



TANZANIA INVESTMENT CENTRE (TIC)
DAR ES SALAAM

PROGRESS REPORT W.E.F. 01/07/2023 – 31/12/2023

(Information required for the project's progress report after six months or for a month Certificate of Incentives)



1.0 Planned Activities for the period:

- 1.1 Completion of mandatory requirements by obtain the relevant licenses and permits from various Government's Authority and commencement of building of initial infrastructures such as fence, storage for building materials and toilets

2.0 Achievements made on the project implementation to date: i.e. from the date the project was approved to the date of writing the report)

- 2.1 1 March 2023: Certificate of Incentive No. 202331078 issued by TIC
2.2 April 2023 - June 2023: completion of licensing formalities with Government regulatory authorities, preparations of Business 'Industrial Park's infrastructure, and working capital
2.3 14/07/2023: Received the Title deed from the ministry of land
2.4 05/8/2023 - 31/12/2023 Building of fence, storage for building materials, toilets and initial infrastructures amounting to Tzs 153,000,000.00

3.0 Describe the status of activities that have already been undertaken e.g.

Construction of buildings, acquisition of supplies, installation of equipment, etc.

- 3.1 Currently project is on Building of fence, toilets, storage for building materials, application for completion on fixing electricity and water supply and initial infrastructures.

4.0 Provide updated information on the following aspects;

Table with 4 columns: S/No, Information, Description, Current Project Status. Row 1: Shareholder's Information (Ally A. Salim, Lizhen Yang, Jingli Yang). Row 2: Company Communication Information (Email, Mobile, Land Line, Physical Address).



3.	Contact Person	Name	Ally A. Salim
		Position	Managing Director
		Communication Details (Email, Mobile, and Telephone)	0713-475643, ally.salim@vercoe.co.tz
4.	Incorporation	Certificate of Incorporation No.	158737760
5.	TIN information	TIN Certificate No.	158 - 737 - 760
6.	Project Objective	Project Core Activity	Business Industrial Park
7.	Capacity	Project Capacity per year	1
8.	Direct Employment	Foreign – Men	1
		Foreign - Women	2
		Local – Men	4
		Local - Women	2
9.	Indirect Employment	Estimated Total No.	9
		Types/area of Indirect Employment	Technical & professional employees and casual workers on demand

#### 5.0 Project Financial Expenditure to date (USD)

	Foreign (USD)	Local (USD)	Total (USD)
Land and Building	150,000.00	N/A	150,000.00
Plant and Machinery	120,000.00	N/A	120,000.00
Prefabrication buildings	300,000.00	N/A	300,000.00
Office Furniture & Equipment	N/A	5,000.00	5,000.00
Labor & Administrative costs	N/A	30,000.00	30,000.00
Working sub-total capital	570,000.00	35,000.00	605,000.00
<b>GRAND TOTAL</b>	<b>570,000.00</b>	<b>35,000.00</b>	<b>605,000.00</b>

#### 6.0 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	N/A	Tanzania
Local Loans	N/A	Tanzania
Foreign Equity	300,000.00	China
Foreign Loans	200,000.00	China



**7.0 Problem and solution:**

7.1 75% Exemption on Import Duty and VAT payable on capital goods is exorbitantly increasing production costs, wharfage charges payable as well as Railway Development Levy (RDL) charged on Investors' importation are greatly affecting on the projected budget and resulting higher price the consumers.

❖ TIC and TRA should jointly consider to eliminate unreasonable taxes and levies burden so as facilitate and encourage Investors in Tanzania

**8.0 Explain problems, which the management is encountering in executing the project and steps being taken to solve them**

8.1 As we are trailers assembler under manufacture under bond (MUB) we are targeting for external market, following an increase of running costs due to global economic shake, we are requesting the Government assisting to reducing some costs especially Vat charged for local market.

**9.0 Future plans:**

Explain plans for the next coming six months and planned financial commitments

9.1 Completion of building infrastructure to enable commencement of the project

**10.0 Recommendations and any other comments**

10.1 The Government should facilitate on eliminating Vat payable on capital items for Investors and waive wharfage charges and Railway Development Levy (RDL) payable so as to minimize an excessive production costs.

Submitted by: Ally A. Salim

Signed:  .....

Designation: Managing Director

