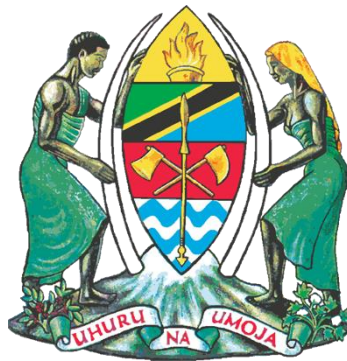


THE UNITED REPUBLIC OF TANZANIA



CHAPTER 38

[PRINCIPAL LEGISLATION]

ENGLISH VERSION

**THE INVESTMENT AND SPECIAL ECONOMIC ZONES
AUTHORITY ACT**

This version of the Investment and Special Economic Zones Authority Act, has been translated in English language, and is published through GN No 4 of 2026 pursuant to section 85(4) of the Interpretation of Laws Act, Chapter 1.

Dodoma,
6th January, 2026

HAMZA S. JOHARI,
Attorney General



THE INVESTMENT AND SPECIAL ECONOMIC ZONES ACT

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THE UNITED REPUBLIC OF TANZANIA

CHAPTER . 38

An Act to make provisions for development of investment and a conducive environment for investors in Tanzania; to provide an institutional framework for the coordination, protection, attraction, promotion and facilitation of investment in the country; to provide for the development and management of special economic zones; to repeal the Tanzania Investment Act, 2022, the Export Processing Zones Act, 2002, the Special Economic Zones Act, 2006; and to provide for related matters.

Act No.
6 of 2025

[4th March, 2025]

PART I
PRELIMINARY PROVISIONS

Short title

1. This Act may be cited as the Investment and Special Economic Zones Act, 2025.

Application
Cap.123

2.-(1) This Act shall apply to any investor, except-
(a) an investor authorised to conduct reconnaissance prospecting or mining operations under the Mining Act, or is seeking for authorisation to undertake any other similar operations;

Cap. 392

(b) an investor authorised to undertake exploration or oil production, or to construct or to operate an oil pipeline under the Petroleum Act, or who is applying for authorisation to undertake any other similar operations; and

(c) an investor engaged in the manufacture, marketing or distribution of hazardous chemicals, weapons or any kind of explosives.

(2) Notwithstanding subsection (1), the Authority shall facilitate all investors, regardless of whether they fall outside the scope of this Act, and shall assist them in obtaining permits, approvals or any other matter legally required for establishing and operating investment activities.

Interpretation

3. In this Act, unless the context otherwise requires -

“Board” means the Board of Directors of the Authority appointed under section 8;

“certificate” means an investment certificate issued by the Authority to an investor investing in an area outside the special economic zone, in accordance with the provisions of this Act;

“customs territory” means an area designated as a customs area in accordance with the law governing customs matters of the East African Community;

“special economic zone” means an area of land established under section 26;

“licence” means permit granted by the Authority for the development of infrastructure, operation or production in a special economic zone;

“Authority” means the Tanzania Investment and Special Economic Zones Authority established under section 4;

“customs authority” means the Tanzania Revenue Authority;

“capital” includes contribution in form of cash, plant, machinery, equipment, buildings, spare parts, land, intellectual property and other business assets other than those of a status that are not consumed in the ordinary course of business operations of the business and which are likely to last for more than twelve months;

“foreign capital” includes convertible currency, plant, machinery, equipment, spare parts, raw materials

and other business assets other than goodwill, which are imported into Tanzania with no initial disbursement of foreign exchange and are intended for use in the production of goods and services related to an enterprise to which this Act applies;

“foreign investor” means-

- (a) a natural person who is not a citizen of Tanzania;
- (b) a company incorporated under the laws of any country other than Tanzania making direct investment in the country;
- (c) a company incorporated under the laws of Tanzania where fifty percent or more of the shares are held by a person who is not a citizen of Tanzania; or
- (d) in the case of partnership, a partnership in which the majority interest is owned by a person who is not a citizen of Tanzania;

“domestic investor” means a natural person who is a citizen of Tanzania, a company registered under the laws of Tanzania in which the majority of the shares are held by a person who is a citizen of Tanzania, or a partnership in which the majority interest is owned by a person who is a citizen of Tanzania;

“investment” means a contribution of domestic or foreign capital from an investor involving the establishment or acquisition of new assets for a business, and includes the expansion or rehabilitation of an existing business;

“incentives” means tax exemptions, tax reliefs or any other benefits that an investor may be entitled to under any applicable law; and

“Minister” means the Minister responsible for investment.

