

ITM TANZANIA LIMITED
PROGRESS REPORT

TANZANIA INVESTMENT CENTRE (TIC)
DAR-ES-SALAAM



DATE: NOVEMBER 2024.

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EXECUTIVE SUMMARY:

This report outlines ITM Tanzania Limited's achievements, future strategic plans, and recommendations for support from the Tanzania Investment Center (TIC) to sustain our growth and further align with Tanzania's development objectives.

Since our establishment, ITM Tanzania has made significant progress in expanding our reach across the country, opening branches in Dar es Salaam and Zanzibar, and placing talent across a wide range of industries. We have successfully managed over 500 outsourced employees, provided ongoing professional training, and expanded our advisory services, positioning ITM as a trusted leader in HR solutions in Tanzania.

Looking ahead, we plan to diversify our offerings by entering the financial and insurance services market to provide consulting and risk management solutions that meet the evolving needs of our clients. In addition, we aim to expand our recruitment and training programs to attract specialized talent across key industries, focusing on high-demand skills that will support Tanzania's workforce development. To enhance our operational efficiency and client service, we will invest in advanced technology and automation for HR processes, while also strengthening our engagement with local communities through CSR programs and environmentally sustainable practices.

With TIC's endorsement, ITM can continue to contribute to Tanzania's economic growth and play a central role in advancing a skilled and resilient workforce.

1. PLANNED ACTIVITY FOR THE PERIOD:

- I. Talent Acquisition and Expansion of Recruitment Services
 - Industry-Specific Recruitment Drives: Expand our recruitment services to attract specialized talent across key industries in Tanzania, including construction, oil and gas, telecommunications, and finance.
 - Enhanced Recruitment Process: Invest in advanced recruitment tools and platforms, such as AI-driven talent matching, to streamline and improve the accuracy and efficiency of our recruitment process.
 - Graduate and Internship Program: Launch an internship program to attract emerging talent from local universities, aimed at training and integrating fresh graduates into the workforce.

- II. Employee Training and Development
 - Skill Development Workshops: Organize quarterly workshops on high-demand skills, including data analytics, customer service, project management, and soft skills like communication and teamwork.
 - Leadership Development Programs: Introduce a leadership training program tailored to identify and foster high-potential employees, with a focus on preparing them for managerial roles within ITM.
 - Cross-Functional Training: Enable cross-departmental training to encourage knowledge-sharing and collaboration across the Dar es Salaam and Zanzibar branches.

- III. Expansion of Client Services and Outsourcing Solutions
 - Sector-Specific HR Solutions: Develop tailored outsourcing packages for key sectors (e.g., hospitality in Zanzibar, construction, and retail in Dar es Salaam), focusing on understanding unique HR requirements.
 - On-Demand Staffing Solutions: Increase capacity to provide flexible staffing for clients with seasonal or project-based needs, helping them manage fluctuating workforce demands effectively.
 - Enhanced Payroll Services: Strengthen our payroll and compliance offerings to ensure clients benefit from accurate, efficient, and transparent payroll management.

- IV. Operational Efficiency and Technology Integration
 - Upgrade HR and Financial Systems: Implement integrated HR and financial management software to streamline operations, improve reporting accuracy, and enhance financial visibility.

- Data Analytics and Performance Tracking: Introduce data analytics tools to assess employee performance, engagement, and client satisfaction, allowing for more informed decision-making.
- Digital Transformation Initiatives: Pilot new digital tools, such as mobile apps for employee engagement, self-service HR functionalities, and real-time communication across all branches.

V. Employee Engagement and Wellness Programs

- Employee Assistance Program (EAP): Launch an EAP to support employees' mental, financial, and emotional well-being, focusing on stress management, career counseling, and financial planning.
- Wellness Initiatives: Conduct monthly wellness activities, including health checkups, exercise sessions, and nutritional guidance, aiming to boost employee morale and productivity.
- Employee Recognition Program: Implement a rewards program to acknowledge top performers and team achievements, reinforcing a culture of excellence and motivation.

