

**TANZANIA INVESTMENT CENTRE**

**DIRECTORATE OF INVESTMENT FACILITATION**



**EASTERN ZONE**

**REPORT ON PROJECT VERIFICATION VISIT (PVV) TO AFRISIAN GINNING LTD  
CONDUCTED ON 16<sup>TH</sup> MARCH 2022**

**MARCH, 2021**

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## 1.0 PROJECT PROFILE

Company Information				
S/N	Item	Description		
1.	Company Name	Afrisian Ginning Ltd		
2.	Project Location	Plots No's 1-6, 9 & 12 located at Misugusugu area in Kibaha Town Council, Coast Region		
3.	Projects' Core Activities	To establish and operate a project for edible oil solvent crushing, refinery and packaging plant		
4.	Address & Mobile Number	P. O. Box 19964 Dar es salaam +255 686 644 020		
5.	Contact Person	Zoheb Osman		
6.	Shareholders	Name	Nationality	Shareholding
		Samir A. Esmail	Tanzanian	60.09%
		Maheen Sidik	Tanzanian	39.31%
7.	Investment Financial Plan	Local Equity \$5,060,000/-	Local Loan \$15,600,000/-	Total \$20,660,000/-
8.	Employment	Foreign 20	Local 400	

## 2.0 INTRODUCTION

### 2.1 History of the Company

Afrisian Ginning Ltd of P. O. Box 19964, Dar es Salaam (hereinafter referred as investor) is a Private Company Limited by shares with Certificate of Incorporation number 28426 dated 13<sup>th</sup> September 1995. The Company is registered with TIC and granted Certificate of Incentive No.022312 dated 2<sup>nd</sup> May 2019 valid up to April 2022. The Company principal business is to establish a project for manufacturing of edible oil.

According to progress report submitted on February 2022, the Investor has implemented the following activities;

- i. Construction of four storey office building (ground + 3storey structure) where walls, beams and columns have been plastered, electrical conduit pipes fixed, windows and doors are ready for frames fixing;
- ii. Store building has been installed with window AC, ceiling fan, installed office partitions, fixing of curb stones on periphery of the building and painting of outside wall in progress
- iii. Packing warehouse where fixing and alignment of all column bolts are completed, floor compaction is completed and preparing for hardcore compaction
- iv. Tank Farm Oil storage and process tank area, templates and bolts alignment completed and back filling is in progress.
- v. Packing tank farm: preparing tank base and reinforcement
- vi. Water Treatment Plant area: prepared profile for WTP building, pipe rack and water tanks
- vii. Pipe Rack: columns casted up to tie beam and back filling in progress
- viii. Fence wall; lower land fence completed
- ix. Truck parking area: area levelling in progress.
- x. Weight Bridge: fixing reinforcement of columns plinth beams

## **2.2 Geographical location**

The project is located at plots No.3,4,5,6, 9 &12 in Miyomboni Mtaa, Misugusugu Ward which is within Kibaha Town Council, Pwani region, about 22km from the Council via Dar es Salaam–Morogoro road.

## **3.0 PROJECT VERIFICATION VISIT (PVV)**

On 22<sup>nd</sup> February, 2022 Afrisian Ginning Ltd applied for extension of Certificate of Incentive for 2 years period due to unpredicted circumstances which have delayed project completion within period mentioned in the Certificate of Incentive No.022312 of 2<sup>nd</sup> May 2019.

On 16<sup>th</sup> March, 2022 a team of officers from Tanzania Investment Centre visited Afrisian Ginning Ltd for verification purposes. The team collaborated with representatives from Afrisian Ginning Ltd and both groups comprised the following participants:-

- |    |                    |  |
|----|--------------------|--|
| 1. | Mr. Fidelis Obanga | TIC (Team Leader)                        |
| 2. | Mr. Steven Mkama   | TIC (TBS)                                |
| 3. | Ms. Navone Kisaka  | TIC (NEMC)                               |
| 4. | Mr. Zoheb Osman    | Logistics Manager (Afrisian Ginning Ltd) |
| 5. | Mr. Arun Das       | Site Supervisor (Afrisian Ginning Ltd)   |

## **3.1 Objective of the visit**

The main objective of the project verification visit (PVV) was to verify the project development status which would justify the reasons for Certificate of Incentives extension application.

