

**THE ROLE OF SEAPORT IN FACILITATING GROWTH OF TRADE IN  
TANZANIA: A CASE STUDY OF DAR ES SALAAM PORT**

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REQUIREMENTS FOR THE DEGREE OF MASTERS IN BUSINESS  
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**2015**

**CERTIFICATION**

The undersigned certifies that he has read and hereby recommends for acceptance by The Open University of Tanzania a dissertation titled. *“Analysis on the Role of Seaport in facilitating growth of trade in Tanzania. “Case Study of Dar es Salaam Port”* in partial fulfillment of the requirements for the Degree of Master of Business Administration in Transport and Logistics Management of The Open University of Tanzania.

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.....

Date

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**DECLARATION**

I, **Ally Rashid Sintoo**, do hereby declare that this dissertation is my own original work and it has not been presented for a similar or any other award to any other University.

.....

Signature

.....

Date

**DEDICATION**

This dissertation is dedicated to my fiancé Janeth Mayenga, and to my mom Zanura Mwenda.

## **ACKNOWLEDGMENTS**

First and foremost, I thank the almighty God without whose grace; this dissertation would not have been accomplished.

Also I would like to express my great appreciation to my Supervisor Dr. Raphael Gwahula, who accepted to supervise me and gave me the necessary guidance I needed, I feel so much indebted for his great contribution towards this study.

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May God bless them all.

**ABSTRACT**

The port is a compulsory meeting point between ships and goods; Port plays an essential part in the maritime trade of country. Despite the great important played by Seaports in Tanzania to facilitate growth trade, but still there is low rate of growth of trade due to inadequate roles employed of the ports, and this hinder the growth of trade. Such a situation has a direct impact to traders as well as to the government revenue and that could be earned from selling services and products. Therefore there is a need to study how the Dar es Salaam port facilitating the growth of trade in Tanzania, The researcher was employed both qualitative and quantitative methodology in examining data. The roles of seaport in this study is to provide the Service to cargo and passengers, service to shipping lines and ships, Base for industrial developments as well as Terminal forming part of transport chain; therefore showed that the growth of trade could be achieved by improving performances on Hinterland Connections, skilled labours, Technology and port and infrastructure facilities. MOT and TPA should fasten implementation of the port master plan and under high and careful supervision, and both TPA and MOT should implement the existing, or make new port policies better to improve the growth of trade. Also researcher recommendations that further studies should be taken on these areas; role played by seaport of Tanzania as a whole, in facilitating growth of trade, including lake ports since this study focuses only at Dar es salaam port and a detailed study need to be undertaken to understand more causes of efficiency of seaports and the way forward.

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**LIST OF ABBREVIATIONS**

BOT	Bank of Tanzania
DWT	Deadweight
EPZ	Export processing zone
GDP	Gross Domestic Product
ICDs	Inland Container Depots
ISPS	International Ship and Port facility Security code
LLDCs	Land Locked Developing Countries
MOT	Ministry of Transport
Mt	Millions tones
NES	National Economic Survey
PMAESA	Port Management Association for Eastern and Southern Africa
SSATP	Sub-Saharan Africa Transport Policy Programm
SUMATRA	Surface and Marine Transport Regulatory Authority
TAFFA	Tanzania Freight Forwarders Association
TATOA	Tanzania Truck Owners Association
TAZARA	Tanzania Zambia Railway Authority
TBC	Tanzania Business Council
TEUs	Twenty Equivalent Units
TICTS	Tanzania International Container Terminals Authority
TPA	Tanzania Ports Authority
TRA	Tanzania Revenue Authority
TRL	Tanzania Railways Limited

TSAA	Tanzania Shipping Agent Association
Tshs	Tanzania Shillings
UNCTAD	United Nations Conferences on Trade and Development
UNESCO	United Nations Economic and Social Council
USD	United Nations Dollar
WTO	World Trade Organization

## **CHAPTER ONE**

### **INTRODUCTION**

#### **1.1 Background of the Research Problem**

In a rapidly globalizing world, the maritime sector has been a significant factor in facilitating the integration of markets for manufactured goods and industrial goods, with seaports operating a natural gateway to countries across the globe. Since world trade grows significantly faster than world output, foreign trade plays an increasingly important role in the development of national economies. Particularly in East and South East Asia, the enormous industrial success has been closely linked to the development of intermodal transport and has led to Asian dominance in container traffic. In fact, seaports constitute the backbone of the transport network without which today's global economy could not exist in its present form. It should be noted that, of the top 25 seaports in the world port traffic league ranked by containers handled 1999–2003, 15 form what can be likened to a string of pearls, stretching from Singapore to Tokyo. In all, 7 of these seaports are located in China.

Kawakami and Doi (2004) have presented empirical evidence that seaport capital has Granger-caused economic development in Japan. The tremendous explosion of foreign trade has also created a situation wherein ports today are not only redistribution centres but also generate a wide range of commercial activities and become commercial centres with related industries.

China before the First Anglo-Chinese War (1839–42), popularly known as the “Opium War” was closed to the West, and foreign trade was strictly controlled by

the Chinese government. Ultimately, this was much more than a war about opium trade. External trade was organized by the “Guangzhou Trade System”, since only the seaport of Guangzhou in southern China was open to foreign trade. Having reached Guangzhou, the Western merchants could only deal with a group of government appointed merchants that had a monopoly on the trade with the West. Portugal had established a foothold in Macau in 1557 and other nations were allowed to trade with China through the seaport of Macao. And one indication of China’s increasing economic integration

Dar es Salaam port is the Tanzania principal port with a rated capacity of 4.1 million (dwt) dry cargos and 6.0 million (dwt) bulk liquid cargos. The port has a total quay length of about 2000 meters with eleven deep-water berths. Dar es salaam port handles about 95% of the Tanzania international trade. The port serves the landlocked countries of Malawi, Zambia, Democratic Republic of Congo, Burundi, Rwanda and Uganda. The port is strategically placed to serve as a convenient freight linkage not only to and from East and central Africa countries but also to middle and Far East, Europe, Australia and America.

The port serves the crucial role in the economic development of the country through handling import and export cargoes which are imports are source of revenue generation and GDP growth. The port is under management of Tanzania Port Authorities (TPA), established under the ports Act, No 17 of 2004 charged with the dully responsibility of developing, managing and operating all sea and lake ports in Tanzania Mainland (TPA Act.2004).About 80% of world trade is done through sea, making sea trade the most competitive business in the world (UNCTAD,1999).

Statistics shows that, the port handles about 95% of Tanzania international trade. This make the port a centre for industry and business growth as well as economic growth bringing great impact to the market demand to its reputation. Thus, losing potential customers to other competing ports due to port inefficiency is not only a steady and automatic exit from the business, but also and more important means of transport in international trade (Mwaya 2009). About three quarter of international trade moves across the ocean. In Tanzania more than 90% of goods generated by international trade are transported through sea.

They are sub divided into artificial (manmade) harbours. With Dar es Salaam, Tanga and Mtwara Ports are relatively favourable natural harbour. This is quite a good situation in comparison with other Africa coast lines (Khalifa,1984).The facilities that a harbour should have include cranes as dates far back before the last world war at Danzig, Gdansk in 1441 (Bruun,1995). Modernization of facilities in developed countries has been highly improved in developing ones including harbour of Tanzania. According to TPA (2010), Dar es Salaam port has not yet increases port capacity ahead of demand. Port inefficiency causes delays with associated cost to ship operators, importers, exporters and charter parties (Buxton et al,1978). Furthermore, a considerable proportion of annual costs of operating a ship are incurred in port. Buxton provides that in essence, access to equipment must facilitate cargo operations, be safe and reliable, be simple and quick to operate and be economical for it capability.

Port provide an economic multiplier for a region and country as well, many ports have done economic impact studies to determine which aspect of their work should

be encouraged (Branch, 1998). It should also be remembered that ports are not only gateway for cargo and passengers but also obvious site for industries, banks, agents, storage depots and distribution centre also accommodates a huge number of employees or labourers. Port also forms an important part of nations transport system and part of nation transport planning. Passengers traffic between Dar es Salaam to-from Zanzibar, Mwanza to-from Bukoba and Uganda, Kigoma to-from Democratic Republic of Congo(DRC),Zambia, Rukwa are good example of how ports form an important part of nation transport system.

Seaport provide vital economic link between raw materials exporters, primary processing plants, assembly plants, whole sellers and retailers (Stopford,2009) Through centuries and now in the era of globalization, access to overseas markets has been a key element of emerging economies to create economic growth. For instance Asian countries are highly benefited with access to overseas markets in Africa. According to Stopford, 2009 shipping business grows up with the world economy, exploring and exploiting the economy and flow of trade.

## **1.2 Statement of the Problem**

Despite the great important played by ports in Tanzania to the country's development, economic growth and trade, but still there is low rate of growth of trade due to inadequate roles employed of the ports, and this become a daily songs to port users. Such situations have a direct impact on government revenue and hinder growth of trade due to poor transaction and collection that could be earned from selling services and products. Therefore there is a need to study how the Dar es Salaam port facilitating the growth of trade in Tanzania.

### **1.3 Objective of the Study**

To examine the role of seaport in facilitating growth of trade in Tanzania.

#### **1.3.1 The Specific Objectives of the Study**

- (i) To identify the roles of seaport in facilitating growth of trade.
- (ii) To identify factors that hinder Seaport in growth of trade in Tanzania
- (iii) To determine an appropriate measures for promoting port roles in facilitating growth of trade in Tanzania

### **1.4 Research Questions**

This study is guided by the following research questions.

- (i) What is the role of seaport in facilitating growth of trade in Tanzania?
- (ii) What factors hinder the roles of seaport in facilitating growth of trade in Tanzania?
- (iii) What are the appropriate measures that need to be instituted so as promote the roles of seaport in facilitating growth of trade in Tanzania?

### **1.5 Significance of the Study**

This study will add knowledge in understanding the role played by seaport in facilitating growth of trade in Tanzania. The researcher believes that, findings and recommendations of study have been useful to decision makers for planning and implementing appropriate measures to promote the efficiency of seaports in facilitating growth of trade. Also study show which appropriate measure should be taken by the government or ministry to improve the roles of seaport in providing services to their stake holders in order to increase government revenue as well to

increase good relationships with all participants of trades, further more the study help to know the challenges facing seaport in service delivery and how to overcome those challenges in respective manner. Apart from that the finding will be used for further research study as baseline in the similar field.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Overview**

In the previous chapter the background of research problem and objectives of the study were examined. The scopes of the enquiry as well as structure of the proposal were also presented. The present chapter examines the extant literature review, coalescing relevant information regarding the role of seaport in facilitation growth of trade as well as theories in a cogent and logical manner.

#### **2.2 Conceptual Definition**

##### **2.2.1 Harbour**

Harbour is a protected water area to provide safe and suitable accommodation for ship for transfer of cargo, refuelling and repairs. They are subdivided into natural and artificial (manmade) harbours. Dar es Salaam, Tanga and Mtwara Tanzania are three relatively favourable natural harbours. This is quite a good situation in comparison with other African coast lines (Khalifa, 1984).

##### **2.2.2 Port**

Port is a harbour where maritime terminal facilities are provided. This facilities include piers or wharf at which ships berth while loading or unloading cargo, transit shed and storage areas where ships may discharge incoming cargo and warehouse where goods may be stored for longer period while awaiting for distribution (Mwaya, 2009).

### **2.2.3 Logistics**

Logistics is part of the supply chain process that plans, implements, and controls the efficient, effective forward and reverse flow and storage of goods, services and related information from the point of origin to the point of consumption in order to meet customer's requirement (Vitasek, 2010).

