

TRUCKING INDUSTRY

INTRODUCTION

Global Context

The trucking industry is a foundational pillar of the global logistics network, facilitating the inland movement of goods across vast and varied geographies. It plays a critical role in connecting production centres to consumption hubs, ensuring that supply chains operate with speed, precision, and resilience. From transporting raw materials to delivering finished products and enabling last-mile logistics, trucking ensures access to markets, supports business continuity, and underpins economic growth. The sector also serves strategic roles in emergency response, construction, agriculture, and retail, making it indispensable to modern industrial and social systems.

As of 2023, the global freight trucking market was valued at approximately USD 2.5tn, according to Global Market Insights. Looking ahead, the market is projected to grow at a compound annual growth rate (CAGR) of 4.2% between 2024 and 2032, reaching an estimated USD 3.5tn by 2032. North America currently leads the global trucking landscape, commanding around 35% of total market share due to its mature infrastructure, high freight volumes, and advanced fleet technologies. These figures reinforce the industry's vast scale and its vital role in enabling domestic and international trade across sectors.

Regional Context

The African trucking industry, valued at USD 12bn in 2025 and projected to reach USD 18bn by 2031 according to 6Wresearch, is experiencing robust expansion. This growth is fuelled by substantial investment in infrastructure and large-scale construction projects across the continent, particularly in key markets like South Africa, Nigeria, and Kenya. As urbanisation and industrial activity intensify, the demand for efficient logistics and transportation solutions is surging. Trucking plays a vital role in connecting regional trade corridors, supporting cross-border commerce, and enabling last-mile delivery, making it a pivotal sector in Africa's broader economic development strategy.

Domestic Context

Tanzania's trucking industry is steadily expanding, supported by rising industrial activity and logistics demand. According to Statista, unit sales are projected to reach 1,270 vehicles in 2025, growing to 1,380 by 2030 at a CAGR of 1.54%, with heavy-duty trucks dominating due to mining and construction needs. Customers increasingly favour models with higher horsepower, fuel efficiency, and advanced safety features. Meanwhile, 6Wresearch highlights growth driven by urbanisation, infrastructure investment, and regional trade, positioning Tanzania as a key logistics gateway. However, challenges such as poor

rural roads, regulatory inconsistencies, and informal fees affect operational efficiency. Despite these hurdles, government support and fleet upgrades are enhancing competitiveness, reinforcing Tanzania's emergence as a strategic freight hub in East Africa.

COMPETITION

Tanzania's trucking industry is highly fragmented, with a mix of regional operators and large-scale logistics firms. According to 6Wresearch, key players include Mowara Ltd, Wenson Logistics, Jones Logistics, and members of the Tanzania Truck Owners Association (TATO), which collectively dominate long-haul and cross-border freight operations. TATO-affiliated companies are particularly influential in transit cargo across the SADC and Great Lakes regions. While precise market share figures are not publicly disclosed, Statista notes that demand is concentrated in heavy-duty trucks, reflecting the dominance of firms serving mining, construction, and industrial sectors. The market is also shaped by global OEMs like Volvo, Scania, and Daimler Trucks, which supply vehicles to local operators. Competitive differentiation is driven by fleet size, route coverage, fuel efficiency, and compliance with safety and environmental standards.

KEY POSITIVES AND MARKET TRENDS

- **Strong Demand for Heavy-Duty Trucks** Driven by mining, agriculture, and infrastructure growth, there's a consistent need for durable, high-performance trucks suited to long-haul and heavy-load operations.
- **Strategic Geographic Position** Tanzania connects seven landlocked countries to key seaports, making it a natural transit corridor for cross-border freight and regional trade.
- **Expanding Infrastructure** Government investments in roads, industrial parks, and logistics hubs are boosting transport efficiency and reducing delivery times.
- **Growing Truck Export Capacity** Local assembly capabilities are improving, with Tanzania's truck exports projected to grow steadily, creating opportunities in regional markets.
- **Supportive Policy Environment** Industrialisation and transport sector reforms are encouraging private investment and improving logistics competitiveness.
- **Rising Telematics and Fleet Management Adoption** Operators are integrating GPS tracking, fuel monitoring, and route optimisation to cut costs and enhance reliability.
- **Cold Chain Logistics Potential** Demand for refrigerated transport is rising in agriculture and healthcare, presenting an untapped market segment for specialised fleets.

- **Transition to CNG and Electric Trucks:** Environmental concerns and fuel cost volatility are opening opportunities for cleaner and more cost-efficient vehicle technologies.
- **Used Truck Refurbishment Market** The popularity of second-hand trucks supports growth in refurbishment services, offering scalable entry points for SMEs.
- **Regional Trade Harmonisation** East African transport policy alignment promises smoother cross-border operations, lower costs, and more predictable delivery schedules.

KEY CHALLENGES

- **Poor Road Infrastructure:** Many rural and regional routes remain underdeveloped, leading to delays, increased vehicle wear, and higher maintenance costs.
- **Traffic Congestion:** In Urban Centres, Major hubs like Dar es Salaam face frequent bottlenecks, affecting delivery timelines and fuel efficiency.
- **Regulatory Inconsistencies:** Varying enforcement practices and fragmented transport policies create uncertainty and compliance burdens for operators.
- **Informal Checkpoints:** Fees Unofficial charges at weighbridges and roadblocks inflate operating costs and reduce profitability.
- **Limited Driver Training and Technical Skills:** Gaps in professional driver education and fleet management expertise affect service reliability and safety standards.
- **Tax and Documentation Issues:** Transporters face challenges with tax assessments, system inefficiencies, and inconsistent communication from authorities.
- **Equipment Shortages and Scanner Delays:** Limited access to modern cargo handling tools and customs scanners slows down clearance and disrupts logistics flow.
- **System Breakdowns and E-Filing Errors:** Technical glitches in digital platforms used for documentation and tax filing lead to delays and financial penalties.

OUTLOOK

Tanzania's trucking industry shows strong growth potential, supported by favourable factors such as expanding infrastructure, rising demand from mining and agriculture, and its strategic position as a regional logistics hub. Investments in highways, logistics parks, and industrial zones are enhancing connectivity, while cross-border trade and urbanisation continue to drive freight volumes. Fleet

modernisation, the adoption of telematics, and increasing preference for high-performance, fuel-efficient vehicles are reshaping market dynamics.