## **3.2 Specific Objectives**

The followings were specific objectives for the visit;

- i. To interview and gather information from the applicant regarding Certificate of Incentive extension application.
- ii. To take copies of relevant document /photos as evidence for Certificate of Incentive extension application.

iii. To conduct tour visit in the site to verify progress of construction activities Findings of the team will facilitate the management to make decision whether the Company qualifies for extension of Certificate of Incentives or not.

#### **4.0 FINDINGS AND/OR OBSERVATIONS**

Team of officers from TIC observed the following during PVV:-

- i. Construction activities at the site are underway where the whole compound is fenced with block wall and various contractors are at site attending their tasks (see attachment 1);
- ii. An administration block of four storey (ground + 3storey) is at the final stages, plaster already done and skimming is at final touches (see photo 1);
- iii. One storey building (ground only) has been completed (see photo 2);
- iv. Storage tanks under construction where a base is constructed and contacted engineers (World corn from Kenya) are at site;
- v. Loading and offloading gantry (imported from India) is already at site and installation is underway (informed to be 70% to completion);
- vi. Preparatory area, mobilization started to 20% and explained by project coordinator that projection is to accomplish this section in 6moths to come;
- vii. Refinery and Solvent Extraction Section the tender is at final stages to find successful bidder for the work;
- viii. Construction of Water Treatment Plant (WTP) and Effluents Treatment Plant (ETP) is at initial stages;
- ix. Weight bridge construction is on progress;
- x. Hips of aggregates were found along the way from entry point to administration block and around wide part of the site as preparation to improve access road to and around the site;
- xi. It was explained by project coordinator that the last 10 months the Company had spent \$5,265,000 and have completed the project to 25%.  
Mr. Zoheb Osman further revealed that the company has been dealing with exportation of cereals for years thus the company has wider knowledge on availability of sunflower, cotton, soya seeds which will be

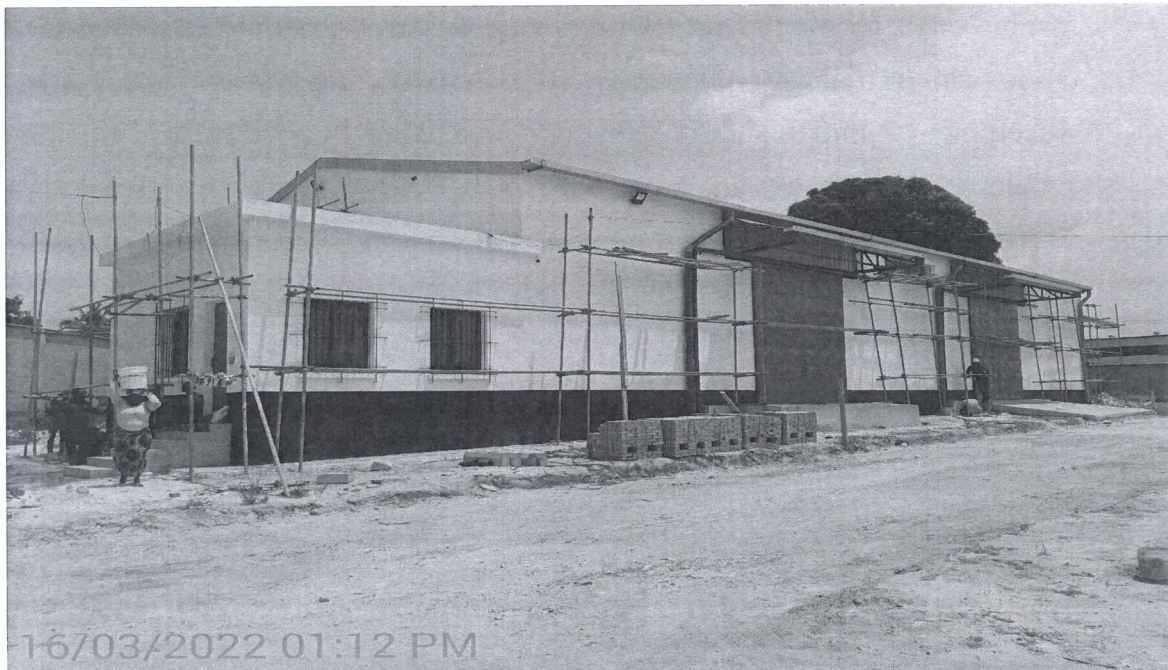
raw materials for the project. The project will as well produce palm oil from crude palm oil that will be imported;

- xii. According to the logistics manager's evaluation, currently the whole project progress is 25% to completion;
- xiii. The investor has acquired permits/certificate and licenses from other Government authorities. e.g. NEMC (see attachment 2).