### **2.2.4 Supply Chain**

Supply Chain Management encompasses the planning and management of all activities involved in sourcing and procurement, conversion, and all logistics management activities. Importantly, it also includes coordination and collaboration with channel partners, which can be suppliers, intermediaries, third-party service providers, and customers. In essence, Supply Chain Management integrates supply and demand management within and across companies (Vitasek, 2010).

### **2.2.5 Trade Facilitation**

Trade facilitation is the simplification and harmonization of international trade procedure where trade procedures are the activities practices and formalities involved in collecting, presenting, communicating and processing data required for the movement of goods in international trade' (WTO 1998).

### **2.2.6 Seaport**

Branch (1995) defines Seaport as terminal and an area within which ships loaded with and or discharged with cargoes, these include the usual places where ships wait for their turn no matter the distance from the area. It is an interface between water and inland modes of transport.

## **2.3 Theories Analysis**

### **2.3.1 Product Life-Cycle Theory**

R. Vernon, 1966 trade theory holding that a company will begin by exporting its product and later undertake foreign direct investment as the product moves through its lifecycle this is due to the fact that as products mature, both location of sales and optimal production changes and tend to affect the direction and flow of imports and exports. This theory implies that if the local market is already saturated the company might go to other country to find a new market.

### **2.3.2 Neo Mercantilism Theory**

A. Smith. (1776) the theory is used to describe a policy regime which encourages exports, discourages imports in international trade. In the real situation today all governments tend to emphasize their traders to increase exportation rather than importation in order to strengthen the economy of the country as well as to accumulate foreign currency.

### **2.3.3 PESTEL Theory**

Armstrong. (2006), external factors like Political, Economical, Social, Technological, Environment and Legal are mostly likely to influence roles of seaport in facilitating growth of trade, in one way or another, therefore a country with good and strong Political, Economical, Social, Technological, Environment and Legal aspects implies that seaport will fulfil effectively its roles in facilitating the growth of trade. This theory provides a strategic technique to analyse the external macro-environment of a business or industry and identifies the strategic factors that influence the business. It ensures that some basic factors are not overlooked or

ignored. The PESTEL framework is a simple way to encourage the development of external and strategic thinking, but it may over-simplify the data for strategic decision. Nor does it investigate internal factors. As the macro environment often changes, PESTEL analysis needs undertaking on a regular basis.

#### **2.3.4 Empirical Analysis of Relevant Study**

Goodhope, (2014), has conducted research on the Role of Effective Ports Management in Facilitating International Trade in Nigeria and he has used Chi-Square statistical test to determine relationship between the role of effective ports management and successful international trade transaction and found that there is a direct relationship between adequate port reception facilities, ports decongestion, less traffic, secure and safe ports and successful international trade.

Alm, & Mohamed, (2011), has conducted research on examines the role of the Customs service and other government agencies in trade facilitation in Bangladesh, and he was used quantitative and qualitative technique in the study with the aim of suggesting some ways forward. The study suggests that the efforts of a single Customs or Port administration are not sufficient to facilitate trade; rather an integrated approach is imperative to this end.

Livestone Davine Caesar, (2010) has conducted the study dwelton trade facilitation in seaport on the context of the Ghana Gateway Project and he was used Parametric and Non parametric are statistical methods employed and was found that corruption among trade related institutions especially customs Excise and Preventive Service has a huge bearing on realization of trade facilitation objectives.

Layae, John Nehemia, (2013) has conducted study about the seaport and international trade facilitation in developing countries the results of the research show that the East Africa seaport industry is concentrated and that the concentration is increasing almost steadily and underutilization of seaport terminal capacity in the seaports of the region. Time efficiency and reliability of seaports have also been studied and the results show that the seaports are low in time efficiency and reliability.

Branch (1995),the seaport it is an interface between water and inland modes of transport such as rail, road, air and pipeline its strategically placed for geographical, historical and economic reasons. Seaport exists to allow goods flow in and out of the country as quickly and efficiently as possible. Port is therefore an essential link in the international maritime transport chain. As seaborne trade grows, so the role of the seaport must assume ever greater importance (UNCTAD, 1999). The port is therefore major gateways for country's international trade (TPA, 2010, 2011).

According to Kissa (2005), port exists as an important and fundamental part of the overall pattern of trade and transport. Therefore is a need to investigate their contribution in facilitating the growth of trade. Note that nobody can ignore the role of seaports when we talk about the growth of trade in Tanzania.According to Bruun, (1995) the significant of port has changed dramatically in recent days and become much higher profile both economically and technically in maritime and international trade. In Tanzania the port of Kigoma, Mwanza, Bukoba could be

trading centre's also, thus higher trade growth in Dar es Salaam, Tanga and Mtwara as the major ports could be attained with improve port roles.

According to UNESCO, 2009; Seaport are the fundamental outlets of international trade for both coastal and land locked countries. Seaport has significance cost advantage over surface and air transport for dry and bulk cargoes or cauterized cargo. The importance of meritime transport emanates from the fact that 90% of world international trade is transported through ports.

### **2.3.5 The Role of Seaport in Social Economic Development**

Michael I. Igbokwe, 2001 he had wrote a paper about the importance of maritime transport in Nigeria and come out and analyze the following are the importance of seaport in social economic development, and these are facilitating of export and import of goods, facilitating trade and commerce, revenue genera and availability of finance, promoting tourism, development of related economic activities, creating employment and job opportunity, enhance industrial growth and development, institutional development, International relations and peaceful o-existence, Social political harmony as well as defence and security territorial protection.

### **2.3.6 Service to Shippers and Consignees**

Seaports have many characteristics that make them the logical choice for movement of raw materials and finished products require by an expanding world market. Many commodities that are essential to manufacturing processes are very heavy, and have low unit value. Their movement in vast quantities over great distance is made possible only because ships are available at low cost. Shippers of high value cargoes

take advantages of the comparatively inexpensive rates charged for overseas movement as well as the abundant cargo space and acceptable delivery speeds.

Over many years ago, trade patterns and complexity of world trade has changed enormously. Today it is very high profile business that is driven by many elements including technology, logistic, marketing, politics, finance, innovative strategies, social economy, national wellbeing, wealth creation and the economic development of markets or region. It is highly competitive and requires professional skills that can best be attained through training and experiences.

It is from the foregoing that the role of seaports must be focused as the international entrepreneur realizes that the conduct of trade cannot be effectively undertaken without provision of sophisticated global network of maritime services that exists today. Dar es Saalam port provides facilities for cargo handling, bagging, consolidation, storage, transportation and documentation as well.

### **2.3.7 Service to Shipping Lines and Ships**

Seaports support services for ships that embrace store, bunkering, ship repair, ship surveys and the overhaul purposes. Ports also provide services to shipping lines as through agents. Dar es salaam port provide services to shipping lines including MAERSK-NYOTA, Mediterranean Shipping Company, Pacific International line, Delmas, CMA-CGM, Asia East Africa line, Hull and Hatch line, They have local agents operating under the umbrella of TSAA. The port possesses a dockyard of about 21,000 square meters with slipway for lighters and small boats, one jet and three workshops all to serve ships.

### **2.3.8 Service to Cargo and Passengers Traffics**

The prime function of a port is that it is a place where ships can load and discharge their cargo and/or passengers. The port of Dar es Salaam services transit traffic of Zambia and Malawi (through TAZARA) and Burundi, Rwanda, Uganda, and Congo that use the central railway line-TRL. It services two important corridors namely 'south corridor' and 'central corridor'.

However, from the data collected, during the year 2009, road transport moved about 90% of which total cargo cleared from the port whereas rail transport moved 10% of which 3% were for TRL and 7% for TAZARA. Furthermore, between 2001 and 2009 the container cargo by road clearance has been going up by 11.8% per annum while clearance by rail has been going down by 12.7% per annum due to poor infrastructure and unreliable rolling stocks.

This implies that rail transport in Tanzania is given less priority despite the great role it plays in the transport system and port operations as well. On the other hand, TPA operates ports that serve passenger traffics by various shipping companies. In the inland water, the Tanzania marine service company is one among shipping companies that operate passenger transport.

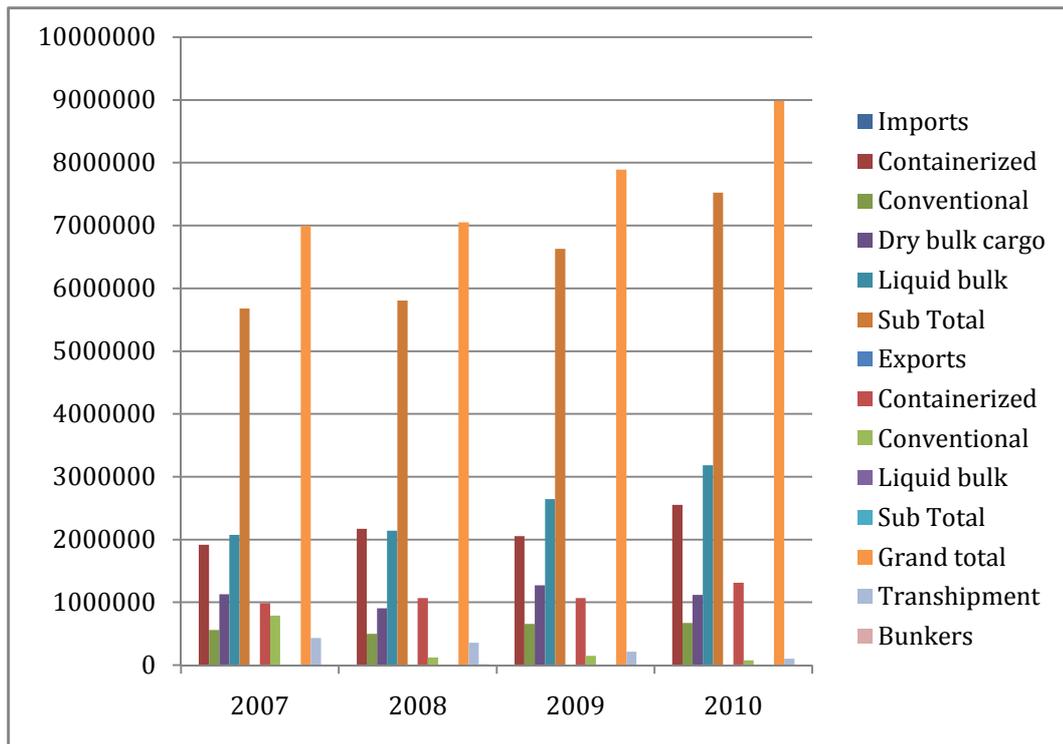
In the east coast especially at Dar es Salaam port, coastal shipping companies have established their predominance as the most important facilitators, linking people together with trade to and from Tanzania mainland and island. Such passenger shipping companies include Azam marine company limited and the Coastal fast ferries company limited.

**Table 2.1: Dar es Salaam Port Cargo Throughput**

	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Imports				
Containerized	1,915,714	2,171,699	2,056,040	2,552,721
Conventional	556,967	500,004	657,668	669,996
Dry bulk cargo	1,129,423	904,341	1,270,115	1,120,327
Liquid bulk	2074,384	2,142,309	2,645,599	3,184,497
Sub Total	5,676,488	5,808,153	6,629,622	7,526,541
Transit inn				
Exports				
Containerized	987,375	1,068,129	1,067,392	1,309,393
Conventional	787,415	122,000	148,212	78,552
Dry bulk cargo	47,202	52,570	43,779	66,543
Sub Total Transit out	1,316,992	1,242,699	1,259,383	1,454,476
Grand Total	6,993,480	7,049,852	7,889,005	8,981,019
Trans shipment	433,704	354,543	213,016	103,422
Bunkers		16,009	935	414
Grand Total	7,429,274	7,421,204	8,102,956	9,084,855
Container Traffic	333,980	373,548	353,738	409,758
Total vessels call	4,390	4,275	4,349	4,371

Source: Bandari Special Journal (2010)

One of the most important questions for port management must be ‘what about the future’ so far the demand and personnel consumption will almost certainly increase. In figure below, Dar es Salaam port cargo throughput from year 2007 to 2010 is shown.



