

ZANZIBAR

INVESTMENT CLIMATE AND OPPORTUNITIES

2024

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Outline

ABOUT ZANZIBAR

- Zanzibar is an integral part of the United Republic of Tanzania.
- The archipelago consists of two main islands of Unguja and Pemba along with more than 50 islets.

Size: 2654 sq. km

Coastline: 600 km

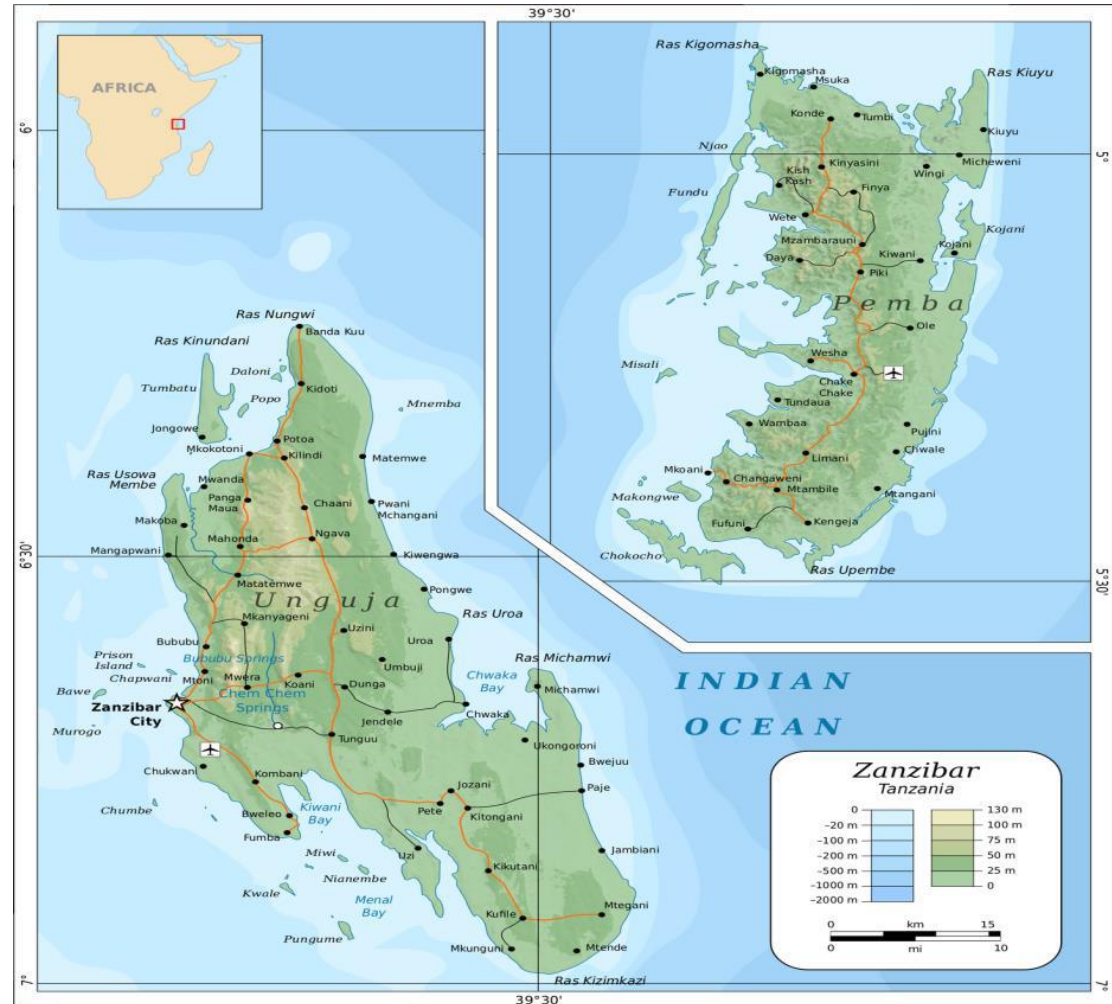
EEZ: 223,000 square km

Pop: 1.88 mil (2022 PHC)

at a growth rate of 3.7%

GDP growth: 7.4% (2023)

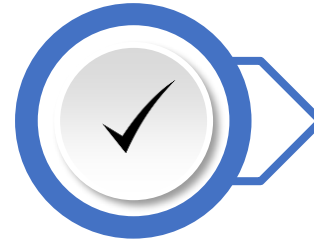
GDP per capita: 1,241 USD (2023)



