
 - (c) To acquire, take over, promote, establish, engage in and carry the business of profession of farmers, planters, harvesters, sprayers, seed growers, glaziers breeders of and dealers of livestock, market gardeners, arboriculturists, agriculturalists, horticulturists, floriculturists, dairymen, vegetable oil extractors, poultry and bee-keepers and any other businesses in connection with floriculture, arboriculture agriculture and horticulture.
 - (d) To carry and promote and trade or business of farm and agricultural inputs, implements, tools, packaging materials and deal in the livestock and or the veterinary health care products to farmers and stockists, to buy, sell, supply, distribute whether in retail or wholesale fertilizer, insecticides, fungicides, growth stimulants, agro seeds, farm implements and tools, animals feeds, veterinary drugs and any related goods and import and export agriculture and food technology, industries and equipment, manufacture and semi processed products in Tanzania and other parts of the world.

- (e) To provide agricultural consultations, training, research and advisory services to farmers and livestock keepers through seminars, workshops field visits and farm demonstrations, to engage in vegetables seed production and marketing of horticultural products, to carry on the business of farming, cultivating, planting growing cash and food crops, inter alia, sugar cane, tea, coffee, cocoa, coconut, papaya and pyrethrum.
- (f) To carry on the business as importers, exporters, buyers, sellers, suppliers, distributors, general merchants, worldwide traders, wholesalers, retailers, dealers in palm oil and oil of every kind.
- (g) To carry on the business as general traders, suppliers, merchants, stockists, wholesalers, retailers and dealers in all types of agricultural machinery, implements, equipment, spare parts, tyres, tubes, tools and accessories for all types of automotive, motor vehicles, and all kinds of industrial projects machinery and equipment, building materials, hardware, timber, electrical goods, fishing gears, groceries, computers, office equipments, cooking oils, foodstuffs, cosmetics, oils, paints, spirits sheets, hinges, screws, iron mongery, textiles piece goods, all types of leather goods, shoes, bags and other similar goods.
- (h) To carry on the business as principals, agents or manufacturers, representatives of importing, exporting, buying, selling, distributing of new and used motor vehicles, cars, trucks, lorries or other vehicles, motor vehicles, spares and parts of all descriptions, railway, fuel and other oils, petroleum of all kinds, tyres and tubes, batteries, battery solution and other spares, accessories, motor cycles, bicycles, tractors, mining equipments, fishing gears, agricultural and industrial machinery and equipments, new and second hand spare parts and accessories and generally to deal in all types of motor spare parts and industrial and agricultural machinery and parts, electronic goods and accessories thereof.
- (i) To carry on the business of dealing in marketing, manufacturing, importing, exporting, stocking, buying, selling whether by wholesale or retail of various categories of goods and merchandise, and to act as commission agents and manufacturers, representatives in all fields. To establish business enterprises whether small scale, industries and generally deal in all kinds of general merchants and to import, export and all either by merchandise and articles of all description.
- (j) To carry on the business as general suppliers of all sorts and types of goods and services to individuals, offices, industries, shops, schools, factories, hospitals, army, military, ministries and all other government offices, universities and all other places where the services of a supplier are needed.
- (k) To carry on the business of transportation, transport agents, cargo and travel agents, commission agents, customs agents, insurance agents,

tourist agents, manufacturers representatives, clearing and forwarding agents, road contractors, cargo superintendents, packers, machinery haulage specialists, warehousemen, engineers, electricians, motor cars, cabs, omnibus, lorries, oil tank and coach proprietors and transporters by any other means of conveyance of people and goods in Tanzania and the neighbouring countries and in such other place or places as may from time to time determined by the Company.

- (l) To carry on the business of clearing and forwarding agents, commission agents, transporters agents, freighters, hauliers, customs bonded warehouse and godown keepers, cargo and travel agents, insurance agents, tourist agents, manufacturers' representatives, road contractors, cargo superintendents, packers, machinery haulage specialists, warehousemen, engineers, electricians, motor cars, cabs, omnibus, lorries, oil tank and coach proprietors and transporters, civil transport contractors and transporters by any other means of conveyance of people and goods in Tanzania and the neighbouring countries and in such other place or places as may from time to time be determined by the company, engage in and or otherwise carry on the business as transporters and transport agents, freight forwarders.
- (m) To carry on the business of warehousemen and storers of goods, wares and merchandise of every kind and description and whatsoever.
- (n) To carry on the business in Tanzania or in any part of the world all or any of the business of importing, exporting, buying, selling, exchange, merchandising and generally dealing electrical equipment machinery, accessories, spare parts related to electrical works, tools and running electrical workshops.
- (o) To carry on the business of garage proprietors and service station for motor vehicles of all kinds, to carry on the safe keeping, cleaning, repairing, refueling, panel beating, body builders, spraying and the general care of motor vehicles, aircraft, machinery, tools, equipment and plant whether moved by mechanical power or not, implements, utensils, appliances, apparatus, fuel for internal combustion engines, lubricants, cements, solutions, batteries and accessories and all things capable of being used in connection with the said businesses or in the manufacture or maintenance of such vehicles, machinery, equipment and plant.
- (p) To carry on the business and act as managers of investments and investment company, real estate developers, property managers, developers, valuers, decorators, engineers and to generally be able to carry out activities of any description with regards to land, property and real estate, investment in any type of buildings, lands, securities, bonds, property, shares and any property act as a holding company with subsidiaries and invest in any projects as the company may think fit.

- (q) To carry on the business of importers, exporters, buying selling, dealers in building materials, hardware, sanitary-ware, wall papers, roofing tiles, flooring tiles, supplying industrial equipment's, agricultural implements and equipment's spares of every description, plumbers, decorators, steel fabrication, machine shop, nickel plating, electric plating, making steel windows, doors, frames and roof tresses.
- (r) To carry on the business as auctioneer, real estate management, insurance agents, commission agents, brokers, importers, exporters, manufacturers, land and estate agents, technical advisors, clearing and forwarding agents, managing agents, general business consultants, garage and lake vessels, boat builders, petrol and service stations owners, motels camps safari lodges, cafes snacks refreshment rooms, licensed victuallers, owners of recreation places and sports and amusements, all businesses and trades incidental or similar thereto or required to be or capable of being carried on in conjunction therewith.
- (s) To promote tourism in Tanzania and elsewhere in Africa, to carry on business of travel and tourist agents and tour operators, to promote facilitate travelling to organise hunting, tented-camps, fishing and diving expeditions, safari promoters and undertakers generally and in particular to arrange and manager hunting safaris, photo safaris adventure tours, fishing trips, handling of game trophies and animal skins, catching, harbouring, transporting, wildlife and marine products of all kind.
- (t) To carry on the business of establishing and showrooms, running supermarkets, department stores, shopping malls, provision stores and shops of all kinds and description and generally to deal with such activities.
- (u) To carry on the business of general merchants, general storekeepers, importers, exporters, and wholesale and/or retail traders of or otherwise dealers of and in piece goods, hardware, glassware, crockery, cutlery, hosiery, enamelware, ironmongery, machinery, turners, spare parts of every description and other household fittings, and requirements and other articles and commodities of personal, household use and consumption provisions, groceries, medicines, drugs, wines spirits, liquors, surgical, optical, photographic and other instruments apparatus stationery and material and generally in all manufactured goods of all types, and merchandise of all kinds.
- (v) To carry on the business of household, domestic appliance and electrical goods, audio visual goods, electronic items, building material, hardwares, foodstuff, agricultural products and merchandise of every nature, kind and description whatsoever as a dealer, wholesaler, retailer, distributor, importer, exporter and after sales service and repairing.
- (w) To carry on the trade or business of engineers, mechanical engineers, manufacturers, founders, smelters, smiths, mechanists patentees,

workers, processors, contractors, dealers and manufacturers of auto spares, factory machinery and implements of any description whatsoever.

- (x) To carry on all or any of the business of traders manufactures and proprietors, promoters, financiers concessionaires, commercial agents and advisors of and for commercial, industrial, agricultural, forestry, fishery, mining, transport, housing, entertainment, hotel, hotel management, restaurants and financial undertakings and enterprises and in particular but without prejudice to the generally of the fore-going to act as consultants, general agents managing, agents, directors, secretaries, personal undertakings or enterprise as aforesaid.
- (y) To carry on the business of electrical as contractors, electrical and mechanical engineers and manufacturers, workers and dealers in electrical apparatus and goods and the manufacture or hire of apparatus or goods to which the application of electricity or and kind of power, or any power that can be used as a substitute therefore, is or may be useful convenient or ornamental, or any other business of a like nature.
- (z) To carry on the business as general food processors packers and suppliers, to be general suppliers of hard foods stuffs and agricultural crops, to be grain millers and food mixers to be general exporters of fresh fruits vegetables and flowers, to act as agents of buying and selling all kinds of motor vehicles, General supplies, buying and selling building hardware of every description, electrical appliances, lease.
- (aa) To carry on the business of miners and mining in all their branches and for the said purpose to peg, purchase, take on lease, or exchange or otherwise acquire concessions, grants, easements, options, claims, properties, cassettes- and effects supposed to contain minerals, diamonds, or other precious stones, and any interest therein, and to explore, mine, work, excise develop and turn to account mines and mining rights and any undertaking connected therewith.
- (bb) To purchase, take on lease and otherwise acquire for investment or resale any estate, land, buildings, easements and other rights and interests in immovable property or any tenure in Tanzania and elsewhere and to sell let or lease exchange or otherwise dispose of or grant rights over any immovable property, belong to the company.
- (cc) To purchase, take or lease or in exchange, hire or otherwise acquire and hold any state or interest in any lands buildings, casements, rights, licenses secret processes, machinery, plants, stock, in trade and real or personal property of any kind.
- (dd) To accept payment for any property or rights sold or otherwise disposed or dealt with by the company either in cash, by installment or otherwise or in fully or partly paid up shares of the company or corporation, with or without deferred or preferred or guaranteed rights.

- (ee) To carry any other trade or business whatever which can in the opinion of the Board of Directors be advantageously carried on by the Company in connection with the above business or the general business of the company.
- (ff) To act as agents for the sale and purchase of any stocks shares or securities or for any other monetary or mercantile transactions.
- (gg) To act as executors and trustees of wills and settlements made by customers and others and undertake and execute trusts of all kinds.
- (hh) To do all or any of the above things in any part of the world and either as principals, agents, trustees, contractors or otherwise, and either alone or in conjunction with others and either or through agents, sub-contractors, trustees and otherwise.
- (ii) To remunerate any person, firm or company rendering services to this company, whether by cash payments or by allotment to him or them of shares or securities of the Company credited and paid in full or in part, otherwise.
- (jj) To accept for safe custody and keep for customers of the company all kinds of securities valuables and things.
- (kk) To lend money on any terms that may thought fit, and particularly to customers or other person or corporations having dealing with societies and to give any guarantees that may be expedient..
- (ll) To advance money to shareholders in the company, and other to the purpose of enabling the person borrowing the same erect or purchase, or enlarge or repair any house or building or to purchase the fee simple or any less estate or interest in, or to take a demise for any term or terms of years of any freehold or leasehold property upon such terms and conditions as the company may think fit.
- (mm) To invest and deal with the moneys of the Company not immediately required, upon such securities and in such manner as may from time to time be determined.
- (nn) To distribute among the members in pieces any property of the company, or any proceeds of sale or disposal of any property of the company.
- (oo) To draw, make, accept, endorse, discount execute and issue promissory notes, bills of lading, warrants, debentures and negotiable or transferable instruments.
- (pp) To act as agents or brokers, and as trustees for any person firm or company, and to undertake and perform sub-contracts and also to act in

any other business of the company through or by means of agents, brokers, sub-contractors or others.

- (qq) To obtain any provisional order, ordinance or act of Parliament for enabling the Company to carry any of its objects into effect, or for affecting any modification of the Company's constitution, or any other purpose which may seem expedient, and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the company's interest.
- (rr) To take or otherwise and hold shares in any other company having objects altogether or in part similar to this company, or carrying on any business capable of being conducted so as directly or indirectly to benefit the company.
- (ss) To transact or carry on all kinds of Agency business and in particular in relation to the investment of money, the sale of property, and the collection and receipt of money.
- (tt) To do all other things as may be deemed incidental or conducive to the entertainment of the objects or any of them.

And it is hereby declared that:-

The word "company" in this clause, except where used in reference to this Company, shall be deemed to include any partnership or other body of persons, whether corporate or incorporate, and whether domiciled in the United Republic of Tanzania or elsewhere.

The object specified in each of the paragraphs of the paragraph of this clause shall be regarded as independent objects, and accordingly shall in no way be limited or restricted (except where otherwise expressed in such paragraphs) by reference to or inference from the terms of any other paragraph of the name of the Company but may be carried out in as full and ample a manner and construed in as wide a sense as if each of the said paragraph define the objects of the separate and distinct compound.




That the meaning of any general word or words in any paragraph of this clause shall not be restricted by being construed ejusdem generis with any particular word or words in the same paragraph.

- 4. The Liability of the Members is Limited.
- 5. The capital of the Company is Shillings 1,000,000/= divided into 100 shares of Shillings 10,000/= each.

The Company shall have powers to increase its capital and to divide the shares in its capital for the time being into several classes of stock or shares and to attach thereto respectively such preferential, deferred or

special rights, privileges, or conditions as may be determined by or in accordance with the Articles of Association of the Company.

We, the several persons whose names and addresses are subscribed, are desirous of being formed into a company, in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

Names, Addresses, and Description of Subscribers.	Number of shares taken by each Subscriber	Signature
EVAN NYEGEZA MULOKOZI P. O. BOX 23461 DAR ES SALAAM	33	
EMMANUEL NESTORY KAIGARULA P. O. BOX 7677 DAR ES SALAAM	33	
ALBERT GAO NKINDA P. O. BOX 5340 DAR ES SALAAM	33	

Dated at Dares Salaam this 4th day of January 2008.

Witness to the above signatures

Name :

Procorius M. Mwanika

Signature :



Postal Address :

P.O. Box 22217

Qualification :

Advocate



THE COMPANIES ACT 2002
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION

OF
SERENGETTI INSTANT COFFEE LIMITED

PRELIMINARY

TANZANIA

Stamp Duty Shs 5000/-

PAID ON ORIGINAL

Receipt No. 21030818

21/12/07

Stamp Duty Officer

21/12/07
false
21030818

1. In these regulations:-
"The Act" means the Companies Act 2002 of the Laws of Tanzania.

When any provision of the Act is referred to, the reference is that provision is as modified by any law for the time being in force.

