



MTIBWA SUGAR ESTATES LIMITED

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REF: MSEL/TIC/EXP/001/08/23

03RD AUGUST 2023

THE EXECUTIVE DIRECTOR
TANZANIA INVESTMENT CENTRE
P.O BOX 938
DAR ES SALAAM.

Dear Sir/Madam,

**RE: REQUEST TO ACTIVATE CERTIFICATE OF INCENTIVE NO. 010042
TO FACILITATE IMPLEMENTATION OF INVESTMENT ON EXPANSION
PROJECT**

Kindly refer to the above heading.

Foremost, we wish to take this opportunity to express our appreciation for the good cooperation and support that you have always been extending to us. Your cooperation in this regard is indeed very vital not only to our organization but in ensuring the achievement of the 6th Phase Government under the leadership of Her Excellence Dr. Samia Suluhu Hassan, President of the United Republic of Tanzania, for the dedication and determination to promote and facilitate investment in our country through Tanzania Investment Centre (TIC) with view to support the local industries development, creation of employments to Tanzanians as well as growth of our nation's economy.

Mtibwa Sugar Estates Limited ("MSE") is one of the top four (4) sugar producers in Tanzania. MSE, privatized back in 1999, is one of the few successful stories emanating from the Tanzania privatization policy. Subsequent to the privatization and following an investment in excess of USD 125 million, the company managed to increase its sugar production substantially, peaking at 55,000 tonnes in 2022/2023 season. In addition, during the same period; MSE managed to cultivate the entire 5,000 Ha estate, supported out growers' cane production to levels of over 200,000 tonnes per annum, rehabilitated and modernized the factory; and acquired additional land in Dakawa to increase the company's potential sugar cane cultivation to 20,000 Ha (hereafter referred to as "the Dakawa expansion project").

Additionally, MSE's leadership team has developed a turnaround strategy that is centered around more efficient water resource management. The strategy includes constructing the largest dam in East Africa, bringing in a new management team, incorporating best practices throughout the organization, building strong values for the organization, placing more investment towards developing and upskilling its workforce; and kick-starting the Dakawa expansion project. Implementation of the turnaround strategy will require a total funding of approximately USD100 million over the next ten years. Early results indicate the turnaround strategy has been effective thus far. With the government's support, MSE would like to build on this and reach the company's target sugar production levels of 100,000 tonnes by 2030; and in turn, reduce the country's reliance on sugar imports.

It is worth pointing out and acknowledging that the primary driver of MSE's turnaround strategy is the resolve and bold actions of the sixth-phased government of the United Republic of Tanzania, under the leadership of her excellency President Samia Suluhu Hassan to transform the Tanzania economy through supporting local industries development. It is the unswerving support that MSE and similar industries are receiving from the sixth-phased government that has reinstated confidence of all stakeholders in the sugar sector. The Government, whose vision is to see Tanzania become a net sugar exporter, is actively supporting sugar producers by creating a conducive environment to allow more investments in the sugar sector. In view of this, MSE has responded with an aggressive but attainable turnaround strategy. Early results indicate the strategy is paying off as we are also slowly beginning to observe more out growers returning to the sugar sector and more financial institutions willing to engage with the sugar producers.

In view of the foregoing, we would like to kindly request for your support to reactivate the above-mentioned certificate of incentives to facilitate investment in our expansion project in accordance with the Performance Contract for a period of 10 years implementation. We are confident that the renewal of this certificate of incentive will foster further growth, create sustainable employment opportunities, and positively impact the overall economic landscape.

We will appreciate for your expedited facilitation of this request, and we thank you most sincerely for your continued support and cooperation.

Yours Truly
MTIBWA SUGAR ESTATES LIMITED.



S.A. SEIF
MANAGING DIRECTOR

(Watermark: MTIBWA SUGAR ESTATES LIMITED, P.O. Box 42, MOROGORO)