

BUSINESS PLAN

FOR

MANUFACTURING AND SALES OF
PLASTIC , PVC PIPES
AND
PP-R PIPES

Prepared By:

ZHONGXING INDUSTRIAL COMPANY LIMITED

P.O.BOX 25630

DAR ES SALAAM

TANZANIA

EXECUTIVE SUMMARY

Company & Project Concept:

ZHONGXING INDUSTRIAL COMPANY LIMITED is limited Company incorporated in Tanzania under the Company act of 2002. The Company was incorporated on 6th March, 2025 and bears Certificate of Incorporation No. 182943363.

ZHONGXING INDUSTRIAL COMPANY LIMITED will be located in PWANI region, Kibaha district, Miwaleni ward, PLOT 262, BLOCK L. Our goals and objectives are straightforward and seek to ensure we run a professional, profitable and ethical company, building relationships with customers, suppliers and investors.

The shareholders of ZHONGXING INDUSTRIAL COMPANY LIMITED are;

NAMES OF SHAREHOLDERS	NATIONALITY	SHARES%
YE NAIHUI	CHINESE	61
LIN WEICAI	CHINESE	15
WU WENJIE	CHINESE	15
ZHOU XUEYUN	CHINESE	9

Vision Statement

To be a leading and sustainable manufacturer of high-quality plastics and PVC products in East Africa, driving industrial growth, innovation, and environmental responsibility in Tanzania and beyond.

Mission Statement

Our mission is to manufacture reliable, affordable, and eco-friendly plastic and PVC solutions that meet the needs of Tanzania's construction, agricultural, and industrial sectors. We are committed to local job creation, import substitution, and environmental stewardship through the adoption of modern technologies and recycling practices.

1. PROJECT BACKGROUND

Tanzania, like many developing economies, is experiencing rapid growth in infrastructure, construction, agriculture, and manufacturing sectors. This growth has spurred an increasing demand for durable and cost-effective materials such as plastics and PVC (polyvinyl chloride). Plastics and PVC products are widely used in everyday applications including packaging, piping, construction materials, household items, and agricultural tools. Despite this high demand, much of the country's plastic and PVC products are still imported, which contributes to trade imbalances and higher costs for local consumers.

The proposed project aims to establish a plastic and PVC manufacturing facility in Pwani Region, a strategically located area along Tanzania's eastern corridor. Pwani offers close proximity to Dar es Salaam, the largest commercial city and port in the country, and provides access to key transportation networks and labor markets. This location is ideal for logistics, raw material supply chains, and distribution to regional markets.

The establishment of this manufacturing plant will support local industrialization efforts, contribute to job creation, reduce import dependency, and promote the use of locally available raw materials where applicable. Moreover, the project aligns with Tanzania's *Vision 2025* and *Industrialization Agenda*, which prioritize value addition, manufacturing growth, and sustainable development.

This initiative also provides an opportunity to integrate environmentally sustainable practices such as recycling plastic waste, contributing to the circular economy and minimizing the environmental impact of plastic production.

In summary, the manufacture of plastics and PVC in Pwani is both economically strategic and socially beneficial, and it represents a timely investment in Tanzania's industrial future.

2. PROJECT GOALS AND OBJECTIVES:

In Summary ZHONGXING INDUSTRIAL COMPANY LIMITED aims to:

- ❖ Provide high quality and durable piping solutions. That is the manufacture of pipes that meet Tanzania Bureau of Standards (TBS) and international quality standards.
- ❖ To support Tanzania's infrastructure and Water Supply Goals. That is to supply affordable and reliable piping materials for government and NGOs and contribute to the national water, sanitation, and irrigation projects.
- ❖ To promote Industrial growth in Tanzania, particularly Pwani Region.
- ❖ To generate local employment Opportunities in production, logistics, sales and administration.
- ❖ To capture Market share in the East African Region by meeting the growing demand for construction and agricultural piping in Tanzania, Kenya, Uganda and Rwanda.
- ❖ Ensure Cost Efficient and Scalability
- ❖ To promote Environmental Sustainability.
- ❖ To establish a strong and reliable Distribution Network by partnering with hardware dealers, building supply stores and construction firms.
- ❖ To achieve financial viability and long-term profitability by reaching a break-even point within the first 3-4 years of operation. This entails the generation of steady revenue growth and reinvest in technology and workforce.
- ❖ To build a Recognizable and trusted Brand.