**Figure 2.1: Dar es Salaam Port Cargo Throughput 2007-2010**

Source: Field Data (2014)

In the Figure 2.1, import is greater and increasing more than exports. This trend implies that demand for cargo passing through Dar es Salaam port is growing everyday whereas the total all cargo is highly increasing simultaneously. Furthermore it has been pointed out by TAFFA, TSAA, and TPA officials that the demand for cargo passing through Dar es Salaam port is growing daily. The data collected, between year 2010 and 2013, containerized cargo has been increasing by 12.1% per annum and motor vehicle traffic by 15.8% per annum. On the other hand, the current decline of ship calls at the port as the side effect of pirates brings a no congestion situation at the port.

According to the data obtained, overall ship traffic has been increasing by 2.4% per annum from year 2010 to 2013, while deep sea vessels reflecting a drop by 0.01% per annum. Productivity is the measure of quantity of cargo in tones handled in stated

period of time. On the other hand port role is the optimum use of resources within and acceptable context of safety. In order to optimize the port has to be able to quantify, so the first step should be to define what can be quantified on a comparable basis. Comparable basis is necessary because there is no absolute measure of commercial efficiency only that A is better than B or A is better this year than last year.

Ship turnaround at Dar es Salaam port rose to an average of 5.7 days in the year 2007 and thereafter to 6.2 in year 2009. TPA officials have been largely contributed by congestion at the container terminal. The port of Dar es Salaam container handling rates reached 24 containers moves per crane hour in year 2005, but in 2007 the rate dropped to 18.5 moves per crane hour and dropped further to 16.9 crane moves per hour in year 2008, this was mainly due to terminal congestion.

The container dwell time of import container at Dar es salaam port after the year 2000 decrease to as low as 12.9 days in 2003, but went up to 19.8 days per container in 2007 and 25.4 days per container in year 2008, following some effects to evacuate Containers from the terminal to inland container deport (ICD), the dwell time for year 2009 decreased to 18.8 days per container. The average tone of cargo handled by one gang in one is what reefed to as gang output. The gang out at Dar es Salaam port has been increasing by 7.3% per annum to 392 tons per gang shift in the year 2009.

TPA officials speak of some improvement in availability of equipment and better planning and supervision as the factor to this success. Berth occupancy at the

container terminal has been between 43% and 89% while that of the general cargo is ranged between 32% and 52%.

### **2.3.9 Port Planning and Investment**

The planning function of the port authority in coordination with the multiplicity is a complicated affair especially for large ports located within or near the city. The port planner has to consider the following; The consistency of plans with the general terms of land use that have been set by the competent authority, the impact of port development proposals on the immediate surrounding (environment, traffic, facilities and roads) and the appropriateness of port proposals in the context of international, national, and regional port competition.

It has been pointed out that the actual port services and balancing of supply and demand occur at the levels of port authority and individual port firms. Therefore, the development of realistic investment projects for infrastructure and superstructure should be initiated at this levels. Investment plans of industrial and commercial port operators or projects for specific cargo handling, storage and distribution should be integrated at the level of port authority to arrive at a strategic master plan for the port.

Individual port master plans are integrated into a national seaport policy, taking into account the macroeconomic considerations. This help to avoid duplication of expensive technologically advanced facilities when different port in a national system strives to attract the same customs as well as ensure the selection of the appropriate. Locations for specific seaport facilities that will interconnect maritime

and land transport system. The central government should establish a national port policy that supports national economic objectives and creates a reasonable framework for port development. However, the development of plans for specific port objectives should remain in the hands of port operators like the TPA.

For a long time, TPA has assigned with high priority to expand and improve its ports in terms of infrastructure, superstructure and trained personnel. However, this study has found that despite the development programmers aimed at expanding the physical, managerial and operational capabilities of the port, moderate improvements have been attained in areas such as capacity to tackle the increasing traffic volume, port productivity, high trained personnel and skilled labour, highly maintained and reliable equipments well as coping with the changing technology and globalization.

**Table 2.2: Dar es Salaam Port Investment as Per Port Master Plan Study**

S/No	Actions	Short term 2009-2011	Medium term 20012-2018	Longterm 2019-2028
1	Deep channel to 12m to allow non tidal access.	✓		
2	Develop a large ICD near Kisarawe( in use until 2018)	✓		
3	Design and preparation of berth 9 and 10	✓		
4	Allow adequate time for soil investigations, land acquisition(like Kurasini logistics)	✓		
5	Develop Ro- Ro berth adjacent	✓	✓	
6	Implement operational improvement	✓		
7	Liquid bulk; construction of a new single point mooring(SPM)		✓	
8	Break bulk: Deeping of berth 1 – 4		✓	
9	Vehicles: New Ro – Ro quay Redemption of K.Kurasini reek 1 <sup>st</sup> Multi storey car park 2 <sup>nd</sup> Multi storey car park	✓	✓	
10	Logistics: Development of K. Kurasini warehouse store	✓		
11	Passangers: Redevelopment of waterfront		✓	

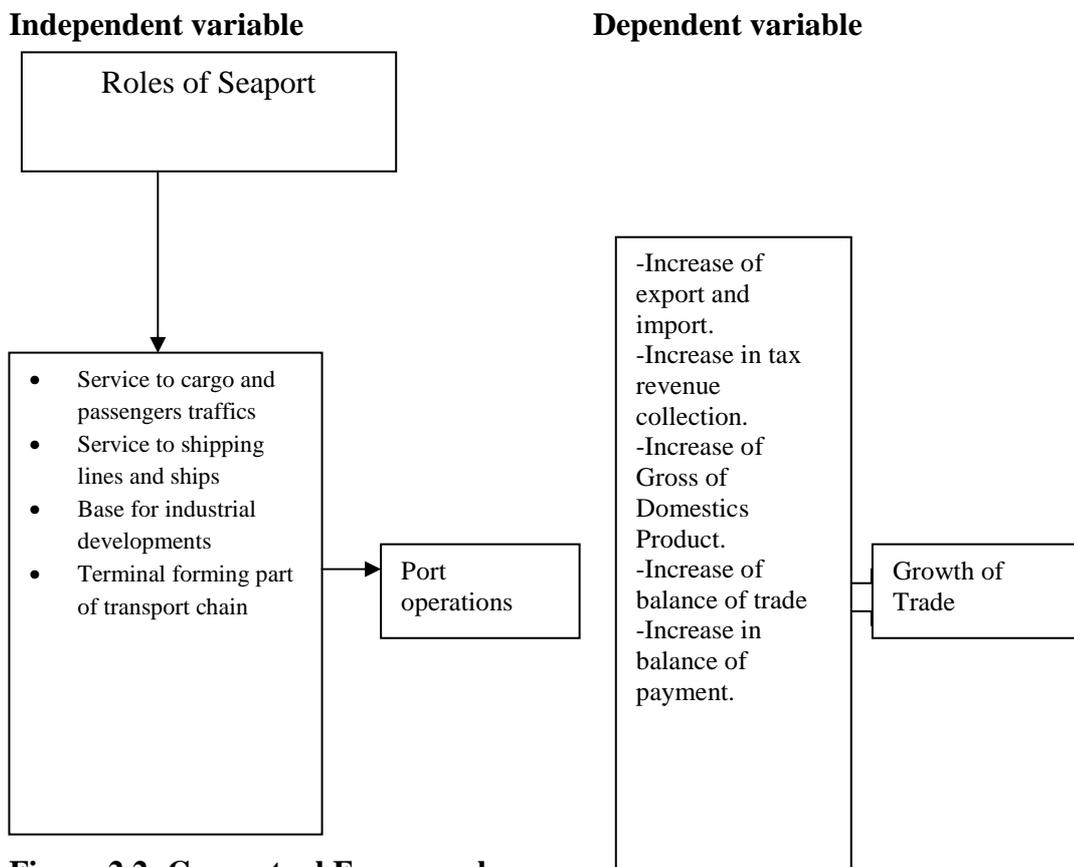
Source: TPA (2010)

It is from the foregoing that growth of trade in Tanzania will also be facilitated. This also support proposition of the study that ‘high growth of trade in Tanzania can be achieved if the roles of seaports is improved.

## 2.4 Research Gap

Based on literature review, number of studies has been carried out on efficiency of the port in facilitating trade in the world. Most of these literature reviews focus on the impact for the port congestion. However growing international trade and increasing congestion focus attention on trade facilitation.

## 2.5 Analytical Conceptual Framework



**Figure 2.2: Conceptual Framework**

Source: Researcher own creation

From conceptual framework there are independent and dependent variables. Independent variable is manipulates variable in an experiment or study whose presence or degree determines the change in dependent.

## **2.6 Summary**

This chapter started with the conceptual definitions, relevant information regarding performance of seaports as well as theories in a cogent and logical manner. Seaport has got great roles in facilitating the growth of trade as analyzed in the context of supply chain system they should be seen as part of integrated global supply chain logistics platform where management and coordination of cargo and related information flows is staged in order to achieve supply chain efficiency. To achieve and maintain a competitive edge in international markets, nations need to both understand the factors underlying port competitiveness need to improve port productivity.

Ocean ports are central and necessary component in facilitating trade. Yet there is only limited comprehensive information available on the role of sea port in facilitating growth of trade therefore this study aimed at exploring the role of seaports in facilitating growth of trade in Tanzania).

**Table 2.3: Summary Literature Review**

<b>Variables/explanatory variables</b>	<b>Country</b>	<b>Methodology</b>	<b>Findings</b>	<b>Authors</b>
-Effective port management. -Reduction of port cargo traffic or decongestion. -Adequate port reception facilities. -Successful international trade.	Nigeria	Chi Square statistical test	The role of effective port management will enhance international trade transaction, port decongestion, less traffic, secure and safety port, success international trade	Orji.O.Goodhope 2014
-Loading and unloading ships -Document justification -Storage and handling facilities	Bangladesh	Quantitative and qualitative methodology	Finding of the study stated that the Chittagong Port Authority (CPA) is an important government department which suffers due to inadequate port facilities, labour movement, manual operation	Md Almas Uzzaman & Mohamed Abu Yusuf 2011
-Reduce cost & Time for boarder trader -Attract critical mass of export oriented investor -Reduce trade constraints Improve revenue collection -Training facilities -IT	Ghana	Parametric and Non parametric	Institutional failure is main causes of GGWP to underperformance on facilitating growth of trade. Incompetance among stakeholders, bribery and corruption cumbersome custom procedure. Lack of adequate control over freight forwarding and logistics companies in Ghana has lead to the entry of quacks into trade	Livingstone Davine Caesar
-Minimization of cost of trade -Handling and storage facilities -Port infrastructure -Transpot system	Tanzania, Dar es Salaam	Correlation Analysis	-Under utilization of seaport terminal capacity in seaports in region -Seaport are low in time efficiency and reliability -East Africa seaport industry are concentration and that the concentration increasing almost steady.	Layae & John Nehemia 2013

## **CHAPTER THREE**

### **RESEARCH DESIGN AND METHODOLOGY**

#### **3.1 Overview**

Strategy the researcher uses to find out, what he/she expects to use in the study. In this chapter will outline methodologies that have been employed to undertake the data gathering and analysis for this research, also presents a justification: interviews, questionnaires, surveys and observation. A sampling and design procedures will be examined and the issue of data validity considered.

