



PRIME MINISTER'S OFFICE
TANZANIA INVESTMENT CENTRE
LAKE ZONE

TAIC LIMITED PVV REPORT
23RD FEBRUARY 2021

PVV CONDUCTED BY
PENDO GONDWE
ZM LAKE

1. TABLE OF CONTENT

I.	Introduction.....	2
II.	Company Information.....	3
III.	Project Performance.....	4
IV.	Observation and Findings.....	5
V.	Issues of Concern.....	6
VI.	Recommendation.....	7
VII.	Conclusion.....	8
VIII.	Project in Pictures.....	9

2. INTRODUCTION

TAIC Limited is a TIC registered project with certificate of incentives No. 042982 registered with TIC in 20... The company was registered with BRELA with certificate of incorporation No. 121654 for establishing gold processing project in Geita Region. The project is located at Plot No. 1, Block A, Nhungwiza, Mbogwe District, Geita Region.

TAIC Limited Company submitted an application to TIC requesting for the second extension of their project, which the first certificate of incentives has an implementation date of 2015 to 2019 and current COI has an implementation period of one year 2019-2020.

TIC Lake zone office was instructed by the head office in February 2021 to undertake the PVV in TAIC 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 the project Extension.

3. COMPANY INFORMATION

Table 1- TAIC Limited Company information

S/No.	Information	Description	Current Project Status
1.	Shareholder's Information	Current Shareholders names, nationality and percentage of ownership	1.Rafat Nagieb 50%, Nationality Australia 2.Sayed Imran Al Edroos

			25% , Nationality Tanzanian Nicola Ralph Nationality Australian 25%
2.	Company	Email address	tommazanda@yahoo.com
	Communication Information	Mobile Number	+255767000089
		Land Line Telephone Number	0255 22 2152440
		Physical Address (Plot No., Block No, Street, District and Region	Plot no. 19, Block M,
3.	Contact Person	Name	Tom Joseph Mazanda
		Position	Accountant
		Communication Details (Email, Mobile and telephone)	025576700089 0255 22 2152440 tommazanda@yahoo.com
4.	Incorporation	Certificate of Incorporation No.	121654
5.	TIN information	TIN Certificate No.	128470808
6.	Project Objective	Project Core Activity	Manufacturing, Processing gold

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	122,000	
		Local Loans		
		Foreign Equity	1,580.000	Australia
		Foreign Loans		
		Total Investment	1,660,000	
2.	Capacity	Project Capacity per Year	300 tons	
3.	Direct Employment	Foreign-Men	0	
		Foreign-Women	0	
		Local-Men	16	
		Local-Women	6	
4.	Indirect employment	Estimated Total No.	22	
		Type/areas of Indirect Employment	<i>Casual labours, Security, Truck Driver, Logistics, suppliers.</i>	

5. OBSERVATION AND FINDINGS OF THE PROJECT IMPLEMENTATION

The project is located at Plot No. 1, Block A, Nhungwiza, Mbogwe District, Geita Region. The project is expected to benefit the village through economic activities established in the village. *The project is using the mining licence of a Tanzanian shareholder which would benefit through joint venture partnership. The project which is expected to start production in June is expected to employ over 60 people and have the capacity to produce 300 kg of gold per annum on with an investment value of 2 million Tanzania USD.* Currently the project has employed more than 20 people mostly Tanzanians doing the engineering and construction works.

6. PROJECT IMPLEMENTATION STATUS

TIC Lake Zone Office confirms through the project promoters that implementation of the project is almost 45% complete and the delay in execution was due to the delay in the issuance of the approvals, licenses and registration. So far we have observed the company has implemented the following in the project site;

- a) Construction of gold processing premises with demarcated areas designed for cleaning and processing of gold.
- b) Construction of office building to accommodate administration activities at the project site.
- c) Construction of gold processing premises with several demarcations designed for CIP processing
- d) Procurement and installation of security towers and equipment to safeguard the site due to the nature of the project.

- e) Construction of the security tower.
- f) The project has so far procured vehicles: two office administrative cars Toyota make and one truck for logistics support activities
- g) The project has constructed a warehouse to ensure enough storage of raw materials before processing
- h) The project has also constructed accommodation facilities for the workers to ensure smooth running of activities during project implementation.
- i) The company procured a standby power generator, as it is quite necessary, given the nature of the business.
- j) Also in place are various assorted working tools and equipment used.
- k) The PVV also has established that the project has not yet procured plant and machinery for gold processing. Though the project has spent some critical amount for some equipment the PVV could not establish any gold processing line machinery in place.

7. ISSUES OF CONCERN AND PVV FINDINGS ON THE REQUEST

The project promoters demonstrated delays in the issuance of licences, approvals and registration, which have caused delay in the project implementation as follows;

- a) During the PVV we sited delay in the issuance of some licences for the project. The project implementers hinted delay in the issuance of NEMC licence. The delay on the issuance of NEMC licence was a major challenge for the execution of the project and hence hesitancy in further implementation of the

project. Currently the project has managed to receive the NEMC licence in 20 as per attached.

- b) The delay in the purchasing of the production line for gold processing caused delay in the project implementation.
- c) The project has also not yet finished the construction of the gold processing area as per attached photos and they need more time to finalise.
- d) The project promoters also complained about the delay in land registration procedures which took a long time to be completed. The land compensation was completed in 2009 to date land registration matters have not been finalised and this caused serious project execution commenced.

