

GBP GAS LIMITED

***PROJECT PROGRESS REPORT
JULY 2021-JULY 2024***

SUBMITTED TO TANZANIA INVESTMENT CENTRE

JULY 2024

1. Introduction

GBP GAS LIMITED is a privately registered (2021) local company in Tanzania with offices along Temeke-Kurasini plot no 266, block B Dar es salaam. Currently, the company is developing a project for Liquefied petroleum gas (LPG) Processing and Distribution located at Plot no 181 Block KB XVI Raskazone-Tanga and Plot no 162, 139 & 350 Kurasni-Temeke-Dar es Salaam. The company was established to support government efforts in promoting local production in Liquefied Petroleum gas (LPG) sector whereby LPG business is among key sector that build up Manufacturing Sector which is the main economic pillar of the country.

GBP GAS LIMITED was registered and received the certificate of incentives from the Tanzania Investment Centre (TIC) in July 2021. GBP GAS is please to submit this progress report as part of the TIC requirement of submission of report after every six months.

2. Planned Activities for the period

During the period (July to November), the company planned to invest and undertake the following activities.

- **Soil Remediation:** To address any soil contamination caused by previous petroleum storage or spills. Excavate contaminated soil, dispose of it properly, and replace it with clean soil.
- **Surface Preparation:** To Prepare the ground surface by leveling it, removing debris, and ensuring proper drainage. This step is essential for constructing stable foundations.
- **Infrastructure Setup:** To install necessary infrastructure such as concrete pads, tank foundations, and access roads. Ensure they meet safety and engineering standards.
- **Safety Measures:** To implement safety measures, including fire prevention systems, emergency response plans, and leak detection systems.
- **Environmental Compliance:** To comply with environmental regulations related to petroleum storage and handling. This includes obtaining necessary permits and approvals
- **Procurement of Machines and installation of machines & equipment**
- **Procuring of other necessary equipment in supporting the implementation of the project.**
- **Procurement of raw materials**
- **Hire staff**

3. Achievements made on the project implementation to-date

During the period of implementation, a number of the below activities were implemented as follows: -

- a. **Securing Funding:** Efforts has been made once the agreement are in place to allocate funds to the project monitoring the disbursement of funds to ensure they align with the project.
- b. **Design Approval:** 80% of the project designs and architectural plans has been done.
- c. **Resource Acquisition:** 70% We have successful done the acquisition of land, equipment, and other necessary resources for the project.
- d. **Team Hiring and Training.**

4. Corporate information

S/No.	Information	Description	Current Project Status
1.	Shareholder's Information	<ol style="list-style-type: none"> a. Badar Seif Sood, Tanzanian, 90% share b. GBP Tanzania Limited, 10% share 	No changes
2.	Company Communication Information	Email: md@gbptz.com	
		Hotline1: +255 754765555	
		Hotline2: None	
		P.O.BOX 3728 Tanzania, Dar es salaam Region, Temeke District, Kurasini ward, Plot no 266 Block B	The same office
3.	Contact Person	Name: Mufaddal Asgerali Sadikot	
		Position: Company Secretary	
		Email: md@gbptz.com Mobile: 0754765555	
4.	Incorporation	Certificate of Incorporation No.	152222173
5.	TIN information	TIN Certificate No.	152-222-173
6.	Project Objective	Project Core Activity:	Liquefied Petroleum Gas (LPG)
7.	Capacity	Project Capacity per Year:	120,000 of Cubic meters per Anum
8.	Direct Employment	Foreign-Men:	4
		Foreign-Women	1
		Local-Men	86
		Local-Women	12
9.	Indirect employment	Estimated Total No.	112
		Type/areas of Indirect Employment	Construction, Distribution, Transportation

5. Project Financial Expenditure to date (USD):

	Foreign (USD)	Local (USD)	Total (USD)
Land and Buildings		1,339	1339
Plant and machinery			
Vehicles/Aircrafts			
Cows (Animal)			
Furniture			
Office equipment			
Insurance Cover			
Pre-operational expenses			
Working sub-total capital			
GRAND TOTAL		1339	

6. Project Financing

	Amount (USD)	Source Country
Local Equity	26,700,303	Tanzania
Local Loans	00	N/A
Foreign Equity	00	N/A
Foreign Loans	00	N/A
Total Investment		

7. Problems and Solution

- **Scarcity of Dollar:** Exchange rate fluctuations and limited access to foreign currency affected our ability to secure necessary funds
- **COVID-19 Pandemic:** The pandemic disrupted global supply chains, travel, and business operations, impacting our project timeline.
- **Financing Problems:** Despite our best efforts, securing adequate financing became a significant hurdle. The crisis dragged for few years. As a result, we were unable to proceed with the project due to unforeseen circumstances.
- There is no running DAWASA water in the area
- The road to the factory is rough
- Power failure especially whenever there is rain, they cut the power.

8. Future Plans

During the coming six months the company has planned to fast-track the following activities:

- Finalize construction of the Project
- Finalize importation and installation of plant machineries
- Procurement of Raw materials
- Hiring of staff
- By November 1st we will start installation/commissioning of the plant/machineries.
- We expect to start production on 1st December 2024

9. Recommendations and any other comments.

We are pleased to be members of the TIC. Since we started, we have received good collaboration from staff and high management of all government institutions. During this period, we maintained regular communication with the TIC officer assigned to our case. We provided updates on the project's progress and the difficulties we encountered. Despite our best intentions, circumstances beyond our control prevented us from moving forward. In our new implementation we demonstrate our commitment to utilizing the incentive effectively, We kindly request that the TIC consider re-issuing our certificate of incentive for a period of five years, in accordance with the provisions of the new investment act hence what happen was beyond our control, we look forward to support government's vision on Liquefied petroleum Gas (LPG) industry. We are optimistic and committed to make this project a reality come December 2024.