

TANZANIA INVESTMENT CENTRE

DIRECTORATE OF INVESTMENT FACILITATION



**REPORT ON THE PROJECT PHYSICAL VERIFICATION VISIT
CONDUCTED FOR QINGDAO INDUSTRIAL INVESTMENTS CO. LTD**

IN

DAR ES SALAAM REGION

02nd DECEMBER, 2022

COMPANY BRIEF PROFILE

Company Name	Qingdao Industrial Investments Co. Ltd		
Postal Address	P. O. Box 13478		
Contact Person	Diana Sui		
Office Phone	+255769565224		
Mobile Phone	+255745492950		
E-mail	qingdaodianasuitz@gmail.com		
Project Core Activity	To expand manufacturing facility for water bottling and packaging		
Project Location	PLOT NO. 2002, BLOCK 2, KURASINI		
Certificate of Incentives No & Date of Registration	042219 dated on 30 th May, 2012 and 042219 dated on 19 th May, 2015		
Present Ownership Structure	foreign 100%		
Shareholders	Shareholders	Nationality	Shareholding (%)
	Guan Hongzhong	Chinese	90%
	Zhang Li	Chinese	5%
	Guan Lu	Chinese	5%
Current Status of the Project	No operation		
Manpower Total (Nos.)	Foreign Men: Foreign Women: Local Men: 40 Local Women: 10		
Project Financing Expenditure to-date (USD)	USD 1.4 M		

1.0 BACKGROUND

Qingdao Industrial Investments Co. Ltd is a company established in 1998 with the certificate of incorporation number 34126 and it was issued a certificate of Incentive for expansion number 042219 from Tanzania Investment Centre (TIC) in 2015 for the proposed activities of expanding a manufacturing facility for water bottling and packaging with the Investment Capital amounted to USD 1.4 million.

The Certificate of Incentive was expired in 2016 and within that period, they managed to procure few items among of those granted by TRA. The company submitted a request to TIC to be granted an extension of project implementation period effective from November 2022 so as to accomplish the project implementation and enjoyed the remaining granted balance of Capital and Deemed Goods.

On 02nd December, 2022, TIC conducted a Project physical Verification Visit (PVV) in order to verify the eligibility of the investor's request.

1.1 Project Location

The project is located on PLOT NO. 2002, BLOCK NO. 2, KURASINI

1.2 Objective of the Visitation

The main objective of the site visit was to conduct a physical verification of the development of the project so as to verify the eligibility of the investor's request for extension of the project implementation period and to advice TIC on approval decision based on the site findings.

1.3 PVV Team

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|------|--------------------|--------------------|
| (i) | Deusdedit Hokororo | Investment Officer |
| (ii) | Gift John Kafuko | TRA-TIC |

2.0 Methodology

The following methodology were used to conduct the PVV

- (i) To review the submitted request documents and the company file so as to get the historical background of the project and strong reasons for extension of implementation period.
- (ii) Interview with Ms. Diana Sui (Director) to get the progress report of the project and the challenges hindering effective implementation of the project.
- (iii) Physical site visitation to verify the progress of the project

3.0 Interviews, Observations and Findings

On 02nd December, 2022, the PVV team visited the company and had a consultative conversation with Ms. Diana Sui (Director) to acquire important information on the progress of the project development and challenges hindering effective implementation of the project. The following are the key issues observed.

3.2 Physical Findings

- (i) The project has been issued a certificate of incentive for expansion number 042219 from Tanzania Investment Centre (TIC) in 2012 for the proposed activities of expanding a manufacturing facility for water bottling and packaging with the Investment Capital amounted to USD 1.4 million
- (ii) It also be issued a certificate of incentives for expansion number 042219 in 2015 for the project of expanding a manufacturing facility for water bottling and packaging.
- (iii) There are changes of shareholders according to BRELA search submitted but no amendment has been done to TIC.
- (iv) There is no operation activities seen in the industry
- (v) There is a machineries for water packaging. (See appendix no.1)
- (vi) There is a machineries for bottling production. (See appendix no.2)


3.3 Interview Ms. Diana Sui (Director)

- (i) The project is suspended by Prime Minister's office (OSHA) due to noncompliance with safety, health and environmental rules and regulations.
- (ii) They claim to rectify all the anomalies, yet to write a letter to Prime minister's office to ask for re-inspection in order to resume with operations.
- (iii) They are no longer interested with the implementation of the existing project, they wanted to sale or sign a Joint venture contract with other investors for the project implementation.