6.1 THE FUTURE PLANS

- a. The company intends to further complete the construction of the gold processing building.
- b. The project promoters intend to procure machinery the gold processing line.
- c. area now they have the industrial licence
- d. The company intends to extend the construction of storage facility for chilling and drying area once received the NEMC certificate.
- e. The company intends to import more CCTV Cameras and blasting materials once they get an approval of NEMC for the EIA which would allow them to expand the chilling facilities and drying facilities.

Once the expansion is done the project will double its processing capacity to 40 tons per month and double the employment to over 100 direct employment.

Upon TIC approval the project is expected to execute and implement the above targeted activities within a span of one (1) year expected completion of the above activities would be end of 2021 or early 2022 depending on the approval and the project is expected to surpass the proposed project value.

8. RECOMMENDATIONS

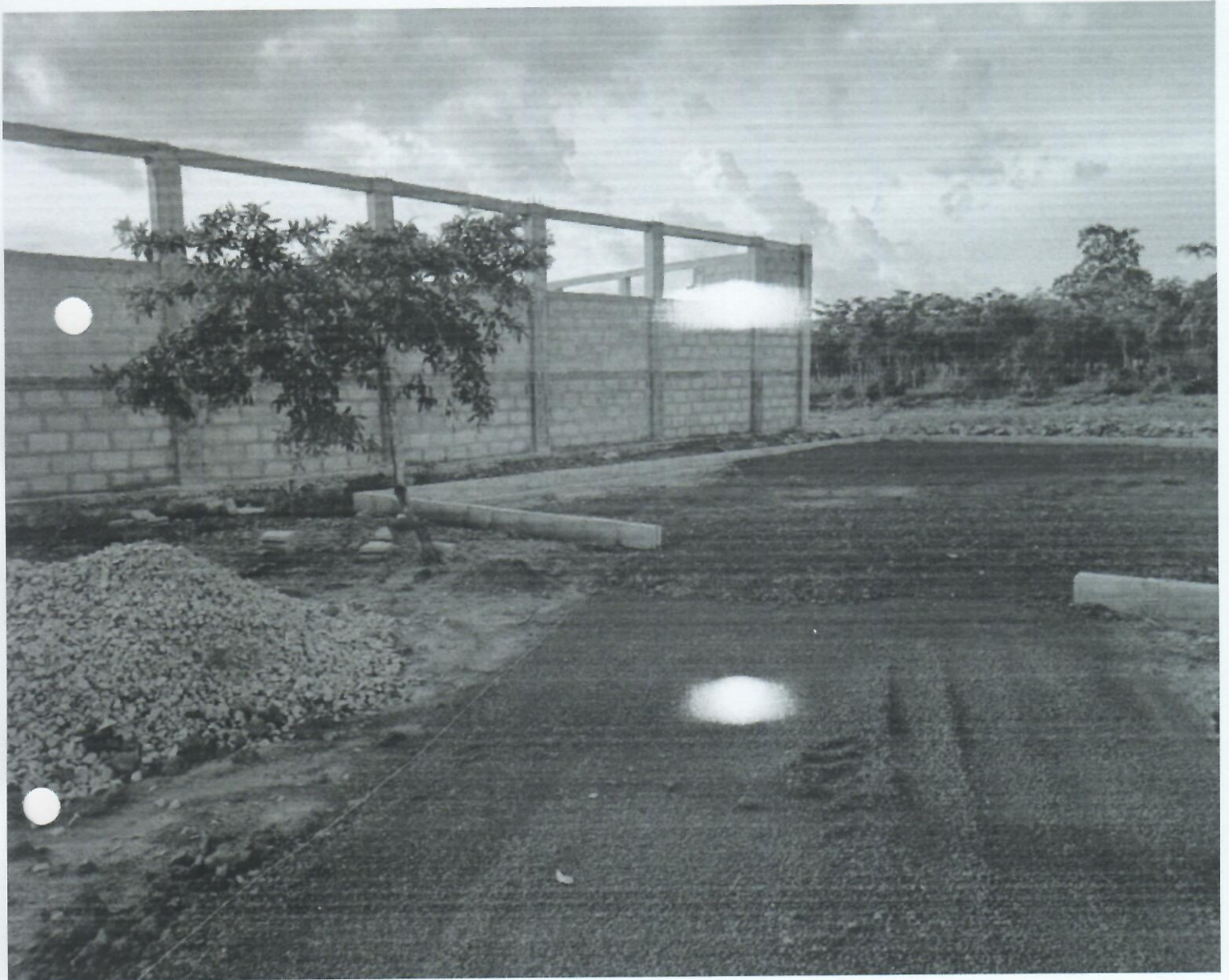
To conclude we can say that, through an observation from the project site and based on the project verification done at Mbogwe District, Geita Region processing site, I would like to recommend **one year extension** of this project. We believe the extension would stimulate further development and support completion of gold processing plant.

9. CONCLUSION

TAIC Limited has demonstrated the importance of gold processing in the Lake zone region as they add value to the mining sector in Tanzania, which was at the beginning the value addition was highly not emphasized in the country. This project would enhance and improve the value chain of mining and influence development of other sectors including agriculture, transportation, service, real estate, trading and many others

10. PROJECT PHOTOS

1. *Construction of the processing area at TAIC project site*





2. *Construction of Administrative building at the site*



Picture 3. Construction of one of the accommodation rooms in the project site in Mbogwe