

Annexure 2

TANZANIA INVESTMENT CENTRE DAR ES SALAAM

PROGRESS REPORT

(Information required for the project's progress report every six months or for amendment of Certificate of Incentives)

1. Planned Activities for the period:

Distribution of POS devices for agent and merchant payments.

2. Achievements made on the project implementation to date: Describe the status of activities that have already been undertaken e.g. construction of buildings, acquisition of supplies, installation of equipment, etc.

To date, Selcom has imported and distributed 16,500 POS devices.

3. Provide updated information on the following aspects;

S/No.	Information	Description	Current Project Status
1.	Shareholder's Information	Current Shareholder's names, nationality and percentage of ownership	<i>Fidus Investments Limited; Tanzanian; 95% Nizar Juma Hirji; Tanzanian; 5%</i>
2.	Company Communication Information	Email address	<i>info@selcom.net</i>
		Mobile Number	<i>0786 455 554</i>
		Land Line Telephone Number	<i>0800 714 888</i>
		Physical Address (Plot No., Block No, Street, District and Region)	<i>8th Floor, Uhuru Heights Bibi Titi Mohamed Road 33 Kibasila 11102 Upanga Mashariki Ilala CBD Dar es Salaam</i>
3.	Contact Person	Name	<i>Sameer Nizar Juma Hirji</i>
		Position	<i>Executive Director</i>
		Communication Details (Email, Mobile and telephone)	<i>Mobile: 0786 455 554 Email: sameer@selcom.net</i>
4.	Incorporation	Certificate of Incorporation No.	<i>52150</i>
5.	TIN information	TIN Certificate No.	<i>103-847-451</i>
6.	Project Objective	Project Core Activity	<i>Payment system provision</i>
7.	Capacity	Project Capacity per Year	<i>Distribution of 12,500 devices by December 2023.</i>

8.	Direct Employment	Foreign-Men	1
		Foreign-Women	0
		Local-Men	62
		Local-Women	33
9.	Indirect employment	Estimated Total No.	0
		Type/areas of Indirect Employment	N/A

4. Project Financial Expenditure to date (USD):

	Foreign (USD)	Local (USD)	Total (USD)
Land and Buildings	0	0	0
Plant and machinery	0	976,642.00	976,642.00
Vehicles/Aircrafts	0	54,836.38	54,836.38
Furniture	0	254,771.76	254,771.76
Office equipment	0	46,464.05	46,464.05
Insurance Cover	0	4,980.67	4,980.67
Pre-operational expenses	0	0	0
Working sub-total capital	0	3,132,495.44	3,132,495.44
GRAND TOTAL	0	4,470,190.31	4,470,190.31

5. Project Financing

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

	Amount (USD)	Source Country
Local Equity	3,081,860.61	Tanzania
Local Loans	0	Tanzania
Foreign Equity	0	
Foreign Loans	0	
Total Investment	3,081,860.61	

6. Problems and Solution

- a. *Payment processing is subject to various regulations and compliance requirements. Selcom endeavours to ensure that merchants understand and adhere to these regulations, especially for smaller or less experienced merchants.*
- b. *Switching to a new payment processing system requires training for merchant staff. Selcom provides comprehensive training resources and support to help merchants transition smoothly.*

- c. Merchants are sensitive to transaction fees and processing costs. The Selcom service offering is aimed at ensuring that the benefits they offer outweigh any additional costs. In addition, over the years, Selcom has worked on looking for alternative devices that are more affordable without compromising quality.*
- d. Some merchants require specialized payment solutions due to their unique business needs. Selcom provides flexible solutions that can cater to a wide range of requirements.*
- e. Merchants are increasingly concerned about data breaches and security vulnerabilities. Selcom's payment processing solutions are secure and compliant with industry standards (PCI DSS (Payment Card Industry Data Security Standard)).*
- f. Many merchants are already comfortable with their existing payment processing solutions. Convincing them to switch to a new acquirer's services can be challenging, as it often involves integrating new technology and systems, which can disrupt their operations. However, given the value propositions.*

7. Future Plans

Distribution of 50,000 devices by December 2024 for the provision of agent and merchant services in line with the country's National Financial Inclusion Framework.

8. Recommendations and any other comments

None