VI. Community Outreach and Corporate Social Responsibility (CSR)

- Youth Skills Development: Partner with local institutions to support skill development programs for young Tanzanians, especially those facing barriers to entering the job market.
- Environmental Sustainability: Organize tree-planting events and sustainable practices awareness campaigns as part of our commitment to environmental stewardship.
- Local Business Partnerships: Strengthen our ties with local businesses in Dar es Salaam and Zanzibar by supporting events and initiatives that promote local economic development.

VII. Strengthening ITM Brand and Market Presence

- Marketing and Public Relations Campaigns: Increase visibility through digital marketing campaigns, participation in HR conferences, and networking events to position ITM Tanzania as a top HR and staffing solution provider.
- Client Education and Consultation: Host educational webinars and workshops for clients, offering insights into HR best practices, labor law compliance, and industry trends.
- Partnership Expansion: Forge new partnerships with industry associations, local businesses, and educational institutions to drive recruitment opportunities and service reach.

VIII. Compliance and Regulatory Updates

- Labor Law Compliance: Regularly review and update our processes to ensure full compliance with Tanzanian labor laws and regulations.
- Internal Audits and Risk Management: Conduct quarterly audits to identify and address any potential compliance risks, enhancing transparency and security within our operations.

These planned activities aim to further ITM Tanzania's commitment to service excellence, operational efficiency, and market leadership in Tanzania, with an emphasis on providing quality employment solutions and advancing the professional growth of our staff and clients.

2.ACHIEVEMENTS MADE ON THE PROJECT IMPLEMENTATION TO DATE:

I. Expansion of Operational Locations

ITM Tanzania Ltd has successfully established two branches in Dar es Salaam and Zanzibar since its inception. This expansion demonstrates ITM's commitment to accessible and broad-based service delivery in Tanzania, catering to diverse client needs across the regions.

II. Recruitment and Placement Success

ITM Tanzania has built a substantial portfolio of candidates, both national and expatriate, to meet staffing demands across multiple industries, including FMCG, manufacturing, financial services, oil & gas, healthcare & pharmaceuticals, construction & engineering, aviation, telecommunication, transport & logistics, and NGOs. This effort has enhanced ITM's ability to respond effectively to client needs across various sectors.

III. Human Resources Outsourcing and EOR (Employer of Record) Services

Over 500 employees have been successfully outsourced to various clients, allowing businesses to focus on core operations while ITM manages their HR administrative needs. This achievement has positioned ITM as a leading HR outsourcing provider in Tanzania.

IV. Professional Training and Capacity Building

ITM provides impactful training sessions—both in-person and online—led by seasoned trainers. This has facilitated professional development, equipping employees with skills that meet the industry standards for certification.

V. HR Advisory and Consultancy Services Expansion

The company has implemented a range of HR services, including HR audits, background and reference checks, employee handbooks, and labor law consultations. This addition has empowered clients with the HR support needed to streamline operations while remaining compliant with regulatory standards.

VI. Team-Building Events and Event Management

ITM has effectively organized team-building activities to align teams with organizational goals, mission, vision, and values. This has enhanced team cohesion and created an improved workplace environment for client companies.

VII. Equipment and Supply Acquisition:

The company has acquired essential training materials and supplies for office use as well as delivering professional services, both virtually and on-site. This investment has enabled ITM to provide comprehensive and high-quality recruitment, outsourcing, training, team-building and advisory sessions.

These achievements indicate substantial progress in project implementation, with ITM Tanzania poised to continue scaling its operations and enhancing service delivery across multiple sectors.

3. UPDATED COMPANY INFORMATION:

3.1. SHAREHOLDERS' INFORMATION:

This is the current shareholder information for ITM Tanzania Ltd, based on the latest BRELA search:

- I. Adelaida Richard Kwai
 - Nationality: Tanzanian
 - Percentage of Ownership: 25% (500 shares)
- II. Sylva Umba Monga
 - Nationality: German
 - Percentage of Ownership: 20% (400 shares)

III. International Training & Motivation Holding

- Nationality: Congolese
- Percentage of Ownership: 55% (1100 shares)

These shareholders collectively hold 2,000 shares, with a total authorized share capital of 2,000,000,000 TZS

3.2. COMPANY COMMUNICATION INFORMATION

- Email: infotanzania@itmfrica.com

For general inquiries and customer support, this email serves as the primary point of contact for clients and partners to connect with ITM Tanzania Ltd.