Unless the context otherwise requires, the expressions defined in the Act or any statutory modification thereof in the force at the date at which these regulations become binding on the company, shall have the meaning so defined.

Any words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include females, and the words importing persons shall include bodies corporate, partnership, firms, cooperatives, societies, etc.

The regulations of Companies Act shall not apply to the company, save in so far as they are varied or excluded hereby, but in case of any conflict between the provisions herein, and the provisions under this regulation the former shall prevail, and in addition to substitution shall be the regulations of the company.

PRIVATE COMPANY

2. The Company is a Private Company and accordingly:-
 - (a) The right to transfer shares is restricted in manner hereinafter prescribed.
 - (b) The number of members of the company (exclusive of persons who are in the employment of the Company and of persons who have been formerly in the employment of the company were while in such employment to be the member of the company) is limited fifty, provided that where two or more persons hold one or more shares in the company jointly they shall for the purpose of this regulation be tested as a single member.
 - (c) Any invitation to the public to subscribe for any shares or debentures of the Company is prohibited.
 - (d) The Company shall not have power to issue share warrants to bearer.

TRANSFER OF SHARES

3. The Directors may in their direction and without assigning any reason thereof refuse to register the transfer of any share to any person who it shall in their opinion be undesirable for any reason whatsoever to admit to membership.
4. Subject to clauses 2 and 3 hereof the right to members to transfer their shares shall be restricted as follows;
 - (a) No share shall be transferred to a person who is not a member so long as any member of any person selected by the Directors as one who it is desirable in the interest of the Company to admit to membership.
 - (b) Every shareholder or trustee in bankruptcy, or any person who may desire to sell or transfer any such shares and every who may desire to sell or transfer any such shares and every personal representatives of a deceased shareholder shall give notice in writing to the Directors that he desires to make such sale or transfer. Such notice shall constitute the Board of Directors of the Company as his agent for the sale of the said shares to any member or members of the company at the price to be agreed upon between the party giving such notice the party and the board, or in case of difference to be determined by the Auditor of the Company.
 - (c) Upon price of such shares being agreed on a determined as per clause (b) above, the board shall forthwith give notice to such of the shareholders other than the shareholders desiring to sell or transfer the said shares, stating the number and price of such share inviting the person to whom notice is sent to state within 21 days from the date of such notice whether he is willing to purchase any, if so what maximum number of such shares. At the expiration of such days 21 notice the board shall apportion such shares amongst the shareholders (if more than one) who shall have expressed their desire to purchase number of shares already held by them respectively, or if there be only one such shareholder, that the whole of such shares shall be sold to him, provided no shareholder shall be obliged to take more than the maximum number of such shares stated in his answer to the said notice.

Upon such apportionment being made or such one shareholder notifying his intention to purchase, as the case may be, the party desiring to sell or transfer such shares shall be bound upon payment of the said price to transfer the shares to the respective shareholders or to single shareholder who shall have agreed to purchase the same.

5. **GENERAL MEETINGS: NOTICE OF GENERAL MEETING AND PROCEEDINGS OF THE GENERAL MEETINGS.**

The regulation of Companies Act shall apply to the following variations:-

- (a) A General Meeting, Ordinary or Extraordinary may with the consent in writing of all members, be convened on a shorter notice than seven days or without notice.
- (b) Two members, present either personally or by proxy shall form a quorum.
- (c) Any ordinary resolution of the company determined without any general meeting and evidenced by writing under the hands of majority of the Directors and of the members of the company holding three - fourths of the issued shares of the company shall be valid and effectual as an ordinary resolution duly passed at a general meeting of the company.

6. DIRECTORS

- (a) Until otherwise determined by the company in General Meeting the Directors shall not be less than two and not more than seven in number.
 - (b) The following persons shall be the first Directors of the company:-
 - 1. EVAN NYEGEZA MULOKOZI
 - 2. EMMANUEL NESTORY KAIGARULA
 - 3. ALBERT GAO NKINDA
7. The shareholding qualification for Directors may be fixed by the company in General Meeting, and unless and until so fixed no qualification shall be required.
8. The quorum of Directors for transacting business shall, unless otherwise fixed by the Directors, be three.
9. A resolution in writing signed by all the Directors then in Tanzania shall be as valid and effectual as if it had been passed at a meeting of Directors duly called and constituted.
10. The Directors may from time to time borrow or raise any money for the purposes of the Company which may exceed the issued share capital of the company.

BORROWING POWERS

The Directors may from time to time in their discretion raise or borrow for the purpose of any Company's business such sum or sums of money as they think fit.

- 11. The Directors may secure the repayment of or raise any such sum or sums as aforesaid by mortgage or charge upon the whole or any part of the property and assets of the Company present or future including its uncalled capital for the time being, or by the issue at such price as they

may think fit, of bonds or debentures either charged upon the whole or any part of the property and assets of the company or not so charged or in such other way as the Directors may think expedient.

VOTE OF MEMBERS

12. On a show of hands every member present in person shall have one vote. On a roll every member shall have one vote only for the shares of which he is holder.
13. No member shall be entitled to vote at any general meeting unless all calls or other sums presently by him in respect of shares in the Company have been paid.

DISQUALIFICATION OF DIRECTORS

14. The office of a Director shall be vacated if the Director;
 - (a) becomes bankrupt; or
 - (b) is found to be a lunatic or becomes of unsound mind; or
 - (c) resigns his office by notice in writing to the Company;
 - (d) abstains himself from meetings of the directors for a period of six months without special leave of absence from the other Directors.

SEAL

15. The Directors shall provide for the safe custody of the Seal. The Seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors and in the presence of at least two Directors or a Director and Secretary or other person as aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.

ALTERNATE DIRECTORS

16. Any director shall have power to nominate any person to act or attend as alternate Director during his absence or during his inability so to act. Such Director shall be subject in all respects to the terms and conditions existing with reference to the other Directors and such Alternate Director shall exercise and discharge all the duties of Director whom he represents.
17. Unless otherwise decided by the Directors the quorum necessary to transact business of the Directors shall be two Directors personally present.

SECRETARY

18. The Secretary shall be appointed by the Board for such terms at such remuneration and upon such condition as it may think fit, and any Secretary so appointed may be removed by the Board.

WINDING UP

19. With the sanction of a special resolution of the shareholders any part of the assets of the Company including any shares in other Companies may be divided between the members of the Company in special or may be vested in Trustees for the benefit of such members and the liquidation of the company may be closed and the company dissolved but so that no member shall be compelled to accept any shares whereupon there is any liability.

ALTERNATION OR ADDITION

20. Subject to the provisions of the Act and to those contained in the Memorandum of Association the Company may by Special Resolution make alteration or addition so made shall be as valid and effectual as if originally contained in those articles and be subject in like manner to alteration by Special Resolution.




INDEMNITY

21. Every Director, Managing Director, Agent, Auditor, Secretary and other Officer for the time being of the Company shall be indemnified out of the Assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or is in connection with any application in which relief is granted to him by the Court.

ARBITRATION

22. If and whenever any dispute or difference shall arise between the Company and any of the members or their respective representatives touching upon the construction or meaning of any of the Articles herein contained or any act matter or thing made or done or omitted to be done or with regard to the rights or liabilities arising here under or arising out of the relation existing between the parties by reasons of these Articles or the Act, such differences shall (unless a sole arbitrator be agreed upon) forthwith be referred to the arbitration of three 3) arbitrators, one to be appointed by each party and the third to be

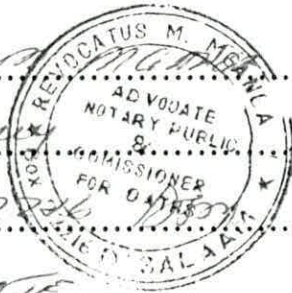
appointed by the first two or, in the event of failure to agree within (Cap. 15) or any then existing statutory modifications or re-enactment thereof shall apply.

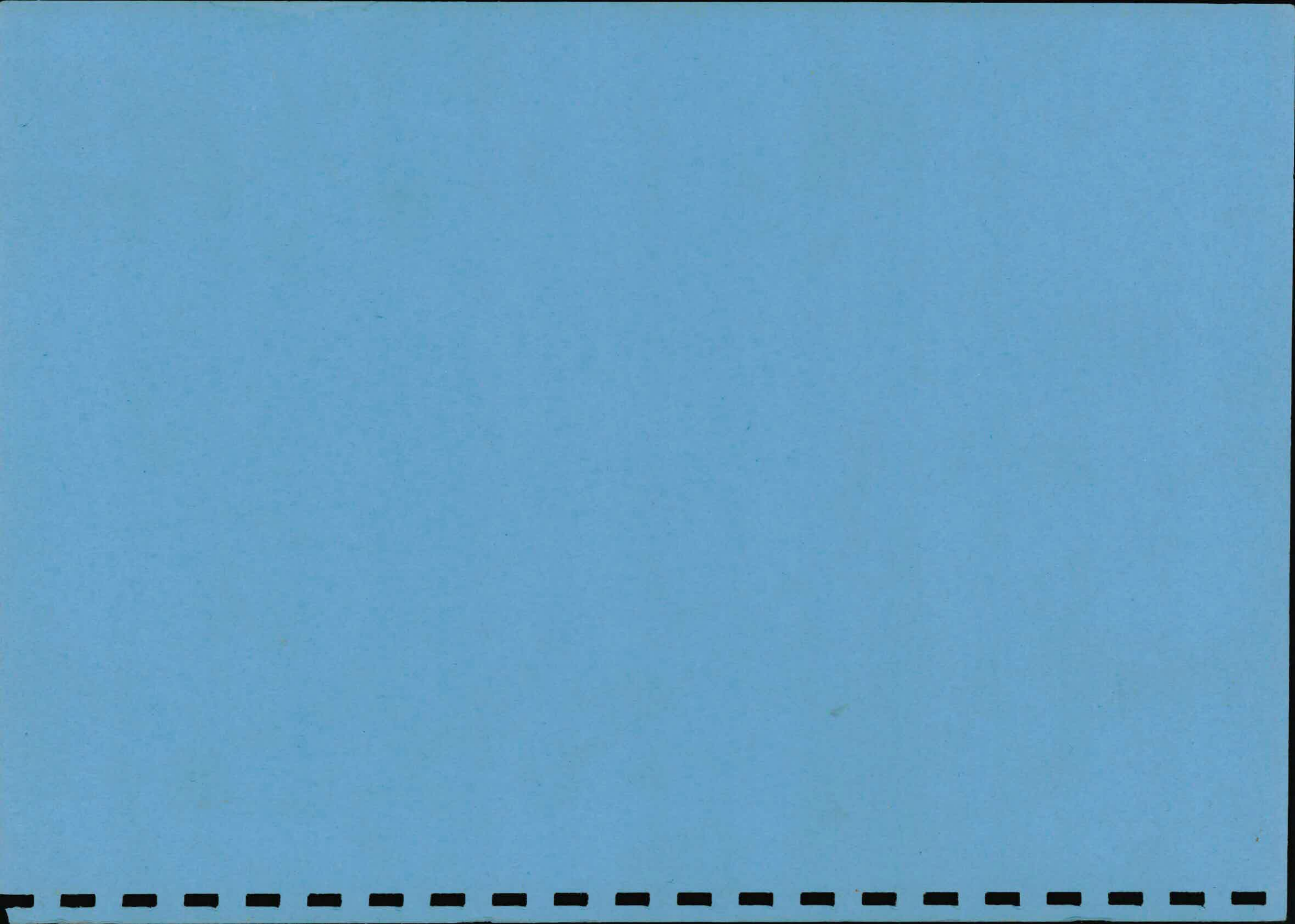
Names, Addresses, and Description of Subscribers.	Number of shares taken by each Subscriber	Signature
EVAN NYEGEZA MULOKOZI P. O. BOX 23461 DAR ES SALAAM	33	
EMMANUEL NESTORY KAIGARULA P. O. BOX 7677 DAR ES SALAAM	33	
ALBERT GAO NKINDA P. O. BOX 5340 DAR ES SALAAM	33	

Dated at... *Jhm* this... *4th* day of... *January* 200...*8*.....

Witness to the above signatures

Name : *Revocatus M. Mwanika*
 Signature : *[Handwritten Signature]*
 Postal Address : *P.O. Box 2224*
 Qualification : *Advocate*





AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2012

SERENGETTI INSTANT COFFE LIMITED
P.O.BOX 7677
DAR ES SALAAM

SHEBRILA & CO
CERTIFIED PUBLIC ACCOUNTANTS
IN PUBLIC PRACTICE
P.O.BOX 22131
TEL. 255-22-2443492
MOBILE 255-748221248/305865
E-MAIL:shebrilacpapp@yahoo.com
DAR ES SALAAM

**AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2012**

**SERENGETTI INSTANT COFFE LIMITED
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DAR ES SALAAM**

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DAR ES SALAAM**

**SERENGETTI INSTANT COFFEE LIMITED
REPORT OF THE AUDITORS TO THE MEMBERS**

We have examined the attached Statement of Financial Position of **Serengetti Instant Coffee Limited** as at 31st December, 2012, the related Income Statement for the year ended on that date.

Our examination was made on test check basis in accordance with International Standards on Auditing. This included tests on the accounting records such as cashbooks, ledgers, bank accounts including a review of internal controls and accounting for resources of the Company. Physical inspection of some of the Company assets was carried out. We also carried out such other auditing procedures as we considered necessary in the circumstances.

The Management is responsible for the preparation of financial statements. It is our responsibility to form an independent opinion based on our audit of those statements and to report our opinion to you.

Our audit included examination, on a test check basis, of evidence relevant to the transactions and disclosures in the financial statements. It included a review of the statements to ascertain as to whether actual expenditures were incurred specifically and in line with the intended activities as was provided for in the budget for the Company.

We planned and performed our audit so as to obtain all the information and explanations, which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in financial statements.

In our opinion the accompanying Statement of Financial Position and Statement of Comprehensive Income together with the supporting notes present fairly the financial position of Serengetti Instant Coffee limited as at 31st December, 2012 and its profit for the year on that date.