#### **3.2 Research Philosophy**

Research philosophy can be defined as the development of the research background, research knowledge and its nature (Saunders and Thornhill, 2007). Research philosophy is also defined with the help of research paradigm. In the words of Cohen, Manion and Morrison (2000), research paradigm can be defined as the broad framework, which comprises perception, beliefs and understanding of several theories and practices that are used to conduct a research. It can also be characterized as a precise procedure, which involves various steps through which a researcher creates a relationship between the research objectives and questions.

#### **3.3 Research Design**

The expected research design in this study was the case study; the case design focuses on the particular cases and was able to provide some generalization/conclusion. The design was appropriate for collecting data from various sources, which include documentary reading, physical observation,

questionnaires, and interviews thus useful in studying a particular social unit comparing to other methods of research design like experiment and survey methods.

### **3.4 Survey Population**

The population of the study was 1100 this includes truck drivers under the umbrella of Tanzania Truck Owners Association (TATOA), Tanzania freight Forwarders Association (TAFFA), Tanzania Shipping Agents Association (TSAA), Business entrepreneurs/Tanzania Business Council (TBC), Association of Oil Importers, Tanzania International Container Terminal Services (TICTS), Tanzania Revenue Authority (TRA), Surface and Maritime Transport Regulation Authority (SUMATRA), Business entrepreneur Ministry of Transport (MOT) and Tanzania Port Authority (TPA) .

### **3.5 Study Area**

The area of the study was Dar es Salaam port at One stop centre and stakeholders of the port whom the researcher due to fact that the port is vital for trade activities and its backbone for government revenue.

### **3.6 Sampling and Design Procedures**

#### **3.6.1 Sample size**

The total population of the study was 1100 people involving seaport stakeholders. In the study researcher was used a non-probability sampling known as purposive sampling technique. According to Kombo (2006) purposive sampling is an probability sampling method in which researcher purposively target a group of people believed to be liable for the study, the method was chosen because of samples

in the study which have different characteristics in terms of knowledge, job position and type as well as experience.

### **3.6.2 Calculating Sample Size for the Study**

The sample size of the study refer to the key port stakeholders to be included in the survey Out of given population 1100, a sample of 110 respondents was involved in the study. Arrived by the following mathematical expression;  $S_n = P_n / re\% * 100$  where  $S_n$ = number of sample to be taken,  $P_n$ = total population,  $re\%$ = estimated respondent rate of 100%.

Basing on the composition of port stakeholders, further computation will be made in order to distribute the sample size of 110 to all key stakeholders. The following distribution of respondents was obtained and interviewed; Truck driver 10, FreightForwads10, Shipping Line Agents 10, Business Entrepreneur 20, Oil importers 10, TICTS works 15, TRA Officer 15, MOT Officers 15 and TPA Officers 15,thus make total number of respondents to be 110.

### **3.7 Variable and Measurement Procedures**

The study was conducted by using both quantitative and qualitative method and the data or information needed is both primary and secondary data. Primary data was collected from respondent and secondary data was obtained from both published and unpublished materials. Published material included written literature, articles documents extract from the internet as well as journals.The data of the study was obtained by distributing questionnaire to the respondents and was ask them to fill the

questionnaires according to their opinion And secondary source includes published and non published materials.

### 3.7.1 Validity and Reliability

Validity relates to the quality of a study was measures what it claims to measure (Moyoux 1999). Was justify the validity of the study, a number of steps were taken. First the choice of people who was interviewed and variables measured to be concrete and important. Secondly the use of random sample and convenience sample was provided the study with rich information which enabled the generalization of findings to wider populations, the data collection methods through use of questionnaires, interviews was geared to ensure excellent results. Finally a researcher was been used a good methods of data collection, the use of statistical soft ware to process data and absence of biasness in doing calculation;All these measure and ensure the quality of data to be of high validity.

### 3.7.2 SPSS Statistics Output for Cronbach's Alpha

Reliability Statistics table that provides the actual value for Cronbach's alpha, as shown in Table 3.1.

**Table 3.1: Reliability Statistics**

<b>Cronbach's Alpha</b>	<b>Cronbach's Alpha Based on Standardized Items</b>	<b>Number of Items</b>
.805	.796	9

We can see that Cronbach's alpha is 0.805, which indicates a high level of internal consistency for our scale.A study is reliable because same or similar results are

obtained when a study is carried out by others using the same tools (Moyoux 1999). In this study, reliability was assured throughout the study. It stress out that this study was an academic research and for that matter data collected could not be used for anything else. As a result, the study enabled the researcher to obtain more data.

### 3.7.3 Sample Size Determination

Pilot surveys of 10 respondents were conducted to measure the level of agreement.

And the following were obtained Pilot survey.

**Table 3.2: Pilot Survey**

	<b>Frequently</b>	<b>Percentage</b>
Agree	7	70
Disagree	3	30
Total	10	100

P –Probability of agree

q – Probability of disagree

$$P= 0.7$$

$$q= 0.3$$

From

$$n=Z^2pq$$

$$\frac{\quad}{e^2}$$

Where Z- Value for standard normal distribution corresponding to desired confidence level

$$Z= 1.96 \text{ For } 95\% \text{ CL}$$

P= True probability

q= (1-p)

e- Precision

$n = \frac{1.96^2 \times 0.3 \times 0.7}{0.01^2}$

= 79

0.01<sup>2</sup>

### **3.8 Methods of Data Collection**

According to Kothari (2004), research is an inquiry. This study collected data from major sources, primary and secondary sources. The study involved interview guides, questionnaires, documentary reviews and observation as instruments of data collection. The researcher has been used Triangulation methods in data collection from the respondents and this was virtual due to the fact that the study was compiling many different data.

#### **3.8.1 Data processing and Analysis**

#### **3.8.2 Data Processing**

The researcher was used computer to run the data gathered from the respondents to process and generate accurate information for the study.

#### **3.8.3 Data Analysis**

The researcher was used computer with statistical package “IBM –SPSS version 20” in processing and analyzing of data. The data collected through various methods was processed and analyzed by using several descriptive statistical methods such as frequency tabulations, graphs, charts averages and percentage.

## **CHAPTER FOUR**

### **RESEARCH FINDINGS, ANALYSIS AND DISCUSSION**

#### **4.1 Chapter Overview**

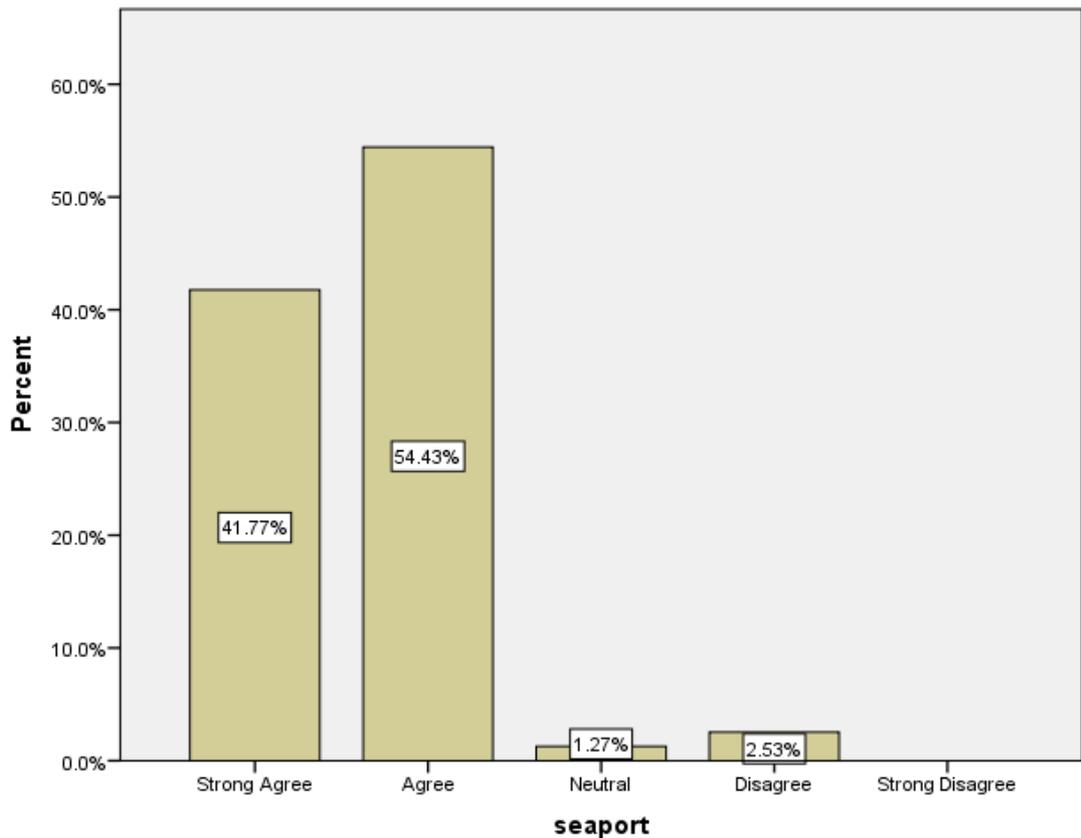
In this chapter, findings dealt with are from personal interview, observations, and questionnaire and examinations of respondents and thereafter explains their responses on the research questions that cater the objectives of the study. It further presents the findings of the study by analyzing and tabling the collected data from several study centre's through carefully selection are to present the population and thereafter discusses the findings as per objectives of the study and research questions. Accordingly, it discusses the factors that contribute to the role of seaports in facilitating growth of trade in Tanzania.

#### **4.2 Respondents Profiles**

Triangular form was used where several data collections instruments were instituted during the study to ensure the reliability and validity of the research outcomes. These instruments include closed and open ended questionnaires, direct and unstructured interviews as well as observation method in some instances. A total of 110 respondents were interviewed and 79 were responded. The respondents included members from each study centre and these are employee from TATO, TAFFA, TSAA, TBC, SUMATRA, MOT, TPA, and TICTS operators.

Respondents were from three position levels; the managerial, the operational and clerical so as to obtain a clear mix up opinion from the top to bottom levels of their

organization. ALL respondents were from organization directly engaged in port industry. Literacy and familiarity with the field under study were the main reasons for the choice so that reliability and validity of the research outcome is realized.



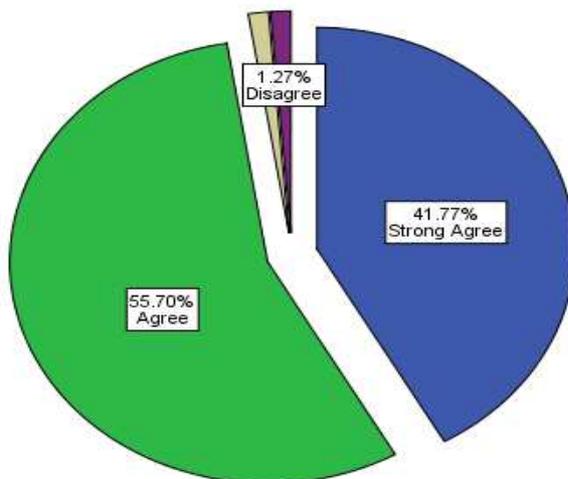
**Figure 4.1: Sea Port Plays a Big Role in Facilitating Growth of Trade**

Source: Research field Data, 2015

The result indicate that 41.77% of the respondent were strong agree, 54.43% agree, 1.27% were neutral and 2.53% disagree to the question states that port plays role in facilitating growth of trade, therefore larger number of responded were agree that seaport play a big role in facilitating growth of trade this implies that sea ports provides business entrepreneur an easier way of importing as well as exporting their trade commodities internationally and locally.

