

PRODUCTION HISTORY FOR TANZANIA BUREAU OF STANDARD

*Project for Cargo Transport Logistics 2025-2030.*

SAMSA LOGISTICS LIMITED

12/10/2025

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## **EXECUTIVE SUMMARY**

This is a project history for cargo transport logistics at SAMSA LOGISTICS LIMITED. These logistics are all kind of cargo transport. The project is located at Toangoma, Temeke Municipal Council. The project's period is projected to be 5 years, and the turnover at its full capacity, is projected to be **USD 32,360,077.75**. It is a project wholly owned by Tanzanians.

Through the marketing and financial analyses conducted, the investment cost of the project, which is estimated to be USD **8,310,000** will be a success. With an excellent team of experienced, knowledgeable and hardworking staff, plus expatriates, the project's products, which are mostly imported are expected to have their niche in the Tanzanian market.

This business plan has been prepared to establish the viability of the targeted products and guide the procurement, operational and marketing activities of the project. The plan establishes a strategic framework that provides a focus, direction and most importantly a common language that acts as a guide for all transportation, marketing/brand activities creating cohesive strategic alignment between the company mission, vision and goals.

The project is beneficial not only to the shareholders but also to the Tanzania economy. It will employ locals (not less than 60 directly employed people and 10 indirectly employed), it will pay taxes, it will source raw materials locally, it will participate in the development of the neighboring community and it will add to import substitution of the products it is scheduled to produce.

### **1.0 PREAMBLE**

#### **1.1 Company Details**

**SAMSA LOGISTICS LIMITED** is a company registered under the Laws of the United Republic of Tanzania on 04<sup>TH</sup> August 2016 and granted Certificate of Incorporation No. 128365. For tax purposes the company is also registered and its TIN is 132-742-715. The company has a wide range of activities that it can embark upon but for this specific plan its focus is on Cargo Transport Logistics.

**SAMSA LOGISTICS LIMITED** is a local company owned by Tanzanians by 100%. The promoters of the company are all local as detailed under **Table 1** where key details are given. The company's authorized share capital is TShs. 100,000,000

divided into 10,000 shares of TShs. 10,000 each. The value of the share capital is equivalent to USD 40789.46.

**Table 1: Company Shareholding Details**

S/No.	Names	Nationality	Shares Taken	Shareholding
1	SALIM SALEH OMAR	Tanzanian	5000	50%
2	MOHAMED SALIM SALEH	Tanzanian	2500	25%
3	ABDULFAT SALIM SALEH	Tanzanian	2500	25%

## 2.0 PROJECT OVERVIEW

This is a project that ventures in the all-cargo Transport Logistics production. The company has been doing cargo transport logistics producing for 8 years now. It started cargo handling and transportation logistics since 2016 immediately after the registration of the company. Upon attaining the full capacity level of transportation, the project will deal with cargo transport logistics.

The company's Project will be a located Toangoma at plot No. 15 Block C, Temeke District in Dar es salaam. This plot is owned by the majority shareholder. This project, as shown in **figure 1** will be financed by equity (00%) and loan (100%).

### 2.1 Manning Plan

At full capacity the project will directly employ a minimum of 60 whom are local. **Table 2** provides the details on the number of employees to be engaged in this project. Besides the direct employment the project is expecting to produce at least 10 indirect jobs when at full capacity

**Table 2: Employment Plan**

CATEGORY	MALE	FEMALE	TOTAL
Local	53	7	<b>60</b>
Foreign	0	0	<b>0</b>
<b>TOTAL</b>	<b>53</b>	<b>7</b>	<b>60</b>

## 2.2 Product description

### Cargo transport Logistics by truck

Cargo Transport Logistics refers to the transportation of goods or freight that being shipped or carried by ocean, air or land from one place to another. Also, Cargo is a general term often used regarding commercial inventory and can include any type of product or good. As an example, the freight carried in the back of a trailer from a warehouse to a commercial business would be considered cargo. The project of cargo transport logistics involves the use of several trucks and trailers so as to ensure effective cargo transportation.



Freight Transport



Trailer

A trailer is a container on wheels pulled by a car or another vehicle used to transport large or heavy cargo. In basic term, the trailer is an unpowered vehicle usually towed by powered vehicle.



