

TANZANIA INVESTMENT CENTRE

DIRECTORATE OF INVESTMENT FACILITATION



EASTERN ZONE

**REPORT ON THE VISIT TO M/S HESU INVESTMENT LTD, LOCATED AT
PLOT NO. 311/3 BLOCK T, TAIFA ROAD, DAR ES SALAAM ON 26TH
AUGUST, 2022**



AUGUST, 2022

Project's Profile				
S/N	Item	Description		
1.	COMPANY NAME	HESU INVESTMENT LTD		
2.	PROJECT LOCATION	PLOT NO. 311/3/4, TAIFA ROAD TEMEKE		
3.	PROJECTS' CORE ACTIVITIES	TO ESTABLISH A PROJECT FOR TRANSPORTATION FLEET AND WAREHOUSING FACILITY FOR IMPORTERS AND exporters both		
4.	ADDRESS & MOBILE NUMBER	P. O. Box 2465 DAR ES SALAAM. +255 22 2125201 S.N.MOHAMED		
5.	CONTACT PERSON	S.N. MOHAMED - MD		
6.	SHAREHOLDERS	Name	Nationality	% Share
		Suleman Mohamed	Tanzanian	50
		Hemed Mohamed	Tanzanian	50

1.0. INTRODUCTION

M/S HESU INVESTMENT LIMITED is a TIC registered project with a Certificate of Incentives Number 015081 issued on March 2018 for purposes of establishing and operate cargo transportation project. The location of the project is at Plot No. 311/3/4, Taifa Road –Temeke, Dar es salaam.

Following investor's application for extension of TIC Certificate of Incentives Ag. DIF appointed a team to visit the project and establish the status of project implementation so as to advise.

2.0. OBJECTIVES OF THE VISIT:-

The objective of the project site visit was to carry out project verification in order to ascertain project's implementation status and progress made so far so as to enable Ag. DIF to arrive at an appropriate decision, following the submitted request to extend Certificate of Incentive's implementation period.

3.0 PVV TEAM

- | | | | |
|-------|--------------------|---|--------------------|
| (i) | Deusdedit Hokororo | - | Investment Officer |
| (ii) | Julie Muro | - | EZO |
| (iii) | MwanaMkuu Matimbwi | - | TRA Officer TIC |

4.0. THE FOLLOWING METHODOLOGY WERE USED TO CONDUCT THE PVV

- (i) Review the submitted request documents and the company file so as to get the historical background of the project.
- (ii) Interview Project Manager, Mr Hafidh Salum Mana and Compliance Manager- Mr. Madau Manyango to get the progress report of the project and the challenges hindering effective implementation of the project.
- (iii) Physical site visitation to verify the progress of the project.

5.0. OBSERVATIONS AND FINDINGS

On 26th August, 2022, the PVV team visited the company and had a consultative conversation with Mr Hafidh Salum Mana (Project Manager) and Madau Manyango (Compliance Manager) - to acquire important information on the progress of the project development. The following are the key issues observed:-

- (i). They applied for Duty exemption on deemed Capital goods under certificate of Incentives No. 015081 and got approval from TRA a 50 units of road tractor, 50pcs of GPS tracking devices, 50pcs of alarm and 2 sets of radio station. They have only managed to import only 10 truck from China out of 50 units.
- (ii). Bank Loan, Investor did not manage to get bank loan as it was expected as when they started business they had Credit from PBZ but they now have managed to clear.
- (iii). Parking Problem, during Uhuru day they had big traffic jam in Taifa road which disturb Government activities and therefore Government instructed Hesu Investment to reduce number of client in Taifa Road to reduce traffic jam, there the number of customers deceased and made us not reach our goals. But now TARURA has given a new area for parking for Hesu Investment.

6.0. PROJECT CAPACITY

The project has capacity of transporting around 200,000 tonnes of cargo per month.

7.0. PROJECT ACHIEVEMENTS

- Project has managed to establish and operate cargo transportation project.
- To carry on business of commission agents, clearing and forwarding agents
- Employment of 70 local employees
- Importation of vehicles:- 160 Heavy Duty Trucks and trailers, semi – trailers, escort pickup
- Managed to acquire extensive market for cargo haulage facility for their goods eg. Kioo Limited, Superdol etc

- Project has managed to register with Commissioner for Customs & Excise for the license of and Internal Container Depot – ICDV in 2013
- Managed to increase the operations by carrying more cargo (capacity/volume of the cargo)
- Managed to purchase communication equipment: Radio call base station and handsets

5.0 CHALLENGES

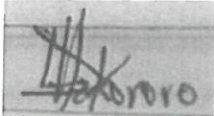
- (i) They encountered a challenge of ICD Shipper nomination, whereby only TASAC was mandated to nominate the ICD
- (ii) TRA reduction
- (iii) Port Extension, only TASAC was mandated to locate the cargo to different ICD
- (iv) Parking challenges, Parking Problem, during Uhuru day they had big traffic jam in Taifa road which disturb Government activities and therefore Government instructed Hesu Investment to reduce number of client in Taifa Road to reduce traffic jam, there the number of customers deceased and made us not reach our goals. But now TARURA has given a new area for parking for Hesu Investment.
- (v) Bank Loan, Investor did not manage to get bank loan as it was expected as when they started business they had Credit from PBZ but they now have managed to clear.
- (vi) Covid 19 during this period we do not have enough cargo, number of container import and export were decrees and even the price also were reduced while expenses remain the same this we struggled even to pay our employee's salary.

6.0 FUTURE PLAN


They planned to expand by importing 20 new brand Chinese truck for transportation of cargo and

7.0 RECOMMENDATIONS

In an effort to nurture projects in order to see that they achieve the predetermined objectives, the team is of the opinion that you consider the request of this project and grant extension of 1 year to enable the investor to exhaust his fiscal incentives and implement his project as planned.



Deusedit Hokororo – IO - A



Julie Muro –EZO



Mwanamkuu Matimbwi – TRA OFFICER – TIC

Appendix no 1.



A container yard accommodated 4000 containers.

Appendix no. 2



2 floor office building for the project

Appendix No. 3



Reserved Parking Yard leased by promoters for truck parking