WHY ZANZIBAR



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Strong leadership

- Peace & tranquillity
- Economic and Political Stability
- Predictable fiscal regime



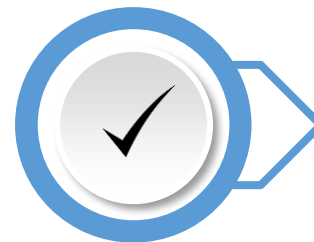
Attractive Incentives Packages

- 100 % foreign ownership
- Fiscal and non-fiscal incentives



Connectivity

- International airports (AAKIA)
 - Qatar Airways
 - Turkish
 - Air France
 - KLM
 - Etihad
- Seaports
- Improved infrastructures



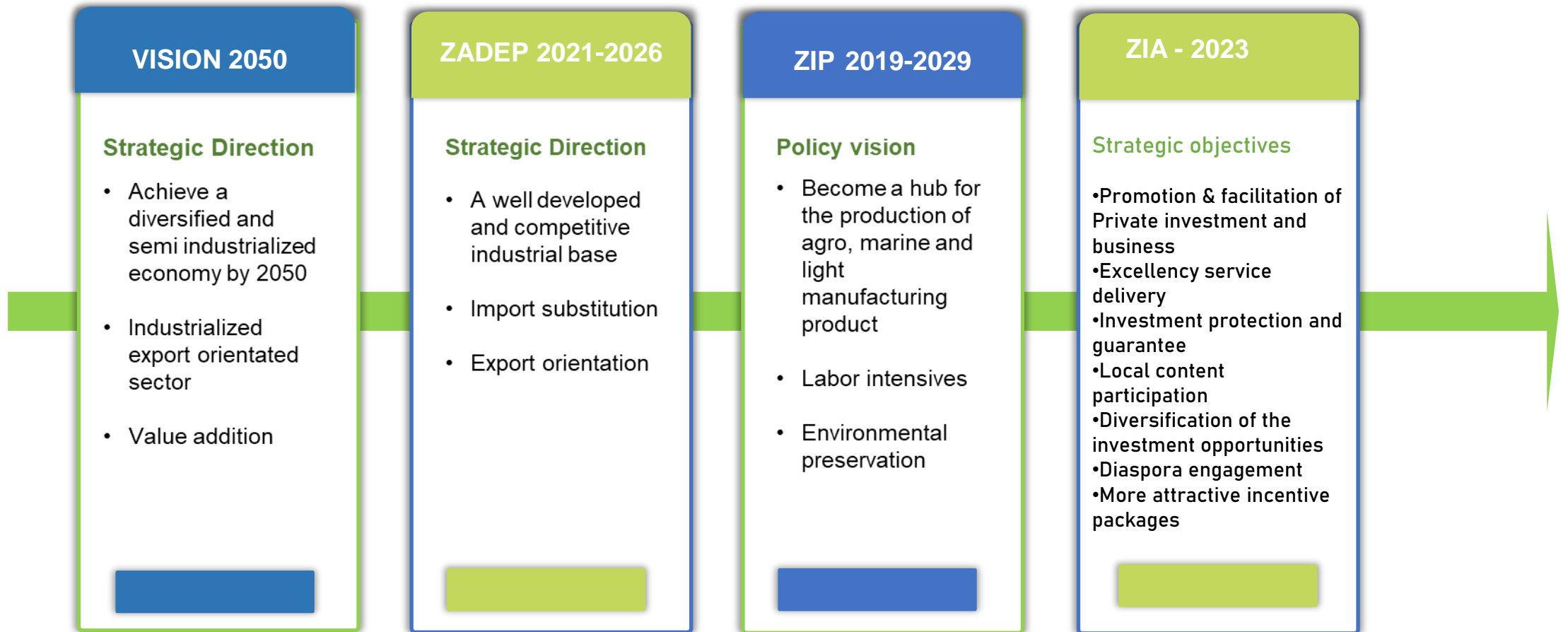
Protection & guarantee

- Favorable investment climate
- Access to international arbitration and mediation



