

**CHINA STATE FARMS AGRIBUSINESS (G) CORP(TANZANIA)LTD
PROGRESS REPORT**

AS AT 31ST DECEMBER, 2022

1 PLANNED ACTIVITIES 4,762 HECTARES

2 ACTUAL AREA PLANTED 3,141 HECTARES

3 PROJECT ACTIVITIES UNDERTAKEN:

1. REHABILITATION OF FACTORY BUILDINGS
2. CONSTRUCTION OF NEW FACTORY BUILDING AT KISANGATA ESTATE
3. CONSTRUCTION OF 60 UNITS OF WORKERS HOUSES
4. REHABILITATION OF PLANT AND MACHINERY
5. ACQUISITION OF NEW SISAL DECORTICATOR
6. ACQUISITION OF NEW BAILING PRESS MACHINE
7. ACQUISITION OF 20 UNITS NEW WHEEL AND CRAWLER TRACTORS
8. ACQUISITION OF 60 UNITS OF SISAL TRAILERS
9. ACQUISITION OF ONE HEAVY DUTY GRADER
10. PROCUREMENT OF FOUR LIGHT TRUCKS
11. CONSTRUCTION OF ONE OFFICE BLOCK
12. CONSTRUCTION OF PEAPEA VILLAGE OFFICE BUILDING AS PART OF CSR
13. PROVISION OF OFFICE FURNITURE, FITTINGS AND OFFICE EQUIPMENT
14. CONSTRUCTION OF MTEGO WA SIMBA VILLAGE OFFICE BUILDING
15. CAPACITY BUILDING AND FINANCING SUNFLOWER PROJECT, KONGWA DISTRICT
16. REHABILITATION OF SOKOINE UNIVERSITY DORMITORY AS PART OF CSR
17. FINANCING MOROGORO POLICE STAFF HOUSES AS PART OF CSR
18. FINANCING CONSTRUCTION OF KILOSA POLICE STATION AS PART OF CSR

4 UPDATED INFORMATION

INFORMATION	DESCRIPTION	CURRENT STATUS
1 Shareholders information	Current shareholders names, nationality and percentage of ownership	China Africa Agriculture Investment Co. Ltd., Chinese, 99%
		Mr. Qinglin Li, Chinese, 1%
2 Company communication information	Email address, Mobile number	chinastatefarms@ mail.com
	Landline telephone number	Mobile 255753968576
	Physical address: Plot no. Block no., Street, District and Region	Plot 508, Block 157494, Rudewa Street, Kilosa District, Morogoro
3 Contact person	Name, Position, Email, Mobile	Athumani Migeto Finance & Admin Manager migeto2410@gmail.com Mobile 255754810773
4 Incorporation	Certificate of incorporation number	Date: 24.12.1999 Number 38543
5 TIN Information	Tin Certificate No.	Number 100281732
6 Project objective	Project core activity	Sisal plantation and processing
7 Capacity	Project capacity per year	Planting 300 hectares and producing 2000 tons sisal fiber
8 Direct Employment	Foreign male	6 male
	Foreign female	1 female
	Local male	486 male

		Local female		252 female
9	Indirect	Type/areas of indirect		Payment of salaries and
	Employment	employment		wages to our workers
				who spend their money
				purchasing and accessing
				services to 3 surrounding
				villages with more than
				8000 inhabitants

4 PROJECT FINANCIAL EXPENDITURE TO-DATE(TSHS.000)

DESCRIPTION	FOREIGN	LOCAL	TOTAL
LAND AND BUILDINGS	1,029,212	1,911,395	2,940,607
PLANT AND MACHINERY	1,553,751	836,635	2,390,386
MOTOR VEHICLES	676,932	451,288	1,128,220
FURNITURE	-	35,102	35,102
OFFICE EQUIPMENT	-	43,269	43,269
CRAWLER & WHEEL TRAC	4,267,828	-	4,267,828
UTILITIES & INFRASTRUCT	-	453,046	453,046
INSURANCE COVER	-	41,842	41,842
PREOPERATION EXPENSE	-	8,312	8,312
WORKING CAPITAL	-	1,617,734	1,617,734
GRAND TOTAL	7,527,723	5,398,623	12,926,346

5 PROJECT FINANCING: Through equity from shareholders

DESCRIPTION	AMOUNT IN USD	SOURCE COUNTRY
Local equity	-	
Local loans	-	
Foreign equity	5,620,150	China
Foreign loans	-	

6 CHALLENGES:

- 1 The geographical location of the project is surrounded by pastoralists, therefore we have encountered challenges of cattle grazing in our sisal plantations which damage plants
- 2 Our farms have repeatedly been invaded by elephants from the nearby national park, according to valuation, the actual loss was shillings 370 million
- 3 Previously there had been cases of arson of sisal plants by unknown people
- 4 For the past three years our sisal plants were heavily destroyed by disease caused by cow dung whereas actual loss was shillings 413 million
- 5 Due to numerous regulatory requirements and processing of licenses by some of the Government institutions does not deliver required services hence impend execution of project implementation

7 SOLUTIONS:

- 1 We have contracted a security company as mitigating factors for fire and cattle
- 2 We have reported to relevant Government institutions, unfortunately nothing tangible for the past two years of elephants invasion
- 3 Employment of disease control expert

8 FUTURE PLANS

- 1 Planting of 300 hectares with sisal
- 2 Construction of office building to replace the dilapidated
- 3 Procurement of two decorticators
- 4 Construction of staff house for senior staff as a replacement of dilapidated buildings
- 5 Utilization of wet land by growing paddy and latter construction of paddy processing plant to add value and create employment

9 RECOMMENDATIONS:

- 1 The Government should streamline her sectoral policies to minimize timeframe
vivid example Tanzania Investment Center which is one stop centre
- 2 Continue to improve work and residence permit processing wheareas at least one week
all permits should be obtained unlike now which is about 30 days
- 3 The issue of environment is paramount therefore NEMC and OSHA should coordinate thei
activities because they are almost similar in implementation
- 4 We suggest Tanzania Investment Centre should have stakeholders meeting in every zone
and get feed back from investors through interaction rather than submission progress
reports bi annually.

QIU BIN
DEPUTY MANAGING DIRECTOR



15.08.2023

