

TANZANIA INVESTMENT CENTRE

DIRECTORATE OF INVESTMENT FACILITATION



EASTERN ZONE

**REPORT ON PROJECT VERIFICATION VISIT TO EPIC DAR VILLAGE LTD
CONDUCTED ON 29TH JULY, 2022**

July, 2022

1.0 PROJECT PROFILE

Company Information					
S/N	Item	Description			
1.	Company Name	DAR VILLAGE LTD			
2.	Project Location	Plot No.32115 Kijitonyama, Mikocheni area, Kinondoni Municipality, Dar es Salaam Region;			
3.	Projects' Core Activities	To establish and operate a project for shopping malls office complex.			
4.	Address & Mobile Number	P. O. Box 71035, Dar es salaam. +255222184181, +255784700600 Email address: epic.infotz@gmail.com			
5.	Contact Person	Zadock Enock Koola: Executive Chairman Email: Zadock.Koola@zekgroup.com Contact: +255766987986			
6.	Employment		Direct	Indirect	
			Local	Local	Total number
		Men	10	100	110
	Women	06		06	
7.	Shareholder's Information	Name	Nationality	% Ownership	
		Zadock Enock Koola	Tanzanian	50%	
		ZEK GROUP INTL LTD	Tanzanian	50%	

2.0 INTRODUCTION

2.1 History of the Company

DAR VILLAGE LIMITED was established on 27th December 2004 under the companies Act, 2002 with Certificate of Incorporation No. 50808. The company registered a project with Tanzania Investment Centre (TIC) To establish and operate a project for shopping malls office complex, a project which was issued with Certificate of Incentives (Col) No.024402 having implementation period of three years starting 24th July 2019 ending July 2022. This is the first time the investor is applying for extension of the Col. Dar Village Ltd is the subsidiary company of ZEK GROUP INTERNATIONAL LIMITED.

2.2 Geographical location

The project is located on Plot No.32115 in Kijitonyama area, Kinondoni Municipality, Dar es Salaam Region. It can be accessed via Rose Garden Road Road as one drives off Bagamaoyo Road the site is adjacent to Rose Garden Pub.

3.0 PROJECT VERIFICATION VISIT (PVV)

3.1 PVV initiation

The implementation period for the Col granted to the Investor is ending this July 2022. The investor launched an application for extension of Col which called for project verification visit conducted by TIC officers on 27th July 2022. The team comprised the followings:

1. Fidelis Obanga: TIC
2. Paul Sonda: TIC-TMDA

The team was hosted by Zadock Koola – Executive Chairman and Hashimu Tamani – Property Manager both representing Dar Village Ltd.

3.1.1 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 re-issue and change of implementation period application.

3.1.2 Specific Objectives

Specifically, the team aimed to: -

- i. Interview and gather information from the applicant regarding reasons for re-issue of Col and change of implementation period.
- ii. Take copies of relevant document /photos as evidence for implementation progress.
- iii. Physically visit the project site and verify project progress

Findings of the team will assist TIC management to make informed decision whether the company qualifies for re-issue of Col and change of implementation period or not.

