

GREEN LINE TANZANIA LIMITED

Feasibility Study Report

On

Establishment of Cargo Transportation Project

**Prepared for:
Green Line Tanzania Limited
P.O. Box36398.
Dar-es-Salaam**

November 2025

1.0. EXECUTIVE SUMMARY

1.1 COMPANY BACKGROUND

Green Line Tanzania Limited is a company limited by shares that primarily deals with cargo transportation of fuel, containerized, and loose cargoes. The company was registered on October 3, 2025. The company is headquartered in Dar-es-Salaam.

1.3 THE PROJECT

The Directors of Green Line Tanzania Limited intend to establish a fleet of trucks to acquire 300 trucks and 300 trailers. The company will also acquire pick-ups, light trucks, and workshop tools, and related handling service facilities. The project will be able to strengthen distribution and marketing facilities in the Country and also for transit cargo of neighboring landlocked Countries in East and Central Africa, namely: Rwanda, Burundi, Uganda, the Democratic Republic of Congo, Zambia, Malawi, and Kenya.

1.4 INVESTMENT COSTS

The project cost is estimated at **US\$26,640,000**. The company will use both equity and loan financing in order to make their project successful. The breakdown of investment cost is as follows:

	LOCAL	TOTAL
Land & Building	50,000	50,000
Plant/workshop facilities	30,000	30,000
Vehicles	26,000,000	26,000,000
Furniture and fixtures	20,000	20,000
Pre-expenses	10,000	10,000
Others	30,000	30,000
Working capital	500,000	500,000
Total	26,640,000	26,640,000

1.5 FINANCING PLAN

The promoters propose to finance the above investment costs in the following manner:

SOURCE	US \$	Total
Equity	26,640,000	26,640,000
Total	26,640,000	26,640,000

1.6 THE PROMOTERS

The promoter of the project is **GREEN LINE TANZANIA LIMITED** and its shareholders are as follows;

FULL NAME	NATIONALITY	SHAREHOLDING%
SALUM SULEIMAN KHALFAN	Tanzanian	71
FATMA SALUM ABDALLAH	Tanzanian	29

1.7 LOCATION

The project Head Quarters is located at plot no 38, Block 20, Nyakwale Street Kibada area Kigamboni, Dar-es-salaam. This available open space will be used as a yard and garage for company trucks. The area is accessible through tarmac road from the town. Hence the project stands to benefit from a wide range of clientele in the vicinity.

1.8 THE MARKET

The demand for transit cargo and supply of trucks/trailers has revealed that there is an excess demand in the transportation sector and the establishment of a company by purchasing a fleet of about 300 new trucks/trailers is justifiable There is an ample market for the transportation sector. The company will ensure that their services will be of right quality, quantities, time and promptly. The company

will adopt prevailing freight rates; however, a lot of efforts will be directed towards minimizing operational costs and particularly overheads.

1.9 ENVIRONMENTAL ASPECT

Generally, Tanzania has environmental regulations governing the operation of garages, workshops, and the storage of oil. The company will take precautions to ensure that and in case of an accidental spillage or fire, damage to the environment is limited to the minimum possible level.

1.10 PROFITABILITY

The business, as indicated in the projected profit and loss account and that of cash flow, is commercially and financially viable.

1.11 SOCIAL AND ECONOMIC IMPACT

The proposed project will result in the following social and economic impacts:

- Increase the provision of high-quality services in the country.
- The proposed project of the fleet of trucks investment in this sector will employ more than 300 people.
- The government and other agencies will benefit from various taxes, fees and commissions that will be paid to the Treasury.

1.12 CONCLUSION AND RECOMMENDATIONS

The proposed project will be financially and economic viable. It is recommended that the project be accorded the required support to pave the way for its expeditious establishment and development.

2.0 THE PROJECT

2.1 THE COMPANY

Green Line Tanzania Limited is a private liability company engaged in the transportation business and was registered on October 3, 2025. under Certificate of Incorporation No. 189747292. Green Line Tanzania Limited main aim is to establish transportation company by acquiring 300 cargo haulage trucks with trailers, constructing workshops and terminal comprising of container yard, truck parking places, godowns and offices.