Furthermore, most of the respondents i.e. business entrepreneurs who filled in questionnaire and interviewed, they strongly agreed that in Tanzania demand for manufacturers is increasing highly. These include motor vehicles, electronic goods, fuel, oil and gas, clothes, fertilizers, wheat, furniture and utensils as well. The increase in traffic volume at Dar es Salaam port is largely due to increase in imports of such commodities. From the data obtained, Dar es Salaam port handles about 95% of the Tanzania International trade. This supports the search proposition which states that “high growth of trade in Tanzania can be achieved if the role of seaports is improved”.

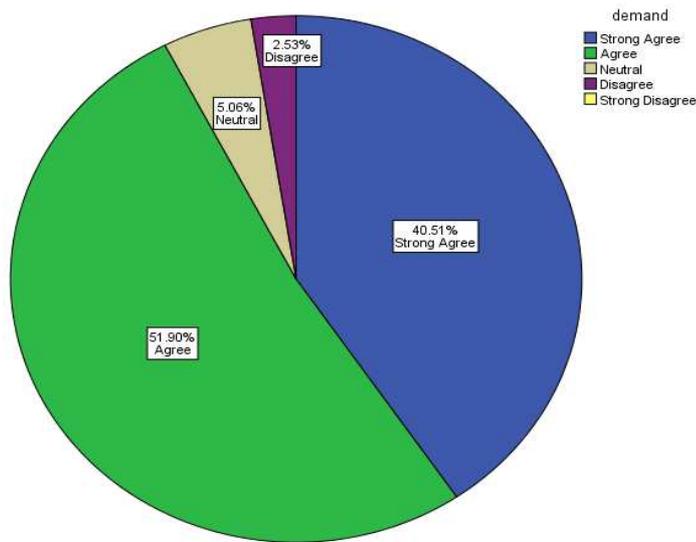
The role played by seaports towards the growth of trade is as broader as including service to cargo and passenger traffics, service to shippers and consignees, service to shipping line and ships based for industrial development and terminal forming part of transport chain.



**Figure 4.2: Seaport Gives Traders an Easier Way of Importing and Exporting he/her Commodities**

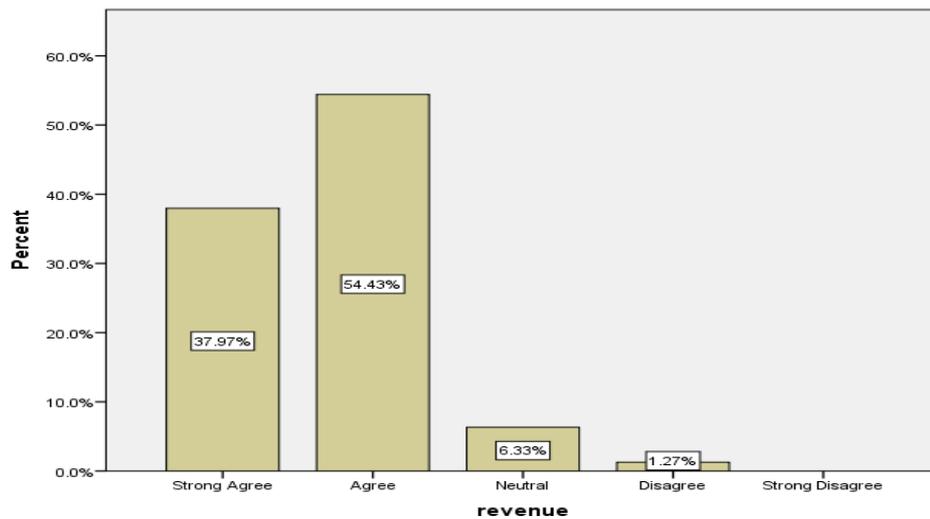
Source: Research field Data, 2015

The result indicate that 41.77% of the respondent were strong agree, 55.70% agree, 1.26% were neutral and 1.27% disagree to the question states that sea port give an easier way of exporting and importing of commodities: This imply that seaport it play big role in facilitating trade especially international trade.



**Figure 4.3: Demand of Cargo Passing Through the Port is Growing Every Day**

Source: Research field Data, 2015

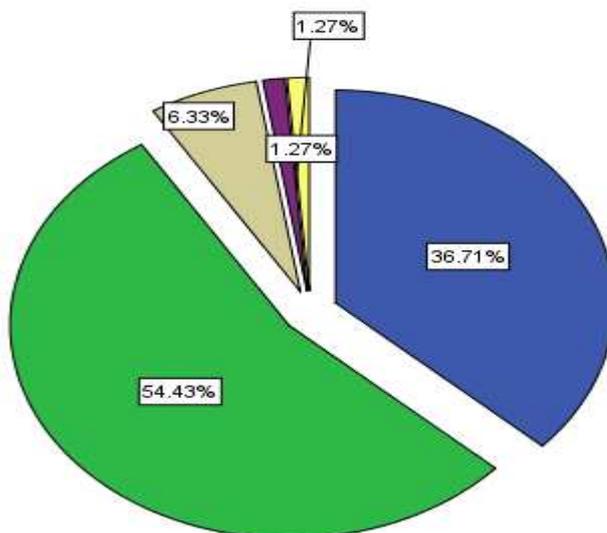


**Figure 4.4: Seaport Contributes More to the Growth of Trade as Well as to Increase Government Revenue Through Tax Collection**

Source: Research field Data, 2015

The result indicate that 40.51% of the respondent were strong agree, 51.90% agree, 5.06% were neutral and 2.53% disagree to the question states that the Demand of cargo passing through the port is growing every day, therefore due to data obtained it show the port still core channel of conducting trade locally and internationally.

The result in indicate that 37.97% of the respondent who answer the question were strong agree, 54.43% agree, 6.33% were neutral and 1.27% were disagree to the question states thatthe seaport contribute more to the growth of trade as well as to increase government revenue through tax collection, this imply that the growth of trade relay very much on the seaport also the government budget relay on tax collection which obtained from port.



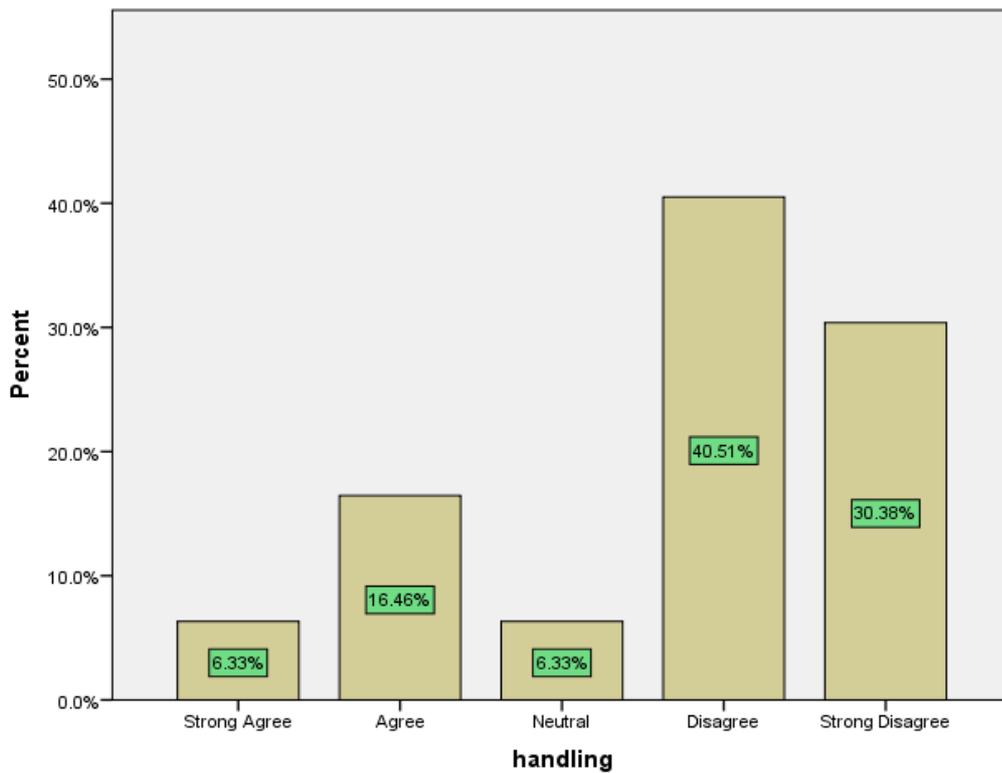
**Figure 4.5: Dar es Salaam port is the Cornerstone for Facilitating Growth of Trade in Tanzania**

Source: Field data 2015

The results indicate that Dar es Salaam port is cornerstone for the facilitating growth of trade in Tanzania 1.27% respondents were strongly disagree, 54.43 % agree, 6.33%

were remain neutral, 1.27% disagree and 36.71% were strong agree. This indicates that Dar es Salaam port is very important to the trade and economy of the country.

#### 4.3 Factors Hinder the Roles of Seaport in Facilitating Growth of Trade in Tanzania

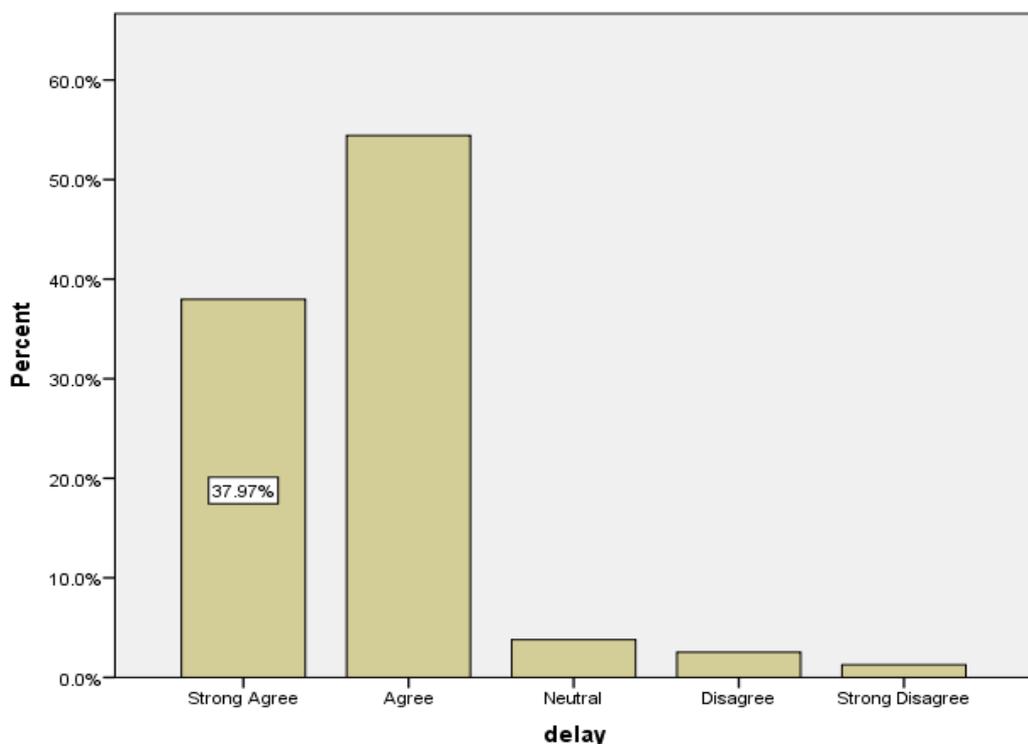


**Figure 4. 6: Dar es Salaam has Got an Adequate Cargo Handling Equipment within and Outside the Port**

Source: Research field Data,2015

The results indicate that Dar es Salaam port has got an adequate cargo handling equipments within and outside the port 6.33% respondents were strongly agree,16.46 % agree,6.33% were remain neutral,40.51% disagree and 30.38% were strong disagree ;This imply that the port is under performance and this hinder the growth of trade in Tanzania When respondents were asked if there are frequent breakdown of

