

REF:

13<sup>th</sup> June 2023

The Secretary,  
National Investment Steering Committee (NISC),  
Tanzania Investment Centre,  
Shaaban Robert Street,  
P.O Box 938,  
**DAR ES SALAAM.**

**APPLICATION FOR STRATEGIC INVESTOR STATUS FOR GSM TANZANIA  
LIMITED FOR THE BEVERAGE PRODUCTION FACTORY.**

Please refer the heading above;

GSM Tanzania Limited presents an application for strategic investment status for the purpose of implementing a beverage production project at Mwasonga area Kigamboni, Tanzania under the leadership of the 6<sup>th</sup> phase government has been promoting investment aggressively in the strategic sectors including manufacturing, agriculture, infrastructure, mining and ICT.

GSM Tanzania Limited is supporting Tanzania development through investment in the strategic sectors. This project is a recently TIC registered project with the certificate of Incentives number **20227848** and is expected to be one of the most prosperous, modern, high tech beverage processing facilities in the country once completed.

GSM Tanzania Limited intention to apply for Strategic Investor Status entails to be recognized by National Investment Steering Committee (NISC) as a strategic investor to qualify for additional fiscal and non-fiscal incentives as provided for in various laws by Tanzania Investment Centre (TIC) as captured in the Tanzania Investment Act, 2022.

Strategic investment decisions are complex and involving a huge amount of capital and Project implementers need the support of the government to unruffled high project cost of such investments.

The company need additional fiscal incentives to strategic investors hence intends to invest over US\$ 100 million as proceeds from capital contribution of the project. The development of this project is designed to tape advantages of the current Tanzanian market and business oriented reforms.

The company will provide direct employment of **300** personnel's and will provide indirect employment of over **15,000** for different value chain of beverage production process and supporting sectorial diversification and employment generation;

GSM Tanzania limited aimed at the own production line by importing complete set of processing fruit Juice factory production line by importing Machine and equipment's with the capacity of **300 Million liters** . This will make the project one of the largest in the country.

The proposed project will therefore implement the following activities:

- ❖ Procurement and Acquisition of prefabricated buildings for the factory.
- ❖ Construction of civil and other engineering work at the site.
- ❖ Installation of power and water facilities
- ❖ Procurement and Acquisition of machineries and equipment's of Beverages and related products.
- ❖ Construction of laboratories, storage warehouses, workshops and offices
- ❖ Importation and Installation of equipment, machinery and plants for beverage processing.
- ❖ Procurement and installation of environmental protection plant equipment.
- ❖ Procurement of heavy-duty trucks fleet for transportation of collection and distribution of Fruits and processed fruits products.
- ❖ Other utility vehicles will also be procured for the project. This will include Light trucks, station wagons to facilitate movement. Armored vehicles will also be procured for transportation.
- ❖ Purchase of furniture, equipment, fittings and administration motor vehicles, fencing of the factory compound and storage yard.

Once completed the Project is expected to have the following Social Economic Impact;

- Strengthening of *Country fruit processing capacity*, hence reducing fruit waste which is up to 40% of market fruit loss in the country.
- Strengthening of the country economic performance by supporting strategic sectors like horticulture Agriculture which employs over 75% of Tanzanians and most of them are women by creating Jobs and reliable market for their produce.
- Creating backward linkages across the country through establishment of **1,000** Agents and sub agent **9,000** stalls for the supply of the GSM Group beverage products.
- Poverty reduction as investing in agriculture where over **5,000** farmers are expected to be impacted by this project which means the multiply effect to the large community can be easily recognised.
- Substantial amount of capital invested into the domestic economy to the tune of over USD **100 million**.
- Contribution to Government revenue through payment of PAYE to employed workers, SDL, NSSF and WCF as well as Increased Income tax base.
- Stimulate mushroom of *small and medium scale businesses*, increase value chain for related product line including market for fruits, retail, etc.
- Hence increasing direct and indirect employment where more *than 300* will be employed directly and *over 15,000* indirect jobs to be created.
- Further Impact on poverty reduction through enhanced income generation with operational areas.
- Applied technology of a state of art and ultra-modern facilities which is free from environmental pollution and enhanced efficiency in productivity.

Below chart represent capital investment summary of the project.

GSM TANZANIA LIMITED	
Investment Summary	
land and Buildings	Amount USD
Land	
Sub total Land	548,874
Buildings	

Pre-fabricated structures	
Storage facilities	
Steel & concrete civil works	
Operation & Management office	
Loading facilities	
Dispensary facility	
Internal roads	
Fencing & security system	
<b>Sub total Buildings</b>	<b>10,550,000</b>
<b>Machineries and Equipment's</b>	
Bottling Line's	
Closure & PET System	
Factory piping	
Electrical & cabling system	
Solar panels	
Diesel generator	
Firefighting & safety system	
Water equipment and cabling system	
Effluent plant	
Gantry crane	
Diesel Forklifts	
Electric Forklifts	
High lift Jack 1.5T- Electric	
Pallet Jacks 1.0T- Electric	
<b>Sub total Machineries and Equipment's</b>	<b>65,898,417</b>
<b>Motor vehicles</b>	
Distribution vehicles	
Management & Operational vehicles	
Diesel Forklifts	
Electric Forklifts	
<b>Sub total Motor vehicles</b>	<b>7,837,500</b>
<b>Other Facilities</b>	
Office Equipment's	
Furniture and fittings	
SAP & Batch master Licences	
Computers & Printers	
CCTV Equipments	
Network Equipments	
Fridges & Freezers	
Counting Machine	
<b>Sub total other facilities</b>	<b>1,051,755</b>
<b>Sub total Fixed Assets</b>	<b>85,886,526</b>

<b>Current Asset</b>	
Working capital	
Sub total current Assets	18,008,934
<b>Total Investment</b>	
<b>Equity + Loan</b>	<b>101,895,465</b>
<b>Loan (60%)</b>	
<b>equity (40%)</b>	<b>61,137,279</b>
<b>Total Equity</b>	<b>40,758,186</b>
	<b>101,895,465</b>

Furthermore, GSM Tanzania Limited hereby submit project detailed **overview booklet** which includes the **fiscal and non-fiscal incentives** the project requires to be facilitated for implementation of the project as strategic investors.

It is our hope that our application would be considered positively. We thank you in advance.

Group President



**GSM Tanzania Limited**

C.C

**The Chairman,**

National Investment Steering Committee (NISC),

P.O Box ,

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**Permanent Secretary-President's Office Investment,**

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