Purpose of the Business Plan:

This document is prepared to serve the purpose as a Pre-feasibility study report for ZHONGXING INDUSTRIAL COMPANY LIMITED for investment in Manufacturing sector in Dar es Salaam Region. But also, the Pre-feasibility study report shall be submitted to TIC for an award of Certificate of Incentives.

- ❖ Define the Business Vision and Mission

To clearly outline the company's goals, values, and long-term vision of becoming a leading supplier of plastic and PVC piping solutions in Tanzania and the East African region.

- ❖ Guide Strategic Decision-Making

To provide a structured framework for operational, financial, and marketing decisions, ensuring the business is built on a sound foundation with measurable objectives.

- ❖ Secure Funding and Investment

To present a compelling financial case to potential investors, banks, or government agencies by detailing the startup capital required, 5-year financial projections, return on investment (ROI), and risk mitigation strategies.

- ❖ Assess Market Potential and Positioning

To analyze the demand for plastic and PVC pipes in Tanzania, evaluate the competitive landscape, and outline a plan for capturing and retaining market share.

- ❖ Plan Production and Operations

To map out the manufacturing process, equipment needs, factory setup in Kibaha, staffing requirements, and logistics infrastructure needed for efficient production and distribution.

- ❖ Outline a Sales and Marketing Strategy

To develop a marketing approach that promotes the brand, builds partnerships, and drives sales across construction, agriculture, and infrastructure sectors.

- ❖ Forecast Financial Performance

To estimate future revenue, costs, profits, and capital needs using detailed 5-year profit & loss and equity projections, enabling financial planning and monitoring.

- ❖ **Mitigate Risks and Prepare for Challenges**
To identify potential business risks (e.g. raw material prices, regulatory delays, competition) and provide strategies for minimizing and managing those risks.
- ❖ **Align Stakeholders and Team**
To ensure that founders, managers, employees, and partners share a clear understanding of the company's objectives, structure, and roadmap to success.
- ❖ **Facilitate Regulatory and Legal Compliance**
To support licensing, registration, environmental clearance, and tax compliance by documenting the business structure and operations professionally.

Purpose Of the Project:

This document is prepared to serve the purpose as a feasibility study for ZHONGXING INDUSTRIAL COMPANY LIMITED for establishment of the Manufacturing Company. Purpose of the project includes the following: -

- ❖ **Support Infrastructure Development**

To provide locally manufactured pipes for use in water supply systems, sanitation projects, construction, and agricultural irrigation—supporting Tanzania's national development priorities and SDG goals.
- ❖ **Reduce Dependence on Imported Products**

To lower the cost and lead time of acquiring plastic and PVC pipes by producing them locally, ensuring supply stability for government projects and private developers.
- ❖ **Create Employment and Skills Development**

To generate job opportunities for the local population, particularly youth in Kibaha and surrounding communities, while also offering training in manufacturing and industrial operations.
- ❖ **Stimulate Industrial Growth in the Pwani Region**

To contribute to the regional economy by setting up a modern industrial operation in the Miwaleni area, enhancing the region's role as a manufacturing hub.

- ❖ Promote Sustainable and Cost-Effective Solutions

To produce durable, environmentally friendly piping systems that meet national and international standards while maintaining affordability for consumers.

- ❖ Achieve Financial and Business Growth

To build a commercially viable business that achieves steady revenue growth, profitability, and potential for expansion into regional markets (e.g., Kenya, Uganda, Rwanda).

- ❖ Support National Goals in Water Access and Agriculture

To align with initiatives by the Tanzanian government and development partners in expanding access to clean water, improving irrigation, and modernizing infrastructure.

Summary of Expected Results;

At the end, the project is expected to achieve the following: -

- ❖ Import modern machine in warehouses to accommodate manufacturing process and introduce new technology in Tanzania
- ❖ Increase 20 direct employment opportunities.
- ❖ Increase tax contributed to the government
- ❖ Generate foreign currency.

THE PROJECT PROMOTERS.

The project will be managed and operated by ZHONGXING INDUSTRIAL COMPANY LIMITED which is owned by Chinese nationals from China with the following share distribution.