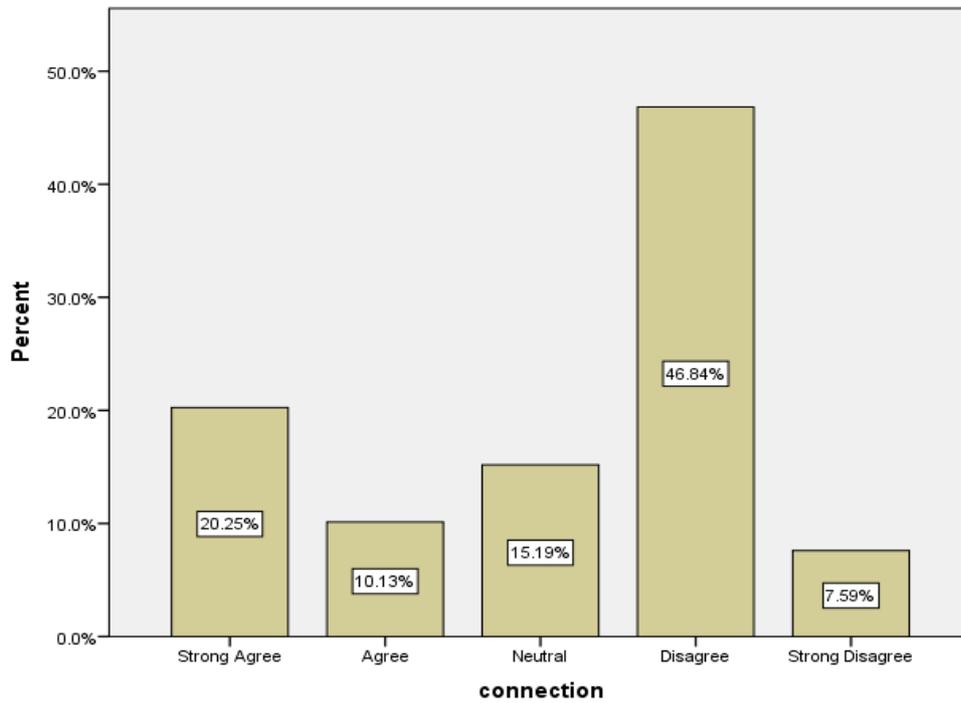
yard handling equipments during Delivery/Receipts operations the responses were strongly agreed on the frequency of port equipments breakdowns. This shows there still problems in equipments maintenance and control, this indicate that the customers are not very much satisfied with the speed of services delivered by the port and hinder the growth of trade.



**Figure 4.7: Delay in Clearance Process the Cargo is One of Indicator of Poor Roles Of Seaport**

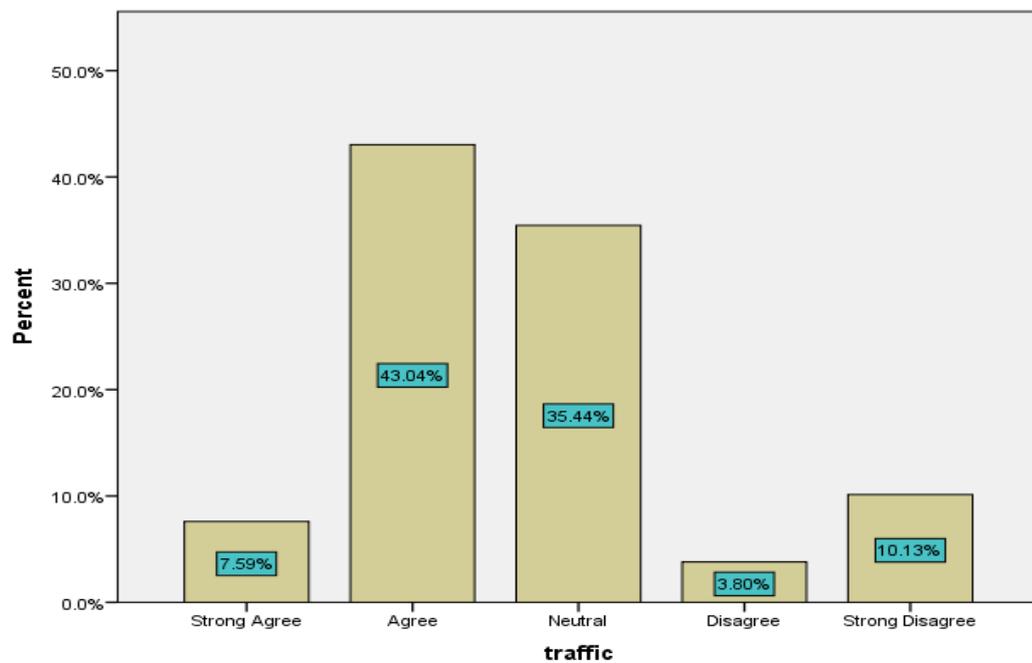
Source; Field data 2015

The results above indicate that Dar es Salaam port has got an adequate cargo handling equipments within and outside the port 37.97% respondents were strongly agree,55.20% agree,4.60% were remain neutral,1.20% disagree and 1.03% were strong disagree. These indicate port is under performance and could not compete with other port.



**Figure 4.8: There is High and Active Connection of with Inland Transport Modes**

Source: Field data 2015



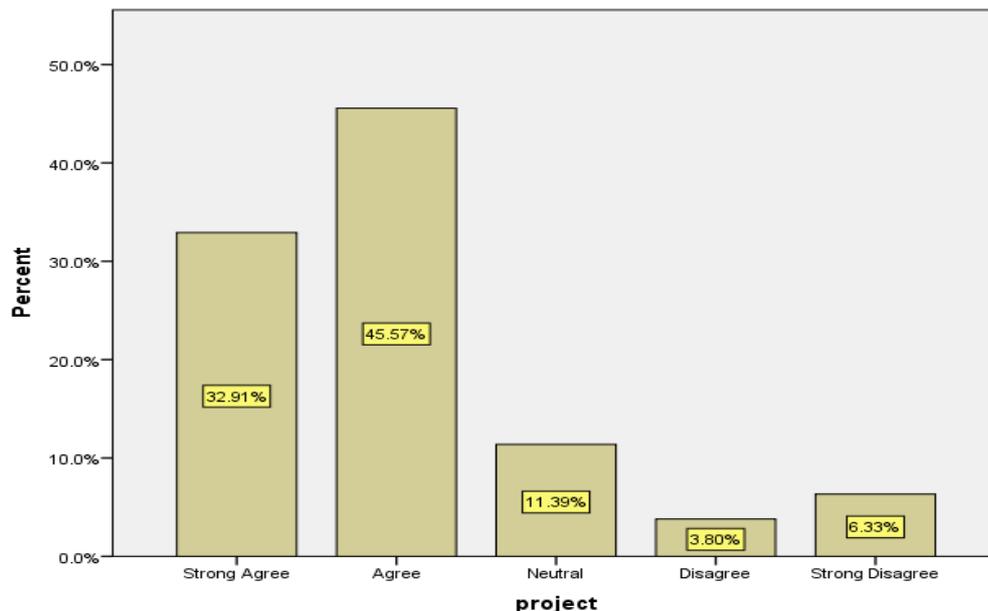
**Figure 4.9: Trend of Cargo Throughout put at Dar es Salaam Port are Still Congested**

Source: Field data 2015

The results indicate that There is high and active connection of with inland transport modes 20.25% respondents were strongly agree, 10.13% agree,15.19% were remainneutral,46.84% disagree and 7.59% were strong disagree. These indicate that there is poor distribution channel of commodities from the port to the other areas of the country and this lead to hinder growth of the trade.

The results indicate that 7.59% respondents were strongly agree, 43.04% agree, 35.44% were remain neutral, 3.80% disagree and 10.13% were strong disagree. These indicate that there is cargo congestion at the port.

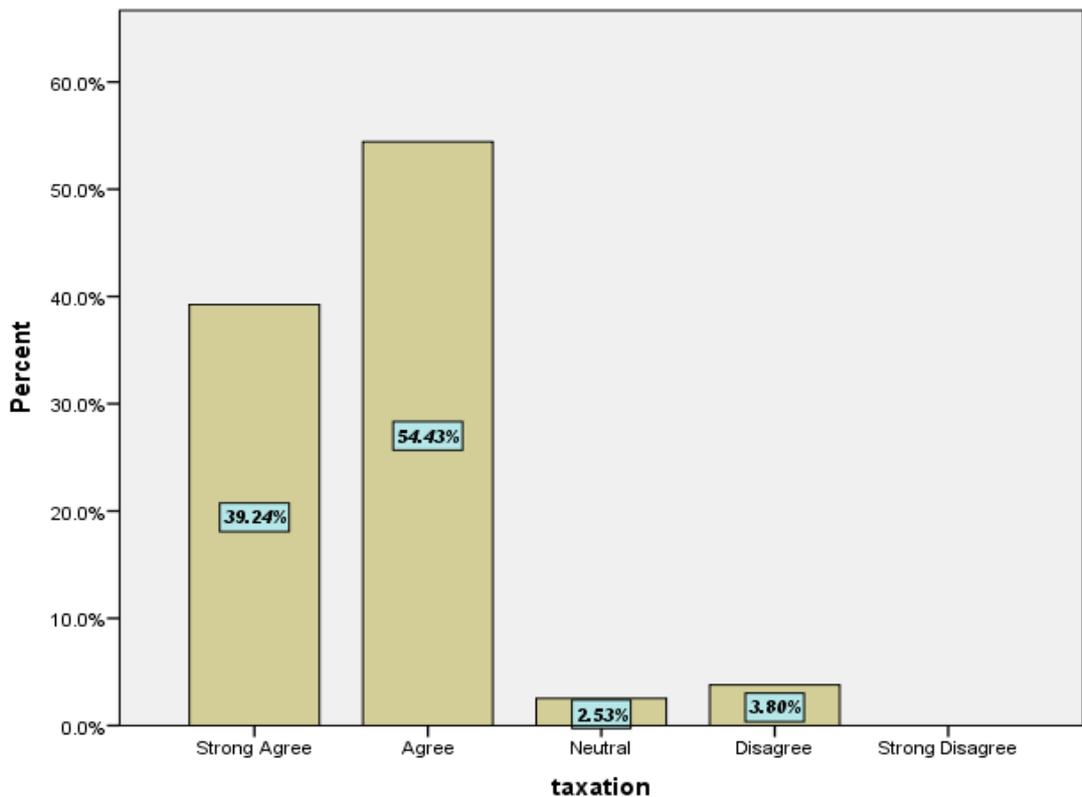
#### 4.4 The Appropriate Measures for Promoting Port Roles in Facilitating Growth of Trade in Tanzania



**Figure 4.10: The Port Master Plan when Accomplished will Eliminate all Kind of Congestion at the Port as well as Increasing Growth of Trade**

Source: Field data 2015

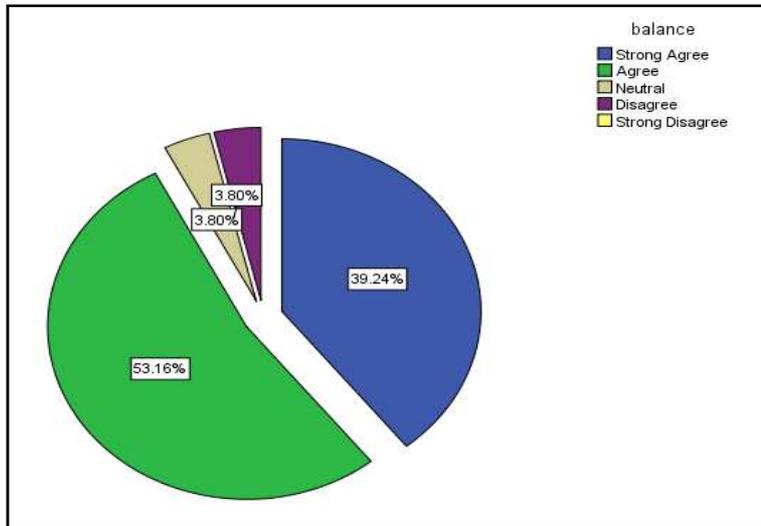
The result show that respondents 32.91% were strong agree,45.57% were agree,11.39% were neutral, 3.80% were disagree and 6.33% were strong disagree on the question, This imply that if the port master plan is accomplished will eliminate all kind of congestion and will facilitate the growth of trade.