- Phone: +255 756 566 666

This contact number provides direct access to ITM's customer service team, offering quick and responsive communication for any immediate assistance or service-related inquiries.

- Physical Address: Plot No. 1103, Viwandani Street, Kinondoni, Dar es Salaam

Located in the Kinondoni district, ITM Tanzania's office is accessible to clients and partners, providing a central point for in-person meetings, consultations, and client support. This address anchors ITM's physical presence in Tanzania, supporting local operations and stakeholder engagement.

3.3. CONTACT PERSON:

- Name: Adelaida Richard Kwai
- Position: Regional Managing Director – East Africa
- Email: adelaida@itmafrica.com
- Mobile: +255 756 566 666

As the Regional Managing Director for East Africa, Adelaida Richard Kwai oversees ITM Tanzania's operations, including strategic planning, client relationships, and service delivery across the East African region. With extensive expertise in human resources and business administration, Adelaida is the primary contact for high-level inquiries, partnership discussions, and client engagements. Her leadership ensures ITM's alignment with client needs and

business objectives, making her a key point of contact for stakeholders seeking professional HR solutions in Tanzania and beyond.

3.4. INCORPORATION:

The Certificate of Incorporation Number for ITM Tanzania Ltd is 136526073. This unique identifier was assigned by the Tanzanian Registrar of Companies upon the company's registration on May 9, 2018, under the Companies Act of 2002.

3.5. TIN INFORMATION:

The Taxpayer Identification Number (TIN) of ITM Tanzania Limited is 136-526-073.

3.6. PROJECT OBJECTIVE:

To provide comprehensive and tailored HR solutions that empower organizations to optimize their human capital and drive sustainable growth.

Key Services:

- I. Outsourcing: Streamlining HR functions to improve efficiency and reduce operational costs.
- II. Recruitment: Identifying and placing top talent to meet specific business needs.
- III. Training: Enhancing employee skills and competencies through customized learning programs.
- IV. Team Building: Fostering collaboration, communication, and teamwork for a cohesive work environment.
- V. HR Consultancy: Offering expert guidance on HR strategy, policies, and processes to ensure alignment with organizational goals.

3.7. CAPACITY:

- I. Operational Scale and Financial Resilience:

ITM Tanzania is part of ITM Holding, which has a presence in 12 countries across Africa and Europe, including high-growth markets like Nigeria, Kenya, and South Africa. This group-wide support likely contributes financial stability and access to capital for expansion or scaling projects annually.

- II. Revenue Streams from Core Services:

HR Outsourcing & Employer of Record (EOR): Managing over 500 outsourced employees generates recurring revenue, reflecting robust financial capability to maintain payroll, compliance, and administrative expenses.

Professional Training & Capacity Building: With regular training sessions and capacity-building projects, ITM generates a steady income, supporting financial health and reinvestment in tools and resources.

Recruitment & Placement: ITM's extensive recruitment services for national and expatriate roles bring in significant revenue from placement fees, which are typically a percentage of placed candidates' annual salaries.

III. Diverse, Established Client Portfolio:

ITM Tanzania serves for a diverse range of companies in the Manufacturing, Oil & Gas, FMCG, Transport & Logistics, Health & Pharmaceuticals, Construction & Engineering. This diversity minimizes risk and assures consistent revenue, enabling ITM to take on larger projects yearly.

IV. Year-over-Year Turnover Growth:

ITM Tanzania has shown exponential growth in turnover, reflecting an expanding project capacity and financial strength. This highlights robust financial capacity and an ability to capture a larger market share each year.

V. Capacity to Serve Large-Scale Projects:

Given the complexity and volume of clients handled, including multinational corporations, ITM demonstrates the financial capacity to support and invest in high-demand projects, HR technology, and regional expansions as needed. This readiness for large-scale engagement reflects substantial financial capability.