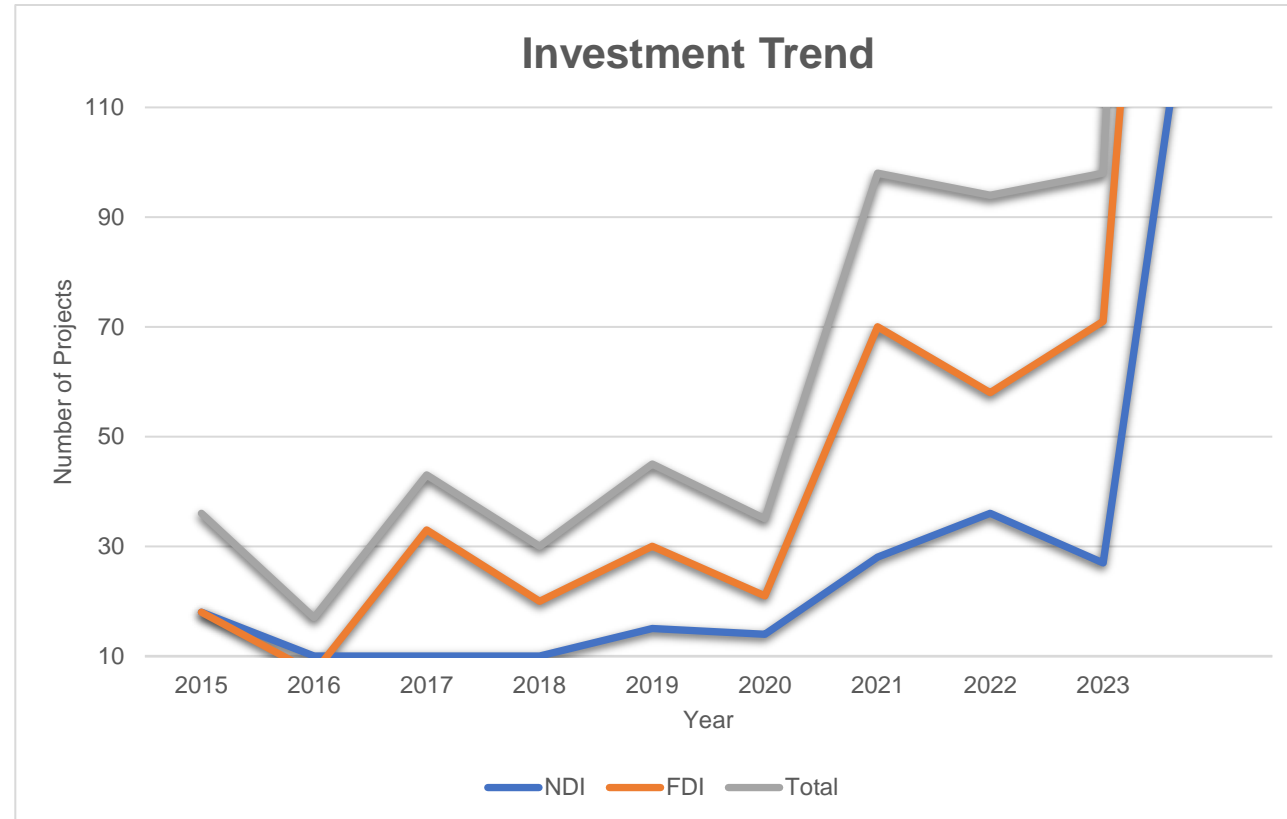
INVESTMENT CLIMATE & TRENDS

ZANZIBAR DEVELOPMENT & LEGAL FRAMEWORKS

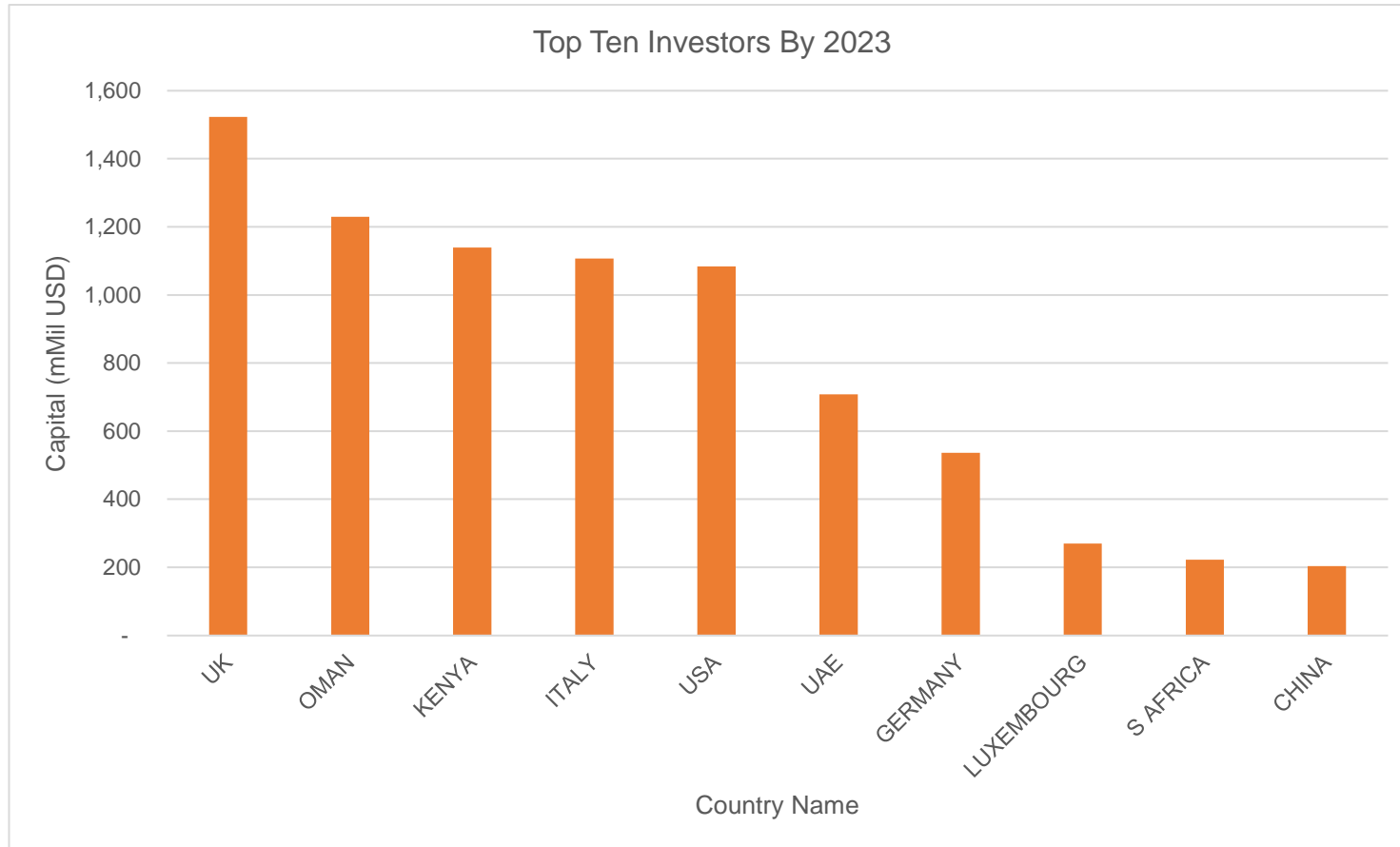


INVESTMENT FLOW

- FDI accounts for 66% of all projects.
- NDI accounts for 34%



TOP TEN INVESTORS BY 2023



JAPANESE PROJECTS BY 2024

Existing Japanese owned projects registered under ZIPA

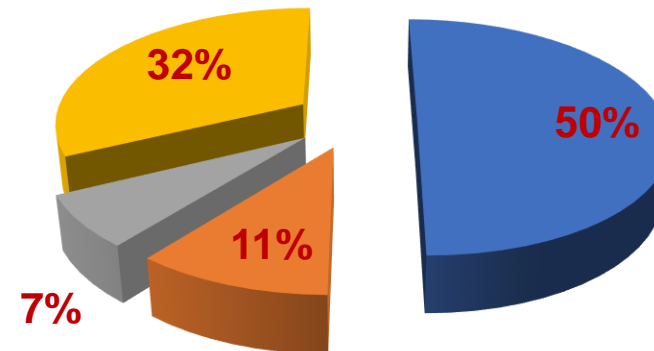
Sn	Project name	Sector	Capital
1	Paradise Beach Bungalows	Hotel	Above 2.5 mil USD
2	One Way Trading	Real estate	Above 2.5 mil USD
3	MASA	Restaurant	Above 2.5 mil USD
4	Ten to Ten Africa	Hotel	Above 2.5 mil USD