SHEBRILA & CO-PF 033
CERTIFIED PUBLIC ACCOUNTANTS
IN PUBLIC PRACTICE
P.O.BOX 22131
TEL: 255-22-2443492
FAX:255-22-2400131
EMAIL: shebrilacpapp@yahoo.com
DAR-ES-SALAAM - TANZANIA



B.R.KILAMILE - CPA 139
PARTNER

SERENGETTI INSTANT COFFE LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2012

DIRECTORS REPORT

The Directors have the pleasure in submitting the report together with the financial statements for the year ended 31 st December, 2012 which discloses the state of affairs of the company,

1 Principal Activities

The company engage in the business of processing of coffe.

2 Results

The results for the year are set out on pages 4 to 7.

3 Dividends

Directors do not recommend the payment of any dividend for the year ended 31st December, 2012

4 Directors

The directors who served during the year are:

(a)EVAN NYEGEZA MULOKOZI

(b)EMMANUEL NESTORY KAIGARULA

© ALBERT GAO NKINDA

5 Future Development of the Company

The company future development plan is to raise its funding in order to maintain and grow its sales volume.

The company is considering the possibility of growing coffe in its plantation.

6 Employees Welfare

The relationship between the management of the company and employees is good. Employment terms are reviewed annually in discussion with the employees, to ensure they continue to meet statutory and market conditions.

7 Disabled Persons

The company is equal opportunity to all workers,. All necessary assistance is given to disabled persons at initial training.

A career plan is developed which ensures that opportunityfor advancement are provided to all persons.

8 Solvency

The Directors considers the company to be solvency for the next twelve months.

SERENGETTI INSTANT COFFE LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2012

DIRECTORS REPORT (Continued)

9 Statement of Director's Responsibility in respect of the Financial Statements:

The Directors are required by the Company Act 2002 to prepare financial statements for each Financial year that give a true and fair view of the state of affairs of the company. It also require the directors to ensure the company keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the company. They are also responsible for safeguarding the assets of the company.

The directors therefore accepts the responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgment and estimates in conformity with IFRS and in manners required by Company Act, 2002 .

The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company and its operating results for the period ended.

The Directors Further accepts responsibilities for maintenance of accounting records, which may be relied upon in preparation of financial statements as well as adequate systems of internal financial control.

Nothing has come to the attention of the directors to indicate the company will not remain in going concern for at least the next twelve months form the date of this statements.

10 Auditors

Shebrila & Co. of P.O.Box 22131 -Dar Es Salaam are the statutory auditors of the Company, continued in office pending re-appointed at the Annual General meeting.

By order of the Board

.....
Managing Director

.....
Date:

SERENGETTI INSTANT COFFE LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2012

STATEMENT OF COMPREHESIVE INCOME:

	Notes	2012 \$	2011 \$
Tunover	2	146,484	117,187
Cost of sales	3	122,048	98,438
Gross profit		24,436	18,749
Non manufacturing costs			
Operating and Administrative Costs	4	14,089	13,633
Depreciation Expenses		5,830	4,859
Total Expenses		19,920	18,492
Profit/(Loss) before tax		4,516	257
Income tax expense		1,355	77.25
Net Profit / (Loss)		3,162	180



The income statement is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 8 to 12

.....
Managing Director:

.....
Date

SERENGETTI INSTANT COFFE LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2012

STATEMENT OF FINANCIAL POSITION :

	Notes	2012 \$	2011 \$
ASSETS			
Non-Current Assets			
Property, Plant & Equipments	7	215,457	205,538
Total Non Current Assets		215,457	205,538
Current Assets			
Receivables and Prepayments	10	123,613	112,375
Cash in hand		275	250
Bank Balances		64,453	58,594
		188,341	171,219
TOTAL ASSETS		403,798	376,757
EQUITY AND LIABILITIES			
Capital and Reserves			
Share Capital		11,000	10,000
Retained Earnings		3,439	3,126
Revaluation Reserve		319,871	290,792
Profit for the Year		3,162	180
Total Equity		337,472	304,098
Liabilities			
Long term Liabilities			
Loan		40,720	60,480
Current Liabilities			
Trade Creditors & Accruals	11	25,606	12,179
Total Current Liabilities		25,606	12,179
TOTAL EQUITY AND LIABILITIES		403,798	376,757



The income statement is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 8 to 12

.....
Managing Director:

.....
Date

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2012

CASH FLOW STATEMENT

	2012 \$	2011 \$
A CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before taxation	4,516	257
Adjustments for:		
Depreciation:	5,830	4,859
Operating Profit/(Loss) before	<u>10,347</u>	<u>5,116</u>
B CHANGES IN WORKING CAPITAL		
Increase/ Decrease in Debtors	11,238	47,375
Increase/ Decrease in Trade Creditors	13,427	1,107
TAX Paid	1,278	77
Cash (used by) operations	<u>25,942</u>	<u>48,559</u>
Net cash (used by) operating activities	36,289	53,676
C CASH FROM INVESTING ACTIVITIES		
Purchases of fixed assets/property	(14,874)	(19,939)
Disposal of Assets	-	-
Cash Used by Investments	<u>(14,874)</u>	<u>(19,939)</u>
D CASH FLOW FROM FINANCING ACTIVITIES		
Capital Injected	-	-
Increase/decrease in Loans	(6,766)	(22,018)
	<u>(6,766)</u>	<u>(22,018)</u>
E Net (decrease)/increase in cash and cash equivalents	14,649	11,719
F CASH AND CASH EQUIVALENTS AT		
Beginning of the year	58,844	47,125
End of the year	<u>73,493</u>	<u>58,844</u>
Cash and Bank Balances	<u>73,493</u>	<u>58,844</u>



The income statement is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 8 to 12

.....
Managing Director:

.....
Date

SERENGETTI INSTANT COFFE LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2012

STATEMENT OF CHANGES IN OWNERS EQUITY

	Share Capital	Retained Earnings	Revaluation Reserves	TOTAL
2012	\$	\$	\$	\$
At 1st January, 2012	10,000	3,126	290,972	304,098
Capital Injected	-			
Profit/(Loss) After Tax		3,162	-	3,162
Tax Adjustments				-
Revaluation reserve			99,107	99,107
At 31st December, 2012	10,000	6,288	390,079	406,367

	Share Capital	Retained Earnings	Revaluation Reserves	TOTAL
2011	\$	\$	\$	\$
At 1st January, 2011	10,000	2,946	208,779	221,725
Capital Injected	-			
Profit/(Loss) After Tax		180	-	180
Tax Adjustments	-			-
Revaluation reserve	-		82,193	82,193
At 31st December, 2011	10,000	3,126	290,972	304,098

The income statement is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 8 to 12

.....
Managing Director:

.....
Date

SERENGETTI INSTANT COFFE LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2012

NOTES TO THE FINANCIAL STATEMENTS

1 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below:

a) **Basis of Preparation**

The financial statements are prepared in accordance with and comply with International Financial Reporting Standards. The financial statements are prepared under the historical cost convention.

b) **Revenue Recognition**

Revenue is recognised on accruals' basis and as when services are rendered/ supplied and accepted by the customer. The sales reflect trucks services and fuel sales

c) **Functional currencies**

Functional currencies of this business is foreign currency i.e USD and for this purpose is required to present in operating currencies.

d) **Non Current Assets**

Property, Plant and Equipments are recorded at purchase cost less accumulated depreciation and impairment losses.

Depreciation is charged on Straight Line Method to write off the cost of each asset evenly over its expected useful economic shelf life as follows:

Description	Rate
Furniture& fittings	12.50%
Processing machine	25

f) **Trade and other Debtors**

Trade and other receivables are stated at nominal value less write down for any amounts expected to be irrecoverable.

g) **Trade and other Payables**

Trade and other payables are stated at their costs.

h) **Taxation**

Tax on the profit or Loss for the year comprises current and deferred tax. Current tax is provided on the results in the year as shown in the accounts adjusted in accordance with income tax act

i) **Cash and cash equivalents**

For purposes of cash flow statements, cash and cash equivalents, comprise cash in hand and banks.

SERENGETTI INSTANT COFFE LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2012

Notes to the Financial Statements Cont'd

	2012	2011
	\$	\$
Note 2 Turnover		
Sales	146,484	117,187
TOTAL SALES	146,484	117,187
Note 3 Cost of Sales		
Raw materials	66,909	55,371
Direct labour	23,303	18,457
Variable manufacturing overhead cost	90,212	73,829
Total variable manufacturing cost	24,303	18,457
Fixed manufacturing overhead costs	7,533	6,152
	122,048	98,438
Note 4 Operating and Administrative Expenses:		
Salaries and Wages	4,500	4,500
SDL	284	270
Staff Welfare	326	310
Communication Expenses	840	800
Medical Expenses	816	777
Travelling and Accomodation	840	800
Electricity and Water	600	571
Printing and Stationery	473	450
Consultancy Fees	1,000	952
Rent	2,516	2,396
Donations	150	143
Fuel Expenses	900	857
Newspapers and periodicals	150	143
Repairs and Maintenance	697	664
	14,089	13,633



SERENGETTI INSTANT COFFE LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2012

Notes to the Financial Statements Cont'd

Note 7 Property, Plant and Equipment

Period Ended 31st December, 2012

Description	Furniture and Fitting \$	Machinery \$	Land and Building \$	Total \$
Period Ended 31st December, 2012				
Cost				
As at Beginning of the Year	864	38,604	166,070	205,538
Additions	320	23,161	2,027	25,508
As at 31 December 2012	1,184	61,765	168,097	231,046
Depreciation				
As at Beginning of the Year	108	9,651	-	9,759
Charge for the Year	40	5,790	-	5,830
Disposal	-	-	-	-
As at 31st December, 2012	148	15,441	-	15,589
Carrying Amount as at 31st December, 2012	1,036	46,324	168,097	215,457

Period Ended 31st December, 2011

Description	Furniture and Fitting \$	Machinery \$	Land and Building \$	Total \$
Period Ended 31st December, 2011				
Cost				
As at Beginning of the Year	720	32,170	165,700	198,590
Additions /(Disposal)	267	19,302	370	19,939
As at 31 December 2011	987	51,472	166,070	218,529
Depreciation				
As At Beginning of the Year	90	8,043	-	8,133
Charge for the Year	33	4,826	-	4,859
Adjustment/Disposal	-	-	-	-
As at 31st December, 2011	123	12,868	-	12,991
Carrying Amount as at 31st December, 2011	864	38,604	166,070	205,538

SERENGETTI INSTANT COFFE LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2012

Notes to the Financial Statements Cont'd

	2012	2011
	\$	\$
Note 10 Receivables & Prepayments		
Trade Receivables	120,313	109,375
Prepaid expenses	3,300	3,000
	<u>123,613</u>	<u>112,375</u>
Note 11 Trade Creditors & Accruals		
Trade Creditors	25,386	11,979
Accrual expenses	220	200
	<u>25,606</u>	<u>12,179</u>

Note 12 Related Party Transactions

The parties are said to be related if one part can affect the other part in making financial and operational policies of the other part. The related parties consist of major shareholders, Board of Directors and key management personnel and their close family members.

The related party transactions at the end of the period were:-

1. Salaries to Key Management Personnel \$ 5,800 (2010: \$ 5,400)
2. Directors Emoluments \$ 3,600 (2010: \$2, 800)

Note 13 Currency

The Financial Statements have been prepared in the USD for purpose of this presentation

Note 14 Incorporation

The company is incorporated in the United Republic of Tanzania

AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2011

SERENGETTI INSTANT COFFE LIMITED
P.O.BOX 7677
DAR ES SALAAM

SHEBRILA & CO
CERTIFIED PUBLIC ACCOUNTANTS
IN PUBLIC PRACTICE
P.O.BOX 22131
TEL. 255-22-2443492
MOBILE 255-748221248/305865
E-MAIL:shebrilacpapp@yahoo.com
DAR ES SALAAM

**AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2011**

**SERENGETTI INSTANT COFFE LIMITED
P.O.BOX 7677
DAR ES SALAAM**

**SHEBRILA & CO
CERTIFIED PUBLIC ACCOUNTANTS
IN PUBLIC PRACTICE
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E-MAIL: shebrilacpapp@yahoo.com
DAR ES SALAAM**

**SERENGETTI INSTANT COFFEE LIMITED
REPORT OF THE AUDITORS TO THE MEMBERS**

We have examined the attached Statement of Financial Position of **Serengetti Instant Coffee Limited** as at 31st December, 2011, the related Income Statement for the year ended on that date.

Our examination was made on test check basis in accordance with International Standards on Auditing. This included tests on the accounting records such as cashbooks, ledgers, bank accounts including a review of internal controls and accounting for resources of the Company. Physical inspection of some of the Company assets was carried out. We also carried out such other auditing procedures as we considered necessary in the circumstances.

The Management is responsible for the preparation of financial statements. It is our responsibility to form an independent opinion based on our audit of those statements and to report our opinion to you.

Our audit included examination, on a test check basis, of evidence relevant to the transactions and disclosures in the financial statements. It included a review of the statements to ascertain as to whether actual expenditures were incurred specifically and in line with the intended activities as was provided for in the budget for the Company.

We planned and performed our audit so as to obtain all the information and explanations, which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in financial statements.

In our opinion the accompanying Statement of Financial Position and Statement of Comprehensive Income together with the supporting notes present fairly the financial position of Serengetti Instant Coffee limited as at 31st December, 2011 and its profit for the year on that date.

SHEBRILA & CO-PF 033
CERTIFIED PUBLIC ACCOUNTANTS
IN PUBLIC PRACTICE
P.O. BOX 22131
TEL: 255-22-2443492
FAX: 255-22-2400131
EMAIL: shebrilacpapp@yahoo.com
DAR-ES-SALAAM - TANZANIA



B.R. KILAMILE - CPA 139
PARTNER

SERENGETTI INSTANT COFFE LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2011

DIRECTORS REPORT

The Directors have the pleasure in submitting the report together with the financial statements for the year ended 31 st December, 2011 which discloses the state of affairs of the company,

1 Principal Activities

The company engage in the business of processing of coffe.

2 Results

The results for the year are set out on pages 4 to 7.

