

ZANZIBAR

INVESTMENT CLIMATE AND OPPORTUNITIES

2025

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& Trends

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Promotion & Facilitation

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

Pop: 1.8 mil (2022)

GDP rate: 6.8% (2022)

GDP per capita: 1,208 USD (2021)

Inflation rate: 1.7% (2021)



WHY ZANZIBAR



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)
- Seaports
- Improved infrastructures



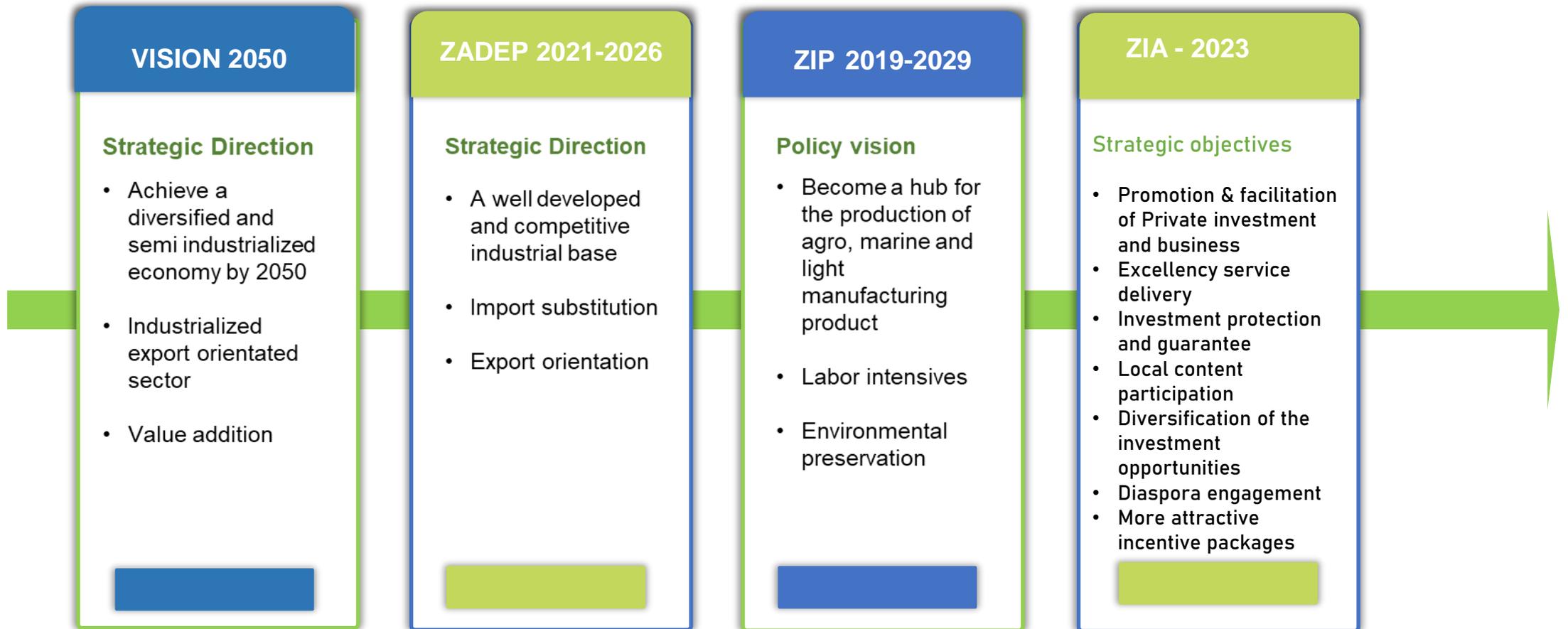
Protection & guarantee

- Favorable investment climate
- Access to international arbitration and mediation