INVESTMENT SECTORS BY 2024

Total value of all registered projects under ZIPA is **12.7 Bil USD**

Projects sectors

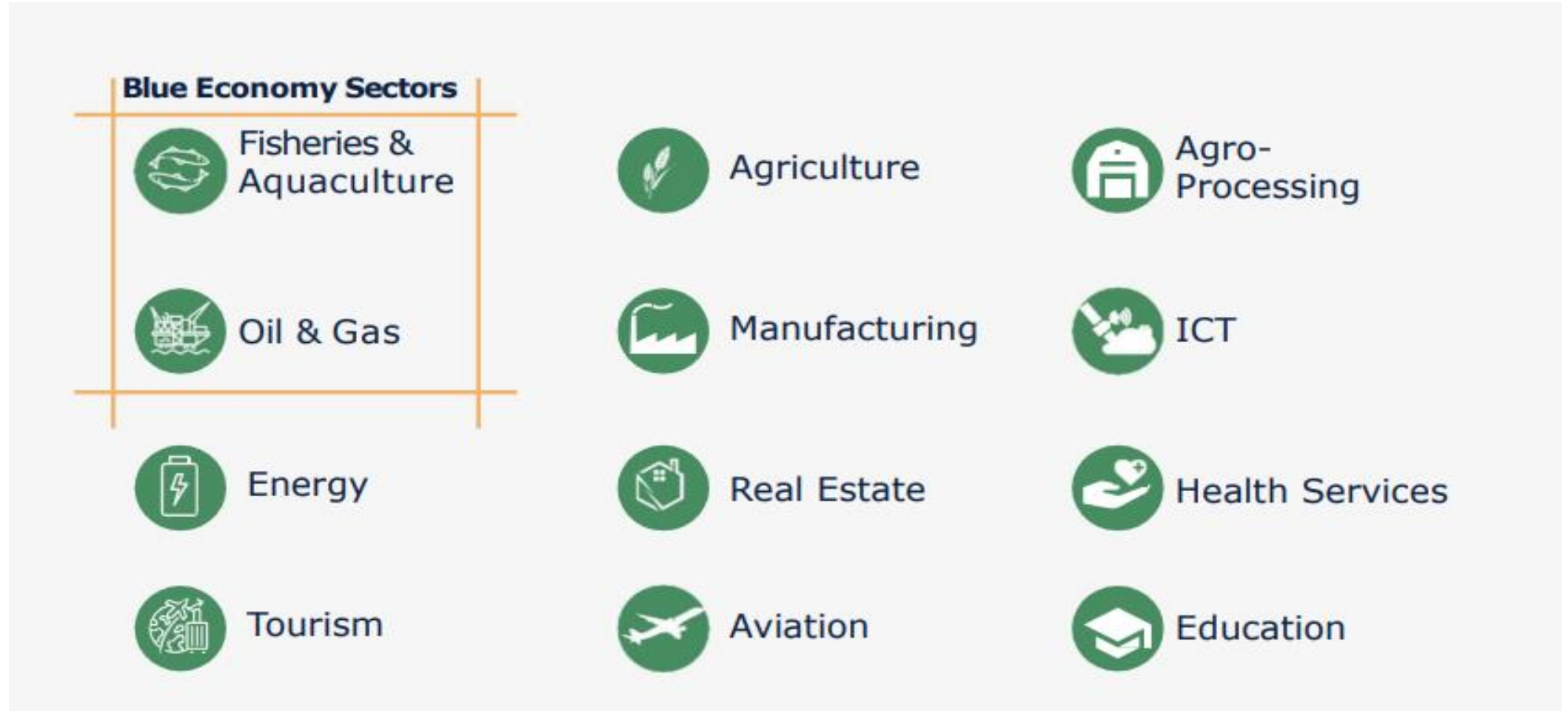
- I-Accommodation and food services activities
- C - Manufacturing
- L- Real estate activities
- Others