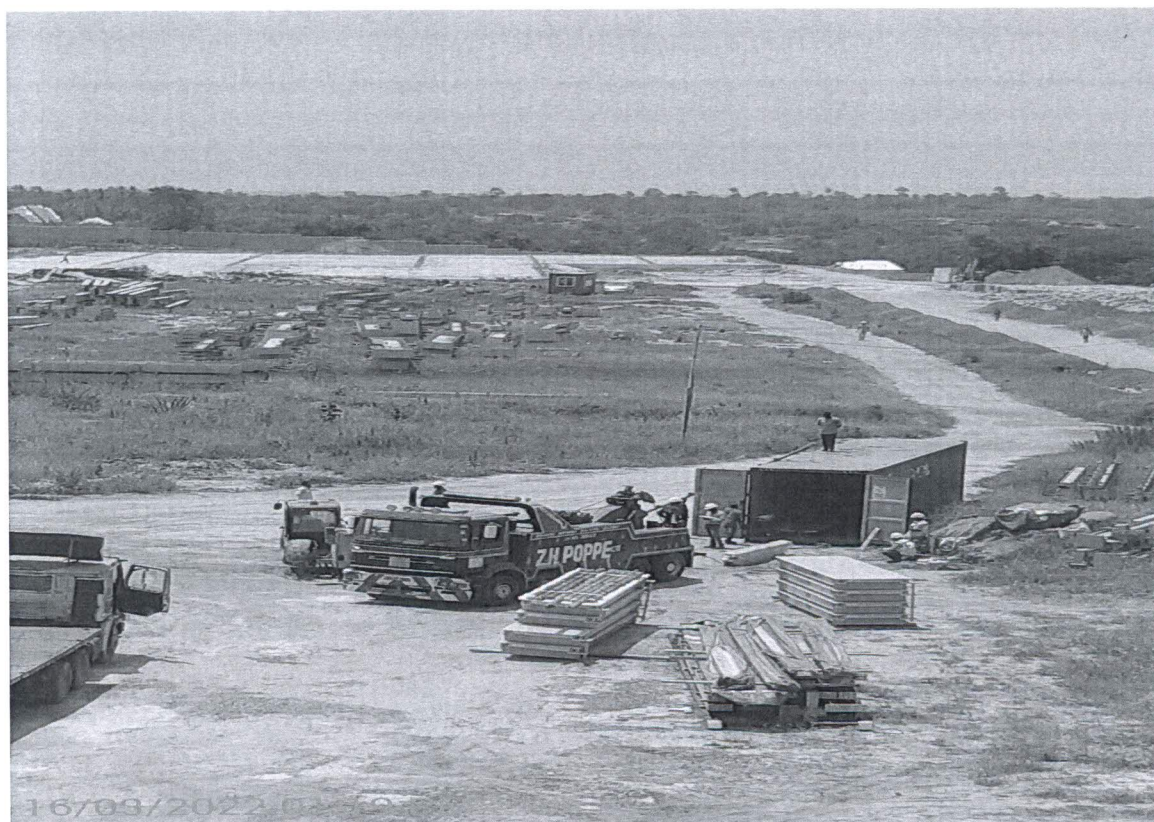
**See attached photos**



**Photo 1:** Administration block (source PVV team)



**Photo 2:** Storage facility (source PVV team)



**Photo 3:** Offloading of construction materials within the site (source PVV team)

#### **4.1 Major Challenges towards failure to timely completion of the project**

Discussion between PVV team and Zohed Osman (logistics manager) and Arun Das (site supervisor) portrayed that despite the development which has been implemented on the ground, the following reasons have resulted to delays in completing of the project: -

- i. Corona pandemic caused delay of machines which were constructed in India (as per user requirement specifications). The machines were supposed to be imported in Tanzania on February 2020 but delayed up to September 2020 causing delay of project implementation for 2years;
- ii. The pandemic also caused travel restriction imposed by countries hence delays of experts for machines installations to make physical visit to the site which made delays in design work expected to be completed in 3 months ended up taking 18months instead (see attachment 3);
- iii. Once designing was completed and machines order was made, the facilities had faced several delays from machinery and fabricated structures suppliers. This delay continues however, hopefully it will be resolved in 2022.