3 Dividends

Directors do not recommend the payment of any dividend for the year ended 31st December, 2011

4 Directors

The directors who served during the year are:

- (a) EVAN NYEGEZA MULOKOZI
- (b) EMMANUEL NESTORY KAIGARULA
- © ALBERT GAO NKINDA

5 Future Development of the Company

The company future development plan is to raise its funding in order to maintain and grow its sales volume.
The company is considering the possibility of growing coffe in its plantation.

6 Employees Welfare

The relationship between the management of the company and employees is good. Employment terms are reviewed annually in discussion with the employees, to ensure they continue to meet statutory and market conditions.

7 Disabled Persons

The company is equal opportunity to all workers,. All necessary assistance is given to disabled persons at initial training.
A career plan is developed which ensures that opportunity for advancement are provided to all persons.

8 Solvency

The Directors considers the company to be solvency for the next twelve months.

SERENGETTI INSTANT COFFE LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2011

DIRECTORS REPORT (Continued)

9 Statement of Director's Responsibility in respect of the Financial Statements:

The Directors are required by the Company Act 2002 to prepare financial statements for each Financial year that give a true and fair view of the state of affairs of the company. It also require the directors to ensure the company keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the company. They are also responsible for safeguarding the assets of the company.

The directors therefore accepts the responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgment and estimates in conformity with IFRS and in manners required by Company Act, 2002 .

The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company and its operating results for the period ended.

The Directors Further accepts responsibilities for maintenance of accounting records, which may be relied upon in preparation of financial statements as well as adequate systems of internal financial control.

Nothing has come to the attention of the directors to indicate the company will not remain in going concern for at least the next twelve months form the date of this statements.

10 Auditors

Shebrila & Co. of P.O.Box 22131 -Dar Es Salaam are the statutory auditors of the Company, continued in office pending re-appointed at the Annual General meeting.

By order of the Board

.....
Managing Director

.....
Date:

SERENGETTI INSTANT COFFE LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2011

STATEMENT OF COMPREHESIVE INCOME:

	Notes	2011 \$	2010 \$
Tunover	2	117,187	93,750
Cost of sales	3	98,438	78,750
Gross profit		18,749	15,000
Non manufacturing costs			
Operating and Administrative Costs	4	13,633	11,451
Depreciation Expenses		4,859	4,049
Total Expenses		18,492	15,500
Profit/(Loss) before tax		257	(500)
Income tax expense		77	-
Net Profit / (Loss)		180	(500)



The income statement is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 8 to 12

.....
Managing Director:

.....
Date

SERENGETTI INSTANT COFFE LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2011

STATEMENT OF FINANCIAL POSITION :

	Notes	2011 \$	2010 \$
ASSETS			
Non-Current Assets			
Property, Plant & Equipments	7	205,538	198,590
Total Non Current Assets		205,538	198,590
Current Assets			
Receivables and Prepayments	10	112,375	65,000
Cash in hand		250	250
Bank Balances		58,594	46,875
		171,219	112,125
TOTAL ASSETS		376,757	310,715
EQUITY AND LIABILITIES			
Capital and Reserves			
Share Capital		10,000	10,000
Retained Earnings		3,126	1,124
Revaluation Reserve		290,792	208,779
Profit for the Year		180	(500)
Total Equity		304,098	219,403
Liabilities			
Long term Liabilities			
Loan		60,480	80,240
Current Liabilities			
Trade Creditors & Accruals	11	12,179	11,072
Total Current Liabilities		12,179	11,072
TOTAL EQUITY AND LIABILITIES		376,757	310,715



The income statement is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 8 to 12

.....
Managing Director:

.....
Date

SERENGETTI INSTANT COFFE LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2011

CASH FLOW STATEMENT		
	2011	2010
	\$	\$
A CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before taxation	257	(500)
Adjustments for:		
Depreciation:	4,859	4,049
Operating Profit/(Loss) before	<u>5,116</u>	<u>3,549</u>
B CHANGES IN WORKING CAPITAL		
Increase/ Decrease in Debtors	47,375	37,000
Increase/ Decrease in Trade Creditors	1,107	990
TAX Paid	77	482
Cash (used by) operations	<u>48,559</u>	<u>38,472</u>
Net cash (used by) operating activities	53,676	42,021
C CASH FROM INVESTING ACTIVITIES		
Purchases of fixed assets/property	(19,939)	(15,008)
Disposal of Assets	-	1,300
Cash Used by Investments	<u>(19,939)</u>	<u>(13,708)</u>
D CASH FLOW FROM FINANCING ACTIVITIES		
Capital Injected	-	-
Increase/decrease in Loans	(22,018)	(18,938)
	<u>(22,018)</u>	<u>(18,938)</u>
E Net (decrease)/increase in cash and cash equivalents	11,719	9,375
F CASH AND CASH EQUIVALENTS AT		
Beginning of the year	47,125	37,750
End of the year	<u>58,844</u>	<u>47,125</u>
Cash and Bank Balances	<u>58,844</u>	<u>47,125</u>



The income statement is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 8 to 12

.....
Managing Director:

.....
Date

SERENGETTI INSTANT COFFE LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2011

STATEMENT OF CHANGES IN OWNERS EQUITY

	Share Capital	Retained Earnings	Revaluation Reserves	TOTAL
2011	\$	\$	\$	\$
At 1st January, 2011	10,000	3,126	290,972	304,098
Capital Injected	-	-	-	-
Profit/(Loss) After Tax	-	180	-	180
Tax Adjustments	-	-	-	-
Revaluation reserve	-	-	99,107	99,107
At 31st December, 2011	10,000	3,306	390,079	403,385

	Share Capital	Retained Earnings	Revaluation Reserves	TOTAL
2010	\$	\$	\$	\$
At 1st January, 2010	10,000	3,626	208,779	222,405
Capital Injected	-	-	-	-
Profit/(Loss) After Tax	-	(500)	-	(500)
Tax Adjustments	-	-	-	-
Revaluation reserve	-	-	82,193	82,193
At 31st December, 2010	10,000	3,126	290,972	304,098

The income statement is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 8 to 12

.....
Managing Director:

.....
Date

SERENGETTI INSTANT COFFE LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2011

NOTES TO THE FINANCIAL STATEMENTS

1 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below:

a) Basis of Preparation

The financial statements are prepared in accordance with and comply with International Financial Reporting Standards. The financial statements are prepared under the historical cost convention.

b) Revenue Recognition

Revenue is recognised on accruals' basis and as when services are rendered/ supplied and accepted by the customer. The sales reflect trucks services and fuel sales

c) Functional currencies

Functional currencies of this business is foreign currency i.e USD and for this purpose is required to present in operating currencies.

d) Non Current Assets

Property, Plant and Equipments are recorded at purchase cost less accumulated depreciation and impairment losses.

Depreciation is charged on Reducing Balance Method to write off the cost of each asset evenly over its expected useful economic shelf life as follows:

Description	Rate
Furniture& fittings	12.50%
Processing machine	25

f) Trade and other Debtors

Trade and other receivables are stated at nominal value less write down for any amounts expected to be irrecoverable.

g) Trade and other Payables

Trade and other payables are stated at their costs.

h) Taxation

Tax on the profit or Loss for the year comprises current and deferred tax. Current tax is provided on the results in the year as shown in the accounts adjusted in accordance with income tax act

i) Cash and cash equivalents

For purposes of cash flow statements, cash and cash equivalents, comprise cash in hand and banks.

SERENGETTI INSTANT COFFE LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2011

Notes to the Financial Statements Cont'd

	2011	2010
	\$	\$
Note 2 Turnover		
Sales	117,187	93,750
TOTAL SALES	117,187	93,750
Note 3 Cost of Sales		
Raw materials	55,371	44,297
Direct labour	18,457	14,766
Variable manufacturing overhead cost	73,829	59,063
Total variable manufacturing cost	18,457	14,766
Fixed manufacturing overhead costs	6,152	4,922
	98,438	78,750
Note 4 Operating and Administrative Expenses:		
Salaries and Wages	4,500	4,500
SDL	270	200
Staff Welfare	310	260
Communication Expenses	800	506
Medical Expenses	777	700
Travelling and Accomodation	800	340
Electricity and Water	571	350
Printing and Stationery	450	400
Consultancy Fees	952	686
Rent	2,396	2,178
Donations	143	
Fuel Expenses	857	704
Newspapers and periodicals	143	127
Repairs and Maintenance	664	500
	13,633	11,451



SERENGETTI INSTANT COFFE LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2011

Notes to the Financial Statements Cont'd

Note 7 Property, Plant and Equipment

Period Ended 31st December, 2011

Description	Furniture and Fitting \$	Machinery \$	Land and Building \$	Total \$
Period Ended 31st December, 2011				
Cost				
As at Beginning of the Year	720	32,170	165,700	198,590
Additions	267	19,302	370	19,939
As at 31 December 2011	987	51,472	166,070	218,529
Depreciation				
As at Beginning of the Year	90	8,043	-	8,133
Charge for the Year	33	4,826	-	4,859
Disposal	-	-	-	-
As at 31st December, 2011	123	12,868	-	12,991
Carrying Amount as at 31st December, 2011	864	38,604	166,070	205,538

Period Ended 31st December, 2010

Description	Furniture and Fitting \$	Machinery \$	Land and Building \$	Total \$
Period Ended 31st December, 2010				
Cost				
As at Beginning of the Year	600	26,808	167,000	194,408
Additions /(Disposal)	223	16,085	(1,300)	15,008
As at 31 December 2010	823	42,893	165,700	209,416
Depreciation				
As At Beginning of the Year	75	6,702	-	6,777
Charge for the Year	28	4,021	-	4,049
Adjustment/Disposal	-	-	-	-
As at 31st December, 2010	103	10,723	-	10,826
Carrying Amount as at 31st December, 2010	720	32,170	165,700	198,590

SERENGETTI INSTANT COFFE LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st DECEMBER 2011

Notes to the Financial Statements Cont'd

	2011	2010
	\$	\$
Note 10 Receivables & Prepayments		
Trade Receivables	109,375	62,000
Prepaid expenses	3,000	3,000
	<u>112,375</u>	<u>65,000</u>
Note 11 Trade Creditors & Accruals		
Trade Creditors	11,979	10,890
Accrual expenses	200	182
	<u>12,179</u>	<u>11,072</u>

Note 12 Related Party Transactions

The parties are said to be related if one part can affect the other part in making financial and operational policies of the other part. The related parties consist of major shareholders, Board of Directors and key management personnel and their close family members.

The related party transactions at the end of the period were:-

1. Salaries to Key Management Personnel \$ 5,800 (2010: \$ 5,400)
2. Directors' Emoluments \$ 3,600 (2010: \$2,800)

Note 13 Currency

The Financial Statements have been prepared in the USD for the purpose of this presentation

Note 14 Incorporation

The company is incorporated in the United Republic of Tanzania



TANZANIA INVESTMENT CENTRE

REGISTRATION FORM

FOR

CERTIFICATE OF INCENTIVES

(Tanzania Investment Act 1997, Section 17 and 18,
and the Investment Regulations:
Regulation 42, Government Notice No. 318A of 2002)

Tanzania Investment Centre
9A & B Shaaban Robert Street
P. O. Box 938
DAR ES SALAAM
Tel. 022 2116328
Fax. 022 2118253
e-mail: information@tic.co.tz
Website: www.tic.co.tz

(Please fill the form in duplicate)

UNITED REPUBLIC OF TANZANIA

THE TANZANIA INVESTMENT ACT
(No. 26 of 1997)

APPLICATION FOR REGISTRATION
(Made under Regulation 42)

To: The Executive Director
Tanzania Investment Centre
P. O. Box 938
DAR ES SALAAM
Tanzania

1. I/We WANG SHEN HONG
(director/directors/agent of HONGLIN INTERNATIONAL TRADE DEVELOPMENT Co. Limited)
(name of business enterprise) apply for registration of HONGLIN INT'L TRADE DEV. CO. LTD

under Section 17 of the Act and Part IV of the Investment Regulations, 2002.

2. The registered office of the company will be situated at HOUSE NO. 005/036
PASIAWASI CHINI, LOGANZALA AREA, TBL ROAD, ILEMELA DISTRICT

Copies of the following documents are attached to this application:

- (i) The Memorandum and Articles of Association/or partnership agreement
- (ii) Certificate of Incorporation/Registration
- (iii) A copy of the Project Profile or Feasibility Study showing the **implementation period**, programme of implementation and operative date
- (iv) Evidence of financing and evidence of land ownership for the project

3. The Head Office of the Company will be situated at HOUSE NO. 005/036 PASIAWASI CHINI

4. The Principal Officers of the Company are 1) WANG SHEN HONG
2) OU GUAN CHAO

5. Auditors of the Company are KILELE & Co. (P) , MWANZA

6. The authorized share capital of the Company is Tshs./US\$ 100,000,000/- (DIVIDEN)
INTO 100 SHARES OF TSHS 1,000,000/- EACH

7. The intended capital investment of the Company in terms of Section 2(2) of the Act is Tshs./US\$ 725,000

8. The month and day of the financial year end is 31st DECEMBER

Note: *failure to provide all the required information will result in the return of the application by the Centre.*

I/We enclose a cheque/cash made payable to the Tanzania Investment Centre for Tshs./US\$

100.00 Being the Registration Fees. *In the event this application is unsuccessful we understand that this fee will not be refunded.*

I, WANG SHEN HONG of Post Office Number 6482 MWAHAZA

do solemnly and sincerely declare that I am a director/duly

authorized agent of HONGKIN INTERNATIONAL TRADE DEVELOPMENT CO. LTD

AND that all the requirements of the Tanzania Investment Act, 1997 in respect of matters precedent to the registration of the business enterprise under the Act and incidental thereto have been complied with, AND I make this solemn declaration conscientiously believing the same to be true.

Declared at Dar-es-Salaam }
..... }
Theday of 2004 }

[Signature]
Applicant

Before me:

[Signature]



Commissioner for Oaths

APPLICATION SUMMARY

Company Name: HONGKUN INTERNATIONAL TRADE DEVELOPMENT CO. LTD

Certificate of Incorporation Number: 82844 Status: EXPANSION

Certificate of Incorporation Date: 20th APRIL 2011

Post Box: 6482

Town: MWANZA

Sector: MANUFACTURING

Sub-Sector: FISH PROCESSING (BY-PRODUCTS)

Investment Financing Plan in Million US\$/Tshs.