INVESTMENT OPPORTUNITIES & INCENTIVES

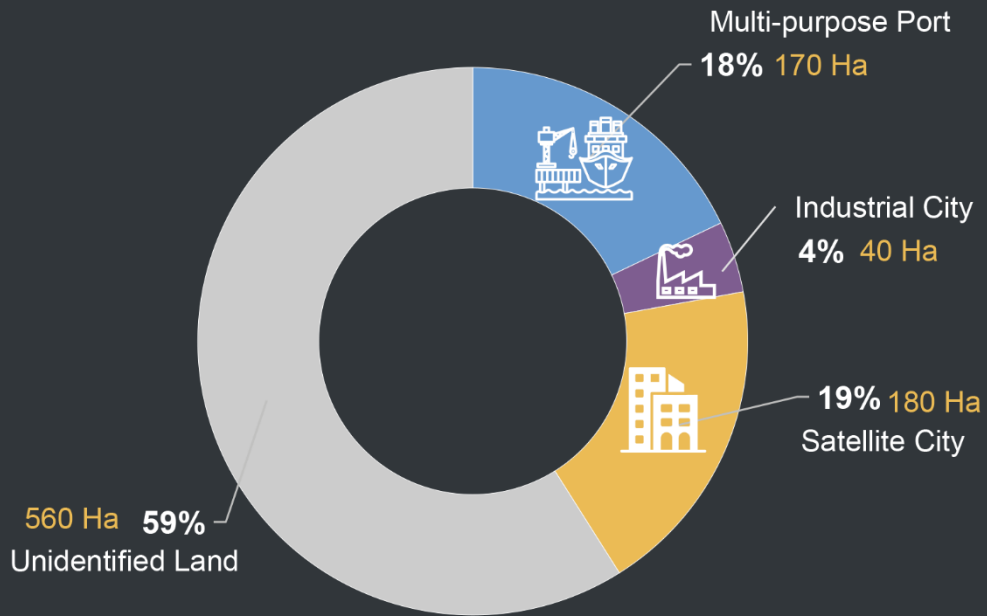


INVESTMENT OPPORTUNITIES



Land-use Distribution

OIA Envisioned
Land-Use Distribution

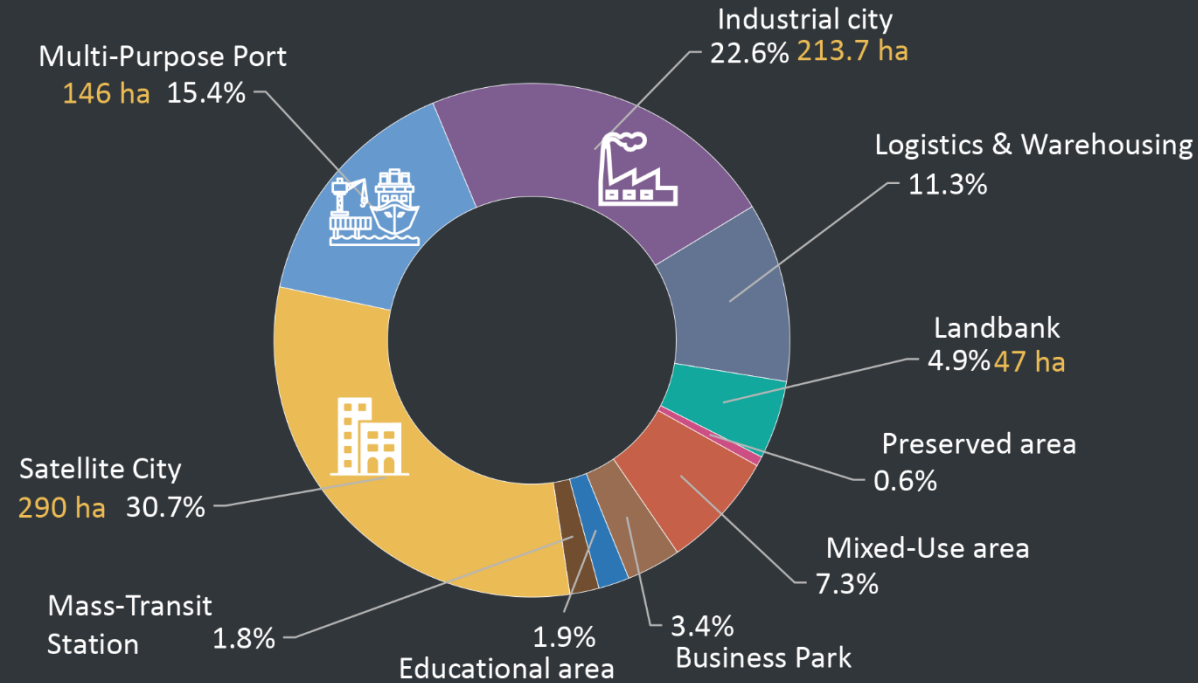


39 % Planned Development Area

59% Future Development Area



Proposed
Land-Use Development



100% Planned Development Area



SPECIAL ECONOMIC ZONES (SEZs)

According to the new Zanzibar Investment Act, 2023, there will be Special Economic Zones and ZIPA is the custodian of these zones.

These will include the following:-

- Free Economic Zone (FEZ).
 - Fumba
 - Micheweni
 - Amaan Industrial Park
 - Maruhubi Logistic Park
 - Airport Free port
- Free Ports Zone.
- Land Bank for Investment.
- Export Processing Zone (EPZ).
- Digital Free Zone.
- Industrial Zone.
- Small Islands Zone.
- Logistic Zones.

