TANZANIA INVESTMENT CENTRE

DAR ES SALAAM

PROGRESS REPORT

1. Planned activities for the period

- **The project will implement a structured training and investment program designed for long-term operational success.** Intermediate-level, on-site training will focus on technical process mastery, safe operations, and proactive equipment maintenance. The training will also include operational management modules covering production planning, inventory control, and cost management. This comprehensive approach ensures that both management and production staff acquire the essential skills needed to understand operational standards, quality benchmarks, and technical workflows.

- **After completing the initial training, selected personnel will advance to systematic international training in China.** Technical staff who successfully complete the intermediate program will further enhance their skills through in-depth, manufacturer-endorsed training. Meanwhile, managerial staff will receive specialized instruction in leadership, process optimization, and logistics. This international exposure is designed to empower the team with industry best practices, enabling them to manage plant operations independently and enhance overall productivity.

- **Concurrently, the project is arranged to invest in procuring advanced equipment and cutting-edge technology to diversify its product offerings and meet growing market demand across Tanzania.** By introducing unique manufacturing capabilities, the plant aims to position itself as a supply leader for concrete poles and related construction materials. Feasibility studies are underway to establish branch plants in key strategic regions, ensuring wider product accessibility and reinforcing the project's scalability.

- **The structured investment plan shall allocate a total of USD 1 million, with USD 850,000 dedicated to land procurement, equipment purchase, technical design, installation, and trial production. The remaining USD 150,000** will serve as working capital, covering initial raw materials and providing a buffer for

unforeseen expenses during early-stage operations. The project estimates a five-year time frame to achieve a full return on investment, highlighting a prudent and realistic financial approach.

- **To support production expansion, the project is programmed to broaden its sales channels both domestically and internationally.** By leveraging existing export networks and developing new partnerships, the goal is to extend market reach beyond Tanzania. This aligns with the long-term strategy of establishing a sustainable footprint and increasing revenue through diversified sales streams.

2. **Achievements made on the project implementation to date**
   - **Ongoing Civil Works & Utilities Installation** the plant's civil construction is ongoing, including site clearing, foundational work, and erection of structural steel and office facilities. Power and water utilities are commissioned on schedule, enabling the next phase of equipment installation without delays.
   - **Machinery Procurement, Installation & Commission in** All major equipment mixing plant, batching system, curing chambers, and quality testing lab was delivered, and are currently under installation. Modular units enabled efficient setup, with on-site calibration ensuring operational readiness.
   - **Staff Capacity Building** On-site intermediate training (covering technical operations, safety, preventive equipment maintenance, and production management) was completed for all core personnel. Following internal assessments, selected technical and managerial staff shall undergo advanced, manufacturer-led training in China.
   - **Infrastructure Planning for Regional Expansion** Feasibility studies for branches in strategic regions are undergoing. Land options and utility capacity requirements are evaluated, laying the groundwork for expansion.
   - **Financial Execution on Target** of the USD 1 million budget, USD 850,000 has been deployed for land acquisition, plant equipment, technical design, and commissioning. The remaining USD 150,000 continues to support working capital needs, including raw material sourcing and buffers for unplanned costs. Spending aligns closely with the original financial plan.

3. Provide updated information in the following aspects:

S/No	Information	Description	Current Project Status
1.	Share Holders Information	Current shareholders names, nationality and the percentage of ownership	YAN JINLIANG, Chinese – 51% YAN YONGLAN Chinese – 49%
2.	Company communication information	Email adress, Mobile number, Land line Telephone Number Physical Address (Plot No. Block No and street, District and Region	**648363167@qq.com, 0758323471**
3.	Contact Person	Name, position, Communication details (Email) Mobile and Telephone	**YAN JINLIANG** **648363167@qq.com, 0758323471**
4.	Incorporation	Certificate of Incorporation Number	**169026831**
5.	TIN Information	Tin certificate No.	**169-026-831**
6.	Project Objective	Project Core Objectives	**Manufacturing of Cement Products**
7.	Capacity	Project Capacity per year	**100000tones/year**
8.	Direct Employment	Foreign Man, local men, local women	**Foreign men: 2** **Local Men: 35** **Local Female: 5** **Total: 42**
9.	Indirect Employment	Type/areas of indirect employment	**Dayworkers and catering services: 29**

4. Project Financing Expenditures To date (USD)

S/No	Information	Foreign (USD)	Local (USD)	Total USD
1.	Land and Buildings	600,000	**-**	**600,000**
2.	Plant and machinery	250,000	**-**	**250,000**
3.	Vehicles/Aircrafts	10,000	**-**	**10,000**
4.	Furniture	10,000	**-**	**10,000**
5.	Office Equipments	-	**-**	**-**
6.	Insurance cover	10,000	**-**	**10,000**
7.	Pre-operational expenses	20,000	**-**	**20,000**
8.	Working Sub-total capital	100,000	**-**	**100,000**

5. Project Financing

Explain how the project is being financed

S/No	Information	Amount (USD)	Source Country
1.	Local Equity	-	**-**
2.	Local Loans	-	**-**
3.	Foreign Equity	1,000,000	**CHINA**
4.	Foreign Loans	-	**-**
5.	Total investments	1,000,000	**1,000,000**

6. Problems and solutions, explain problems;

- **Coordination Delays Between Civil Works & Mechanical Installation**

  Problem: Slow inter-agency coordination and unclear administrative procedures delayed site approvals, utility connections, and import clearances. Inconsistent interpretations of local regulations added complexity to compliance and progress tracking.