2.2 PROJECT CONCEPT

The project intends to establish trucking company to deal with transportation of transit cargo to and from neighboring countries and will consists of the following;

- **300** trucks including **300** trailers with the average load carrying capacity of 30 tons per truck/trailers trailers, light trucks and 4WD patrol vehicles to assist in highway patrols and maintenance services
- Purchase of GPS equipment's for the trucks, more machinery and equipment/tools such as cranes, light forklifts and repair equipment to enhance smooth operation of its transport fleet.
- Acquiring office furniture, fittings, computers and telecommunication system to replace the ones which are worn out now.

2.3 LOCATION

The project Head Quarters is located plot no 38, Block 20, Nyakwale Street Kibada area Kigamboni, Dar-es-salaam This available open space will be used as a yard and garage for company trucks. The area is accessible through tarmac road from the town. Hence the project stands to benefit from a wide range of clientele in the vicinity.

2.4 THE PROJECT PROMOTERS

The promoter of the project is Green Line Tanzania Limited and its shareholders are as follows;

FULL NAME	NATIONALITY	SHAREHOLDING%
Salum Suleiman Khalfan	Tanzanian	71
Fatma Salum Abdallah	Tanzanian	29

The promoters have vast experience in cargo transportation especially in the areas of transits business

2.5 COMPANY VISION

The project promoters wish to see Green Line Tanzania Limited to be a reliable and leading cargo transporter in Tanzania. The customers usually want to associate the company's name with high quality transport services to the international standards.

3.0 MARKETING AND MARKETING STRATEGIES

3.1 DEMAND FOR TRUCKING FACILITIES

There is an ample market for the transportation sector. Competition is inevitable in the transportation business. Due, however, to ever-rising demand for transportation facilities in the country transportation sector grows constantly in volume. There is a very high demand for the cargo transportation in neighboring countries. Most of their imports and exports are passing mainly through Dar-es-Salaam, which is the major port for international traffic. Green Line Tanzania Limited will endeavor to achieve the transportation contract for domestic and transit business in the neighboring countries. Therefore, it can be expected that the sponsors would not face any marketing and operational problems in managing the proposed project.

3.2 SUPPLY OF TRUCKING FACILITIES

The trucking industry is the largest single section of transportation. Tanzania transport sector has contributed 7.5 % to the country real GDP with the growth rate of 6.3%.in the year 2024. The growth drivers include the increase in cargo tonnage and passengers transported by road. Road transport is the most widely used form of transport in Tanzania, carrying over 90% of the passengers and 75% of the freight traffic in the country. (www.tanzaniainvest.com)

Green Line Tanzania Limited in either way will benefit because of the range of fleet or trucks it will own. Customer service will still be given top priority. The company will ensure that deliveries will be of right quality, quantities, time and promptly. The company will adopt prevailing freight rates however a lot of efforts will be directed towards minimizing operational costs and particularly overheads. Cost control and personal accountability is paramount in the operations of the business.

3.3 COMPETITION

Green Line Tanzania Limited with 300 new trucks/trailers is therefore poised to emerge as one of the major transporters of transit cargo in Tanzania with no serious competition since demand for road transport is already higher than supply of trucks for transit cargo. Given the volume of business activities that are conducted within the SADC region, forwarding and clearing prefers to give transporters with a sizeable own fleet of reliable trucks that values time.

M/S Green Line Tanzania Limited with 300 new trucks will be one of the major transporters of transit cargo in the East Africa, COMESA and SADC region with no serious competition .

3.4 PROJECT IMPLEMENTATION SCHEDULE

The project promoter intends to take five years to purchase the intended 300 trucks .

3.5 Environmental impact

The project does not have any environmental problem/risk, as it does not involve production of any harmful by products.

4.0 INVESTMENT PLAN

In order to sustain the viability and growth M/S Green Line Tanzania Limited, a modest Investment plan has been drawn during the project period and the investment cost of the project is **US\$26,640,000**

	LOCAL	TOTAL
Land & Building	50,000	50,000
Plant/workshop facilities	30,000	30,000
Vehicles	26,000,000	26,000,000
Furniture and fixtures	20,000	20,000
Pre-expenses	10,000	10,000
Others	30,000	30,000
Working capital	500,000	500,000
Total	26,640,000	26,640,000

4.1 FINANCING PLAN

The company through equity contribution and the term loan will raise the bulk of the capital cost. The other major source of funding will be internally generated revenue from operations that will be ploughed back.