Table with 4 columns: Foreign Equity (0.725), Local Equity (—), Foreign Loan (—), Local Loan (—)

Project Objectives: EXPANSION AND MODERNIZATION OF FACILITIES FOR PROCESSING OF FISH MAWS AND ALLIED PRODUCTS FOR EXPORT

Capacity: 72 METRIC TONS PER ANNUM

Employment: Foreign: 3 Local: 47 Total: 50

Implementation Period: 3 YEARS

Project Location

Site/Plot/Block No.: PLOT NO. 005/036 PASIAGESI CHINI, ILOGANZALA TRUSTA

Street: TBL ROAD District: ILEMELA Region: MWANZA

(Attach sketch map showing project location)

Table with 3 columns: Shareholders (OU GUAN CHAO, WANG SHEN HONG), Nationality (CHINESE, CHINESE), % (60%, 40%)

Investment Breakdown **US\$/Tshs.M**

Land/Building	0.125
Plant <i>tools/Equipment</i>	0.305
Vehicles	0.095
Furniture & Fittings	
Pre-expenses	
Others	
Working Capital	0.200
TOTAL	0.725

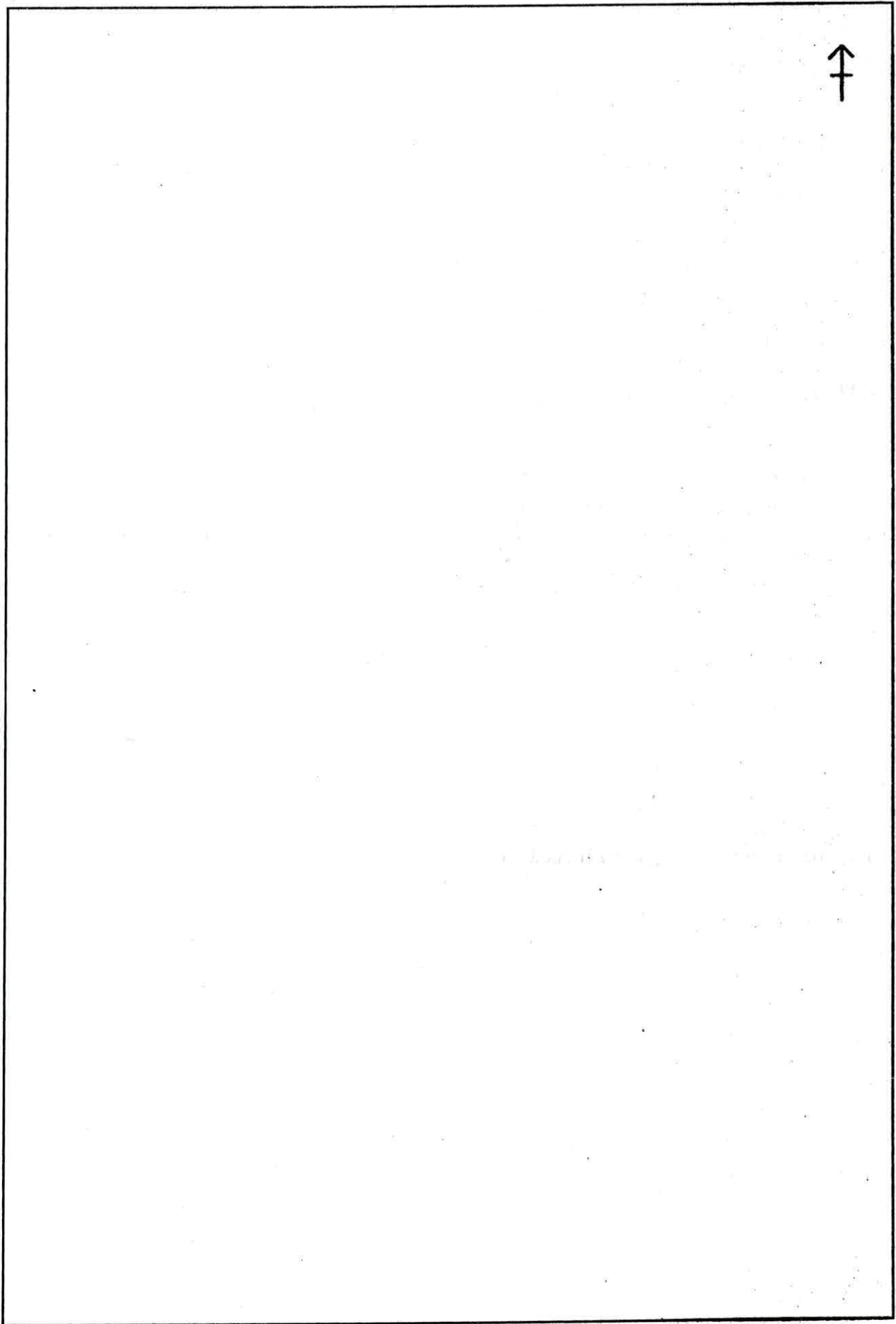
Contact Details:

Name:	<i>WANG SHEN HONG</i>	Title:	<i>DIRECTOR</i>
Telephone:	<i>0755 260 169 / 0764 377 196</i>	Fax:	<i>028-254 0168</i>
Email:	<i>linfang.chao@hotmail.com</i>		

Payments to be made payable to:

TANZANIA INVESTMENT CENTRE
STANDARD CHARTERED BANK TANZANIA LTD.
SWIFT ADDRESS: SCBLTZTX
ACCOUNT NO.: 8702006002000

SKETCH MAP SHOWING PROJECT LOCATION



UMHURI YA MUUNGANO WA TANZANIA
THE UNITED REPUBLIC OF TANZANIA

TAKABADHI YA SERIKALI

37897060

1

TFN: 614 (Rev. 8.94)

CHEQUE RECEIPT

NIMEPOKEA KWA

Received from **HONGKIN INTERNATIONAL TRADE DEV. CO LTD**



KIASI
Amount

Shs. USD										Cts.
										100

JMLA YA SHILINGI (kwa maneno)

the sum of Shillings (Words) **ONE HUNDRED DOLLARS**

NA SENTI
And Cents

KWA MALIPO YA

REGISTRATION FORM

In respect of

KWA FEDHA TASLIMU/HUNDI

NAMBA By Cash/Cheque No. **D.L**

KITUO - Station

TIC LAKE ZONE

SAHIHI YA MPOKEAJI - Receiving Officer's

Signature **A. Gondwa**

CHEO - Title

PLS

TAREHE - Date

21 MAY 2014

NPC-KIUTA



**KCB
BANK**

Making the
Difference

KCB BANK TANZANIA LTD.

Mwanza Branch
Nyanza Building
P.O. Box 130
Kenyatta Road
Kenyatta/Nyanza Road

Tel: (+255-28)250 0464
Fax: (+255-28) 250 0394
Email: kcbmwanza@kcbbankgroup.com
Website: <http://www.kcbbankgroup.com>

20th May, 2014

To Whom It May Concern:

Dear Sir/Madam,

RE: REFERENCE FOR HONG LIN INTERNATIONAL TRADE DEVELOPMENT CO. LTD

At the express request from our esteemed customer, we confirm that they maintain business account number 3300622425 with us.

The account was opened in our books in 2011 and since then the account has been operated to our entire satisfaction.

We have had no reason to enquire into their private affairs but we are unaware of any adverse information on their activities.

The information is provided to you for your private use only with the express condition that neither this bank nor any of its officials will be responsible for issuing it.

Yours truly,


Joseph Njile
BRANCH MANAGER



HONGLIN INTERNATIONAL TRADE DEVELOPMENT CO. LIMITED

Plot No: 005/036 TBL Road, Pasiansi Chini, Iloganzala Area, Ilemela District
P.O. Box 6482 Mwanza, Tanzania Cell Phone: +255 755 260 169/0764 377 196

EXTRACT FROM THE MINUTES OF THE BOARD OF DIRECTORS' MEETING HELD AT THE COMPANY'S REGISTERED OFFICE IN MWANZA ON THE 9TH DAY OF APRIL 2014

PRESENT

- | | | |
|-------------------|---|-------------------|
| 1. Ou Guan Chao | - | Chairman/Director |
| 2. Wang Shen Hong | - | Director |
| 3. Li Jia Ling | - | Secretary |

AGENDA NO. 2/2014: APPLICATION FOR TANZANIA INVESTMENT CENTRE (TIC) CERTIFICATE OF INCENTIVES FOR EXPANSIONARY PROGRAMME

At its meeting on 9th day of April, 2014 the Board of Directors of Honglin International Trade Development Co. Limited resolved the following, inter-alia:

- o That the company apply for the Certificate of Incentive from TIC to facilitate implementation of the proposed expansionary programme involving rehabilitation and acquisition of new facilities for processing and export of Nile Perch fish maws in Mwanza.
- o That Wang Shen Hong (Mrs.), Director and Shareholder of this company be and is hereby authorized, directed and empowered to execute for and on behalf of this company and its name any and all documents required in connection with this application.

(By order of the Board)


.....
Chairperson


.....
Secretary

STAKABADHI YA SERIKALI

37897061

1

EXCHEQUER RECEIPT

NIMEPOKEA KWA

Received from

HONG LIN INTERNATIONAL TRADE Co. Ltd



KIASI Amount

Shs.						Cts.	
1000	00	00	00	00	00	00	00

US\$ 1000

JUMLA YA SHILINGI (Kwa maneno)

Co. Ltd

The sum of Shillings (Words)

ONE THOUSAND US\$ ONLY

NA SENTI

And Cents

KWA MALIPO YA

In respect of

CERTIFICATE FEE

KWA FEDHA TASLIMU/HUNDI

NAMBA Bv. Cash/Cheque No.

BANK DEPOSIT SLIP

KITUO - Station TIC

SAHIHI YA MPOKATI - Receiving Officer's

Signature

CHEO Title
ZIM(L)

TAREHE Date
22/5/2014

LAWEZONE

NPG-KITIT

Honglin International Trade Development Co. Ltd

Proposed Project for Expansion of Facilities

for

Processing of Fish Maws and Allied Products

for

Export to International Markets

A Business Plan

Presented to TIC by:

M/s Honglin International Trade Development Co. Ltd

P.O. Box 6482

Mwanza

Tanzania

MAY 2014

Honglin International Trade Development Co. Ltd

**Proposed Project for Expansion of Facilities
for
Processing of Fish Maws and Allied Products
for
Export to International Markets

A Business Plan**

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MAY 2014

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1.0 BACKGROUND INFORMATION

Honglin International Trade Development Co. Limited is a locally registered company under Certificate of Incorporation No: 82844 dated April 21, 2011. The project is located at Plot No: 005/036 Pasiansi Chini, Loganzala Area, TBL Road, Ilemela District in Mwanza.

The project was granted TIC Certificate No: 042028 dated 2nd June 2011 to facilitate processing and export of Nile Perch fish maws and allied products. The Certificate expires on 31st May, 2014.

The current shareholder and directors of the company are:

NAME AND ADDRESS OF SHAREHOLDER	NUMBER OF SHARES TAKEN BY EACH	NATIONALITY
Ou Guan Chao Guang Dong Province No: 201 Tiwei Compound, Dian Bai Town P.R. CHINA	60	Chinese
Mrs. Wang Shen Hong Plot No : 94 Block AIX Kirumba Valley P.O. Box 6482 Mwanza TANZANIA	40	Chinese

The directors have been buying, processing and export of fish maws and allied fish products in Mwanza for the last fourteen years. They now plan to expand business and collect the raw materials from fish processing factories in both Mara and Kagera, in addition to Mwanza. The expansion plan requires acquisition of additional machinery and equipment, utility vehicles as well as rehabilitation and expansion of factory buildings in a plot they acquired on long lease arrangement of 30 years situated at Plot No: 005/036 TBL Road, Iloganzara Area, Pasiansi Chini, Ilemela District. Apart from fish processors in the Lake Zone, the applicants are among the biggest fish maws processors and exporters in Mwanza, having tentacles all along the shores of Lake Victoria from Musoma to Bukoba, including Ukerewe and other islands in Lake Victoria.

Their current capacity is 4.0 tons of fish maws per month, exported in 20 feet containers, translating to an annual turnover of US\$ 1.2million c.i.f value.

The two main resources for processing fish maws are raw material and labour which are abundantly available in the region. Fish maws used as raw materials under this project are actually Nile Perch lungs. The company is procuring raw material from two sources. The first source is fish processing factories in Mwanza. But apart from Mwanza Fishing Industries Ltd (now trading as M/s Victoria Perch Ltd), all the major

factories export all the fish maws produced from their fish (nile perch) processing operations.

The second and main source of raw fish maws is therefore from the small local operators who collect fish maws from fish vendors/fish markets all over the lake shores of and islands in Lake Victoria, the second largest fresh water lake in the world and the largest in Africa. 49% of the Lake Victoria is under the territorial jurisdiction of Tanzania.

Since the directors and shareholders of M/s Honglin International Trade Development Co. Ltd have now decided to modernize and expand their fish maws processing facilities, they plan to make substantial investments in the infrastructure for procuring the raw material and processing them into exportable products. With a large and growing demand for Nile Perch fish maws in the world markets, and especially the East Asian countries, the company position is expected to get stronger.

The fish maws under reference are used in various pharmaceutical applications and they also make an expensive delicatses, mainly in East Asian countries like Hong Kong, Japan and China.

The company will once again apply to be registered with Tanzania Investment Centre under expansionary programme so as to be eligible to enjoy the various tax incentives and other benefits as statutorily provided under Tanzania Investment Act of 1997.

2.0 THE RAW MATERIAL

2.1 Lake Victoria

Lake Victoria is the largest lake in Africa and the second largest fresh water lake in the world. It is bordered by three East African countries - Kenya, Uganda and Tanzania.

Location	Kenya, Tanzania, Uganda 0° 20' N - 3° 0' S; 31° 39' - 34° 53'E		
Altitude	1,136m		
Surface area	Kenya	4,100 sq. km	(6%)
	Tanzania	34,385sq. km	(49%)
	Uganda	31,000 sq. km	(45%)
	Total	69,485 sq. km	
Depth	84 m (max); 40 m (mean)		
Max length	400 km		
Max width	240 km		
Shoreline	3,440 km		
Catchment area	263,000 sq km.		
Major inflowing rivers:	Kagera, Nzoia, Yala		

Lake Victoria is the source of the river Nile, the longest river in the world. River Nile originating from lake Victoria changes its name several times in its course. From Lake Victoria to Lake Albert it is known as Victoria Nile. From Lake Albert to Uganda border it's known as Albert Nile, and from Sudan to its confluence with the Blue Nile its known as Bahr al Jabar (Mountain Nile) and also as Bahr el Abiad (White Nile)

Nile perch was first introduced to Lake Victoria in the 1960's. Due to its ecological tenacity, it now accounts for approximately two thirds of the lake's total harvest with the prospect of virtually continuous supply.