FUMBA FEZ

- ✓ **Size:**3,000ha
- ✓ **Infrastructure:** road networks, access to clean water and electricity.
- ✓ **Accessibility:**
 - 24km from Malindi port
 - 10km from AAKIA Airport
- ✓ **Proposed investment projects:**
 - Real estate
 - Hotel and Resorts
 - Tourism related activities
 - Sports Complexes

- ✓ **Status:** currently there are 62 registered project under this zone which are in different stages of implementation. These projects accounts for more than **3.3 billion USD** worth of capital of investment.

- ✓ **Major existing projects:**
 - CPS Living
 - Fumba Uptown Living

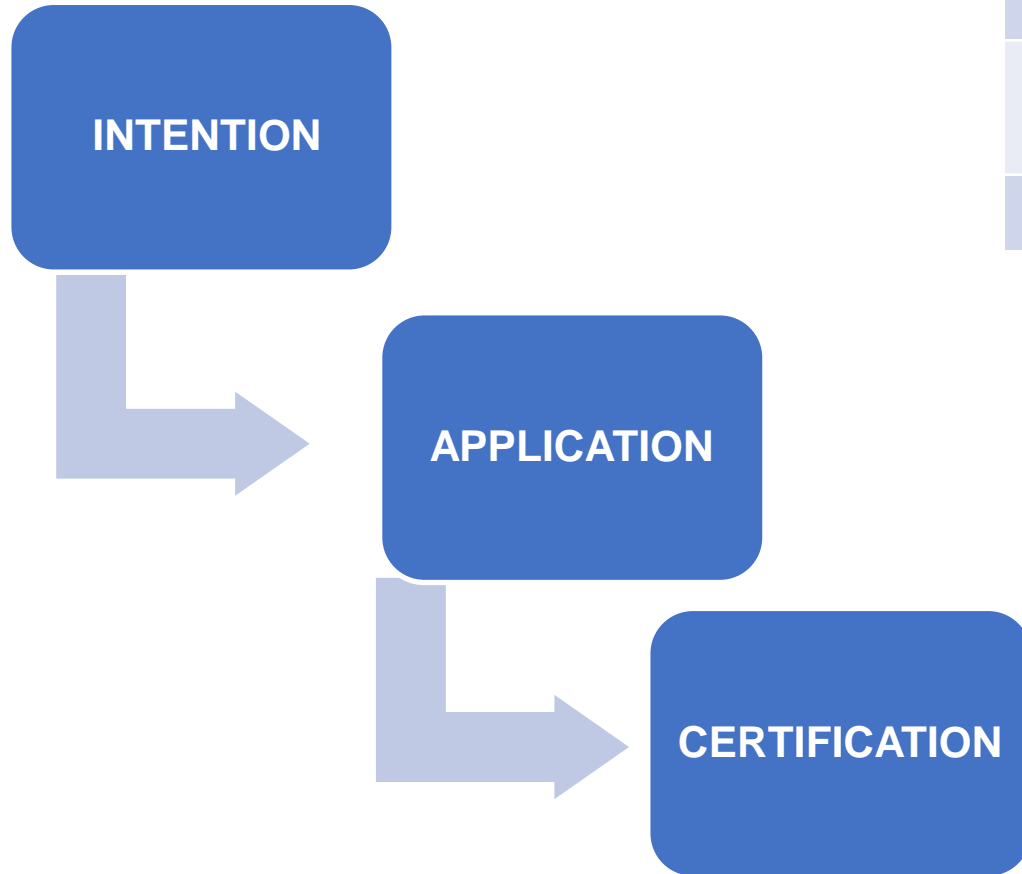
- ✓ **Upcoming projects:**
 - Sports Complex
 - Film Studio and college
 - Convention Centre

MICHEWENI FEZ

- ✓ **Size:** 808.8ha
- ✓ **Infrastructure:** 13.5km road networks, access to clean water and electricity.
- ✓ **Accessibility:**
 - 75km from Mkoani port
 - 45km from Karume Airport
- ✓ **Proposed investment projects:**
 - Real estate
 - Hotel and Resorts
 - Tourism activities
 - Food processing industries
 - Aquaculture
 - Maritime trade and transportation
- ✓ **Status:** its available and currently there is no investment projects

- ✓ **Upcoming projects:**
 - Fish processing industry

INVESTMENT PROCEDURES



SECTOR	INVESTMENT CAPITAL (USD)	
	FOREIGN	DOMESTIC
Hotel & Real Estate	2,500,000	100,000
Others	500,000	100,000