This type of vehicle is mostly used to transport large quantity of goods by road.

### **2.3 Supplies Plan**

The company will import the trucks and trailers that cannot be sourced within Tanzania. The imported trucks and trailers include the transportation lines for the different trucks and trailers that are going to be used by the project. Some of the Vehicle and Lorries (including small Lorries) will be imported.

### **2.4 Transport Logistics Plan**

At full capacity the factory is estimated to generating a monthly turnover of TShs 667,291,770.00. This is an equivalent of about USD 270,000 per month. Annually this is a turnover of USD 32,360,077.75. Capacity wise the project is planned to varying tonnage of the products. Annual transport logistics of goods is projected to be 72,000 Metric Ton.

### **2.5 Roll-Out Plan**

Production is planned to commence within the month of January 2026 and full capacity to be attained in 2028. The project's life is expected to be 5 years.

## **3.0 MARKET SCRUTINY**

### **3.1 Status-Quo of the Market**

As per Volza's Tanzania Import data, green paper and HSN Code 48025690 import shipments in Tanzania stood at 2, imported by 1 Tanzania Importers from 1 Supplier.

Tanzania imports most of its green paper and HSN Code 48025690 from India and is the largest importer of green paper and HSN Code 48025690 in the World. Top 1 Product Categories of Green paper and HSN Code 48025690 Imports in Tanzania are HSN Code 48025690 HS weighing 40 g/m<sup>2</sup> or more but not more than 150 g/m<sup>2</sup> in sheets with one side not exceeding 435 mm and the other side not exceeding 297 mm in the unfolded state.

## **3.2 SWOC Analysis**

### **3.2.1 Strengths**

The promoters of the company owning the project have some muscle to fund the project as their equity amounts to 20% of the financing. The company also can be lent funds from a local commercial bank about 80%. As such the company's liquidity is assured.

The company also has got staffs who are experienced in the trade of transport logistics of the intended project. So far, they are doing transportation of cargo and have ordered some of the required trucks and trailers.

The management is acquainted with the general Tanzanian market and has developed insight into the specific products.

### **3.2.2 Weaknesses**

The company is not a giant in the industry of transportation. As such it might be lacking some levels of experience in the market. However, through consulting experts in the business arena it is expected to take off and pick its niche in the market.

### **3.2.3 Opportunities**

In some of the cargo transport logistics there are no many transporters of the same products as mostly are using agents. With a population of 62 million people the country provides assurance of a local market.

Tanzania being a member of the EAC has duty-free-quota-free market access to Burundi, DRC, Kenya, Rwanda, South Sudan and Uganda.

In terms of power utilities Tanzania has got relatively lower tariffs and has less power cuts. Tanzania is expecting to be exporting electricity which will be generated from the Julius Nyerere Hydro Electric Power plant.

In governance Tanzania is characterized by peace and tranquility for there has been no havoc in the country. This is strength as it provides our business with assurance that we will operate smoothly resting assured that the promoters' property is secured.

### **3.2.4 Challenges**

The procedures in the country are many and relatively complex. The company engages experienced business consultants.

Some cargo transport logistics may face competition as Tanzania has other transports transporting the same goods. The company has taken this into account via the marketing strategy.

The open doors for Tanzania into the rest of EAC member countries imply the same for the other EAC members into Tanzania. This implies stiffer intra-regional competition where there is duty-free quota-free market access intra-regionally.

### **3.3 Market Worthiness**

From the SWOC analysis conducted of the company and of the operating environment the promoters are confident that the project will be a success. Following the analysis, we have developed a market strategy for our products.

### **3.4 Marketing Strategy**

Considering the fact of many players in the cargo transport logistics of ours the company has developed a special focus on the 4Ps mix in order to have a good share of the market. Here is the company's view on the mix: -

**Product:** The project will produce best cargo transport logistics. This will make the services unique in the market by being very appealing. Through R&D the company will know more about the changing needs of the consumers and adjust the products accordingly in order to capture more market and retain its share of the market.

**Price:** Through the Marketing and logistics Departments the company will develop a pricing mix that will make the products price-competitive in order to gain a larger share of the market starting with Tanzanian market and in the neighboring countries' markets.