NAME SHAREHOLDERS	OF	NATIONALITY	SHARES%
YE NAIHUI		CHINESE	61
LIN WEICAI		CHINESE	15
WU WENJIE		CHINESE	15
ZHOU XUEYUN		CHINESE	9

Company Legality:

The legal certificates and documents such as Memorandum and Articles of Association, Certificate of Incorporation, Tax Identification Number. Justify that ZHONGXING INDUSTRIAL COMPANY LIMITED is operating within the ambit of the law of the Land.

Investment Structure:

The project is estimated to cost \$3,500,000 the money covers building structures but also allocated fund include investment in, building structure, Machineries and Equipment, furniture and fittings, pre-expenses and working Capital. The equity contributed by the shareholders is \$3,500,000 equivalent to 100%. However, a financial policy of the Company state that the profits generated will be re-invested.

Forecasted financial Information, Financial information of ZHONGXING INDUSTRIAL COMPANY LIMITED is projected within five years. The company projected profit and loss account show a respectable turnover (for refence you shall see on the last page).

3. MARKET ANALYSIS

3.1 Industry Overview

The plastic ,PVC AND PP-R PIPES manufacturing industry in Tanzania is undergoing steady growth, driven by expanding construction, infrastructure development, agriculture, and consumer demand. Plastics are used in a wide range of applications from packaging and household items to water pipes and electrical conduits while PVC is especially dominant in the production of pipes for water supply, sewage systems, irrigation, and construction materials.

Tanzania currently imports a significant portion of its plastic and PVC products, despite the growing need for localized and affordable alternatives. Government policies under the Tanzania Development Vision 2025 and Blueprint for Regulatory Reforms aim to promote domestic manufacturing, reduce import dependency, and boost industrialization.

The Pwani Region, with its strategic location near Dar es Salaam, the Port of Dar es Salaam, and key transportation networks, provides an ideal environment for plastic and PVC manufacturing. It is also part of the government's industrial corridor plans, including the development of the Kwala Inland Container Depot (ICD) and industrial zones to support manufacturing and logistics.

3.2 Target Market

The target market for plastic and PVC products in Tanzania includes multiple high-demand sectors:

- ❖ Construction Industry

Demand for PVC pipes, roofing sheets, electrical conduits, insulation, and fittings. Driven by residential, commercial, and public infrastructure projects.

- ❖ Agriculture

Use of PVC pipes for irrigation systems, water storage, and greenhouse construction. Smallholder and commercial farms across Pwani and neighboring regions represent a significant demand base.

- ❖ Utilities and Government Projects

Water and sanitation infrastructure funded by government and donor agencies rely on PVC piping. Government tenders for public housing and utility systems create large bulk orders.

- ❖ Consumer Goods

Household plastics: buckets, basins, storage containers, chairs, etc. Packaging materials for food, beverages, and retail products.

❖ Export Markets

Potential to supply plastic and PVC products to landlocked neighboring countries such as Zambia, Malawi, Rwanda, and the Democratic Republic of Congo (DRC), using Tanzania's port and inland transport network.

3.3 Competition

The Tanzanian plastics and PVC industry is moderately competitive, with a few large players and many small to mid-sized manufacturers.

Key Competitors (mostly based in Dar es Salaam and surrounding areas):

- Simba Plastics Ltd
- DPI Simba Ltd
- Tanzania Plastics Ltd
- Plasco Ltd
- Polytank Tanzania
- Kiboko Plastics

Competitive Landscape:

- Most established players benefit from economies of scale, established distribution channels, and brand recognition.
- However, many lack capacity to serve the full domestic demand, especially in fast-growing regions like Pwani.
- Smaller manufacturers often struggle with quality control and rely on imported raw materials.

3.4 Competitive Advantage.

Zhongxing Company Ltd can achieve a strong market position through the following strategic advantages:

a. Strategic Location

- Operating in Pwani gives access to Dar es Salaam port, regional transportation networks, and the growing local market.
- Close proximity to large urban centers and industrial zones reduces logistics costs.

b. Technology and Efficiency

- Introducing modern, energy-efficient machinery and production lines can reduce waste and enhance product quality.
- Automation and lean manufacturing practices offer cost competitiveness over traditional players.

c. Product Quality and Range

- Offering a wider and more durable range of plastic and PVC products customized for Tanzanian conditions.
- ISO or local quality certifications can be leveraged as a competitive differentiator.

d. Sustainable Manufacturing

- Integration of recycled plastic material and eco-friendly practices will align with regulatory trends and consumer preferences.
- The company can explore partnerships with recycling initiatives or NGOs to source post-consumer plastic waste.

e. Customer Service and Distribution

- A responsive supply chain, flexible order quantities, and after-sales service can distinguish Zhongxing from importers and rigid local suppliers.
- Establishing distribution hubs in underserved districts can improve market penetration.