Online application portal

<https://ziew.zipa.go.tz/>



STRATEGIC INVESTMENT STATUS

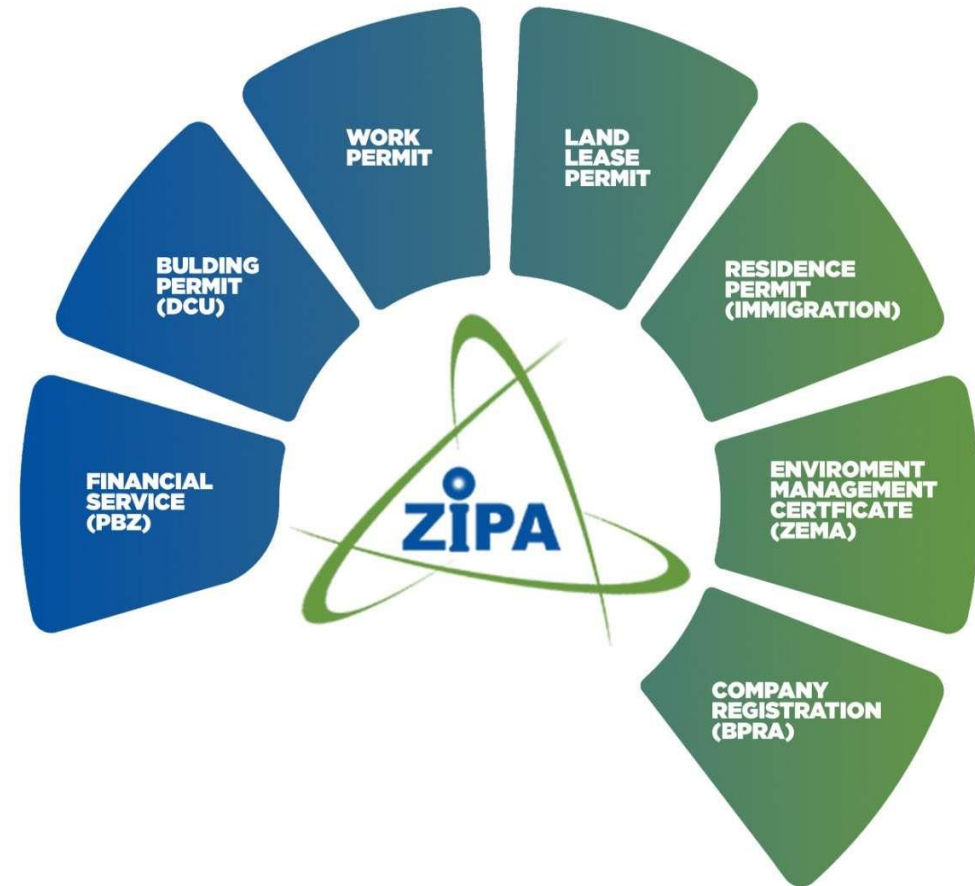
LOCATION	INVESTMENT CAPITAL (USD)		
	Criteria 1	Criteria 2	Criteria 3
UNGUJA	USD 50 millions	USD 10 millions and create 500 jobs	Invest in small islands
PEMBA	USD 5 millions	USD 2 millions and creates 500 jobs	Invest in small islands

INVESTMENT INCENTIVES

General Investment	Strategic Investment	Free Economic Zones Investment
100% foreign ownership is allowed	100% foreign ownership is allowed	Up to 10 years exemption of withholding tax
75% exemption from import duties and VAT on capital goods	100% exemption from import duties and VAT on capital goods	Stamp duty exemption
Up to 5 years corporate tax exemption	Up to 10 years corporate tax exemption	Exemption from pre-shipment or destination inspection requirement
Up to 99 years of land and marina lease agreement	Up to 99 years of land and marina lease agreement	On site customs inspection of goods within FEZs
Employment of foreign expatriates in key positions	Employment of foreign expatriates in key positions	Access to competitive, modern and reliable services available in the FEZs
100% repatriation of all profits after taxes	100% repatriation of all profits after taxes	Up to 10 years exemption of property tax
Real estate buyer incentive	Real estate buyer incentive	
	Up to five years grace period on land and marina lease	

INVESTMENT PROMOTION & FACILITATION MECHANISM

- ZIPA is the main Government Institution responsible for investment **promotion**, **facilitation** and aftercare services in Zanzibar.
- ZIPA is operating under the newly enacted “Zanzibar Investment Act, 2023.
- ZIPA is **One stop Facilitation Center**





THANK YOU FOR YOUR ATTENTION

ありがとうございました
(Arigatou Gozaimashita)