This is one resource, which is in no immediate danger of over fishing. The fishing methods are traditional, and that too is only by local artisan fishermen. The tree countries, which share the lake, have not permitted mechanized commercial harvesting of the fish resultantly; the fishing is restricted to about seven km from the shore, providing ample opportunities for breeding in the central and deeper sections of the lake.

2.2 The Nile Perch - the Source of Raw Materials

As stated elsewhere, fish maws are Nile perch lungs. The materials are obtained from two main sources: Nile perch processing factories and local fish vendors who collect the fish maws from fish markets and elsewhere.

From the fish processing factories point of view, the fresh fish required for processing is procured from the artisan fishermen through the local co-operative societies. Nile Perch Latin name *Lates Niloticus* belongs to the Grouper family of fish. It's a wonderfully sweet tasting, firmly textured, highly nutritious, virtually odourless and retains its high moisture content when cooked. This fish is low on calories, rich in trace nutrients, and its lipid poly saturated.

This species is the largest fresh water fish in the world. It can grow in excess of 230 kgs (500lbs). However, only fish below 23 kgs (50lbs) are used commercially, to assure tenderness and low fat content.

3.0 TECHNICAL ASPECTS

3.1 General Information

The directors and shareholders of the company promoting the project have been in this trade for a significant period of time and we have collecting agents all over Mwanza, Mara and Kagera Regions. Consequently they are fully conversant with the technology of processing, packaging and export of fish maws. Like fish processing, this industry in any case is not technology driven; all it requires is the maintenance of a high degree of hygiene and cleanliness. The factories need to have walls and floorings finished to food grade requirements, adequate supply of fresh and clean water and skilled processors. The process of fish maws is essentially manual.

We have been regularly importing machinery/equipment for processing of fish maws and have an established source for the supply of machinery and spares.

3.2 Production Process

The fish maws are procured by agents from fish processing factories, fish markets and elsewhere around the shores and in the islands in Lake Victoria. The collecting agents weigh quantities and then deliver to the factory.

As stated elsewhere, the fish maws procured from fish factories are obtained in smaller quantities than those procured locally from fish markets and elsewhere for a simple reason that most of the fish processing factories in the Lake Zone export this expensive fish processing by product. The fish maws procured from the factories are usually fresh and frozen. They are received at the processing factory where they are trimmed of the un-required parts before being cleaned and dried, then packed for export. Since the materials from the factory are generally clean, when dried they turn into a very light yellow colour, and this forms the highest exportable grade.

Fish maws procured from local agents from fish markets and elsewhere (apart from the fish processing factories) are bought dried, as the collectors will dry them as soon as they are obtained to ensure they do not go bad before selling the same to the agents. Such materials obtained from this source are usually in brown colour, indicating they are not clean. On receipt at the factory, these materials are thoroughly washed in fresh clean water until the brown colour is removed, and a light yellow colour is formed. After cleaning, the materials are then dried and packed for export.

4.0 MARKET EVALUATION

4.1 Market Analysis

Fish maws are by-products of Nile Perch fish. The demand for these fish maws has been constantly growing as transportation and logistics issues are taken care of and accessibility to markets in East Asian countries become easier. The demand for this fish in these countries is likely to grow. The prices of the Nile perch fish maws are more competitive than those of similar fish species and the supply virtually constant. This makes the Nile Perch fish maws more attractive.

The directors currently operate on bulk contract supply basis with periodic price negotiation. Most of their exports are sent directly to a client in Hong Kong for distribution to China and other various Asian.

4.2 Supply

The catch of Nile Perch is increased every year from 1984 up to the early 2000's. The supply in 1987 amounted to 160,000 tons. In reality the supply exceeds above figure as large quantities does not pass through established market. And so does the fish maws which are a processed by-product of Nile Perch fish processing. However, in recent years, the Nile Perch stock has been decreasing largely due to illegal fishing. But this decrease has not so far threatened the existing processors.

4.3 Other Local Processors

There are quite a number of companies in the lake zone which are engaged in the Nile Perch fish maws processing and export. These are mainly the fish processors in the area. The major ones are:

- Vic Fish Ltd (Mwanza and Kagera)
- Nile Perch Processing Company Ltd
- Mwanza Fishing Industries Ltd (now trading as Victoria Perch Ltd)
- Musoma Fish Processors
- Tan Fish Ltd

4.4 Competition

There is ample scope in the world market for this product, for all players in the region. There is no serious competition in the market place as there apart from the existing fish processors, only a few operators have access to fish maws international markets.

5.0 THE FISH MAWS PROCESSING PROJECT

5.1 The Concept

The main activity of Honglin International Trade Development Co. Limited is fish maws processing and packaging for the export market. Availability of fish maws depends on the fishing of Nile Perch and production of fish fillets. Production on fish fillets reached 1.80 million kgs per annum by December 2006. Honglin International Trade Development Co. Ltd now plans to modernize her processing facilities and expand production so as to raise its fish maws production level by at least 50% from the current production of 4.0 tons per month in the next three years.

The company's head office and all production activities are located at Plot No: 005/0036 TBL Road, Pasiansi Chini, Ilemela District, Mwanza.

The main source of funding the establishment of modern processing facilities will be through own equity and ploughed back profits.

5.2 The Planned New Activities

As mentioned elsewhere, the current principal activity of the company is Nile Perch fish maws processing and packaging for the export market. At present, the company is producing 4.0 tons of fish maws per month.

Honglin International Trade Development Co. Limited is now planning increase production of the current output by at least 50% and has allocated a budget of US\$ 525,000 for new investments in the next 3 years.

Specifically, the company plans to do the following during the next 3 years (2011 - 2013):

- Construct new buildings to accommodate the proposed new production facilities, and also rehabilitate the existing processing structures;
- Procure and install new processing machinery and equipment;
- Strengthen transportation facilities for both inbound and outbound cargo;
- Increase production of processed (dried) fish maws by at least 50% in the next three years.

5.3 The Strategies to be Employed

In order to realize the planned expansion, the company will use the following strategies:

5.3.1 Construct processing buildings and sheds, and rehabilitation of existing ones.

- Procurement of new working tools, machinery and equipment
- Procurement and installation of Standby Electric Power Generator
- Procurement of utility vehicles a light truck, pickups (2 units) and delivery van for fish maws collection from the various areas around the lake.

5.3.3 Increase procurement and processing of fish maws (dried) from the current average of 4.0 tons per month to at least 6.0 tons in the next three years.

5.3.5 Ensure continuous specialized staff training and motivation throughout so as to maintain a local trained and dedicated work force.

5.4 Financial Aspects - Investment Costs

The company plans to invest about US\$ 525,000 as indicated under Appendix I & II of the Financial Projections section of this document. The main investment items are indicated in the same appendices which also show the implementation plan. The specific activities to be financed are:

5.4.1 Land and Buildings

Construction of processing buildings/sheds as well as office building, structures and civil works; and rehabilitating the existing factory building

A budget of US\$ 125,000 has been allocated for this item.

5.4.2 Plant, Machinery & Equipment

- Procurement of air compressors
- Procurement and installation of a refrigeration and other cold storage facilities
- Procurement and installation of Standby Electric Power Generator
- Procurement of processing tables, knives and all other necessary equipment for fish maws processing
- Fabrication and installation of fish maws drying facilities, including mesh ware (kichanja)

A budget of US\$ 245,000 has been set aside for this activity

5.4.3 Motor Vehicles and Tractors & Trailers

- 1 unit Light Trucks for fish maws collection around the lake
- 2 units Pickups for fish maws collection and general project activities
- 1 unit delivery van

The amount of US\$ 95,000 is considered adequate for this item.

5.5 Investment Summary and Financing Plan

The proposed project capital investment during the next three years is summarized as follows:

CAPITAL INVESTMENT SUMMARY (IN US\$)

CAPITAL ITEMS	2014/17
LAND AND BUILDINGS	125,000
WORKING TOOLS, MACHINERY, AND EQUIPMENT	305,000

MOTOR VEHICLES	95,000
GRAND TOTAL	525,000

Project Financing Plan:

The project promoters plan to finance the project cost estimated at US\$ 525,000 wholly (100%) by owners' equity

5.6 Sales Cost Assumptions

Using the abovementioned assumptions can be summarized to compute projected sales costs of sales as summarized in the form below:

BASIC ASSUMPTIONS	YEAR/SALES REVENUE				
	2015	2016	2017	2018	2019
Exchange Rate	1,600	1,600	1,600	1,600	1,600
Annual Requirement of Raw Fish Maws (Kgs)	96,000	120,000	144,000	144,000	144,000
AVERAGE ANNUAL PRODUCTION OF PROCESSED FISH MAWS (KGS)	48,000	60,000	72,000	72,000	72,000
AVERAGE SALES PRICE (US\$/KG) (CIF)	25	25	25	25	25
Average Cost of Raw Fish (US\$/Kg) Including levies and taxes	10	10	10	10	10
Packaging Materials (US\$/Kg)	0.15	0.15	0.15	0.15	0.15
Local Transportation to Dar es Salaam Port (US\$/Kg)	0.5	0.5	0.5	0.5	0.5
Freight (US\$/Kg)	1.0	1.0	1.0	1.0	1.0

5.7 Projected Sales Revenue and Direct Overheads

ITEM	YEAR/SALES REVENUE				
	2015	2016	2017	2018	2019
SALES REVENUE - FISH MAWS	1,200,000	1,500,000	1,800,000	1,800,000	1,800,000
DIRECT OVERHEAD COSTS					
Cost of Raw (Nile Perch)Fish Maws	960,000	1,200,000	1,440,000	1,440,000	1,400,000
Packaging Materials (export sales)	7,200	9,000	10,800	10,800	10,800
Local Transport (Mwanza/Dar Port)	24,000	30,000	36,000	36,000	36,000
Freight (ocean freight)	48,000	60,000	72,000	72,000	72,000
Salaries and Wages	19,200	24,000	28,800	28,800	28,800
Water	720	840	960	960	960
Electricity (including cost of Running Standby Power Generator)	1,440	1,800	2,160	2,160	2,160
Repairs & Maintenance	2,400	3,600	3,600	3,600	3,600
Motor Vehicle Running Expenses	8,250	8,250	8,250	8,250	8,250
Direct Marketing Costs	2,000	3,000	4,000	4,000	4,000
Insurance	2,200	3,000	3,600	3,600	3,600
TOTAL DIRECT OVERHEADS	1,075,410	1,343,490	1,610,170	1,610,170	1,610,170
GROSS PROFIT	124,590	156,510	189,830	189,830	189,830

6.0 FINANCIAL ANALYSIS

6.1 Financial Viability

The analysis of the proposed project shows that the project can generate a fairly good profit and that it generates sufficient cash to meet its financial obligations. The review is given below under the following sub - sections:

- Fundamental Assumptions
- Capital Expenditure and Financing
- Operating Costs;
- Working Capital Requirements
- Projected Profitability
- Projected Balance Sheets;
- Projected Cash Flow;
- Discounted Cash Flow
- Projected Balance Sheets;
- Net Present Value; and
- The Pay Back Period

6.2 Fundamental Assumptions

The preparation of the financial projections took into account the following main assumptions:

- 6.2.1 The operating period under which the viability of the project is being evaluated is 10 years.
- 6.2.2 The capital cost of the proposed project is US\$ 735,276
- | CAPITAL ITEM | CAPITAL INVESTMENT (IN US\$) |
|---|------------------------------|
| Buildings | 125,000 |
| Working Tools, Machinery, and Equipment | 305,000 |
| Motor Vehicles | 95,000 |
| TOTAL | 525,000 |
- 6.2.3 All the calculations throughout the economic lifetime of the project are constant with May 2014 being the base date
- 6.2.4 The projected direct operational costs are shown under Appendix V
- 6.2.5 The main revenue source is from export of Nile Perch fish maws. The price of processed and dried fish maws is US\$ 25 per kg (c&f).
- 6.2.6 The average cost of Nile Perch raw fish maws is US\$ 10 per kg, and this shrinks to half the weight after processing and drying, before export.
- 6.2.7 The company will employ 50 permanent staff and 80 collection agents
- 6.2.8 Packaging materials cost is estimated at US\$ 0.15 per kg
- 6.2.9 The agents and other suppliers of raw fish maws will be paid US\$ 10.0 per kg
- 6.2.10 The processed fish maws will be shipped in 20-foot containers, and each container will accommodate 4,000 kgs.
- 6.2.11 Local transportation from Mwanza to Dar es Salaam Port for a 20-foot container is estimated at US\$ 2000
- 6.2.12 Freight Dar es Salaam to Hong Kong is estimated at US\$ 1.0 per kg x 4000 kgs total freight charges US\$ 4,000 per load
- 6.2.13 Production is assumed to increase by 25% in year two of operation, and 20% in year three and remain in this level in all subsequent years after injecting capital of US\$ 525,000
- 6.2.14 Capital expenditure has been assumed to be incurred for a continuous period of 2 years.
- 6.2.15 The financial plan is for the shareholders to finance the project through own equity and profit plough back.

6.2.16 Economic depreciation rates based on useful lifetimes of the various capital items have been adopted. The following facts apply for the depreciation rates in this project:

- Building and Civil Works are depreciated at 5% Straight line. Most buildings are supposed to last for about 25 years.
- Equipment, Processing Machinery and Working Tools and Equipment 12.5% and therefore replacement is after 8 years. Scrap value is put at 35%.
- Utility Motor Vehicles are depreciated at 20% with scrap value estimated at 20%

The computation for depreciation is shown in the Depreciation and Amortization Schedule below:

DEPRECIATION AND AMORTIZATION SCHEDULE

CAPITAL ITEM	CAPITAL INVESTMEN	DEPR. RATE	SCRAP VALUE	DEPRECIATION			
				2014-20	2021-23	2024-25	
Buildings	250,000	5%	50%	6,250	6,250	6,250	
Plant, Machinery Equipment	195,000	12.5%	35%	15,844	15,844	0	
Motor Vehicles	110,000	20%	20%	17,600	0	0	
Furniture, Fixture	25,000	12.5%	15%	2,656	2,656	0	
Pre operational Expenses	20,000	20%	0%	4,000	0	0	
TOTAL	600,000			46,350	24,750	6,250	

6.2.17 Working Capital Requirements

Ideally, working capital requirements are directed by the volume and business tempo. Initial working capital is budgeted at US\$ 135,276.