4. Marketing

4.1 Marketing Strategy

Marketing Objectives

- ❖ Build strong brand recognition for Zhong Xing Company Ltd in Tanzania and East Africa.
- ❖ Capture at least 10% of the regional market share in PVC and plastic products within the first 3 years.
- ❖ Establish distribution channels in all key regions of Tanzania, including Dar es Salaam, Morogoro, Dodoma, Arusha, and Mwanza.
- ❖ Position the company as a leader in quality, affordability, and sustainability.

1. Product Strategy

Zhong Xing will offer a diverse and high-quality product line to meet the needs of various industries:

PVC Product Lines

- PVC pipes (for water supply, sewer, electrical conduits, agriculture)
- Fittings and connectors
- Roofing and construction profiles

Plastic Products

- Household goods (buckets, basins, storage bins)
- Packaging materials
- Industrial containers and crates

PP-R Products:

PP-R Pipes

- Sizes: From 16mm to 160mm (or larger)
- Pressure classes: PN10, PN16, PN20, PN25
- Uses: Hot/cold water, heating systems

Value-added Features

- UV-resistant and weather-durable plastics
- Eco-friendly and recycled product lines
- Custom branding for bulk clients

Pricing Strategy

Zhongxing will adopt a penetration pricing strategy during the initial phase to attract market share:

- Competitive pricing slightly below imported alternatives
- Volume discounts for wholesalers, construction firms, and government projects
- Flexible payment options for trusted partners (especially in rural/agricultural supply chains)
- Value-based pricing for eco-friendly and premium products

Place (Distribution) Strategy

Efficient and widespread distribution will be key to reaching various market segments:

- Direct Sales: Targeting construction firms, agriculture input dealers, and government tenders.
- Retail Partnerships: Supplying hardware shops, agro-dealers, and wholesalers across regions.
- Company Outlets: Establish branded distribution depots in Pwani, Morogoro, and Dodoma.
- Online Sales Channels: Partner with e-commerce platforms (e.g., Jumia Tanzania, local B2B networks).
- Export Networks: Utilize Dar es Salaam port and Kwala ICD for regional exports to Rwanda, Malawi, Zambia, etc.

2. Promotion Strategy

A. Branding and Positioning

- Develop a strong brand identity emphasizing quality, durability, and local manufacturing.
- Use the slogan: *"Built for Tanzania. Trusted Everywhere."*

B. Advertising

- Run print ads in industry publications and national newspapers (e.g., The Citizen, Daily News).
- Radio campaigns targeting rural areas and agricultural markets.
- Social media marketing through platforms like Facebook, WhatsApp, Instagram, and LinkedIn.

C Trade Shows and Events

- Participate in national trade fairs (e.g., Saba Saba International Trade Fair).
- Sponsor and exhibit at construction and agriculture expos.

D. B2B Marketing

- Direct marketing to engineers, contractors, and procurement officers.
- Tender participation for government infrastructure and WASH (Water, Sanitation and Hygiene) programs.

E. Community Engagement

- Run CSR initiatives such as providing plastic water tanks to schools or hospitals.
- Launch a —Clean Pwani campaign encouraging plastic waste recycling.

Image Description of Plastic pipes and PVC;





MANUFACTURING INDUSTRY

4.2 MANUFACTURING INDUSTRY IN TANZANIA.

The manufacturing industry in Tanzania is a central pillar of the country's economic development strategy. It involves the transformation of raw materials into finished or semi-finished goods across various sub-sectors including food and beverages, textiles, chemicals, building materials, and metal products. The sector is recognized as a key driver for industrialization, job creation, and economic diversification under Tanzania's Development Vision 2025 and the Second Five-Year Development Plan (FYDP II).

Tanzania's manufacturing sector is diverse, with the following prominent sub-industries:

- Agro-processing: Processing of food products such as sugar, oil, flour, and beverages.
- Textiles and Garments: Production of cotton yarns, fabrics, and clothing.
- Chemicals and Pharmaceuticals: Fertilizers, plastics, soap, paints, and basic drugs.
- Building Materials: Cement, bricks, tiles, and steel-based construction inputs.
- Metals and Metal Products: Production of iron and steel goods, aluminum products, fabrication works.
- Furniture and Wood Products: Saw milling, furniture making, and panel boards.