4.0 Conclusions and Recommendations

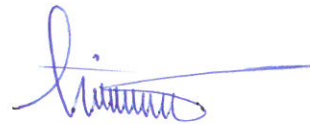
This project had been registered by TIC for more than 13 years ago, and it had been 7 years since the expiration of last certificate. Currently the industry is not operating and project promoters decided to sale the project to other investors, we recommend TIC neither to approve nor issue an expansion of implementation period until the resumed of the operations and necessary amendment to be done to TIC .

We are hereby submitting this report for your further action,



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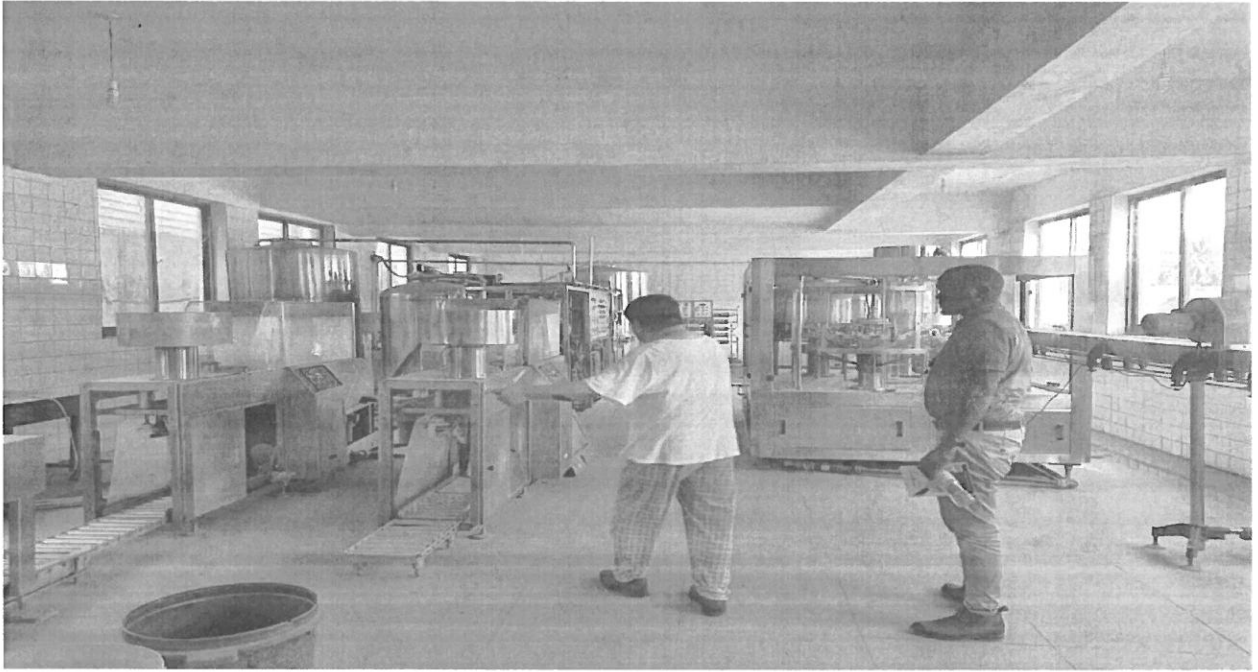
Deusdedit Hokororo
Investment Officer



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Gift J. Kamfuko
TRA-TIC

Appendix 1



Machineries for water packaging

Appendix No. 2



Machineries for bottle production