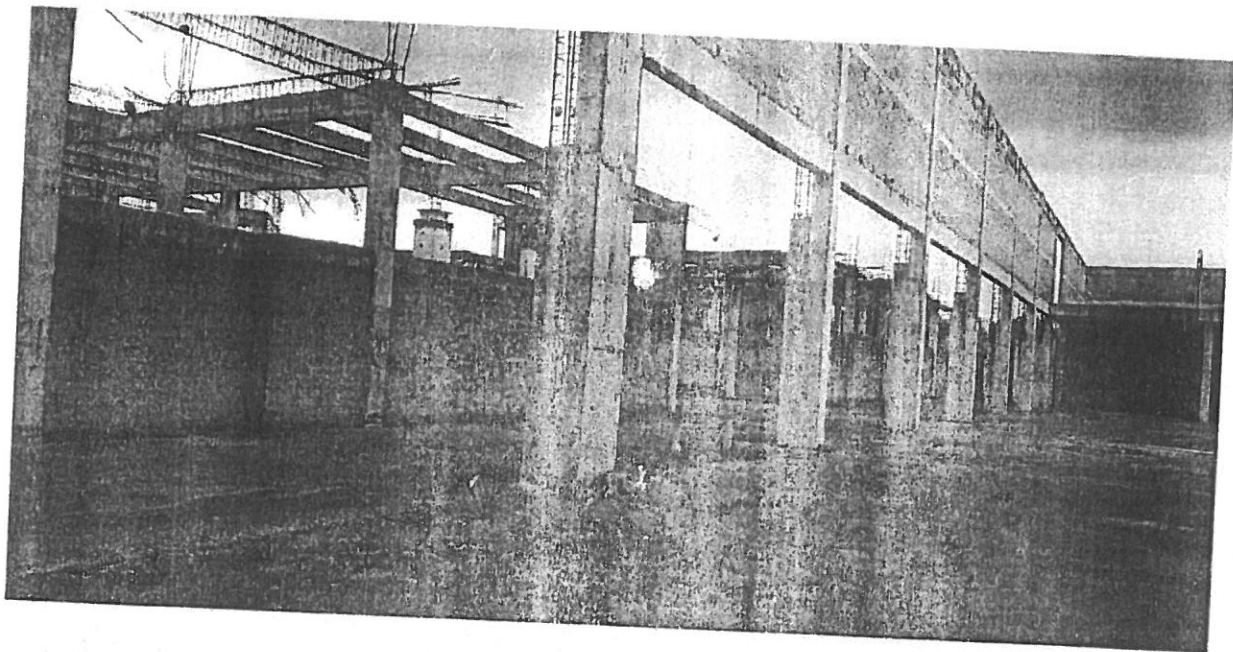
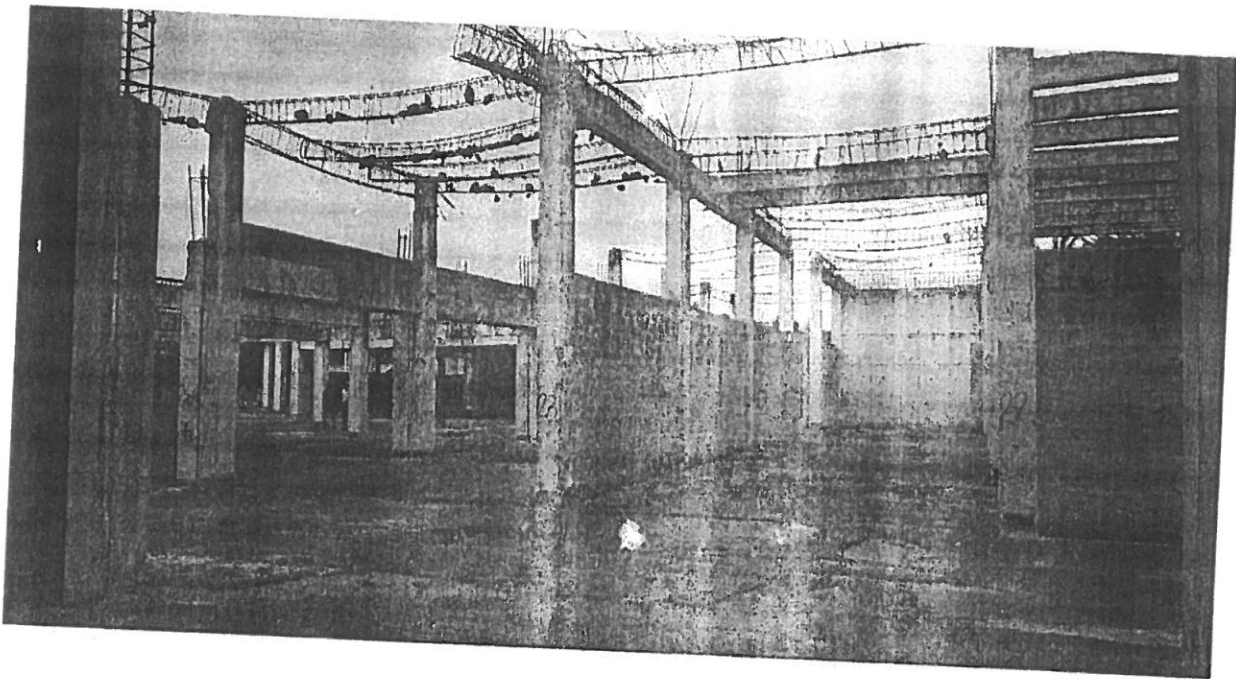
4.0 OBSERVATION AND FINDINGS