The manufacturing industry in Tanzania is pivotal to achieving sustainable economic growth and industrialization. While challenges remain, ongoing policy reforms, regional trade integration, and rising domestic demand position the sector for continued growth. Strategic investments in infrastructure, skills development, and innovation will be critical to realizing its full potential.

IMPORTANCE OF MANUFACTURING INDUSTRY IN TANZANIA.

The manufacturing industry in Tanzania is a central pillar of the country's economic development strategy. It involves the transformation of raw materials into finished or semi-finished goods across various sub-sectors including food and beverages, textiles, chemicals, building materials, Plastic materials and metal products. The sector is recognized as a key driver for industrialization, job creation, and economic diversification under Tanzania's Development Vision 2025 and the Second Five-Year Development Plan (FYDP II).

Importance of the Manufacturing Industry in Tanzania.

- Economic Growth, Manufacturing boosts a country's Gross Domestic Product (GDP) by creating value-added products. It drives economic diversification, reducing reliance on agriculture or raw material exports.
- Employment Creation, The sector provides mass employment opportunities across skill levels—ranging from factory workers to engineers and managers. It also supports indirect jobs in transport, logistics, packaging, and services.
- Export Development, Manufactured goods often have a higher export value than raw materials. Developing a strong manufacturing base allows a country to become competitive in regional and international markets.
- Import Substitution, Local manufacturing reduces the need to import finished goods, saving foreign currency and improving the trade balance. It encourages self-reliance and builds local capacity.
- Value Addition, Manufacturing adds value to raw materials (e.g., turning cotton into garments or maize into flour). This increases income and profits within the country compared to exporting raw materials.
- Infrastructure Development, Manufacturing encourages the development of related infrastructure such as:
 - Roads and ports
 - Power generation
 - Industrial zones and water supply systems
- Technology Transfer and Innovation, the industry promotes technology adoption, skills upgrading, and innovation through machinery use and technical training. It attracts foreign direct investment (FDI), which often comes with new technologies and expertise.
- Stimulates Other Sectors, Manufacturing supports and is supported by other sectors: Agriculture (via agro-processing), Construction (steel, cement), Mining (metal refining) Energy (generation and equipment)
- Government Revenue, Taxes from manufacturing companies (corporate tax, VAT, import duties) are a significant source of government revenue. This revenue can be reinvested into public services like health, education, and infrastructure.

4.3 SOCIAL AND ECONOMIC IMPACT OF THE PROJECT.

The proposed project will result into the following social and economic impacts:

1. Job Creation and Skills Development

- Direct employment of local workers in production, logistics, sales, and management.
- Indirect job creation through suppliers, transporters, distributors, and construction-related services.
- Training and skill development programs for machine operators, technicians, and youth in the region.

2. Improved Access to Clean Water and Sanitation

- Affordable and accessible piping systems for water supply and sanitation projects.
- Support for rural and urban water initiatives by the government and NGOs (e.g. RUWASA, community water schemes).
- Enhanced public health outcomes through improved infrastructure.

3. Support for Smallholder Farmers

- Supply of irrigation pipes and systems that improve agricultural productivity and water efficiency.
- Empowerment of farming communities through affordable access to modern farming infrastructure.

4. Community Development

- Increased household income through stable employment opportunities.
- Local economic stimulation in Miwaleni and surrounding areas through spending, housing, and services.
- Corporate social responsibility initiatives such as clean water installations or school support.

5. Industrial Growth in Pwani Region

- Strengthens Pwani Region's industrial base, making Kibaha a hub for plastic and manufacturing activities.
- Supports Tanzania's National Industrialization Strategy and Vision 2025.

6. Import Substitution and Foreign Exchange Savings

- Reduces reliance on imported plastic and PVC products.
- Keeps more capital within the Tanzanian economy by producing goods locally.

7. Increased Tax Revenue

- Generates corporate tax, income tax (PAYE), and VAT contributions to government revenue.
- Supports local government through land use fees, business licenses, and other regulatory contributions.

8. Growth of the Construction and Infrastructure Sectors

- Supplies critical components for construction and utility services.
- Enhances the competitiveness and efficiency of developers, contractors, and government agencies.