**Place:** The project is strategically located within the city of Tanzania and neighboring countries. In this regard the distribution channels are designed to see to it that delivery of the products is effective and appealing to customers. In the initial stage

we will deal with wholesalers and large institutions. In the course of operations, we can move on to have our outlets.

**Promotion:** Through the qualified marketing personnel, the company will design excellent promotion campaigns that will pull consumer toward the products. We will use social awareness teaser campaigns by leveraging on information communication technology.

## 4.0 FINANCIAL ANALYSIS

This part covers project financing and financial projections. Project financing includes source of funding and financing of items in the project. Financial projections, on the other hand, cover sales projections, income projections, projected retained earnings and projected cash flow.

### 4.1 Project Financing

#### 4.1.1 Sources of Financing

The project will be financed 100% local loan which will total to **USD 8,300,000** as shown on **Table 4**. All the equity and the loan are local i.e., Tanzanian.

**Table4: Project Financing**

Details	Amount	Percentage
<b>Local</b>		
Equity	0	00.00%
Loan	8,300,000	100.00%
<b>Sub-total</b>	<b>8,300,000</b>	<b>100.00%</b>
<b>Foreign</b>		
Equity	0	0.00%
Loan	0	0.00%
<b>Sub-total</b>	<b>0</b>	<b>0.00%</b>
<b>GRAND TOTAL</b>	<b>8,300,000</b>	
<b>Total Equity</b>	0	00.00%
<b>Total Loan</b>	8,300,000	100.00%

#### 4.1.2 Financing of Project Items

The invested capital will fund various items in the project. These include, vehicles, trailers, buildings, plant, and other items as shown on **Table 5** below.

**Table 5: Financing Items**

<b>ITEMS</b>	<b>FINANCING IN USD</b>
Land & Buildings	10,000.00
Vehicles	8,300,000
Furniture & Fittings	10,000.00
Pre-Expenses	10,000.00
Others	0
Working Capital	30,000.00
<b>TOTAL</b>	<b>8,360,000.00</b>
FIXED CAPITAL	8,330,000.00
WORKING CAPITAL	30,000.00

## **4.2 Financial Projections**

### **4.2.1 Sales Projections**

The company has projections of steadily growing sales over the first five years of operation of the project. The growth in sales is projected to be 30% per annum for the first respective years of operation of the project.

The project promises to yield gross profit through the first five years. In Year 1 the profit is expected to be the lowest as it is the year of investment which implies much spending while the products are relatively new in the market and thus sales are picking up the pace.

### **4.2.2 Income Projections**

Through the first five years of operation the project is expected to be making profits. In year 1 the profits will be the lowest because of the heavy spending in investment in the first year of operation.

### **4.2.3 Projected Retained Earnings**

Retained earnings projections show a positive trend for the project. This will give the company an edge in the market as it can re-adjust the price mix in order to keep more competitive.

## **5.0 PROJECT RATIONALE**

This project's rationale can be viewed in monetary, fiscal and social aspects. From the financial analysis conducted this project is worth a green light in the Tanzanian

economy. Monetarily it will create income for supplier and distributor SMEs, fiscally it will pay taxes (both Income Tax and VAT), and socially it will contribute to social development as detailed under subsequent items.

### **5.1 Monetary Rationale**

The project is expected to incur a total of **USD 1,584,341** on production and operating expenses through its first five years. This money will go to supplier SMEs and other companies that will be supplying raw materials to the plant.

### **5.2 Fiscal Rationale**

Fiscally the project projects to pay a total of **USD 920,830** as taxes to the government in its first five years of operation. Of this amount income tax is projected to be **USD 752,444** while VAT is projected to total to **USD 868,386**. The VAT projections are for the sales at the company's level and will multiply as products change hands. The same applies for the income tax.

### **5.3 Social Rationale**

Socially the project will participate in various engagements as part of its CSR program. Over the first five years it is expected to incur a total amount of **USD 11142** on CSR. In addition, the project will directly employ a total of at least 37 locals. Other locals amounting to 50 will enjoy indirect employment via the project. The indirect jobs will be for those supplying raw materials, and service providers.