



TANZANIA INVESTMENT CENTRE

LAKE ZONE

ZHEN HUA LIMITED PVV REPORT

15TH MARCH 2022

2. COMPANY INFORMATION

Table 1- Zhen Hua Company Limited Company Information

S/No.	Information	Description	Current Project Status
	PVV CONDUCTED BY	Current shareholders names	Change - Run
		Nationality and percentage of ownership	100%
	LINDA MESHACK IPFO - LAKE		
			
			GIRSON L. NTIMBA MANAGER - LAKE

1. INTRODUCTION

Zhen Hua Company Limited is a TIC registered project with certificate of incentives No. 20152 registered with TIC in 2017. The company was registered with BRELA with certificate of incorporation No. 72045 for establishing and operating a project for fish maw processing and packaging in Mwanza Region. The project is located at Plot No. 76 Block K, Buzuruga Nyamagana, Mwanza.

Zhen Hua Company Limited submitted an application to TIC requesting the extension of their certificate of incentive which expired on 2020.

TIC Lake zone office was instructed by the head office in March 2021 to undertake the PVV in Zhen Hua Company Limited project implementation site in order to determine the project implementation status and to verify the investment with reference to capital/deemed capital expenditure for purposes of justification of project Extension.

2. COMPANY INFORMATION

Table 1- Zhen Hua Company Limited Company information

S/No.	Information	Description	Current Project Status
1.	Shareholder's Information	Current Shareholders names, nationality and percentage of ownership	1.Lirong Hur 18000, Nationality Chinese 2.Ni Fuwen

			2000 , Chinese Nationality
2.	Company Communication Information	Email address	Zhenhua2020@yahoo.com
		Mobile Number	0739737888
		Land Line Telephone Number	NIL
		Physical Address (Plot No., Block No, Street, District and Region)	Plot no. 76, Block K, Buzuruga, Nyamagana District, Mwanza
3.	Contact Person	Name	LIU JINZOU
		Position	OPERATION MANAGER
		Communication Details (Email, Mobile and telephone)	0739737888 Zhenhua2020@yahoo.com
4.	Incorporation	Certificate of Incorporation No.	72045
5.	TIN information	TIN Certificate No.	108-630-027
6.	Project Objective	Project Core Activity	fish maw processing and packaging

4. PROJECT PERFORMANCE

Description of actual project performance and issues observed (findings) in tabular format below;

Table 2- Project Actual Performance

S/N	Information	Description	Current Status	
			Amount (USD)	Source Country
1.	Investment Financing amounts in USD	Financing Type		
		Local Equity	NIL	
		Local Loans	NIL	
		Foreign Equity	51,172	China
		Foreign Loans	35,000	China
		Total Investment	86,172	
2.	Capacity	Project Capacity per Year	36 Tons	
3.	Direct Employment	Foreign-Men	4	
		Foreign-Women	0	
		Local-Men	6	
		Local-Women	75	
4.	Indirect employment	Estimated Total No.	30	
		Type/areas of Indirect Employment	<i>Casual labor</i>	

5. OBSERVATION AND FINDINGS OF THE PROJECT IMPLEMENTATION

The project is located at Plot No. 76, Block K, Buzuruga, Nyamagana. The project is expected to benefit the surrounding community through direct and indirect employment offered by the project activities. The project is currently operating but not to its full capacity due to the delays in getting environmental certificate from NEMC which affected its implementation. Currently the project has employed a total of 115 people (both permanent and casual laborers). The project is currently producing and exporting 3 tons of fish maws per month. In to its full operation the project will employ 200 people and will have a production capacity of 10 Tons of Fish maws per month and 120 tons annually.

6. PROJECT IMPLEMENTATION STATUS

TIC Lake Zone Office confirms through the project promoters that implementation of the project is only 20% complete and the delay in execution was due to delays in getting NEMC environmental certificate which affected the implementation of their project(Evidence attached).Also the effect of COVID 19 in China affected their access to capital to finance the project as well as market for their products which made delays in the implementation of the project. So far we have observed the company has implemented the following in the project site;

- Fish maws drying machines(heaters and fans) have been procured.

- Fish maws storage containers are in place. They are used to store fish maws before exporting to Hong Kong, China.

7. ISSUES OF CONCERN AND PVV FINDINGS ON THE REQUEST

The project promoters demonstrated delays in getting NEMC certificate and shortage of funds to finance the project as the main reasons for the delays in implementation of the project. The delays of NEMC certificate and shortage of funds has affected the project implementation as follows:

- a) The delay in the purchasing containers, heater and fans for drying of fish maws which caused delay in the implementation of the project to its full capacity.
- b) The project has failed to start construction of the buildings where production will take place instead, they are still using the existing building with limited space and they need more time for implementing the project.

8. THE FUTURE PLANS

The project promoters plan to continue with the implementation of project activities as it was planned during registration with TIC. The project is expected to surpass the proposed project value:

- ✓ The company intends to start construction of the new processing building and install new machines.
- ✓ Procure all machinery required for the fish maw processing factory to operate
- ✓ Construction of administration blocks.