3.8. DIRECT EMPLOYMENT:

This is the summary of ITM Tanzania Ltd's direct employment figures, broken down by employee type and nationality:

ITM Staff: 17 employees

- Local Men: 7
- Local Women: 10

- Foreign Men: 0
- Foreign Women: 0

3.9. INDIRECT EMPLOYMENT:

Outsourced Staff: 414 employees

- Local Employees: 369
- Expatriates: 45
- Consultants: 0

Please note that the numbers in these areas of indirect employment can fluctuate seasonally, depending on project demands, client requirements, and industry cycles.

4. PROJECT FINANCING EXPENDITURES (USD):

	Foreign (USD)	Local (USD)	Total (USD)
Land and Buildings	0	384,258.00	384,258.00
Plant and Machinery	0	-	-
Vehicles/Aircrafts	0	12,571.43	12,571.43
Furniture	0	13,013.33	13,013.33
Office equipment	0	20,943.24	20,943.24
Insurance Cover	0	38,857.14	38,857.14
Pre-Operational Expenses	0	9,476.24	9,476.24
Grand Total	0	479,119.38	479,119.38

5. PROJECT FINANCING:

	Amount (USD)	Source Country
Local Equity	285.71	Tanzania
Local Loans	-	
Foreign Equity	857.14	DRC
Foreign Loans	-	
Total Investment	1,142.86	

6. PROBLEMS AND SOLUTIONS:

In executing its projects, ITM Tanzania Ltd faces various challenges that management is actively working to address. Here are some key issues and the steps being taken to resolve them:

I. Talent Acquisition and Retention:

Problem: With increased demand for skilled local and expatriate employees, ITM faces challenges in sourcing and retaining high-quality talent for clients across diverse industries. Talent shortages, particularly for specialized roles, impact project timelines and client satisfaction.

Solution: ITM is enhancing its recruitment networks and partnerships, investing in talent databases, and developing training programs to upskill local talent. By offering competitive compensation and robust onboarding support, ITM also aims to increase retention rates, ensuring consistent service quality.

II. Compliance with Local Regulations:

Problem: Keeping up with regulatory requirements and labor laws, especially in outsourcing and employment, is complex and can lead to legal risks if not carefully managed. Differences in labor regulations across regions, especially for expatriates, add to this complexity.

Solution: ITM has strengthened its HR advisory and legal compliance services, conducting regular audits and training staff on updated regulations. Partnering with legal advisors for real-time consultation, ITM ensures its operations and employee management are compliant, reducing potential legal risks.

III. Client-Specific Customization Needs:

Problem: Clients often require customized HR and outsourcing solutions, which can stretch internal resources and increase project complexity. Balancing personalization with scalability remains a challenge.

Solution: ITM has implemented a dedicated client management team and invested in project management software to improve response times and tailor services effectively. By training managers to understand client-specific needs, ITM ensures that customized solutions are delivered efficiently.

IV. Managing Seasonal Demand Variations:

Problem: The demand for staffing, training, and event management services often fluctuates seasonally, making it challenging to allocate resources effectively. High seasonal demand without adequate preparation can lead to resource strain and service delays.

Solution: ITM employs flexible staffing models and maintains a reserve of on-call resources to handle demand peaks. Seasonal forecasting and proactive hiring strategies are also being implemented to ensure resources are readily available when demand spikes.

V. Operational Efficiency and Technology Integration:

Problem: As ITM grows, operational complexity increases, especially in managing outsourced employees and handling data across multiple branches. Without streamlined processes and technology integration, there is a risk of inefficiency.

Solution: ITM is investing in HR management software and data analytics tools to enhance tracking, reporting, and payroll management. Automation is being adopted for routine tasks, allowing teams to focus on high-value activities and ensuring efficient, scalable operations.