  Solution: The project team engaged proactively with relevant ministries and local authorities, submitted early documentation, and leveraged legal counsel to ensure

alignment with government expectations. Regular follow-up and relationship-building helped reduce delays.

- **Recruitment & Experience Gaps in Commissioning Staff**

  Problem: Initially, operating staff lacked experience in commissioning complex batching and curing systems, which risked commissioning delays and quality issues.

  Solution: A phased recruitment and training plan was implemented. Experienced supervisors were embedded across teams to provide hands-on mentorship. Cultural awareness workshops and local language liaisons were introduced to foster smoother communication and better team cohesion.

- **Weather Disruptions & Environmental Compliance**

  Problem: Heavy rains delayed civil work and induced waterlogging, while dust and noise concerns needed mitigation to meet environmental regulations.

  Solution: Temporary drainage systems and weatherproof protective covers were deployed. Protective garments and non-slip footwear were provided for workers. of operations.

- **Supply Chain Interruptions & Cost Fluctuations**

  Problem: Cement, aggregates, and prestressing steel costs fluctuated, making budgeting and procurement planning difficult. Sporadic delivery delays also occurred.

  Solution: Management is looking to secure multi-vendor contract to provide redundancy, maintained buffer stock on site, and established inventory forecasting systems.

- **Coordination Among Departments**

  Problem: Misalignment between project functions including operations, procurement, HR, safety, and finance was causing slow decision-making and inefficiencies.

  Solution: Weekly cross-functional coordination meetings were instituted. Clear responsibility matrices (RACI charts) define ownership and accelerate decision-making across departments.

7. **Future Plans**

- **Technology Adoption & Digital Transformation**
- The plant will integrate digital systems to optimize production and inventory management. In 2025, implementation will focus on automating workflows, integrating digital inventory tracking, and using production monitoring software to enhance responsiveness and transparency.

- **Sustainability & Low-Carbon Product** Development With growing demand for environmentally responsible building materials, the plant plans to pilot use of blended cement mixes incorporating fly-ash, slag, or recycled materials to reduce carbon footprint while maintaining product strength Market Research Intellect. Initiatives include:
    a) Trial production of low-carbon concrete poles using supplementary cementitious materials.
    b) Partnerships with research hubs to explore biochar additives for improved strength and sustainability.
- **Regional Branch Expansion & Localized Production**
  Following feasibility studies, the plant will explore opportunities to expand production capacity in select regions to improve delivery efficiency and reduce transportation costs. Planned steps include: Launching a mini mobile batching plant that can be relocated based on regional demand.
    a) Identifying high-demand areas for potential satellite production facilities or strategic distribution hubs.
- **Strategic Partnerships via PPPs**
  To support infrastructure initiatives such as flood control and urban sanitation, the project will pursue long-term supply partnerships with public infrastructure agencies and municipal contractors.
- **Skills Enhancement & Green Building Certification**
  Following intermediate and advanced trainings, the plant will develop internal train-the-trainer programs, transferring international best practices to local operators. Introduce green construction skill modules, aligning with regional sustainability goals and green certifications.
- **Supply Chain Optimization & Risk Management**
  Building on existing multi-supplier networks and buffer inventories, the plant will:
    a) Use digital procurement systems to track prices, supplier performance, and demand forecasting.
    b) Explore circular-economy practices, such as recycling concrete waste and sourcing local aggregates for cost and sustainability

- **Market Diversification & Export Growth**

The plant will strengthen export sales by:

a) Targeting cross-border infrastructure projects involving sanitation and stormwater management.
b) Participating in East African trade forums and establishing direct links with regional public works authorities.

8. Recommendations and any other comments

We commend the Tanzania Investment Centre (TIC) for its continued support and dedication to promoting investment in Tanzania. The guidance and facilitation provided by TIC throughout the registration and implementation stages of our project have been valuable and greatly appreciated.

We recommend the following to further improve the investment climate:

1. **Enhanced Digital Services** – Continued improvement and expansion of the TIC online platform for more seamless processing of investor services and status tracking.
2. **Faster Turnaround Time** – Streamlining internal coordination and communication with other government agencies to reduce response times for approvals and permits.
3. **Investor Aftercare Services** – Strengthening post-registration support to assist investors with ongoing operational matters, compliance, and project expansion.

Overall, we appreciate TIC's professionalism and commitment to fostering a conducive investment environment in Tanzania.