**Figure 4.11: Increase in Export and Import will Result in Increase in Tax Revenue Collection**

Source: Field data 2015

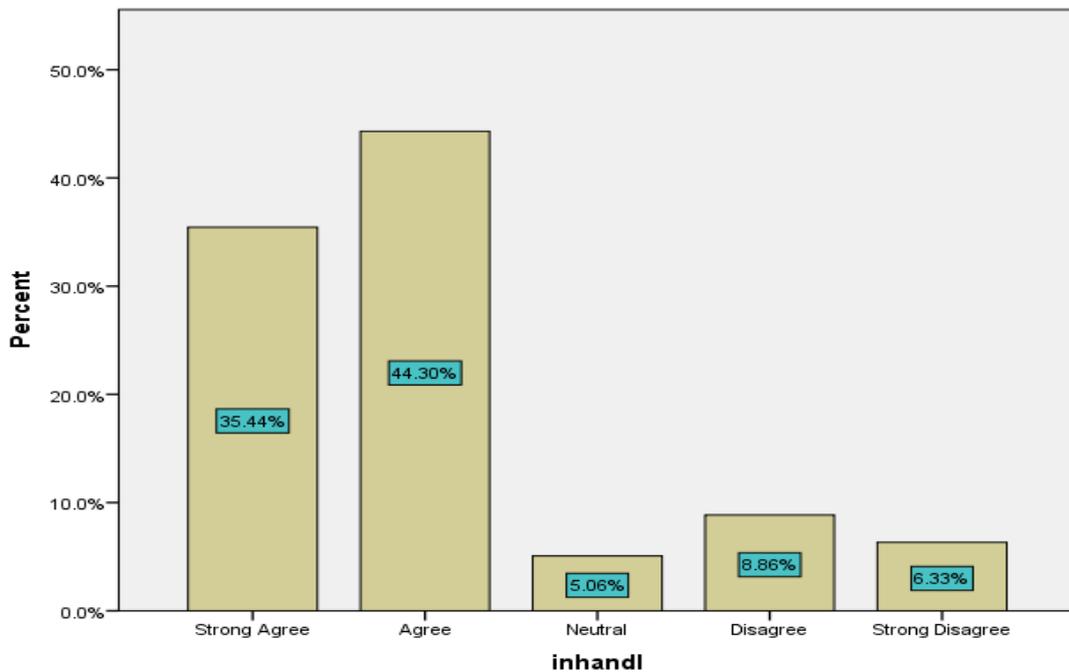
The result above show that respondents 39.24% were strong agree,54.43% were agree,2.53% were neutral, 3.80% were disagree on the question which state that increase in export and import will result in increase tax revenue collection . This indicate that if the port is utilized the government will collect high revenue at the same time will facilitate the growth of trade.



**Figure 4.12: Increase in Balance of Trade and Payment it Reflect the Growth of trade**

Source: Research field data 2015

The result show that respondents 39.24% were strong agree, 53.16% were agree, 3.80% were neutral, 3.80% were disagree. This indicate that if balance of trade and payment is high there is high growth of trade.

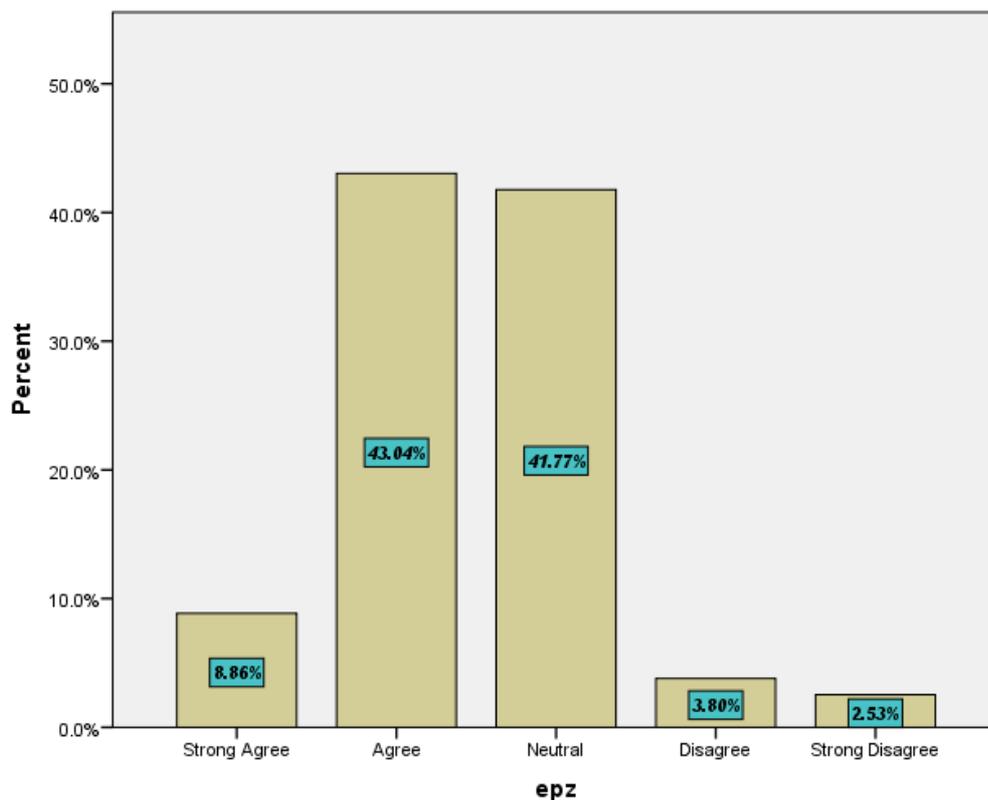


**Figure 4.13: Addition of more and Modern Cargo Storage Facilities help to Improve the Growth of Trade**

Source: Research field data 2015

The results above indicate that the additional of more and modern storage facilities help to improve the role of sea port, the response were as follows: 35.44% strongly agree on the matter while 44.30% agree, 8.86% disagree, 5.06% were neutral and 6.33 were strong disagree; This reflect that if addition of more and modern cargo storage facilities are brought at the port the growth of trade will increase.

The study reveals that the port's storage capacity has been over utilized above the recommended standard capacity of between 50% and 60%. This indicates that the port have limited space for storing containers and general cargo, consequently there is a need for port expansion, ICD operation and ensuring the grain terminal and alongside sheds are in good order.



**Figure 4.14: Economic Processing Zone has Positive Effect to the Growth of Trade**

Source: Research field data 2015

The results above indicate that the EPZ has positive effect to the growth of trade, the response were as follows: 8.86% strongly agree on the matter while 43.04% agree, 3.80% disagree, 41.77% were neutral, and 2.53% were strong disagree

#### **4.5 Discussion of Findings**

The finding of my study show that the seaport play big role in facilitating growth of trade also the study show that poor cargo handling, poor hinterland connection, port congestion and Low custom clearance process was hinder the growth of trade apart from that the study find that addition of more and modern cargo storage and handling capacity, faster customs clearance process, implementation of port master plan had promoting port role in facilitating growth of trade in Tanzania.

This study have same findings with the study conducted in Bangladesh (2011) on the role of customs services and other government agencies in Trade facilitation by Md Alma's Uzzaman & Mohamed Abu Yusuf ,the result was that Chittagong port Authority is an important government department which suffers due to inadequate port facilities and manual operation.

Also there is another study conducted by Layae & John Nahemia (2013) in Tanzania about the seaport and International trade facilitation in developing countries and the result of research show that under utilization of seaport terminal capacity in seaports and seaport are low in time efficiency and reliability (congestion).

But the findings of the study have been differ in findings with the study conducted by Livingstone Davine Caesar (2010) on Trade facilitation in seaport on the context of

the Ghana Gateway Project and result was found that corruption among trade- related institution especially customs Excise and Preventive Service has a huge bearing on realization of trade facilitation objective.

## CHAPTER FIVE

### CONCLUSION, IMPLICATION AND RECOMMENDATIONS

#### 5.1 Introduction

This chapter presents conclusion, implication and policy recommendations based on findings of the study. In addition, this chapter also includes areas for further research. It is organized as follows (i) conclusion (ii) implication and recommendations. The main objective of this study was to examine the role of seaport in facilitating growth of trade in Tanzania impact. Three specific objectives were developed to accomplish this study. First, to identify the roles of seaport in facilitating growth of trade. Second, is to identify factor that hinder the growth of trade. Third, to determine an appropriate measures for promoting port roles in facilitating growth of trade.

Consistent with the research objectives, three research questions were developed which were as follows: First, what is the role of seaport in facilitating growth of trade in Tanzania? Second, what factors hinder the roles of seaport in facilitating growth of trade in Tanzania? Third, what is the appropriate measures that need to be instituted so as to promote the roles of seaport in facilitating growth of trade in Tanzania.

#### 5.2 Conclusion of Findings

It has been established that Dar es Salaam seaport have brought significance positive contribution in growth of trade. The government explains that Dar es Salaam port contribute 95% of the growth of trade. In addition, the beneficiaries interviewed

commented that Dar es Salaam port has significantly facilitate the growth of trade through export and importation of goods/ cargos and increased government tax revenue, Therefore, port services are key determinants of facilitating growth of trade. The findings reveal that the roles of seaport has been hindered by poor hinterland connection hence hinder the growth of trade in very high rate by 97.4% of respondents interviewed was agreed, also poor cargo handling hinder seaport to facilitate growth of trade by 57.3%. The seaport concentrated on familiarizing with the tax collection rather than to improve the role of seaport in service provision. The respondents interviewed explained that seaport are the cornerstone for any successful investments and cost reduction and increase reliability and availability of materials as well as goods and services but they confirmed that port is not doing enough to provide good services to cargo and passengers traffics, service to shipping line and ships bade for industrial developments and terminal for forming part in transport chain.

The findings reveal that the seaport should employ the appropriate measures for promoting port roles in order to facilitate the growth of trade in Tanzania such as to add more and modern cargo storage and handling facilities, to improve custom clearance process and to accomplish Dar es Salaam master plan. And the result to improve growth of trade as well as to improved social services.

### **5.3 Recommendations**

In order to improve the role of seaport in Tanzania (especially Dar es salaam port), so as to facilitate the growth of trade, the study recommends the following measures to be undertaken;

### **5.3.1 Recommendations on Cargo Handling Equipment and Facilities**

TPA and TICTS should purchase additional and modern cargo loading and discharging equipments, TPA and TICTS should improve and effective use the ICDs for handling containers outside the port to decongest the port, TPA should construct multi-storey car parks and dedicate the current space for container handling, Both port operators such as TPA and TICTS and shippers (exporters and importers) should make use of Mtwara and Tanga ports for transhipments, Shippers and consignees should go on using Mbeya dry port (Malawi and Zambia cargo) and Isaka dry port for (Rwanda, Burundi, DRC cargo).