7. FUTURE PLANS:

In the coming months, ITM Tanzania Ltd has several strategic plans and financial commitments aimed at expanding its service offerings and strengthening its market position. Here are the key areas of focus:

I. Expansion into Financial and Insurance Services:

ITM plans to diversify by offering financial and insurance services directly to its clients. These services will include insurance consulting, risk management solutions, and financial advisory, catering to the growing need for comprehensive financial services among corporate and individual clients. To support this new service line, ITM anticipates investments in acquiring industry expertise, meeting regulatory requirements, and developing customized financial products that align with client needs.

II. Commercial Property Renovations:

Recognizing the need for modernized commercial spaces, ITM is planning to invest in property renovations. This venture will focus on renovating and upgrading commercial properties to meet contemporary standards for office, retail, and mixed-use spaces. The company anticipates capital commitments for construction, interior design, and project management, ensuring that renovated properties align with market expectations for modern, efficient, and sustainable facilities.

III. Enhanced Training and Upskilling Programs:

ITM will continue to invest in its training and capacity-building programs, with a focus on digital skills, leadership development, and industry-specific certifications. The company plans to expand both online and in-person training, which will involve financial investments in training technology, partnerships with educational institutions, and recruitment of skilled trainers.

IV. Technology Upgrades for Operational Efficiency:

To support growth and improve efficiency, ITM is allocating funds for upgrading its HR management systems and data analytics capabilities. Investments in automation, payroll management, and real-time data tracking will enhance productivity and streamline operations, especially as the company takes on more complex, high-volume projects.

V. Client Diversification and Market Expansion:

ITM aims to broaden its client base, focusing on industries such as manufacturing, healthcare, and telecommunications. This expansion requires financial commitments toward targeted marketing, client engagement activities, and regional partnerships, particularly in high-growth areas within Tanzania.

VI. Sustainable Practices and CSR Initiatives:

ITM is committed to incorporating sustainability into its operations and is planning to allocate funds toward environmentally friendly practices in staffing, training, and events. Additionally, ITM will enhance its corporate social responsibility (CSR) initiatives, supporting local communities through training programs and job opportunities.

These plans and financial commitments will support ITM Tanzania's growth trajectory, strengthen its market presence, and enhance service diversification

across new sectors. By strategically investing in these areas, ITM is positioning itself for sustainable growth and long-term client partnerships.

8. RECOMMENDATIONS:

To conclude our report for the Tanzania Investment Center (TIC) as part of our license renewal, we propose the following recommendations to support our ongoing and future initiatives:

I. Support for Diversification into Financial and Insurance Services:

We are expanding our service portfolio to include financial and insurance solutions tailored for Tanzanian businesses. TIC's endorsement will be essential in helping us meet the increasing demand for professional advisory and risk management services, creating more job opportunities for skilled professionals within the country.

II. Encouragement for Investment in Commercial Property:

As we invest in commercial assets, we aim to attract new business sectors and improve Tanzania's commercial infrastructure. With TIC's support, we can further enhance the business environment and align with Tanzania's developmental goals.

III. Incentives for Skills Development Programs:

Our training and upskilling initiatives are designed to support Tanzania's workforce development. We are committed to building skills in digital proficiency, leadership, and industry-specific areas. Support from TIC for these programs would help us contribute even more effectively to Tanzania's national skill-building objectives.

IV. Fostering Technology and Innovation:

Investment in technology is a priority for us as we aim to optimize operations and enhance client service. Support for our digital infrastructure initiatives, especially in HR management and data automation, will enable us to offer efficient, competitive services while maintaining compliance with local standards.

V. Promotion of Sustainable Business Practices:

As we integrate environmentally responsible practices across our operations, TIC's support for sustainability initiatives would amplify our efforts. This commitment aligns us with global business standards and attracts clients who value sustainability, contributing to Tanzania's appeal as a hub for responsible business.

VI. Strengthening Collaboration with TIC:

We look forward to continued collaboration with TIC to ensure our operations stay aligned with Tanzania's investment and development goals. Regular consultations and guidance from TIC will help us maintain compliance, streamline regulatory processes, and support positive economic growth in Tanzania.

We believe these recommendations will allow us to align our goals closely with Tanzania's economic and social priorities. With TIC's support, we are eager to expand our service offerings and further contribute to the country's growth and development.