

**TANZANIA INVESTMENT CENTRE  
DAR ES SALAAM  
PROGRESS REPORT**

(Information required for the project's progress report after every six months)

**1. Planned Activities for the period**

- Adding more camping tents due to the current influx of tourist in the country
- Acquire more vehicles for handling tourist and other facilitation services
- Arranging excursions/safari tours to Tanzania from all over the world. This includes group tours, individuals, diplomats, businessmen, students, volunteers, etc;
- Providing services to special tours – eg eco-tourism, educational, wildlife filming
- Construction of new tourism facilities and buildings within the present premises so far have not invested for the new buildings as much due to unavailable funds

2.

**3. Achievements made on the project implementation todate:**

The project is located at Farm no. 21 Block 147-II Shanty Town Plot no.17, in Moshi Municipality, Kilimanjaro Region.

We received the Certificate of Incentive No. 017154 dated 20th December 2018 with serial number 0223840. Due to COVID-19 pandemic over the period of 1918-2022 were unable to implement all the project items listed in the report

**(i.e. from the date the project was approved to the date of writing the report)**

Describe the status of activities that have already been undertaken e.g. construction of buildings, acquisition of supplies, installation of equipment, etc.

No new building so far constructed

Few additional camping tents have been purchased as shown in the attached pictures.

2 mini buses vehicles were purchased during before the onset of the pandemic

**4. Project Financial Expenditure todate:**

|                    | <u>Foreign</u> | <u>Value in TZS '000</u> |              |
|--------------------|----------------|--------------------------|--------------|
|                    |                | <u>Local</u>             | <u>Total</u> |
| Land and Buildings |                | 9,712                    | 9,712        |

|                                     |               |               |
|-------------------------------------|---------------|---------------|
| Plant and machinery                 | 31,812        | 31,812        |
| Tourist Vehicles                    | 34,348        | 34,348        |
| Furniture                           | 2,118         | 2,118         |
| Office equipment/ camping equipment |               |               |
| Insurance Cover                     |               |               |
| Pre-operational expenses            |               |               |
| Working sub-total capital           |               |               |
| <b>GRAND TOTAL</b>                  | <b>77,990</b> | <b>77,990</b> |

## 5. Project Financing

**Explain how the project is being financed e.g. equity, loans, sources of loans, conditions, etc.**

The project was supposed to be financed through a term loan and shareholders equity contribution. But none of the above has ever been implemented

The financing expected to be as follows

Value in TZS '000

| ITEM/FUNDS                      | Equity           | Loan             | TOTAL            |
|---------------------------------|------------------|------------------|------------------|
| Land, Civil works and Buildings | 240,712          | 0                | 240,712          |
| Motor Vehicles                  | 997,215          | 1,495,821        | 2,493,036        |
| Machinery and Equipment         | 229,892          | 344,839          | 574,731          |
| Furniture & Fixtures            | 72,118           | 0                | 72,118           |
| Pre-operational Expenses        | 55,561           | 0                | 55,561           |
| <b>TOTAL CAPITAL COSTS</b>      | <b>1,595,498</b> | <b>1,840,660</b> | <b>3,436,158</b> |
| <b>Initial Working Capital</b>  | <b>152,482</b>   | <b>0</b>         | <b>152,482</b>   |
| <b>CAPITAL COSTS</b>            | <b>1,747,980</b> | <b>1,840,660</b> | <b>3,588,640</b> |

## 6. Problems and Solution

**Explain problems, which the management is encountering in executing the project and the steps being taken to solve them.**

Due to Covid-19 Pandemic most of the projects planned were not implemented from 2018 to 2021 as no tourism were easily available and literary no income was realized from tourism activities. Thanks to the ROYAL TOUR PROMOTION and the relatively reduced infection of Covid 19 we are now getting a good influx of tourist in the Northern Circuit.

Using our present facilities which mainly includes tourist vehicles and the available camping equipment

## 7. Future Plans

### Explain future plans for the next coming six months and planned financial commitments

We intend to employ about 45 staff to implement our expansion plan

We expect to seek term loan from our local banks to the tune of TZS 1.84 billion to finance part for:

- Acquiring/purchase more vehicles for handling tourist and other facilitation services.
- Construction of the office block , information desk and the restaurant
- Upgrade the present camping facilities and purchase of camping equipment,
- Provision of Internet café facility will be available within the compound for the tourist camping in our premises.
- Provision of an extended car parking area demarcated to accommodate more than 50 vehicles at one time.
- Another facility will be the modern swimming pool to be constructed within this compound

Summary of the new investment will be as follows

Value in TZS '000

| SN | Item                     | New              |
|----|--------------------------|------------------|
| 1  | Civil works & Buildings  | 231,000          |
| 2  | Motor Vehicles           | 2,458,688        |
| 3  | Machinery &Equipment     | 542,919          |
| 4  | Furniture and Fittings   | 70,000           |
| 5  | Pre operational expenses | 55,561           |
|    | <b>Sub Total</b>         | <b>3,358,168</b> |
| 6  | Working Capital          | 152,482          |
|    | <b>TOTAL CAPITAL</b>     | <b>3,510,650</b> |

## 8. Recommendations and any other comments

We request your well esteemed authority to provide us approval on extension of the TIC Incentive Certificate to enable us proceed purchase of addition vehicles, camping equipment and mountain safari equipment, restaurant/kitchen equipment, radio call system, stand by generators

## 9. ETC.

Providing an enclosed tourism ground that provide all tourist amenities and all information concerning the tourism industry in Tanzania.

The company owns this plot with existing buildings as shown in the attached pictures. There is a space for construction of new tourism facilities so far have not invested for new buildings due to unavailable funds which was expected to get from own resources and bank facilities. We could not raise the equity financing as we were not operational due the Pandemic Covid 19  
Due to tourist operations remaining at stand still for the past 3 years, we could not even submit the importation of items listed for sub subsequent approval by TRA.

We trust with the above brief you will be in position to visit our project premises and approve the extension of the project.