SOURCE	US \$	Total
Equity	26,640,000	26,640,000
Total	26,640,000	26,640,000

5.0 MANAGEMENT AND ORGANISATION STRUCTURE

5.1 ORGANIZATION

M/S Green Line Tanzania Limited will be directly under the Shareholders, who form part of Board of Directors. The Managing Director will be appointed by the Board of Directors and will be overall in charge of day-to-day operations of the Company and will be assisted by the following heads of sections –, Financial Controller, Chief Mechanics, the Manager of Operations Container Terminal Manager and Senior Logistics Officer.

5.2 MANPOWER REQUIREMENTS

To improve its transport system the company expects to employ 400 people. All are expected to have strong background in transportation. Other new staffs especially in the Operation Department are also expected to have some knowledge in transportation sector. However, all employees are expected to receive on-the-job training. All key staff is to be employed 1-2 months before the Company acquires the trucks and trailers.

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6.0 FINANCIAL ANALYSIS

6.1 REVENUE ASSUMPTIONS

The basic revenue underlying the projected revenue is detailed below:

6.1.1 Basic Revenue Assumptions

- 1) The project will operate total fleet of 300 trucks/trailers by the sixth year.
- 2) The entire fleet is deployed to haul mainly international transit cargo only with 0% return cargo.
- 3) Due to the long distances involved and condition of roads, the load factor is assumed at 90%.
- 4) About 10% of the trucks will be grounded on account of mechanical breakdowns, overhaul, accidents, etc. at any one time
- 5) The revenue and operating cost assumptions have been projected at constant prices and assumed that any increase in costs will be off-setted by a corresponding increase in freight rate.

6.2 OPERATING COSTS AND ASSUMPTIONS

6.1.1 Direct Cost

- 1) The major direct operating costs have been estimated to be 60 % of the total revenue:

2) Depreciation

The following fact facts apply for the depreciation rates in this project:

- Building and Civil works are depreciated at 4% straight line.
- Workshop equipment, plant, machinery, and operating equipment 12.5 %.
- Office equipment is depreciated at 12.5%.
- Furniture and fittings are depreciated at 12.5%
- Pre-operational expenses are is 20%.

3) The capacity

The capacity utilization of the truck starts from 60% in the 1st Year to 70% in the 2nd year and 80%, in the 3rd year and other subsequent years.

6.3 PROJECTED PROFIT AND LOSS ACCOUNTS

From the foregoing freight revenue and operating cost assumptions, the accounts clearly demonstrate that the project will be very profitable from year six.

6.4 PROJECTED CASH FLOW

Substantial cash surpluses will accrue to the project right from year one. The strong liquidity position confirms the project's ability to meet all financial obligations.

6.5 PROFITABILITY

The projected profitability levels compare well the profit levels being achieved by other transit cargo transporters of a similar scale. The project's long-term retained earnings started rising from year one.

7.0 ECONOMIC DEVELOPMENT CONSIDERATIONS

7.1 Employment Creation

The project will create approximately **400** jobs.

7.2 Foreign exchange Earnings

The project will earn foreign exchange through its operation of transit goods

7.3 Economies of Scale

The project will be profitable with subsequent to 300 trucks and will improve communication and infrastructure facilities.

7.4 Development Aspects

The following are the major economic and social benefits, which will be generated by proposed project.

- Revenue to the Government and other organs in the form of taxes, fees and levies.
- Increase in employment opportunities to 400 people.

- foreign exchange earnings as the project will be actively engaged in the transit trade
- Facilitate in increase improvement and availability of the freight haulage services especially in the transportation of raw materials, fuels, crops and finished products to and from markets.

10.0 CONCLUSIONS

After a thorough review of this particular industry, it is the strong opinion of the Consultants, Directors and management alike that this business is worth serious consideration by TISEZA because the project is commercially, financially and economically viable.