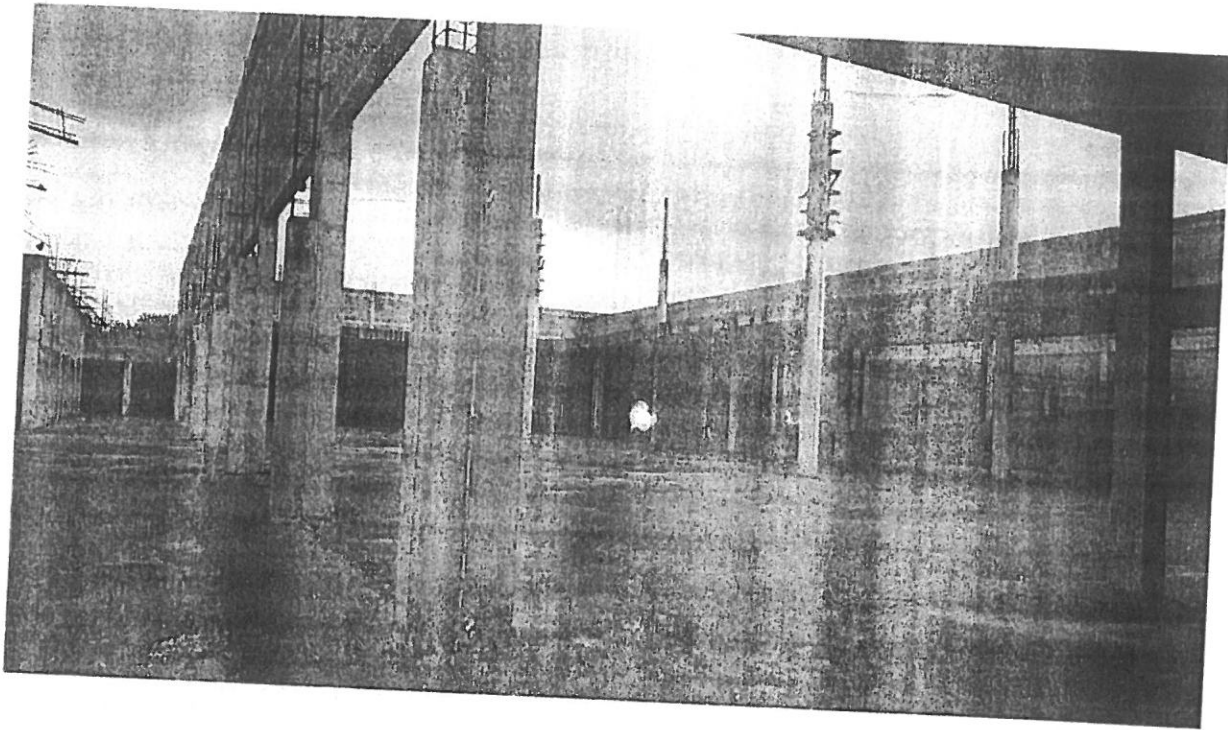
The team observed the following during PVV;

- i. The project was developed for approximately 20% with built-up area of 27,513 Sqm semi-finished buildings and costed almost USD 4,000,000.
- ii. The project is established on the 9 acres and 6 acres plots, but the other 6 acres were sold to finance the project.
- iii. The project drawings were reviewed to suit current need; thus, the project would be carried out in three phases;
- iv. Phase one of the project is currently under progress and is expected to be completed by mid-2023, which covers 16,337Sqm of built-up area, comprises of first-class retail/shopping and entertainment space, supported with all amenities
- v. Dar Village Limited has already advertised and received tenders' documents from prospective Construction Companies, and they schedule to complete the tender process by 15th August 2022 and construction start by 20th August 2022.
- vi. On the site there are construction materials such as 30000 concrete blocks and iron bars.

- vii. Investor has an agreement with biggest shopping mall operator in Middle East and Africa known as Carre4 and CRDB Bank.
- viii. Dar Village Limited are in negotiations with several banks which can finance the project.

The plates below illustrate some the current situation at the site





4.1 Major Challenges towards timely completion of the project

- 4.1.1 Discussion with representatives of the investor revealed that during development the equity invested was USD 4.88mil and expected loan amount was USD 30mil from financial institutions, this results to the project failure to get the required loan amount due to equity loan ratio problem.
- 4.1.2 Real Estate market crash in USA during the period of 2008 – 2010, the mortgage defaults in USA financial sector affected the globe at large as a result most of the commercial banks hesitated to issue mortgage to real estate projects which were considered high risk investments including Dar Village.
- 4.1.3 Covid-19 affected implementation of Dar Village project, due to this pandemic many economic activities had stopped worldwide, thus importation of materials were difficult and travel restrictions were applied as a result project failed to resume earlier.

5.0 RECOMMENDATIONS

In view of the findings observed during the project visit, the team recommends the followings: -

- i. All reasons stated above are valid, Dar Village deserves another CoI for them to invest confidently;
- ii. The company is solely owned by Tanzanians which needs to be highly promoted to invest in their country;
- iii. The investor has never requested for extension prior, therefore her request can be considered to pave way to accomplish project implementation plans.

6.0 CONCLUSION

Based on the facility visited, discussion with company representative, the reference documents presented and considering the findings of the visit including recommendations described above hence reasons and challenges provided by the investor for not completing the project timely can be considered logical. Therefore, the project can be considered for re-issue of Certificate of Incentives and change of implementation period.

We submit,



Fidelis Obanga



Paul Sonda