

TANZANIA INVESTMENT CENTRE

DIRECTORATE OF INVESTMENT FACILITATION



EASTERN ZONE

REPORT ON PROJECT VERIFICATION VISIT TO M/S TANGA FRESH LIMITED  
CONDUCTED ON 1<sup>ST</sup> APRIL 2022.

APRIL 2022

Table of Contents

1. INTRODUCTION.....	3
1.1 Brief history of the Company.....	3
1.2 Project Geographical Location.....	3
2. COMPANY PROFILE.....	3
2.1 Company Particular Information.....	3
2.2 Actual Project Performances.....	5
3. PROJECT VERIFICATION VISIT (PVV).....	6
3.1 PVV initiation.....	6
3.2 PVV Conduction.....	6
3.2.1 Project Visit Objective.....	6
3.2.2 Project Visit Specific Objectives.....	7
3.3 Findings.....	7
3.4 Challenges.....	7
3.5 Future Plans.....	8
4. RECOMMENDATIONS.....	8

## 1. INTRODUCTION

### 1.1 Brief history of the Company

M/S Tanga Fresh Limited is a registered Company under the Companies Act, 2002 of the United Republic of Tanzania where it was granted Certificate of Incorporation Number 31099 on 4th December 1996 by the Business Registration and Licensing Agency (BRELA). The company has a project for milk distribution; this project is registered by the Tanzania Investment Center (TIC) with Certificate of Incentives Number 061471 issued on 7th December 2015.

### 1.2 Project Geographical Location

The company project is located at Plot No. 12-23, 28, 30, 32, 34, 3 & 38 Block FF Mapinga – Bagamoyo, Coast Region.

## 2. COMPANY PROFILE

### 2.1 Company Particular Information

S/No.	Information	Description	Current Project Status		
			Name	Nationality	Percentage
1.	Shareholder's Information	Current Shareholders names, nationality and percentage of ownership	Dutch Oak Tree Foundation	Dutch	90.1%
			Tanga Dairies Cooperative Union	Tanzanian	9.5%

					Alnoor Abdulmohamed Hussein	Tanzania	0.49%
					<b>Total</b>		100%
2.	Company Communication Information	Email address	tfl@tangafresh.com				
		Mobile Number	0746219179				
		Land Line Telephone Number	+255 (27) 2644238				
		Physical Address (Plot No., Block No, Street, District and Region	P.O Box 5061, Kange Industrial Area Tanga, Tanzania				
3.	Contact Person	Name	Joachim & Jacobs Group Limited				
		Position	Carolyne Jacob Muro				
		Communication Details (Email, Mobile and telephone)	c.muro@joachimandjacobs.co.tz +255 787 399 199				
4.	Incorporation	Certificate of Incorporation No.	31099				
5.	TIN information	TIN Certificate No.	100-161-206				
6.	Project Objective	Project Core Activity	To construct and operate a milk distribution centre				
7.	Project Capacity	Project Capacity per Year	To produce 13,870,000 liters of milk and other milk related products per year				
8.		Foreign-Men	N/A				
		Foreign-Women	N/A				

	Direct Employment	Local-Men	85
		Local-Women	29
9.	Indirect employment	Estimated Total No.	800
		Type/areas of Indirect Employment	Livestock keepers selling milk to the company, transporters and the retail sellers

## 2.2 Actual Project Performances

S/No.	Information	Description	Current Status	
1.	Investment amount	Financing type	Amount (USD)	Source Country
		Local Equity	215,339	Tanzania
		Local Loans	4,058,019	Tanzania
		Foreign Equity	1,728,283	The Netherlands
		Foreign Loans	2,366,721	The Netherlands
		Total Investment	8,368,362	
2.	Capacity	Project capacity per year	225,000 Lts	
3.	Direct Employment	Foreign Men	7	
		Foreign Women	0	
		Local Men	123	
		Local Women	20	
4.	Indirect Employment	Estimated Total No.	200	
		Type/areas of Indirect Employment	Materials supply, transport of materials and goods, goods selling agents, cafeteria services	

### **3. PROJECT VERIFICATION VISIT (PVV)**

#### **3.1 PVV initiation**

According to the granted COI, the company aimed at establishing a project for constructing and operating a milk distribution center with a project implementation plan starting from December 2015 to June 2021 however, the company submitted to TIC a letter dated 21st September 2021 with Ref: TFL/TIC/2021/01 notifying the center that the company wishes to extend implementation period because it plans to open a milk distribution center at Plot No. 12-23, 28, 30, 32, 34, 3 & 38 Block FF.

#### **3.2 PVV Conduction**

On 1st April 2022 team of three officers from TIC was appointed to conduct PVV at Tanga Fresh Limited located in Mapinga- Bagamoyo Region. The team comprised the followings officers:

- (i) Privata Simon
- (ii) Abdul Songoro
- (iii) Leonard Mapunda

The company was represented by Mr. Fumbo, Location Manager

#### **3.2.1 Project Visit Objective**

The main purpose of the PVV was to establish grounds which could enable TIC management to make informed decision whether the company qualifies for 1 year's extension of COI's implementation period or not.

### 3.2.2 Project Visit Specific Objectives

Specifically, the PVV visit aimed to:-

- i. Interview and gather information from the applicant regarding the COI extension application
- ii. Take copies of relevant document /photos as evidence for the application
- iii. Physically visit the project site and verify its status of completion

### 3.3 Findings

The team managed to visit the mentioned location of the project as scheduled and established the following facts:-

- i. The mentioned area is not developed at all. The contact person explained to the team that, the milk distribution centre is yet to be developed, but they have milk processing centre at Tanga (Plant' plot registered under Certificate of Title No. 4635 L.O No. 45616, located at Kange Area & Plot No. 71 at Mpira Street, Tanga) on which they were registered for on December 2015.
- ii. Nevertheless, they are requesting for an extension of the Certificate of Incentives to process Derivative Rights for Bagamoyo location (Plot No. 12-23, 28, 30, 32, 34, 3 & 38 Block FF)

### 3.4 Challenges

The company faced the following challenges during their project implementation.

1. Intruders on their land who have built up settlements. They reported the case to the Ward Tribunal out of which they were not satisfied with the decisions made, therefore they decided to take the case to the court where they are hoping to get a final decision by April 2022.
2. **COVID-19 Pandemic:** Travel restrictions and lockdowns imposed globally caused price fluctuation which resulted in significant adverse impacts on the

business cycles. E.g. the price of shipping containers from China rose 3-folds and some industries stopped production of relevant raw materials and machinery for the project, especially in Tanga.

### **3.5 Future Plans**

It was established that, they have the following plans;

- i. To have milk supply centre at Mapinga Bagamoyo
- ii. To acquire Derivative Right for Plot No. 12-23, 28, 30, 32, 34, 3 & 38 Block FF Mapinga – Bagamoyo, Coast Region

### **4. RECOMMENDATIONS**

Based on the findings observed during the project visit, the team advised the investor to amend their Certificate of Incentives to have Tanga location (Plant' plot registered under Certificate of Title No. 4635 L.O No. 45616, located at Kange Area & Plot No. 71 at Mpira Street, Tanga) and Bagamoyo location (Plot No. 12-23, 28, 30, 32, 34, 3 & 38 Block FF) under the same project because the Bagamoyo project (Commercial Building) did not push through.

We submit,

  
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Privata Chiwindo  
TIC

  
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Abdul Sondro  
TIC-BRELA

Date 20/4/2022,

  
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Leonard Mapunda  
TIC-TRA