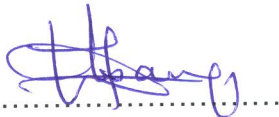
#### **5.0 RECOMMENDATIONS**

- i. Project construction activities are underway and by physical observation, the investor is serious with the investment;
- ii. Demand for edible oil in currently is huge and the upon completion of the project, this will be among the huge edible processors in the country;
- iii. Global Corona pandemic has affected implementation of the project and has resulted to delays in importation of machines and travel schedules for experts to install and commissioning of the facility and equipment;
- iv. The investor has enjoyed few fiscal incentives among the approved items for exemption.

## 6.0 CONCLUSION

Based on the facility visited, discussion with company representatives and the documents presented and considering the findings of the visit, including recommendations described above thus reasons provided by the investor for not completing the project can be considered logical therefore, Afrisian Ginning Ltd can be considered for extension of Certificate of Incentives number 022312.

We submit,



**Mr. Fidelis Obanga**



**Mr. Steven Mkama**

**TIC**



**Ms. Navone Kisaka**

**TBS**

**NEMC**

**Date** 23/03/2022

Attachment 1

**AGREEMENT AND SCHEDULE OF  
CONDITIONS OF BUILDING CONTRACT  
(with Quantities)**

Between AFNSIAM GINNING LTD

And SUPER CONSTRUCTION CO LTD.

Published by:  
**NATIONAL CONSTRUCTION COUNCIL**  
(Baraza la Taifa la Ujenzi)  
Samora Tower, 9<sup>th</sup> Floor  
Mansfield Street,  
P.O. Box 70039, Tel. 255-22-2131321, 2110869, 2110301  
Facsimile 255-22-2118887, E-mail: [info@ncc.go.tz](mailto:info@ncc.go.tz) Website: [www.ncc.go.tz](http://www.ncc.go.tz)  
Dar es Salaam  
Tanzania

2000 Edition  
Reprinted in 2016

**ARTICLES OF AGREEMENT**

Made the TUESDAY 31<sup>st</sup> day of AUGUST 2021  
**BETWEEN** AFRISIAN GUNNING LTD

of (or whose registered office is situated at) P.O BOX 19964  
DANES-SALAMM

(hereinafter called 'the Employer') of the one part **AND**  
SUPER CONSTRUCTION CO LTD  
of (or whose registered office is situated at) P.O BOX 6380 DAN-ED-SALAMM

(hereinafter called 'the Contractor') of the other part

**WHEREAS** the Employer is desirous of  
CONSTRUCTION OF PACKAGING WAREHOUSE  
AND TANKS

(hereinafter called 'the Works')  
at PLOT NO 2052  
MISUCUSUQU KIRATA

... and has caused Drawings and Bills of Quantities showing and describing the Works to be done, to be prepared by or under the direction of the Architect.

**AND WHEREAS** the Contractor has supplied the Employer with a full priced copy of the said Bills of Quantities (which is hereinafter referred to as 'the Contract Bills').

**AND WHEREAS** the said Drawings numbered.....  
.....(hereinafter referred to as 'the Contract Drawings') and the Contract Bills have been signed by or on behalf of the parties hereto.

---

**NOW IT IS HEREBY AGREED AS FOLLOWS:**

1. For the consideration hereinafter mentioned the Contractor will upon and subject to the Conditions annexed hereto carry out and complete the Works shown upon the Contract Drawings and described by or referred to in the Contract Bills and in the said Conditions.
2. The Employer will pay to the Contractor the sum of 6,490,000,000  
INCLUSIVE VAT (hereinafter referred to as 'the Contract Sum') or such other sum as shall become payable hereunder at the times and in the manner specified in the said Conditions.
3. The term 'the Architect' in the said Conditions shall mean.....  
NITEO ARCHITECTS LTD  
of P.O BOX 65176 DARI-ES-SALAM  
or, in the event of his death or ceasing to be the Architect for the purpose of this Contract such other person as the Employer shall nominate for that purpose, not being a person to whom the Contractor shall object for reasons considered to be sufficient by an Arbitrator appointed in accordance with clause 40 of the said Conditions. Provided always that no person subsequently appointed to be the Architect under this Contract shall be entitled to disregard or over-rule any certificate or opinion or decision or approval or instruction given or expressed by the Architect for the time being.
4. The term 'the Quantity Surveyor' in the said Conditions shall mean.....  
BMB & ASSOCIATES  
of P.O BOX 1538 MBETA TANZANIA  
or, in the event of his death or ceasing to be the Quantity Surveyor for the purpose of this Contract such other person as the Employer shall nominate for that purpose, not being a person to whom the Contractor shall object for reasons considered to be sufficient by an Arbitrator appointed in accordance with clause 40 of the said Conditions.