9. Regional Trade Opportunities

- Potential to export pipes to neighboring countries (Kenya, Uganda, Rwanda, DRC) under the EAC trade agreements.
- Enhances Tanzania's position in the regional industrial value chain.

4.4 OPPORTUNITY DRIVERS

4.4.1 Uniqueness location of the project

The Pwani Region offers a strategic and cost-effective location for plastic and PVC manufacturing due to its proximity to Dar es Salaam, Tanzania's largest port and commercial hub. It benefits from well-developed transport infrastructure, including the Bagamoyo port project and the Kwala Inland Container Depot (ICD), which facilitate efficient import of raw materials and export of finished goods. The region has a growing industrial base, supported by government initiatives aimed at decentralizing manufacturing and attracting investment outside of Dar es Salaam. Additionally, Pwani has access to affordable land, a ready labor force, and increasing demand from nearby urban and rural markets, making it an ideal location for a scalable, logistics-friendly manufacturing operation.

4.4.2 Government Policy

The Tanzanian government has implemented several policies and initiatives to promote the development of the Manufacturing industry, aiming to enhance economic growth, job creation, and sustainable resource management.

5. PROJECT PLANNING

The successful establishment of ZhongXing Company Ltd's plastics and PVC manufacturing facility in Pwani, Tanzania, requires a well-structured and phased project planning approach. This section outlines the strategic steps necessary to bring the project from concept to full-scale operation. Project planning serves as the roadmap for aligning resources, timelines, budget, and risk management to achieve the company's objectives efficiently and sustainably. It involves defining key milestones—from feasibility analysis and land acquisition to construction, equipment installation, workforce training, and market entry.

Given the capital-intensive nature of manufacturing and the regulatory landscape in Tanzania, this plan ensures that all technical, operational, environmental, and commercial aspects are managed with precision. The phased implementation allows for progress tracking, flexibility, and scalability, ensuring that Zhongxing Company Ltd can launch production on time and within budget—while laying the foundation for long-term growth and regional competitiveness.

5.1 Project Phases and Timeline

Phase	Key Activities	Estimated Timeline
Phase 1: Feasibility & Planning	<ul style="list-style-type: none">- Market research- Land acquisition- Business licensing- Environmental Impact Assessment (EIA)- Financing arrangements	Month 1–3
Phase 2: Design & Engineering	<ul style="list-style-type: none">- Factory design & layout- Machinery specifications- Procurement planning	Month 3–5
Phase 3: Procurement & Construction	<ul style="list-style-type: none">- Import machinery- Construct plant buildings- Install utilities (power, water, etc.)	Month 5–10
Phase 4: Installation & Testing	<ul style="list-style-type: none">- Install machinery- System integration- Staff hiring and training- Trial runs	Month 10–13
Phase 5: Operations Launch	<ul style="list-style-type: none">- Full production launch- Marketing rollout- Initial sales & distribution	Month 14–16
Phase 6: Evaluation & Scaling	<ul style="list-style-type: none">- Performance review- Market expansion- Export readiness planning	Month 16–24

5.2 Risk Management

Risk	Mitigation Strategy
Delays in equipment import	Work with experienced clearing agents; use verified suppliers
Construction cost overruns	Secure fixed-price contracts; regular budget tracking
Raw material price fluctuations	Establish long-term supplier agreements; diversify sources
Labor skill gaps	Early recruitment & technical training programs
Regulatory changes or delays	Liaise closely with TIC, NEMC, and local authorities

5.3 Stakeholder Engagement

- Government Agencies: Work with TIC (Tanzania Investment Centre), NEMC (National Environmental Management Council), and TRA (Tanzania Revenue Authority).
- Local Authorities: Engage district officials in Kibaha or Bagamoyo for permits and local employment programs.
- Investors/Financiers: Provide regular project updates and secure milestone-based disbursements.
- Community Members: Hire locally where possible and communicate project benefits through public meetings and CSR programs.

5.4 Production Capacity

Initial Production Capacity (Year 1–5)

Product Category	Production Line	Monthly Output	Annual Output
PVC Pipes	Extrusion line (1 unit)	150,000 meters	1.8 million meters
Plastic Household Items	Injection molding (2 units)	80,000 units	960,000 units
Plastic Packaging	Blown film line (1 unit)	20 tons	240 tons
PP-R	Extrusion line (1 unit)	100,000 meters	1.2 million meters

- Factory Operating Days: 25 days/month
- Shifts: Single shift initially (8–10 hours), expandable to two shifts based on demand
- Utilization Rate: 70–75% initially, ramping up over time.

