

**TANZANIA INVESTMENT CENTRE
STRATEGIC AND SPECIAL STRATEGIC INVESTORS MONITORING
REPORT**

PROJECT NAME:

		Detailed Information	
1.	Sector	REAL ESTATE DEVELOPMENT	
2.	Sub-Sector	INDUSTRIAL PARK	
3.	Project Objectives	TO ESTABLISH A PROJECT FOR INDUSTRIAL PARK FOR LEASE AND SALE.	
4.	Date of Project Monitoring		
5.	Performance Contract	Date of Signing 23 rd June 2023 Contract Validity	
7.	Planned Project Plan as per Performance Contract		
8.	Planned Investment Capital as per Contract	Total Investment Capital US\$	USD\$ 327,400,000
		Investment Financing Plan	EQUITY:50%, DEBT:50%
		Investment Construction Period (Years)	7 YEARS
9.	Planned Employment Creation as per Contract	Direct Employment (Contracted)	100,000
		Casual labor	200
		Estimated Indirect Jobs	500,000
10.	Planned Foreign Exchange Earnings as per Contract	Foreign Exchange Generation due to Export or import substitution (US\$/Year) and targeted export markets	EXPORTS:40% IMPORTATION:60%
11.	Planned Technology type as per Contract	Technology type	Various types because it is an Industrial Park.
12.	Project Location and Land	Project Location	KWALA-KIBAHA-PWANI
		Land size available to Proposed project (Acres)	2500 ACRES
		Total Land size currently developed (Acres)	285 ACRES
		Land Ownership Status	DERIVATIVE RIGHT TITLE TIC/SINOTAN INDUSTRIAL PARK.
13.	Planned Government Revenue Contribution as per Contract	Direct Taxes revenue Contribution/US\$/ Year	USD\$ 1,200,000,000,000 PER YEAR when fully operational.
		In-direct taxes, levies and Fee US\$/ Year	-
2			
14.	Current Project Performance Status (By Physical observation, Interview or Documents Review)	Current Investment Capital US\$ (Property, Plant & Equipment and Working Capital)	USD\$ 29,583,169.89
		Description of existing/developed infrastructure and Equipment in place (PPE)	<ul style="list-style-type: none"> ● Concrete road ● One stop center ● Police station ● Fire station ● Industrial shades
		Current Direct Employment (Contracted)	151
		Current casual labor	200
		Current Estimated Indirect Jobs	500
		Current Production Installed Capacity/Year	DEVELOPER- 20,000 SQM OPERATORS KVS LTD- HOUSE OF GARMENTS-
		Current average Production capacity/Year	NEWLY ESTABLISHED
		Current Direct Taxes (TRA) Contribution US\$/Year	NEWLY ESTABLISHED
		Foreign Exchange Generation due to Export or import substitution (US\$/Year) and export markets	NEWLY ESTABLISHED
		Current In-direct taxes, levies and Fee Contribution US\$/year	NEWLY ESTABLISHED
		Other CSR activities implemented	● Participation in Uhuru

				<ul style="list-style-type: none"> Torch Luban Workshop (training center) Contribution in the construction of CCM Investment Building
15.	Fiscal Incentives Issued by government to the Project as per Performance Contract	S/N	Tax Name	Total Tax Exemption to-date (US\$)
		1.	With holding tax on interest on loan	
		2.	VAT	2,521,717.38
		3.	Corporate Tax	
		4.	With holding tax on rental	
		5.	With holding tax on dividends	
16.	Major Challenges and Proposed Solutions	S/N	Challenges	Proposed Solutions
		1.	Delayed issuance of GNs commensurate with the Performance Contract signed with the government on 23 rd June 2023. This includes incentives approved for both Developer and Operators.	While the government is working on the pending Government Notices in respect of the approved incentives, the process which we cannot know how long it will take, Operators should be allowed to clear their goods through Provisional Clearance
		2.	a. No formal means of transportation of people to/from the Industrial Park; the Industrial Park is expected to create 100,000 direct employment and 500,000 indirect employments. The Park is nearby the Dry Port which will also pull people.	Since there is now SGR passenger train and the railway line passes by Kwala where the Industrial Park and Dry Port are located, we propose an SGR station within the vicinity of the Park. This will also respond to the common question by potential Operators as to where they can source workforce because with SGR workforce can be sourced as far as Dar es Salaam or Morogoro
		3.	b. Delayed completion of connection of 50MW power line. There have been frequent power cuts for the past 4 weeks on reasons that Tanesco is completing connection of power to SINO-TAN Industrial Park. This has made SINO-TAN to rely on generators for such prolonged period of time	Enhance the team working on the project to speed up completion as the power cuts in turn affects industrial set-ups and production
		4.	c. No formal assurance on plan to supply natural gas to the Industrial Park. There are Operators that require natural gas for their industrial production and among the attraction to Tanzania is this resource, therefore its availability at levels sufficient for industrial production will make the Industrial Park competitive on the regional scale and attract more investment to Tanzania	TPDC to assess potential volume of natural gas required along the Kibaha district industrial zones and consider supply of natural gas to the via pipeline

17.	Project Monitoring Team Recommendations				
18.	Names & Signature for Project Monitoring Team Members	S/N	Name	Institution	Signature
		1			
		2			
		3			
		4			
19.	Names and contacts of project representatives		Name	Position	Mobile No
		1	CHEN XIONG	GENERAL MANAGER	+255 758 175 206
		2	BARRY CHALE	PROJECT MANAGER	+255 754 268 128
		3			