AS WITNESS the hands of the said parties/Signed and sealed by the said parties.

Signed by the said

OSMAN ABDULKADIR OSMAN.  
ENGINEER.



In the presence of

Name... ZOHIB OSMAN JUSAB  
Address... LIVINGSTONE / AMANI, DSM, TANZANIA.  
Description... MANAGER.

Signed by the said

JAYESH MANJI PATEL  
DIRECTOR SUPER CONSTRUCTION CO LTD

In the presence of

Name... MANJI. K. PATEL  
Address... P.O BOX 6350 DSM  
Description... DIRECTOR

**NOTE:**

**SUPER CONSTRUCTION CO. LTD.**  
P. O. Box 6350  
DAR-ES-SALAAM

- (a) The Contract shall be under seal:
- (i) when the Articles of Association of a Limited Company which is a party to the Contract so require or
  - (ii) when either party is a non-trading corporation such as a hospital or school board.
- (b) If the Contract is to be executed under seal delete "As witness the hands of the said parties".

**FORM OF AGREEMENT BETWEEN  
CLIENT AND ARCHITECT**

**This Agreement**

Is made on the 22<sup>ND</sup> day of MAY In the year 2021  
between AFRISIAN GINNING LTD  
(insert name of Client)

Of P.O. BOX 19964 DAR ES SALAAM TANZANIA  
(insert address)

And

NITEO ARCHITECTS LIMITED  
(Insert name of the Firm of Architect)

Of 35176 BOX 35176 DAR ES SALAAM  
(insert address)

The description of the Project is

PROPOSED OIL AND FEED PROJECT

(Insert general description of project)

At MISUBUSUGU KIBAHA

(Insert location of project)

**Now it is hereby Agreed**

That the Client agrees to engage the Architect to provide professional services as described in this Agreement and the Architect agrees to provide such services.

This Agreement comprises this Form of Agreement, Definitions together with the following Schedules which shall deem to form and be read and construed as part of this Agreement:

Schedule I: Conditions of Architect's Appointment.

Schedule II: Architect's Services.

Schedule III: Fees and Expenses.

Schedule IV: Specific Modifications.

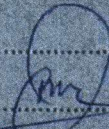
Schedule V: Summary Form of Services and Fees.

In consideration of payment to be made by the Client to the Architect as hereinafter mentioned, the Architect hereby agrees to perform the Services in conformity with the provisions of this Agreement.

The Client hereby agrees to a Percentage of ..... or Time Charge/Lump sum fee of TZS/USD ..... and the reimbursable expenses of TZS/USD ..... To the Architect in consideration of the performance of the Services under the provisions of this Agreement at the time and in the manner prescribed in this Agreement as per Schedule III.


**As Witness** whereof the Parties put their hands on the day, month and year above written:

**For and on behalf of the Client**

Name: OSMAN. A. OSMAN.  
Designation: Engineer.  
Signature:   
Address: P.O. Box 19964  
Dsm.  
TANZANIA.



**In presence of**

Name: JONES OSMAN JUSOB  
Designation: LOGISTICS MANAGER  
Signature:   
Address: P.O. Box 19964  
Dsm.  
TANZANIA



**For and on behalf of the Architect**

Name: PONEJA SAMSON LUKIKO  
Designation: PRINCIPAL ARCHITECT  
Signature: \_\_\_\_\_  
Address: P.O. Box 35176 DAR ES SALAAM