6. OPERATIONAL MANAGEMENT

Zhongxing Company Ltd's operational management strategy is designed to ensure efficient, cost-effective, and quality-driven production of plastic and PVC products while aligning with local regulations and market demand.

The factory will be organized into key operational units including production, quality control, supply chain/logistics, maintenance, and health & safety, all overseen by a dedicated Operations Manager. The plant will initially operate on a single-shift system, with plans to scale to two shifts as demand grows.

Modern machinery will support automated and semi-automated production processes, allowing for consistent output, minimal waste, and reduced downtime. Operations will follow lean manufacturing principles, focusing on continuous improvement, just-in-time (JIT) inventory, and preventive maintenance to maximize productivity.

A robust supply chain and procurement system will manage raw material imports, local sourcing (where possible), and timely delivery of finished products to clients. Quality assurance will be central to operations, with products tested to meet both TBS (Tanzania Bureau of Standards) and international standards.

Workforce management will emphasize safety, training, and productivity. Local hiring and capacity building will be prioritized to support community development and compliance with local employment policies.

This operational setup positions Zhongxing Company Ltd to deliver reliable, scalable production while maintaining flexibility to adapt to market trends, client specifications, and regional export opportunities.

6.1 Management Team;

The management team of ZHONGXING INDUSTRIAL COMPANY LIMITED planned to be constituted by the following management team: -

A. Board of Directors

ZHONGXING INDUSTRIAL COMPANY LIMITED be managed by the board of Directors which is the apex body for strategic decision making of the project. Directors of the Company are the ones who having shares in ZHONGXING INDUSTRIAL COMPANY LIMITED, The Company which shall manage this project.

B. General Manager

Immediate after Board of Director they shall be a General Manager who will be responsible to take care of mater pertaining operation and managing daily activities of the project as well as other staffs' welfares and report them to the board of directors.

C. Production Manager

Production Manager will be employed who expected to have an extensive background in the Plastics Manufacturing Industry. As the production Manager will be directly responsible for all processing functions including processing of Plastics and related products.

Under production manager there shall be reasonable number of technical staffs who will be involved in daily processing within this project.

D. Accountant/cash

An accountant will be employed who expected to have good experience in accounting system as well as he will be responsible in managing cash of ZHONGXING INDUSTRIAL COMPANY LIMITED but also keeping books of accounts properly.

E. Management Agreements

Management Agreements will be executed between ZHONGXING INDUSTRIAL COMPANY LIMITED and other team managers. The purpose of these agreements is to define the expectations of both parties, establish an incentive structure, and define the grounds under which the agreement may be terminated.

F. Confidentiality Agreements

ZHONGXING INDUSTRIAL COMPANY LIMITED will enforce that all employees sign a confidentiality agreement. Confidentiality agreements with our employees and partners will protect our products, operating systems, policies and procedures. Having confidentiality agreement in place is essential to protect the company's trade secrets, and show our employees t h a t we take our business seriously.

6.2 Staff Recruitment.

The recruitment strategy for Zhongxing Company Ltd ensures that the factory is equipped with the right balance of technical expertise and local knowledge. By investing in Tanzanian human capital while leveraging temporary foreign expertise, the company will build a strong, sustainable operational team that supports long-term growth and compliance with national development priorities.

The project expected to provide permanent jobs to 7 foreign Chinese individuals and 300 local Tanzanians, but also an estimate of 50 more jobs for part-time depending on the need of the project.

CONCLUSION

In conclusion, the proposed establishment of Zhongxing Industrial Company Ltd's Plastics and PVC Manufacturing Plant in Pwani Region is a strategic investment that directly supports Tanzania's national goals for industrialization, import substitution, infrastructure development, and job creation. With increasing demand for plastic and PVC products across sectors such as construction, agriculture, and packaging, this project is both commercially viable and socially beneficial.

Located within an emerging industrial corridor, the project aligns with regional development strategies and will leverage local labor, contribute to skills development, and introduce modern, efficient manufacturing practices to the Tanzanian market. Moreover, the project incorporates environmental responsibility by exploring future integration of recycling processes and sustainable production technologies.