6.2.18 Projected Profitability

The projected profit and loss account is shown in the *Income Statement* of the Financial Projections Schedules (Annex X). On the basis of the operating assumptions and cost the proposed investment is expected to be profitable right from the first year of operation. The after tax profits (US\$) are as follows:

YEAR	NET PROFIT	AS % OF SALES
1 st Year	28,075	2.34%
2 nd Year	41,465	2.76%
3 rd Year	64,396	3.58%

4 th Year	94,636	4.03%
10 th Year	120,099	6.67%

6.3 Cash Flow Projection

The liquidity performance of the project is shown under the *Financial Flows* of the Financial Projection Schedules. The projections take into account the assumed sources and applications of funds over the planned period and show the ability of the project to meet financial obligations and capital expenditure requirements.

Over the projected period of ten year the cumulative cash balance is US \$ 1,055,044.

6.4 Financial Review

The financial review of the proposed project shows that.

6.4.1 The project is profitable

6.4.2 The liquidity position is sound and that is should be able to meet its financial commitments without any undue difficulty as indicated in the Debt Service Schedule under the Financial Statements

6.4.3 The operations are financially viable

6.4.4 The key ratios are acceptable with Internal Rate of Return (IRR) at 18.30%, positive NPV Ratio of 1.15, Net Present Value of US\$ 840,942 and a Payback Period of 5.83 years at Normal Payback at zero discount rate, and 6.24 years at the Dynamic Payback at the assumed 2.5% discount rate (interest).

It is therefore recommended that the project should go ahead as conceived in this report.

6.5 Development Aspects

The following are the major economic and social benefits, which will be generated by the proposed project.

6.5.1 The raw material for production is Nile Perch fish maws will be purchased directly from local artisan fishermen and fish vendors in fish markets through company collection agents. The project will therefore create employment to a considerable number of local agents, and add value to the fish lungs which under normal circumstances would have been thrown away as wastes since they have no value/demand in the local market.

6.5.2 The project will create about 50 jobs out of which 15 will be permanent while 35 will be daily casual labourers/collectors.

- 6.5.3 Revenue to the government Treasury and other organs in the form of taxes, fees and levies
- 6.5.4 The project will generate a considerable amount of foreign exchange through the sale of fish maws in the export market.
- 6.5.5 The project personnel will benefit from training on fish maws processing skills

7.0 CONCLUSION AND RECOMMENDATIONS

The foregoing discussion highlights on the social, economic and financial dimensions which the envisaged expansion project is set to generate in this country. The brief financial analysis indicates that the project will be financially viable. Therefore, it is strongly recommended that the sponsors, M/s Honglin International Trade Development Co. Limited be availed the required institutional assistance so as to enable them implement the proposed Fish Maws Processing and Export Project.

FINANCIAL PROJECTIONS

				ANNEX I
				(IN US\$)
	PROJECT SUMMARY SHEET			
PROJECT TITLE	HONGLIN INTERNATIONAL TRADE DEVELOPMENT CO. LTD			
Project Description:	Processing and Packaging of Nile Perch Fish Maws for export to international markets - Expansionary Programme			
Project Classification:	New project			
Construction Phase:	4/14 - 12/14			
Length:	9 months			
Production Phase:	1/15 - 12/24			
Length:	10 years			
Accounting Currency:	United States Dollar (US\$)			
Units:	Absolute			
Local Currency:	TANZANIA SHILLING (Tshs)			
Exchange Rate:	1.0000 US\$ = 1,650 Tshs			
INVESTMENT COSTS				
	Total construction	Total production	Total investment	
Total fixed investment costs	580,000.00	0	580,000.00	
Total pre-production expenditures	20,000.00	0	20,000.00	
Increase in net working capital	0	135,276.98	135,276.98	
TOTAL INVESTMENT COSTS	600,000.00	135,276.98	735,276.98	
SOURCES OF FINANCE				
	Total construction	Total production	Total inflow	
Total equity capital	600,000.00	0	600,000.00	
Total long-term loans	0	0	0	
Accounts payable	0	135,572.19	135,572.19	
TOTAL SOURCES OF FINANCE	600,000.00	135,572.19	735,572.19	
INCOME AND COSTS, OPERATIONS				
	First year 15	Reference year 15	Last year 24	
SALES REVENUE	1,200,000.00	1,200,000.00	1,800,000.00	
Factory Costs	995,200.00	995,200.00	1,492,480.00	
Administrative overhead costs	82,450.00	82,450.00	119,850.00	
OPERATING COSTS	1,077,650.00	1,077,650.00	1,612,330.00	
Depreciation	45,725.00	45,725.00	6,250.00	
TOTAL PRODUCTION COSTS	1,123,375.00	1,123,375.00	1,618,580.00	
Marketing costs	2,200.00	2,200.00	3,600.00	
COSTS OF PRODUCTS	1,125,575.00	1,125,575.00	1,622,180.00	
GROSS PROFIT FROM OPERATIONS	74,425.00	74,425.00	177,820.00	
Depreciation allowances	46,350.00	46,350.00	6,250.00	
GROSS PROFIT	28,075.00	28,075.00	171,570.00	
Investment allowances	152,500.00	152,500.00	0	
TAXABLE PROFIT	0	0	171,570.00	
Income (corporate) tax	0	0	51,471.00	
NET PROFIT	28,075.00	28,075.00	120,099.00	
RATIOS				
Net Present Value of Total Capital Invested	at 2.50%	840,942.97		
Internal rate of return on investment (IRR)	18.30%			
Modified IRR on investment	18.30%			
Net Present Value of Total Equity Capital Invested	at 2.50%	840,942.97		
Internal rate of return on equity (IRRE)	18.30%			
Modified IRRE on equity	18.30%			

				ANNEX II
	FIXED CAPITAL INVESTMENT			(IN US\$)
	Total construction	Total production	Construction 4/14-12/14	Production 15
Civil works, structures and buildings	250,000.00	0	250,000.00	0
Machinery, tools and equipment	195,000.00	0	195,000.00	0
Motor Vehicles	110,000.00	0	110,000.00	0
Furniture and Office Equipment	25,000.00	0	25,000.00	0
TOTAL FIXED INVESTMENT COSTS	580,000.00	0	580,000.00	0

				ANNEX III
	PRE-PRODUCTION EXPENSES			(IN US\$)
	Total construction	Total production	Construction 4/14-12/14	Production 15
Company formation, fees etc.	4,000.00	0	4,000.00	0
Licenses, Permits and Authorizations	4,000.00	0	4,000.00	0
Recruitment and Training of Key Staff	4,000.00	0	4,000.00	0
Pe-production Supplies	8,000.00	0	8,000.00	0
Pre-production expenditures (net of interest)	20,000.00	0	20,000.00	0
TOTAL PRE-PRODUCTION EXPENDITURES	20,000.00	0	20,000.00	0

											ANNEX IV
	WORKING CAPITAL REQUIREMENTS										
	(IN US\$)										
	Production 15	Production 16	Production 17	Production 18	Production 19	Production 20	Production 21	Production 22	Production 23	Production 24	
Total inventory	137,321.98	171,607.67	205,776.01	205,776.01	205,776.01	205,776.01	205,776.01	205,776.01	205,776.01	205,776.01	
Accounts receivable	41,994.17	52,449.06	62,841.72	62,841.72	62,841.72	62,841.72	62,841.72	62,841.72	62,841.72	62,841.72	
Cash-in-hand	902.416667	1,117.08	1,320.08	1,320.08	1,320.08	1,320.08	1,320.08	1,320.08	1,320.08	1,320.08	
CURRENT ASSETS	180,218.56	225,173.81	269,937.81	269,937.81	269,937.81	269,937.81	269,937.81	269,937.81	269,937.81	269,937.81	
Accounts payable	93,633.82	113,302.19	135,572.19	134,660.83	134,660.83	134,660.83	134,660.83	134,660.83	134,660.83	134,660.83	
CURRENT LIABILITIES	93,633.82	113,302.19	135,572.19	134,660.83	134,660.83	134,660.83	134,660.83	134,660.83	134,660.83	134,660.83	
TOTAL NET WORKING CAPITAL REQUIREMENT	86,584.74	111,871.63	134,365.63	135,276.98	135,276.98	135,276.98	135,276.98	135,276.98	135,276.98	135,276.98	
INCREASE IN NET WORKING CAPITAL	86,584.74	25,286.88	22,494.00	911.354167	0	0	0	0	0	0	

								ANNEX V
TOTAL CAPITAL INVESTMENT								(IN US\$)
	Total construction	Total production	Construction 4/14-12/14	Production 15	Production 16	Production 17	Production 18	Production 19
Total fixed investment costs	580,000.00	0	580,000.00	0	0	0	0	0
Total pre-production expenditures	20,000.00	0	20,000.00	0	0	0	0	0
Increase in net working capital	0	135,276.98	0	86,584.74	25,286.88	22,494.00	911.354167	0
TOTAL INVESTMENT COSTS	600,000.00	135,276.98	600,000.00	86,584.74	25,286.88	22,494.00	911.354167	0

ANNEX VI										
ANNUAL PRODUCTION COSTS										
(IN US\$)										
	Production 15	Production 16	Production 17	Production 18	Production 19	Production 20	Production 21	Production 22	Production 23	Production 24
Raw Materials/Raw Fish Maws	960,000.00	1,200,000.00	1,440,000.00	1,440,000.00	1,440,000.00	1,440,000.00	1,440,000.00	1,440,000.00	1,440,000.00	1,440,000.00
Factory supplies/Packaging Materials	7,200.00	9,000.00	10,800.00	10,800.00	10,800.00	10,800.00	10,800.00	10,800.00	10,800.00	10,800.00
Water	720	840	960	960	960	960	960	960	960	960
Electricity & Power Generator Operating Costs	1,440.00	1,800.00	2,160.00	2,160.00	2,160.00	2,160.00	2,160.00	2,160.00	2,160.00	2,160.00
Repairs and Maintenance	2,400.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00
Labour	19,200.00	24,000.00	28,800.00	28,800.00	28,800.00	28,800.00	28,800.00	28,800.00	28,800.00	28,800.00
<i>Skilled labour</i>	11,520.00	14,400.00	17,280.00	17,280.00	17,280.00	17,280.00	17,280.00	17,280.00	17,280.00	17,280.00
<i>Unskilled labour</i>	7,680.00	9,600.00	11,520.00	11,520.00	11,520.00	11,520.00	11,520.00	11,520.00	11,520.00	11,520.00
Labour overhead costs (taxes etc.)	3,840.00	4,800.00	5,760.00	5,760.00	5,760.00	5,760.00	5,760.00	5,760.00	5,760.00	5,760.00
Factory overhead costs	400	400	400	400	400	400	400	400	400	400
<i>Rents, leasing costs</i>	400	400	400	400	400	400	400	400	400	400
FACTORY COSTS	995,200.00	1,244,440.00	1,492,480.00	1,492,480.00	1,492,480.00	1,492,480.00	1,492,480.00	1,492,480.00	1,492,480.00	1,492,480.00
Administrative costs	82,450.00	101,250.00	119,850.00	119,850.00	119,850.00	119,850.00	119,850.00	119,850.00	119,850.00	119,850.00
<i>Insurance</i>	2,200.00	3,000.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00
<i>Local Transport (Mwanza/Dar Port)</i>	24,000.00	30,000.00	36,000.00	36,000.00	36,000.00	36,000.00	36,000.00	36,000.00	36,000.00	36,000.00
<i>Ocen Freight Charges</i>	48,000.00	60,000.00	72,000.00	72,000.00	72,000.00	72,000.00	72,000.00	72,000.00	72,000.00	72,000.00
<i>Motor Vehicle Running Expenses</i>	8,250.00	8,250.00	8,250.00	8,250.00	8,250.00	8,250.00	8,250.00	8,250.00	8,250.00	8,250.00
OPERATING COSTS	1,077,650.00	1,345,690.00	1,612,330.00	1,612,330.00	1,612,330.00	1,612,330.00	1,612,330.00	1,612,330.00	1,612,330.00	1,612,330.00
Depreciation	45,725.00	45,725.00	45,725.00	45,725.00	45,725.00	24,125.00	24,125.00	24,125.00	6,250.00	6,250.00
TOTAL PRODUCTION COSTS	1,123,375.00	1,391,415.00	1,658,055.00	1,658,055.00	1,658,055.00	1,636,455.00	1,636,455.00	1,636,455.00	1,618,580.00	1,618,580.00
Direct marketing costs	2,200.00	3,000.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00
COSTS OF PRODUCTS	1,125,575.00	1,394,415.00	1,661,655.00	1,661,655.00	1,661,655.00	1,640,055.00	1,640,055.00	1,640,055.00	1,622,180.00	1,622,180.00

							ANNEX VII
SOURCES OF FINANCE - FINANCIAL FLOWS							(IN US\$)
	Total inflow	Construction 4/14-12/14	Production 15	Production 16	Production 17	Production 18	Production 19
Total equity capital	600,000.00	600,000.00	0	0	0	0	0
Total long-term loans	0	0	0	0	0	0	0
TOTAL LONG-TERM FINANCE	600,000.00	600,000.00	0	0	0	0	0
Total short-term finance (Accounts Patable)	135,572.19	0	93,633.82	19,668.37	22,270.00	-911.354167	0
TOTAL FINANCIAL FLOW	735,572.19	600,000.00	93,633.82	19,668.37	22,270.00	-911.354167	0

