

TANZANIA INVESTMENT CENTRE

DIRECTORATE OF INVESTMENT FACILITATION



EASTERN ZONE

**REPORT ON PROJECT VERIFICATION VISIT TO MEK-ONE LOGISTICS LIMITED
CONDUCTED ON 01ST AUGUST, 2022**

August, 2022

1.0 PROJECT PROFILE

Company Information					
S/N	Item	Description			
1.	Company Name	MEK - ONE LOGISTICS LTD			
2.	Project Location	MEK-ONE PLAZA, Plot No.4/1 and 8/1, Nyerere Road, Temeke Municipality, Dar es Salaam Region;			
3.	Projects' Core Activities	To establish and operate a project of cargo transportation.			
4.	Address & Mobile Number	P. O. Box 5055, Dar es salaam. +255 736 997710, +255 779 666222 Email: suleimanmo@mek-one.co.tz Email: md@me-one.co.tz			
5.	Contact Person	Farai Chirimubwe Manager Email: farai@mek-one.co.tz			
6.	Employment		Direct Local	Indirect Local	Total
		Men	81		81
		Women -	01		01
7.	Shareholder's Information	Name	Nationality		% Ownership
		Mohamed E. Awadh	Tanzanian		
		Suleiman M. Awadh	Tanzanian		

2.0 INTRODUCTION

2.1 History of the Company

MEK-ONE LOGISTICS LIMITED was registered a project at Tanzania Investment Centre (TIC) on 2016 to establish and operate a project for cargo transportation a project which was issued with Certificate of Incentives (CoI) No.021232 having implementation period of three years starting January 2019 ending December 2021. The company's certificate of incentive No.021232 was amended on 17th September 2020. Unfortunately, an investor never applied for extension of another.

2.2 Geographical location

The project is located MEK-ONE PLAZA on Plot No.4/1and 8/1 in Nyerere Road/ Mandela Road, Temeke Municipality, Dar es Salaam Region. It can be accessed via Service Road off Nyerere Road road adjacent Dar Group Hospital and its main gate is facing Mfugale Bridge. This location is the main headquarter of the company.

3.0 PROJECT VERIFICATION VISIT (PVV)

3.1 PVV initiation

The implementation period for the Certificate of Incentives granted to the Investor ended by December 2020. The investor launched an application letter for extension and amendments of Certificate of Incentives on 29 June 2022 without reference number, which called for project verification visit conducted by TIC officers on 01st August 2022. The team comprised the followings:

1. Fidelis Obanga: TIC
2. Mwanamkuu Shoka; TIC-Lands

The team was hosted by Masudi Ramadhani Maulidi – Human Resource Manager and Sheila Mshana – Officer both representing Mek-one Logistics Limited.

3.1.1 Objective of the visit

The main objective of the project verification visit (PVV) was to verify the project development status which would justify the reasons for extension and amendment on the certificate of incentives.

3.1.2 Specific Objectives

Specifically, the team aimed to: -

- i. Interview and gather information from the applicant regarding reasons for re-issue of Col and change of implementation period.
- ii. Take copies of relevant document /photos as evidence for implementation progress.
- iii. Physically visit the project site and verify project progress

Findings of the team will assist TIC management to make informed decision whether the company qualifies for extension of certificate of incentives.

4.0 OBSERVATION AND FINDINGS

The team observed the following during PVV;

- i. Mek-one certificate of incentives has expired on December 2020 and they never applied for extension on time.
- ii. The project has a fleet of more than 100 trucks which are located at Plot No.1, Block G, Pangani Street, Kibaha, Coastal Region.
- iii. Mek-One Logistics didn't exhaust their allocated share of deemed capital goods exempted, except for 5 Howo trucks from China and 5 trailers from Kenya.
- iv. Mek-One Logistics have plans to purchase 10 trucks.

The plates below illustrate some the current situation at the site



4.1 Major Challenges hindered timely enjoyment of fiscal incentives

4.1.1 Business environment was unfriendly, thus investor encountered challenges in securing facility from banks to enable them to purchase desirable number of vehicles and trucks to run their business smoothly.

4.1.2 Difficult in obtaining working capital, the situation forced them to borrow from the sister companies.

4.1.3 Covid-19 also affected proper implementation the business.

5.0 RECOMMENDATIONS

In view of the findings observed during the project visit, the team recommends the followings: -

- i. Mek-one Logistics Limited, according to Investment Act No 26 of 1997, Sec 20(1), still has time to enjoy their allocated incentives, as their required time is still active.

6.0 CONCLUSION

Based on the facility visited, discussion with company representative, the reference documents presented and considering the findings of the visit including recommendations, they deserve to be given an extension. Therefore, the project can be considered for an extension of one year.

Also, The Certificate of Incentives should be corrected as pointed out on the application letter.

We submit,



Fidelis Obanga

PIO – EZ



Mwanamkuu Shoka

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