We respectfully submit this business plan to the Tanzania Investment and Special Economic Zones Authority (TISEZA) and hereby request formal acceptance and facilitation under Tanzania's investment framework. We seek TISEZA's support in accessing available investment incentives, acquiring land through the Tanzania Investment Land Bank, and ensuring smooth regulatory coordination with relevant authorities.

Zhongxing Industrial Company Ltd is committed to full compliance with national laws and regulations and is prepared to work closely with TISEZA to ensure the successful implementation of this project.

We appreciate your consideration and look forward to your favorable response and partnership in advancing Tanzania's manufacturing sector.

ZHONGXING INDUSTRIAL COMPANY LIMITED
INVESTMENT COST PLAN

Revised Investment Structure

Item	Amount (USD)
Land/Building	600,000.00
Plant	600,000.00
Vehicles	400,000.00
Furniture and Fixtures	200,000.00
Pre expenses	500,000.00
Other	700,000.00
Working capital	700,000.00
TOTAL INVESTMENT	3,500,000.00

FINANCIAL PROJECTION SUMMARY FROM 2025 TO 2029 PROJECTED STATEMENT OF
FINANCIAL POSITION FOR 5 YEARS FROM
2025 -2029

DETAILS	2025	2026	2027	2028	2029
PPE	2,365,500.00	2,355,000.00	2,370,000.00	2,313,000.00	2,294,500.00
Total Non-Current Assets	2,365,500.00	2,355,000.00	2,370,000.00	2,313,000.00	2,294,500.00
Inventory	290,000.00	295,000.00	310,000.00	320,000.00	340,000.00
Trade Receivables	35,000.00	38,000.00	48,000.00	53,000.00	55,000.00
Working Capital	700,000.00	700,000.00	700,000.00	700,000.00	700,000.00
Cash and Cash Equivalentents	10,500.00	12,000.00	15,000.00	22,000.00	30,500.00
Total Current Assets	1,035,500.00	1,045,000.00	1,073,000.00	1,095,000.00	1,125,500.00
TOTAL ASSETS	3,401,000.00	3,400,000.00	3,443,000.00	3,408,000.00	3,420,000.00
Share Capital	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00
Retained Earnings	91,000.00	130,000.00	180,000.00	220,000.00	255,000.00
Total Equity	591,000.00	630,000.00	680,000.00	720,000.00	755,000.00
Trade Payables	90,000.00	95,000.00	92,000.00	88,000.00	85,000.00
Other Payables	80,000.00	82,000.00	83,000.00	85,000.00	87,000.00
Long-Term Loan		2,593,000.00		2,515,000.00	
Total Liabilities	2,810,000.00	2,770,000.00	2,763,000.00	2,688,000.00	2,665,000.00
Total Equity + Liabilities	3,401,000.00	3,400,000.00	3,443,000.00	3,408,000.00	3,420,000.00

ZHONGXING INDUSTRIAL COMPANY LIMITED

FINANCIAL PROJECTION SUMMARY FROM
2025 TO 2029

PROJECTED STATEMENT OF PROFIT/(LOSS) AND OTHER COMPREHENSIVE INCOME
FOR 5 YEARS

DETAILS	2025	2026	2027	2028	2029
Sales	880,000.00	1,200,000.00	1,800,000.00	2,200,000.00	2,500,000.00
Total Inflow	880,000.00	1,200,000.00	1,800,000.00	2,200,000.00	2,500,000.00
Opening Inventory	330,260.00	350,689.00	456,000.00	599,990.00	678,200.00
Add: Production Cost	498,000.00	499,000.00	616,000.00	655,000.00	698,600.00
Less: Closing Inventory	(350,689.00)	(356,000.00)	(361,990.00)	(370,000.00)	(401,000.00)
Cost of Sales	477,571.00	493,689.00	710,010.00	884,990.00	975,800.00
Gross Profit	402,429.00	706,311.00	1,089,990.00	1,315,100.00	1,524,200.00
Administration Expenses	90,400.00	145,673.00	195,600.00	222,000.00	250,650.00
Sales and Distribution Expenses	92,300.00	110,200.00	150,300.00	195,700.00	227,150.00
Finance Cost	92,300.00	97,400.00	100,500.00	150,900.00	173,145.00
Depreciation Expense	8,000.00	10,000.00	15,000.00	17,700.00	17,700.00
Total Operating Expenses	283,000.00	363,273.00	461,400.00	300,900.00	668,645.00
Profit for the Year	119,429.00	343,038.00	628,590.00	728,800.00	855,555.00