												ANNEX VIII
CASH FLOW FOR FINANCIAL PLANNING												(IN US\$)
	Construction 4/14-12/14	Production 15	Production 16	Production 17	Production 18	Production 19	Production 20	Production 21	Production 22	Production 23	Production 24	
TOTAL CASH INFLOW	600,000.00	1,293,633.82	1,519,668.37	1,822,270.00	1,800,000.00	1,800,000.00	1,800,000.00	1,800,000.00	1,800,000.00	1,800,000.00	1,800,000.00	
Inflow funds	600,000.00	93,633.82	19,668.37	22,270.00	0	0	0	0	0	0	0	
<i>Total equity capital</i>	600,000.00	0	0	0	0	0	0	0	0	0	0	
<i>Total long-term loans</i>	0	0	0	0	0	0	0	0	0	0	0	
<i>Total short-term finance</i>	0	93,633.82	19,668.37	22,270.00	0	0	0	0	0	0	0	
Inflow operation	0	1,200,000.00	1,500,000.00	1,800,000.00	1,800,000.00	1,800,000.00	1,800,000.00	1,800,000.00	1,800,000.00	1,800,000.00	1,800,000.00	
<i>Sales revenue</i>	0	1,200,000.00	1,500,000.00	1,800,000.00	1,800,000.00	1,800,000.00	1,800,000.00	1,800,000.00	1,800,000.00	1,800,000.00	1,800,000.00	
TOTAL CASH OUTFLOW	600,000.00	1,260,068.56	1,411,415.75	1,688,292.50	1,666,978.63	1,666,067.28	1,689,611.28	1,689,611.28	1,689,611.28	1,709,435.65	1,709,435.65	
Increase in fixed assets	600,000.00	0	0	0	0	0	0	0	0	0	0	
<i>Fixed investments</i>	580,000.00	0	0	0	0	0	0	0	0	0	0	
<i>Pre-production expenditures (net of interest)</i>	20,000.00	0	0	0	0	0	0	0	0	0	0	
Increase in current assets	0	180,218.56	44,955.25	44,764.00	0	0	0	0	0	0	0	
Operating costs	0	1,077,650.00	1,345,690.00	1,612,330.00	1,612,330.00	1,612,330.00	1,612,330.00	1,612,330.00	1,612,330.00	1,612,330.00	1,612,330.00	
Marketing costs	0	2,200.00	3,000.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	
Income (corporate) tax	0	0	17,770.50	27,598.50	27,598.50	27,598.50	40,558.50	40,558.50	40,558.50	51,471.00	51,471.00	
Financial costs	0	0	0	0	0	0	0	0	0	0	0	
Loan repayment	0	0	0	0	911,354.167	0	0	0	0	0	0	
Dividends	0	0	0	0	22,538.78	22,538.78	33,122.78	33,122.78	33,122.78	42,034.65	42,034.65	
SURPLUS (DEFICIT)	0	33,565.26	108,252.62	133,977.50	133,021.37	133,932.73	110,388.73	110,388.73	110,388.73	90,564.35	90,564.35	
CUMULATIVE CASH BALANCE	0	33,565.26	141,817.88	275,795.38	408,816.75	542,749.47	653,138.20	763,526.92	873,915.65	964,480.00	1,055,044.35	
Net flow of funds	600,000.00	93,633.82	19,668.37	22,270.00	-23,450.13	-22,538.78	-33,122.78	-33,122.78	-33,122.78	-42,034.65	-42,034.65	

											ANNEX X
INCOME STATEMENT											
(IN US\$)											
	Production 15	Production 16	Production 17	Production 18	Production 19	Production 20	Production 21	Production 22	Production 23	Production 24	
Sales revenue	1,200,000.00	1,500,000.00	1,800,000.00	1,800,000.00	1,800,000.00	1,800,000.00	1,800,000.00	1,800,000.00	1,800,000.00	1,800,000.00	
Less variable costs	1,079,850.00	1,348,690.00	1,615,930.00	1,615,930.00	1,615,930.00	1,615,930.00	1,615,930.00	1,615,930.00	1,615,930.00	1,615,930.00	
Material	969,360.00	1,211,640.00	1,453,920.00	1,453,920.00	1,453,920.00	1,453,920.00	1,453,920.00	1,453,920.00	1,453,920.00	1,453,920.00	
Personnel	23,040.00	28,800.00	34,560.00	34,560.00	34,560.00	34,560.00	34,560.00	34,560.00	34,560.00	34,560.00	
Marketing (except personnel)	2,200.00	3,000.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	3,600.00	
Other variable costs	85,250.00	105,250.00	123,850.00	123,850.00	123,850.00	123,850.00	123,850.00	123,850.00	123,850.00	123,850.00	
VARIABLE MARGINAL COST	120,150.00	151,310.00	184,070.00	184,070.00	184,070.00	184,070.00	184,070.00	184,070.00	184,070.00	184,070.00	
in % of sales revenue	10.0125	10.087333	10.226111	10.226111	10.226111	10.226111	10.226111	10.226111	10.226111	10.226111	
Less fixed costs	45,725.00	45,725.00	45,725.00	45,725.00	45,725.00	24,125.00	24,125.00	24,125.00	6,250.00	6,250.00	
Depreciation	45,725.00	45,725.00	45,725.00	45,725.00	45,725.00	24,125.00	24,125.00	24,125.00	6,250.00	6,250.00	
OPERATIONAL PROFIT	74,425.00	105,585.00	138,345.00	138,345.00	138,345.00	159,945.00	159,945.00	159,945.00	177,820.00	177,820.00	
in % of sales revenue	6.202083	7.039	7.685833	7.685833	7.685833	8.885833	8.885833	8.885833	9.878889	9.878889	
GROSS PROFIT	74,425.00	105,585.00	138,345.00	138,345.00	138,345.00	159,945.00	159,945.00	159,945.00	177,820.00	177,820.00	
in % of sales revenue	6.202083	7.039	7.685833	7.685833	7.685833	8.885833	8.885833	8.885833	9.878889	9.878889	
Depreciation allocated	46,350.00	46,350.00	46,350.00	46,350.00	46,350.00	24,750.00	24,750.00	24,750.00	6,250.00	6,250.00	
GROSS PROFIT	28,075.00	59,235.00	91,995.00	91,995.00	91,995.00	135,195.00	135,195.00	135,195.00	171,570.00	171,570.00	
Investment allowance	152,500.00	0	0	0	0	0	0	0	0	0	
TAXABLE PROFIT	0	59,235.00	91,995.00	91,995.00	91,995.00	135,195.00	135,195.00	135,195.00	171,570.00	171,570.00	
Income (corporation)	0	17,770.50	27,598.50	27,598.50	27,598.50	40,558.50	40,558.50	40,558.50	51,471.00	51,471.00	
NET PROFIT	28,075.00	41,464.50	64,396.50	64,396.50	64,396.50	94,636.50	94,636.50	94,636.50	120,099.00	120,099.00	
in % of sales revenue	2.339583	2.7643	3.577583	3.577583	3.577583	5.257583	5.257583	5.257583	6.672167	6.672167	
Dividends	0	0	0	22,538.78	22,538.78	33,122.78	33,122.78	33,122.78	42,034.65	42,034.65	
RETAINED PROFITS	28,075.00	41,464.50	64,396.50	41,857.73	41,857.73	61,513.73	61,513.73	61,513.73	78,064.35	78,064.35	
RATIOS											
Net profit to equity	4.679167	6.91075	10.73275	10.73275	10.73275	15.77275	15.77275	15.77275	20.0165	20.0165	
Net profit to net assets	4.470008	6.192988	8.77413	8.300725	7.875789	10.764359	10.060447	9.442945	11.117632	10.368366	
Net profit+interest to net assets	4.08908	5.824716	8.768997	8.758128	8.758128	12.870864	12.870864	12.870864	16.333845	16.333845	

										ANNEX XI
BREAK-EVEN ANALYSIS										(IN US\$)
	Production 15	Production 16	Production 17	Production 18	Production 19	Production 20	Production 21	Production 22	Production 23	Production 24
Sales revenue	1,200,000.00	1,500,000.00	1,800,000.00	1,800,000.00	1,800,000.00	1,800,000.00	1,800,000.00	1,800,000.00	1,800,000.00	1,800,000.00
Variable costs	1,079,850.00	1,348,690.00	1,615,930.00	1,615,930.00	1,615,930.00	1,615,930.00	1,615,930.00	1,615,930.00	1,615,930.00	1,615,930.00
Variable margin	120,150.00	151,310.00	184,070.00	184,070.00	184,070.00	184,070.00	184,070.00	184,070.00	184,070.00	184,070.00
Variable margin ratio (%)	10.0125	10.087333	10.226111	10.226111	10.226111	10.226111	10.226111	10.226111	10.226111	10.226111
Including cost of finance										
Fixed costs	45,725.00	45,725.00	45,725.00	45,725.00	45,725.00	24,125.00	24,125.00	24,125.00	6,250.00	6,250.00
Financial costs	0	0	0	0	0	0	0	0	0	0
Break-even sales value	456,679.15	453,291.26	447,139.68	447,139.68	447,139.68	235,915.68	235,915.68	235,915.68	61,118.05	61,118.05
Break-even ratio (%)	38.056596	30.219417	24.841093	24.841093	24.841093	13.106427	13.106427	13.106427	3.395447	3.395447
Fixed costs coverage ratio	2.627665	3.309131	4.025588	4.025588	4.025588	7.629845	7.629845	7.629845	29.4512	29.4512
Excluding cost of finance										
Fixed costs	45,725.00	45,725.00	45,725.00	45,725.00	45,725.00	24,125.00	24,125.00	24,125.00	6,250.00	6,250.00
Break-even sales value	456,679.15	453,291.26	447,139.68	447,139.68	447,139.68	235,915.68	235,915.68	235,915.68	61,118.05	61,118.05
Break-even ratio (%)	38.056596	30.219417	24.841093	24.841093	24.841093	13.106427	13.106427	13.106427	3.395447	3.395447
Fixed costs coverage ratio	2.627665	3.309131	4.025588	4.025588	4.025588	7.629845	7.629845	7.629845	29.4512	29.4512

											ANNEX XII
PROJECTED BALANCE SHEET											(IN US\$)
	4/14-12/14	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
TOTAL ASSETS	600,000.00	721,708.82	782,841.69	869,508.19	910,454.56	952,312.28	1,013,826.01	1,075,339.73	1,136,853.46	1,214,917.81	1,292,982.16
Total current assets	0	213,783.82	366,991.69	545,733.19	678,754.56	812,687.28	923,076.01	1,033,464.73	1,143,853.46	1,234,417.81	1,324,982.16
Inventory on materials & supplies	0	43,755.83	54,692.08	65,628.33	65,628.33	65,628.33	65,628.33	65,628.33	65,628.33	65,628.33	65,628.33
Work in progress	0	44,922.22	56,172.64	67,368.89	67,368.89	67,368.89	67,368.89	67,368.89	67,368.89	67,368.89	67,368.89
Finished product	0	48,643.92	60,742.95	72,778.78	72,778.78	72,778.78	72,778.78	72,778.78	72,778.78	72,778.78	72,778.78
Accounts receivable	0	41,994.17	52,449.06	62,841.72	62,841.72	62,841.72	62,841.72	62,841.72	62,841.72	62,841.72	62,841.72
Cash-in-hand	0	902.416667	1,117.08	1,320.08	1,320.08	1,320.08	1,320.08	1,320.08	1,320.08	1,320.08	1,320.08
Cash surplus, finance available	0	33,565.26	141,817.88	275,795.38	408,816.75	542,749.47	653,138.20	763,526.92	873,915.65	964,480.00	1,055,044.35
Total fixed assets, net of depreciation	600,000.00	507,925.00	415,850.00	323,775.00	231,700.00	139,625.00	90,750.00	41,875.00	-7,000.00	-19,500.00	-32,000.00
Fixed investments	0	580,000.00	580,000.00	580,000.00	580,000.00	580,000.00	580,000.00	580,000.00	580,000.00	580,000.00	580,000.00
Construction in progress	580,000.00	0	0	0	0	0	0	0	0	0	0
Total pre-production expenditures	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00
Less accumulated depreciation	0	45,725.00	91,450.00	137,175.00	182,900.00	228,625.00	252,750.00	276,875.00	301,000.00	307,250.00	313,500.00
Less depreciation allowance	0	46,350.00	92,700.00	139,050.00	185,400.00	231,750.00	256,500.00	281,250.00	306,000.00	312,250.00	318,500.00
Accumulated losses brought forward	0	0	0	0	0	0	0	0	0	0	0
Loss in current year	0	0	0	0	0	0	0	0	0	0	0
TOTAL LIABILITIES	600,000.00	721,708.82	782,841.69	869,508.19	910,454.56	952,312.28	1,013,826.01	1,075,339.73	1,136,853.46	1,214,917.81	1,292,982.16
Total current liabilities	0	93,633.82	113,302.19	135,572.19	134,660.83	134,660.83	134,660.83	134,660.83	134,660.83	134,660.83	134,660.83
Accounts payable	0	93,633.82	113,302.19	135,572.19	134,660.83	134,660.83	134,660.83	134,660.83	134,660.83	134,660.83	134,660.83
Total long-term debt	0	0	0	0	0	0	0	0	0	0	0
Total equity capital	600,000.00	600,000.00	600,000.00	600,000.00	600,000.00	600,000.00	600,000.00	600,000.00	600,000.00	600,000.00	600,000.00
Reserves, retained profit brought forward	0	0	28,075.00	69,539.50	133,936.00	175,793.73	217,651.45	279,165.18	340,678.90	402,192.63	480,256.98
Retained profit	0	28,075.00	41,464.50	64,396.50	41,857.73	41,857.73	61,513.73	61,513.73	61,513.73	78,064.35	78,064.35
Net worth	600,000.00	628,075.00	669,539.50	733,936.00	775,793.73	817,651.45	879,165.18	940,678.90	1,002,192.63	1,080,256.98	1,158,321.33
RATIOS											
Equity to total liabilities (%)	100	83.136022	76.643849	69.004526	65.901147	63.004543	59.181753	55.79632	52.777251	49.386057	46.404353
Net worth to total liabilities (%)	100	87.026095	85.526807	84.408176	85.209494	85.859593	86.71756	87.477368	88.154952	88.916054	89.585252
Long-term debt to net worth	0	0	0	0	0	0	0	0	0	0	0
Current assets to current liabilities	0	2.28319	3.239052	4.025407	5.040475	6.035068	6.854822	7.674576	8.494329	9.166866	9.839403