Upon completion of the planned activities the project will increase its production capacity from 3 Tons to 10 tons per month.

9. RECOMMENDATIONS

Through observation from the project site and based on their CoI and business plan submitted during registration, the project was registered in 2017 which marks five years since its registration with TIC with the aim of investing 700,000 USD. Up to date the project has invested 86,172 USD. The nature of the remaining activities do not require the validity of the Certificate of incentive since the project promoters have not applied for any fiscal incentive and they are not planning to import any machine for the project. This means that the remaining part of the project can be implemented even if the certificate of incentive is not valid. We don't recommend extension of this project believing that the project can still be implemented without the validity of their certificate of incentive that still they can have access to non-fiscal incentives.

10. CONCLUSION

Conclusively, from the site visit and meeting with the management team at Zhen Hua, we have observed that the implementation of the project does not require any fiscal incentive. The project promoters can still implement their project as it was planned without the renewal of their certificate of incentive. TIC will continue to facilitate them with all the non-fiscal incentive to ensure smooth implementation of the project. The implementation of this project to its full capacity will generate foreign currency for the country as 100 percent of their produce are for exports to China. It will also offer more jobs Tanzanians as it uses labor intensive technology.







CRXU 996675

45R1



CAUTION
9'-6"
HIGH



CRXU 996675 1

45R1

MAX. GROSS WEIGHT 34 800 kg
74 660 lb.
TARE 24 250 kg
53 500 lb.
NET WEIGHT 10 550 kg
23 160 lb.
CUBIC CAPACITY 67.8 m³
2 398 cu.ft.



EMCU 9781658
45G1







CRXU 895675
4581







CRXU 696675 1

45R1

CAUTION
9'-6"
HIGH

MAX GROSS WEIGHT	34,000 kg. 74,960 lbs.
TARE	4,790 kg. 10,560 lbs.
NET WEIGHT	29,210 kg. 64,400 lbs.
CUBIC CAPACITY	67.9 m ³ 2,399 cu.ft.

&DO



BARAZA LA TAIFA LA HIFADHI NA USIMAMIZI WA MAZINGIRA

NATIONAL ENVIRONMENT MANAGEMENT COUNCIL [NEMC]

Mikocheni Regent | P.O.Box 63154 | 11404 Dar Es Salaam - Tanzania

Tel: +255 22 277 4852 / +255 22 277 4889 | Fax: +255 22 277 4901 | Mob: +255 713 608 930

Email: dg@nemc.or.tz | Website: www.nemc.or.tz

CODE

TIN: 101-190-145

RECEIPT

No. 29827

Date 26 / 1 / 2022

RECEIVED from M/S Zhen Hua Co. Limited

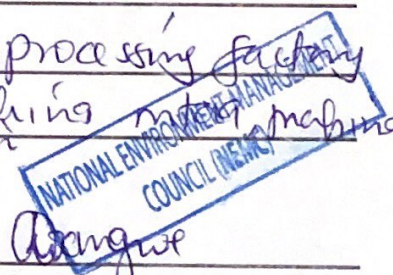
P.O. Box 1623 Mwanza

The Sum of Shillings Four million shillings only

Being Payment of Review cost process for Fish man processing factory
located on plot no '76' block 'KK' making
ward - Mwanza district - Mwanza region

Electronic Transfer (ET) / Cash / Cheque No. 994720040837

T.Shs. 4,000,000/-



With Thanks



NATIONAL ENVIRONMENT MANAGEMENT COUNCIL [NEMC]

Mikocheni Regent Estate, Plot 28/29/30, P.O.Box 63154, Dar es Salaam, Tanzania,
Tel: +255 22 277 4852 / +255 22 277 4889, Fax: +255 22 277 4901, Mob: +255 713 608 930
Email: dg@nemc.or.tz / nemc_feesandcharges@nemc.or.tz, Website: www.nemc.or.tz

TIN: 101-190-145

INVOICE

Name: Zhen Hoa Co. Limited,
Address: P.O. Box 1623,
Mwanza.

No. 17161

Date: 15/11/2019.

Cert. No. _____

Location: NYAKATO IND
AREA.

Description	Type of Facility / Activity / Project	Unit Price Tshs.	No. of Unit	Line Total Tshs.
Annual fees and charges for environmental Compliance, Monitoring and Audit for	Annual Fees and Charges for financial year 2019/2020 to be paid before 31/12/2019 for processing and export of fish maws.	750,000/=	1	750,000/=
Year	2019/2020			
	For control number, please call 0677 069 967.			
SUB TOTAL				
Outstanding Balance for the year				
Penalty for late payment / Non-compliance for year				
TOTAL		750,000/=	1	750,000/=

NOTE

- All Cheques should be written to:
NATIONAL ENVIRONMENT MANAGEMENT COUNCIL
- Deposited in the Council Account No.
0150005055800 CRDB BANK - TOWER BRANCH ✓
20110024189 NMB - BANK HOUSE BRANCH

Issued by: Leonatus Charles.

Signature: Leonatus