**PROJECT** PROPOSED CONSTRUCTION OF MIOMBONI PLANT AT MISUGUSUGU KIBAHA

**CLIENT** AFRISIAN GINNING LTD  
P.O. BOX 19964 DARES SALAAM

**BUILDING PERMIT** BP/084/2021

**ARCHITECT** NITEO ARCHITECTS LTD  
P.O. BOX 65176 DARES SALAAM.

**STRUCTURAL ENGINEER** CHAVDA ALMOHAMEDIA CONSULTANTS LIMITED  
P.O. BOX 444, DAR ES SALAAM

**SERVICE ENGINEER** INFORCOM SYSTEMS AND PROJECTS CO. LTD.  
P.O. BOX 60145 DAR ES SALAAM

**QUANTITY SURVEYOR** BMB & ASSOCIATES  
P.O. BOX 1538, MBEYA

**MAIN CONTRACTOR** SUPER CONSTRUCTION CO L  
P.O. BOX 6350, DAR ES SALAAM

**ELECTRICAL CONTRACTOR** APEX ELECTRICAL WORKS. GEN. ENT. LTD.  
P.O. BOX 116, DAR ES SALAAM

A Hashmet d.

GN. No. 349



THE UNITED REPUBLIC OF TANZANIA

## ENVIRONMENTAL IMPACT ASSESSMENT

# Certificate

[Section 92(1) of the Environmental Management Act No. 20 of 2004]

Application Reference No. 10047

Registration No. EC/EIA/2019/0413

**This is to Certify that**

M/S. AFRISIAN GINNING LIMITED.....

of..... P. O. BOX 19964, DAR ES SALAAM.....

has this day been granted an Environmental Impact Assessment Certificate for the proposed project/Activity titled..... ESTABLISHMENT OF EDIBLE SEED OIL CRUSHING & REFINERY PLANT.....

to be implemented/carried out at..... PLOTS NO.3,4,5,6,9 & 12, MIYOMBONI MTA, MISUGUSUGU.....

WARD IN KIBAHA TOWN, PWANI REGION.....

This certificate shall remain in force during the whole lifecycle of this specific project unless henceforth revoked or suspended.

General conditions and terms attached to this certificate are set out herein behind and specific conditions are annexed.

Dated this..... 10<sup>th</sup>..... day of ..... AUGUST..... 2019

**George B. Simbachawene (MP)**

Minister of State, Vice President's Office - Union and Environment

Attachment 3.



**ARIAN ENGINEERING PRIVATE LIMITED**

Complex, Zone-I, M.P. Nagar, Bhopal - 462 011 (INDIA)  
No.: 91-755-2578835 E-mail : arianengg@gmail.com  
site : www.arianengg.com



AN ISO 9001 : 2015  
CERTIFIED COMPANY

2022  
0001

TIC  
Tanzania Investment Centre  
Shaaban Robert Street  
P.O.Box 938, DSM  
Tanzania

Page 1 of 1

Subject **Justification for the extension certificate of incentives No. 22312 for the Project, Edible oil crushing and cooking oil refinery plant at Miomboni, Misugusugu, Kibaha.**

Dear Sir,

I am writing this letter in the capacity as the main consultant for the above-mentioned project. We are heavily involved on the project from preparing the designs to assisting our client, Afrisian Ginning Limited, in the procurement of the industrial machinery and equipment, to supervision.

With reference to the above subject and in addition to our client's letter referenced AGL/TIC/2022/001 dated 22<sup>nd</sup> Feb 2022, we would like to inform you and emphasise that we have faced various challenges during 2019 and 2020 delaying the kick-off of the project.

Due to the global pandemic situation, the project faced several issues including the delay of finalisation of the project's funding and commercials, delays due to travel restrictions for our suppliers and consultants to get working in finalising the design and engineering, delays in shipments, unavailability of containers, and delays in having to renegotiate with most of our suppliers due to high volatility in prices.

All of the above has had a significant knock-on effect that delayed the commencement of the project. To get the civil works started, the orders with various machinery and steel suppliers must be coordinated to then incorporate their input on final civil foundation drawings. Due to the above process, the actual construction only broke ground in May 2021 i.e. 11 months ago.

We trust that the above details furnished by us clearly explain the delay in project execution due to reasons beyond control.

We trust the information concludes your request.

Yours Sincerely,

Anupam Khanrah  
Project Manager  
Arian Engineering Private Limited  
224, Aakashya; Plot No. - 2, Press Complex, Zone - 1  
M.P. Nagar, Bhopal - 462011  
Ph: - +91 755 4274796; Cell - +91 9832783599  
Email: anupam@arianengg.in