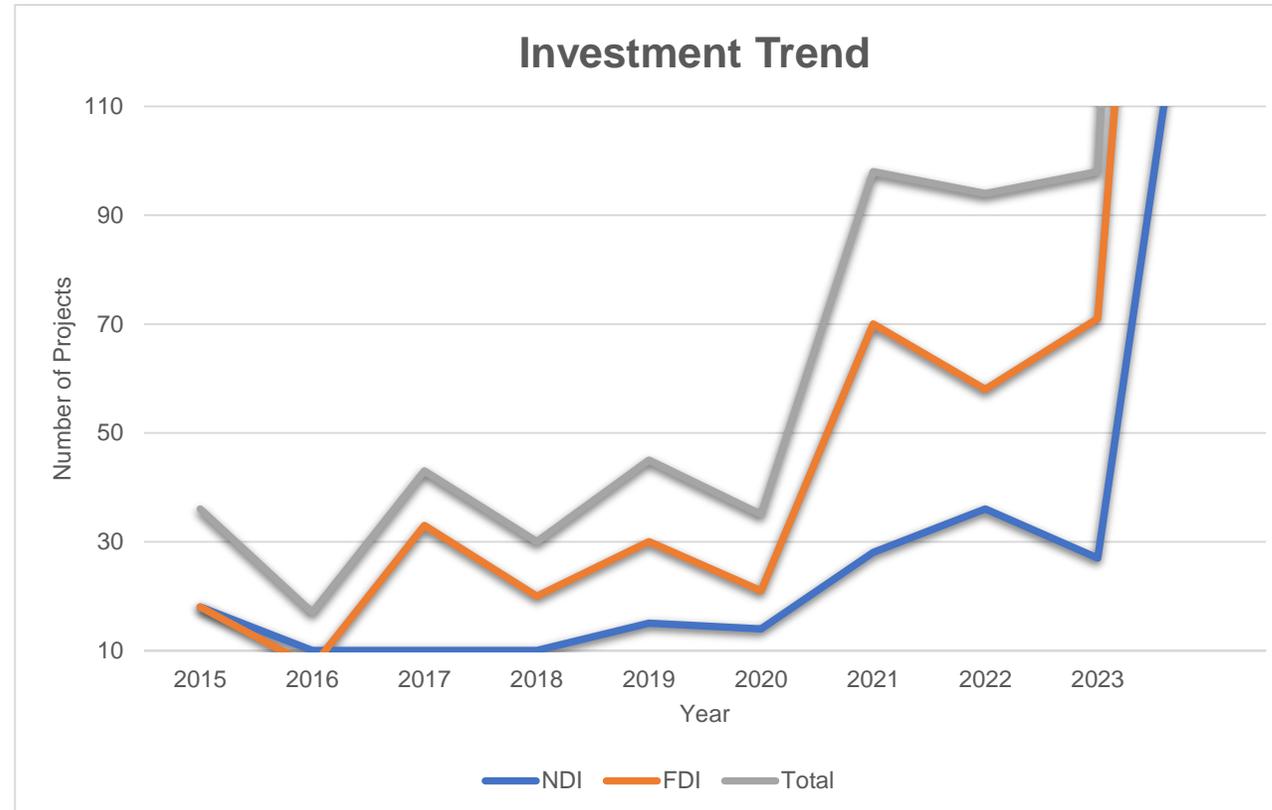
INVESTMENT CLIMATE & TRENDS

ZANZIBAR DEVELOPMENT & LEGAL FRAMEWORKS

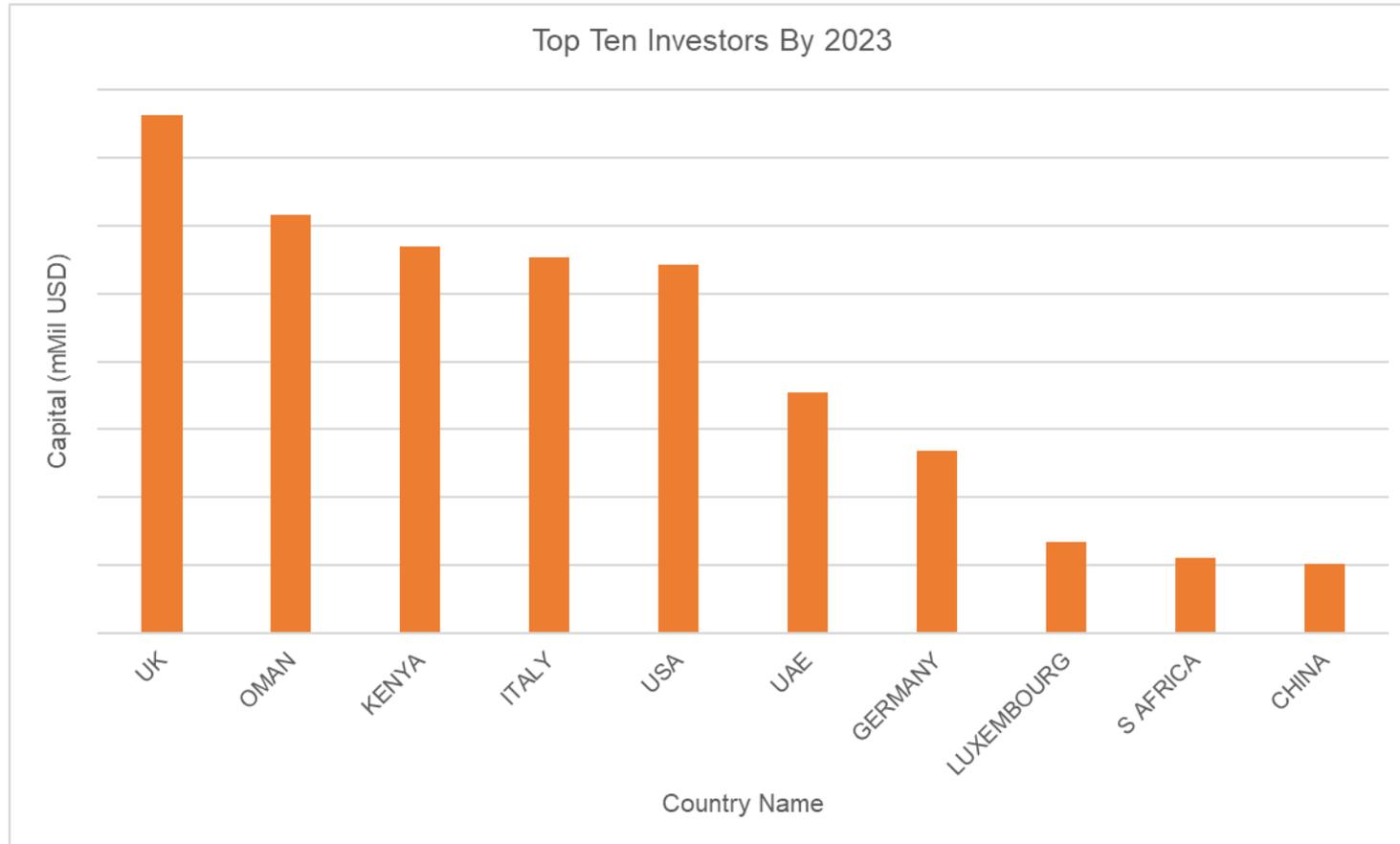


INVESTMENT FLOW

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



TOP TEN INVESTORS BY 2023

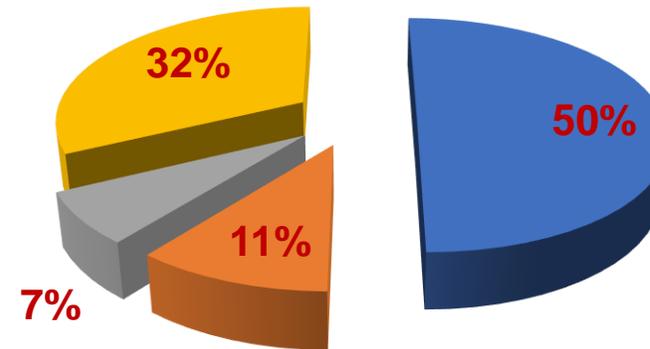


INVESTMENT SECTORS BY 2024

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



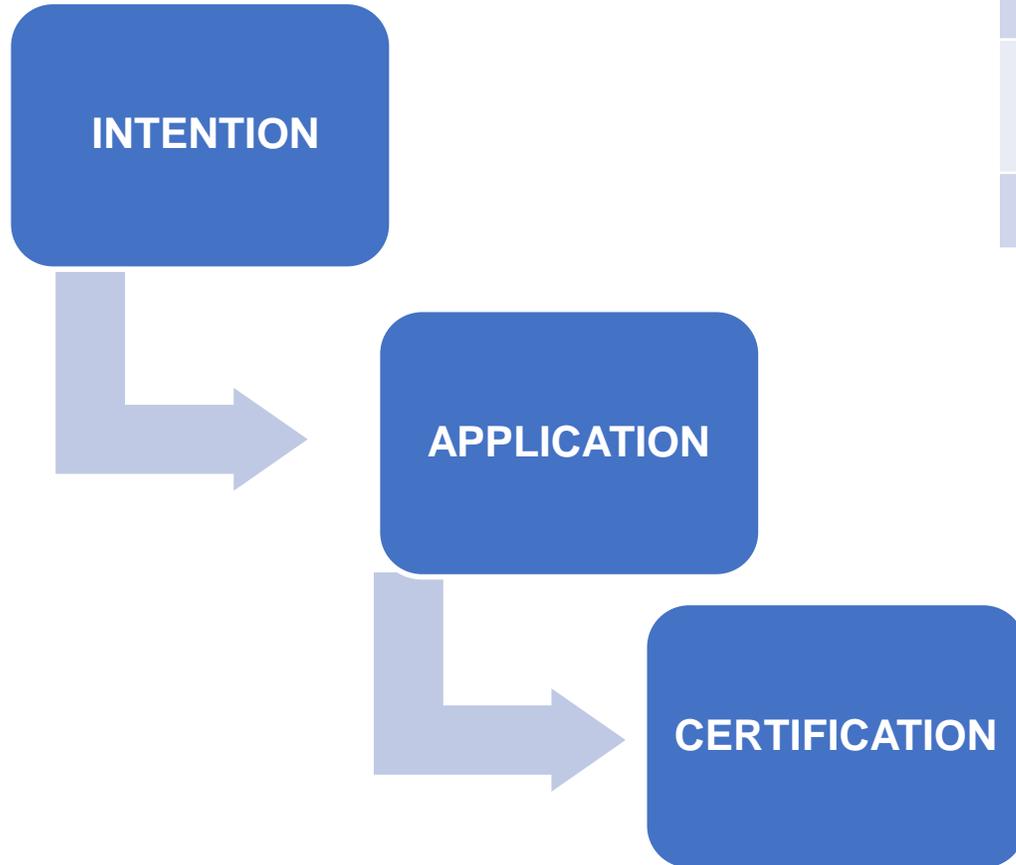
INVESTMENT OPPORTUNITIES & INCENTIVES



INVESTMENT OPPORTUNITIES



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 Incentives

Summary of the investment incentives are mentioned below:

- i 100% foreign ownership is allowed,
- ii Exemption from payment of import duty, excise duty, value-added tax and other similar taxes on capital goods,
- iii 33 years of land lease agreement renewable in two terms up to 99 years
- iv 5 years corporate tax exemption,
- v Employment of expatriates in Key positions,
- vi 100% repatriation of all profits after tax,
- vii Allowance on R&D.

Corporate Tax Exemptions

i. Invest not less than 75% of the capital specified in the feasibility study/ Business Plan.

ii. Start business operation.

Import Duty Exemptions

Investor shall submit to ZIPA a list of all capital goods to be imported and purchased locally for consideration and, where appropriate, be granted an exemption. For each consignment of approved materials. An investor may apply for exemption in writing to ZIPA at least 2 weeks before the arrival of goods in Zanzibar.

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

www.zipa.go.tz