ANNEXTURE AND APPENDICES

GREEN LINE TANZANIA LIMITED

INVESTMENT COST USD

	LOCAL	TOTAL
Land & Building	50,000	50,000
Plant/workshop facilities	30,000	30,000
Vehicles	26,000,000	26,000,000
Furniture and fixtures	20,000	20,000
Pre-expenses	10,000	10,000
Others	30,000	30,000
Working capital	500,000	500,000
Total	26,640,000	26,640,000

GREEN LINE TANZANIA LIMITED

PROJECT'S FINANCING PLAN

US\$

ITEM/FUNDS	EQUITY	TOTAL
CAPITAL COST	26,640,000	26,640,000
Total Capital Cost	26,640,000	26,640,000

GREEN LINE TANZANIA LIMITED

PROJECTED DEPRECIATION SCHEDULE

U\$

Item/year	Amount		1	2	3	4	5	6	7	8	9	10
Land & Buildings	50,000	4%	2000	2000	2000	2000	2000	2000	2000	2000	2000	2000
Motor Vehicles	26,000,000	25%	6,500,000	6,500,000	6,500,000	6,500,000	-	-	-	-	-	-
Machinery & Equipment	30,000	12.5%	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	-	-
Furniture & Fixtures	10,000	12.5%	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	-	-
Pre-Operational Expenses	20,000	20%	4,000	4,000	4,000	4,000	4,000	-	-	-	-	-
TOTAL			6,511,000	6,511,000	6,511,000	6,511,000	11,000	7,000	7,000	7,000	2000	2000

GREEN LINE TANZANIA LIMITED

PROJECTED INCOME STATEMENT

US\$

Item/year	1	2	3	4	5	6	7	8	9	10
Sales Revenue	15,120,000	20,160,000	25,200,000	25,200,000	25,200,000	25,200,000	25,200,000	25,200,000	25,200,000	25,200,000
COST OF SALES	9,072,000	12,096,000	15,120,000	15,120,000	15,120,000	15,120,000	15,120,000	15,120,000	15,120,000	15,120,000
GROSS PROFIT	6,048,000	8,064,000	10,080,000	10,080,000	10,080,000	10,080,000	10,080,000	10,080,000	10,080,000	10,080,000
Depreciation	6,511,000	6,511,000	6,511,000	6,511,000	11,000	7,000	7,000	7,000	2000	2000
Sub Total	(463,000)	1,553,000	3,569,000	3,569,000	10,069,000	10,073,000	10,073,000	10,073,000	10,078,000	10,078,000
PROFIT BEFORE TAX	(463,000)	1,553,000	3,569,000	3,569,000	10,069,000	10,073,000	10,073,000	10,073,000	10,078,000	10,078,000
Corporation Tax at 30%	-	465,900	1,070,700	1,070,700	3,020,700	3,021,900	3,021,900	3,021,900	3,023,400	3,023,400
PROFIT AFTER TAX	(463,000)	1,087,100	2,498,000	2,498,300	7,048,300	7,051,100	7,051,100	7,051,100	7,054,600	7,054,600
Profit Brought Forward	(463,000)	624,100	3,122,100	5,620,400	12,668,700	19,719,800	26,770,900	33,822,000	40,876,600	47,931,200

GREEN LINE TANZANIA LIMITED

PROJECTED CASHFLOWS

US\$

Item/year	0	1	2	3	4	5	6	7	8	9	10
CAPITAL INFLOW											
Present Equity	26,640,000										
Sub Total Capital Inflow	26,640,000										
OPERATING INFLOW											
Profit before tax		6,048,000	8,064,000	10,080,000	10,080,000	10,080,000	10,080,000	10,080,000	10,080,000	10,080,000	10,080,000
Depreciation		6,511,000	6,511,000	6,511,000	6,511,000	11,000	7,000	7,000	7,000	2,000	2,000
Sub Total Operating Inflow		12,559,000	14,575,000	16,591,000	16,591,000	10,091,000	10,087,000	10,087,000	10,087,000	10,082,000	10,082,000
TOTAL INFLOW		12,559,000	14,575,000	16,591,000	16,591,000	10,091,000	10,087,000	10,087,000	10,087,000	10,082,000	10,082,000
CAPITAL OUTFLOW											
Investment	26,640,000										
Taxation		-	465,900	1,070,700	1,070,700	3,020,700	3,021,900	3,021,900	3,021,900	3,023,400	3,023,400
Sub Total Operating Outflow	26,640,000	-	465,900	1,070,700	1,070,700	3,020,700	3,021,900	3,021,900	3,021,900	3,023,400	3,023,400
TOTAL OUTFLOW	26,640,000	-	465,900	1,070,700	1,070,700	3,020,700	3,021,900	3,021,900	3,021,900	3,023,400	3,023,400
NET CASHFLOW	-	12,559,000	14,109,100	15,520,300	15,520,300	7,070,300	7,070,300	7,070,300	7,070,300	7,058,600	7,058,600