TPA should immediately construct new container terminal with adjacent berths number 9 and 10 so as to reduce congestion at the container terminal, TPA should secure more areas within the port for handling containers, TPA and MOT should fasten the construction of the large container terminal at Bagamoyo, TPA and MOT should expand Kigoma port for the cargo to DRC through TRL and Lake Tanganyika.

TPA and TICTS should regularly endeavour to attain more professional skills by training their labour and provide them with experience, The government through MOT should effectively improve and make utilization of the railways capacity (TAZARA and TRL), TPA and TICTS should maintain working 24hours, TPA should ensure maintenance and capital dredging of the port, A part from complying with ISPS code, International Maritime Organization (IMO) protocols and the maritime pollution prevention control (MARPOL) convention, TPA should always also make

port safety and security vulnerability assessment, The government through MOT and security organs should support the international anti piracy campaign in the Indian Ocean, as the effect of piracy hampers seaborne trade.

### **5.3.2 Recommendations on Cargo and Custom Clearance**

The finding have shown that there still have port congestion in Dar es Salaam port; The implication is that TPA and TRA should ensure faster clearance of cargo from the port or ICDs by all means including synchronized and computerize clearance process, TRA should have smooth border clearance procedures and reduce check points along the routes, TPA should enforce punitive tariff to discourage shipping agents who delay submitting manifest, Both TPA and TICTS should speed up auctioning of cargo overstayed in the port so as to give chances for other cargo, and finally TPA and TICTS discourage customers who use the port as warehouse by raising tariffs well above that charged by storage organizations outside the port.

### **5.3.3 Recommendations on Port Planning and Policy**

The finding has shown that there are insufficient cargo handling and storage facilities; policy implication is that MOT should finance port planned projects in a very high priority.

The finding shown that there is port congestion; Policy implication is that MOT and TPA should fasten implementation of the port master plan and under high and careful supervision as well as TPA and MOT should implement the existing, or makes new port policies better to improve efficiency of the port.

### **5.3.4 Recommendations for Further Studies**

This study was about the role of seaport in facilitating growth of trade in Tanzania whereby the case study was Dar es Salaam port, Implication for the further study is there is need to study ;

- (i) role played by seaport of Tanzania as a whole in facilitating growth of trade, including lake ports since this study focuses only at Dar es salaam port, and
- (ii) a detailed study need to be undertaken to understand more causes of efficiency of seaports and the way forward.

### **5.3.5 Theory Implication and Recommendation**

Most of respondent who answer the question which ask that the increase of balance of trade and balance of payment it reflect the growth of trade; This indicate that the implication of Neo mercantilism theory is valid because the theory emphasis on exportation rather than importation.

Neo mercantilism by Adam Smith, (1776) the theory is used to describe a policy regime which encourages exports, discourages imports in international trade.

In the real situation today all government tend to emphasis their traders to increase exportation rather than importation in order to strengthen the economy of the country as well as to accumulate foreign currency.

### **5.3.6 Knowledge Implication and Recommendation**

The findings of the study has indicate that the Dar es Salaam port has great role in facilitating growth of trade in a country, source of government revenue through tax

collection as well as to increase in economic growth; Therefore all stake holders of the port must know importance of port and to try their level best in take care of Dar es Salaam port in order to make our port to be so potential.

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## APPENDICES

### Appendix I: Questionnaire

#### A. QUESTIONNAIRE FORM FOR TAFFA and TSAA Officials

Please in the following questions indicate which of the following most accurately described your organization or part of your organization that you present.

Association road truck driver, Freight forwarding agent,

Shipping line agents, Business entrepreneurs

Association oil importers, TICTCS TRA, SUMATRA,

MOT , TPA .

1. Name.....
2. What is your organization.....
3. Your designation in that organization.....
4. For how long have you been in that position.....

Put the letter of the most appropriate answer in the given brackets

(a)Strong agree (b) Agree (c) Neutral (d) Disagree (e) Strong disagree

- 1.To work 24hrs in port is the best measure of facilitating growth of trade( ).
- 2.The port facilitate the growth of trade in Tanzania ( )
- 3.Capacity of available port equipments to handle import and export( )
- 4.Inadequate facilities are one of the causes of improper role of seaport ( )

- 5.If berths are equipped with adequate and modern facilities efficiency of the port can be improved.( )
- 6.Truck stay for long time around waiting cargo. ( )
- 7.On delivery of cargo no any complain on delay ( )
- 8.The sea port facilitate growth of trade inTanzaina ( )
- 9.Delay in clearance process are one of the indicator of poor roles of seaport ( )
- 10.If customs clearance process is improved the growth of trade will incease ( )
- 11.Seaport gives a trader an easier way of importing and exporting hi/her commodities ( )
- 12.Demand of cargo passing through the port is growing every day ( )
- 13.The seaport contributes more to the growth of trade in Tanzania ( )
- 14.There is high and active connection of port with inland transport modes( )
- 15.Poor connection of the seaport with inland transport modes like roads and railways is one of the factor hinder the growth of trade.( )
- 16.If railways are modified and wagons increased the rate of growth of trade can be improved? ( )
- 17.Seaport contribute more to the growth of trade in Tanzania as well as government revenue ( )
- 18.All cargo clearance is highly computerized and synchronized ( )
- 19.Some delays in cargo clearance process are one of the factor hinder the growth of trade ( )
- 20.I f customs clearance process is improved the growth of trade can be improved( )

21. Shipping as far as seaport is concerned, play a greater role towards the growth of trade in Tanzania ( )

22. The Ministry has planned a very good port hinterland connection (roads, railways and waterways) in order to facilitate growth of trade ( )

23. seaport planed projects are financed in very high priority in order to increase growth of trade ( )

24. The port master plan when accomplished will totally suppress all kind of congestion at the port hence increase in growth of trade. ( )

25. Maritime transport as supported by seaports play a greater role in facilitating growth of trade in Tanzania ( )

26. The Ministry as nicely planed and developed basic maritime infrastructure like port entrances ,lighthouse ,aids to navigation and navigable sea routes enhance growth of trade ( )

27. Inadequate basic maritime is one of the causes of poor growth of trade( )

28. Dar es salaam port is the cornerstone for the facilitation of growth of trade in Tanzania ( )

29. Cargo traffic through thesea port are increasing every day ( )

30. Dar es Salaam seaport has got anadequate cargo handling equipments within and outside the port ( )

31. Inadequate cargo handling facilities is one of the causes of the trade stagnant ( )

32. Port planned projects are financed and implemented in very high priority ( )

- 33.The port master plan when accomplished will eliminate all kinds of congestion at the port as well as increasing growth of trade ( )
- 34.Economic Process Zone has positive effect to the growth of trade ( ).
- 35.TPA should do something to improve efficiency of the sea port as far as trade facilitation is concerned, ( )
- 36 Increase in export and import will result an increase in tax revenue collection ( )
- 37Increase in balance of trade and payment it reflect the growth of trade ( )
- 38.Additional of more and modern cargo storage facilities to improve the growth of trade in Tanzania ( )
- 39.Trend of crgo through output at Dar es Salaam port are still congested( )

**Appendix II: Interview Guiding Questions for Officials of TPA, TICTS, TBC,  
TAFFA and TSAA**

1. What has been the trend of the cargo throughput at Dar es Salaam port?
2. In which ways does the port play role in facilitating the growth of trade in Tanzania?
3. Does a poor cargo handling facility cause port inefficiency,? What other causes?
4. Does poor port hinterland connection cause port inefficiency
5. Can addition of more and modern cargo storage facilities help to improve port efficiency? What other measure?
6. Does the EPZ have positive effect to the efficiency of seaports, which is necessary in facilitating growth of trade?

### **Appendix III: Letter of Introduction**

Dear Sir/Madam,

**RE: Request Forresearch Dataforacademic Report**

PROJECT The bearer of this Questionnaire is a Student of Open University of Tanzania pursuing MBA in Transport and Logistics at the Open University of Tanzania. The researcher is collecting data as part of the study programme, the title of the study is “The role of seaports in facilitating growth of trade in Tanzania”-A *case study of Dar Es Salaam port*. The researcher is grateful ask for your contribution to this study if you could take your valuable time to complete the questionnaire. The information provided will be kept strictly confidential and will be used only for academic purposes. Your information will remain strictly confidential and shall not be identified in anyway.

Thank you for your assistance.

Yours sincerely,

.....

Ally R. Sintoo

Mobile no 0712170611

#### Appendix IV: Work Plan/Schedule of Activity

The research work will be associated with the several activities such as Literature review, proposal development, data collection, data analysis and discussion and final dissertation writing.

Schedule will be as shown in Gantt chart below.

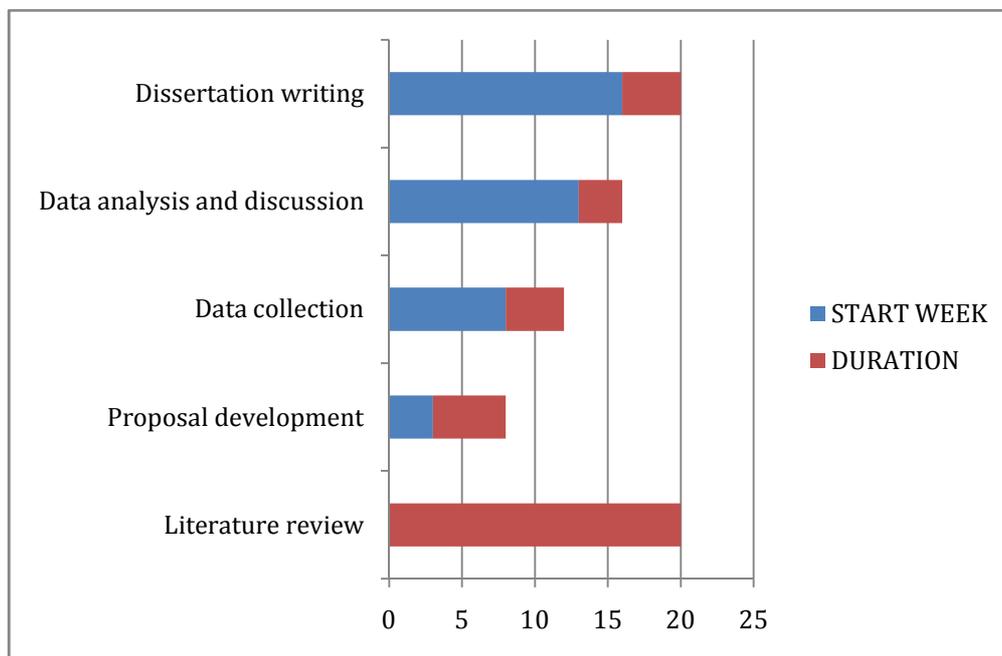


Figure 17

Gantt chart showing the schedule of activity against time (weekly) as developed by researcher.

**Financial provision (Research budget)**

<b>No.</b>	<b>Item and/or description</b>	<b>Amount in Tsh.</b>	<b>Multiplied by</b>	<b>Subtotal</b>
1.	Transport allowance to and from field area	10,000/=	30 days	300,000/=
2.	Meals	20,000/=	30days	600,000/=
3.	Stationary: <ul style="list-style-type: none"> <li>• notebooks and pens</li> <li>• internet</li> <li>• printing and binding</li> </ul>	20,000/= 50,000/= 200,000/=	N/A	270,000/=
4.	Camera	200,000/=	N/A	200,000/=
5.	Discussion meeting facilitation: <ul style="list-style-type: none"> <li>• Drinking water and Soft drink</li> </ul>	100,000/=	N/A	100,000/=
6.	Mobile phone top up or credit	30,000/=	N/A	30,000/=
7.	<b>Grand Total</b>	N/A	N/A	<b>1,500,000</b>

The study proposed budget is amounting to Tanzania shillings 1,500,000/=

Table 4 Research Budget as proposed by researcher.