PART II
TANZANIA INVESTMENT AND SPECIAL ECONOMIC ZONES
AUTHORITY

Establishment of
Authority

4.-(1) There shall be an Authority to be known as the Tanzania Investment and Special Economic Zones Authority.

(2) The Authority shall be a body corporate with perpetual succession and a common seal and in its corporate name, shall be capable of-

- (a) own movable and immovable property;
- (b) suing and being sued;
- (c) entering into a contract or any other arrangements; and
- (d) performing any other act that may be done in accordance with law for the effective execution of its functions under this Act.

(3) The Authority shall be a one-stop centre for investors and shall be the principal Government organ for coordinating, encouraging, promoting and facilitating investment in Tanzania and advising the Government on investment policy and special economic zones.

Objectives for
establishment of
Authority

5. The Authority is established with the purpose of being a one-stop centre for investors and shall be the principal Government organ for coordinating, encouraging, promoting and facilitating investment in Tanzania and advising the Government on investment policy.

Functions of
Authority

6. The Authority shall perform the following functions:

- (a) to coordinate the promotion, facilitation, management, and development of investment in the country;
- (b) to coordinate enhancement of the country's image and branding in investment;
- (c) to monitor investment trends and advise the Government on necessary measures to improve the investment environment in the

- country, in line with domestic and global economic changes;
- (d) to collect, organize, analyze, and disseminate information on investment opportunities and incentives and sources of investment capital;
 - (e) to recommend investment incentives for strategic investors to the National Investment Development Committee;
 - (f) to promote private sector participation in investments in public-private partnership projects;
 - (g) to facilitate investors access to essential investment services related to registration and operation of investments;
 - (h) to register domestic and foreign investors;
 - (i) to issue licenses to investors in special economic zones;
 - (j) to handle investment-related complaints;
 - (k) to monitor and evaluate the implementation of investment activities in the country;
 - (l) manage, coordinate, and develop basic and enabling infrastructure within special economic zones and coordinate private sector participation in infrastructure construction;
 - (m) identify investment areas based on the type of investment, in consultation with key stakeholders in the public and private sectors;
 - (n) to collect information relating to investment projects from various institutions for the purpose of updating the investment register and preparing investment reports;
 - (o) identify, develop, lease, and manage investment areas in accordance with relevant laws; and
 - (p) perform any other functions for the purpose of fulfilling the objectives of this Act.

National
Investment
Development
Committee

7.-(1), There shall be a National Investment Development Committee composed of the following members:

- (a) the Prime Minister who shall be the Chairman;
- (b) the Minister responsible for investment, who shall be the Vice- Chairman;
- (c) the Minister responsible for foreign affairs;
- (d) the Minister responsible for finance;
- (e) the Minister responsible for planning or economy;
- (f) the Minister responsible for lands;
- (g) the Attorney General;
- (h) the Governor of the Bank of Tanzania;
- (i) the Commissioner General of Tanzania Revenue Authority;
- (j) three members who shall be appointed by the President of the United Republic of Tanzania to represent private sector; and
- (k) the Director General of the Authority, who shall also be a Secretary to the Committee.

(2) Without prejudice to subsection (1), the Committee may invite any sectoral minister who is not a member to attend the committee meeting for the purpose of making contribution on investment matters in the sector under his management.

(3) The National Investment Development Committee shall have the following functions:

- (a) to propose to the Cabinet the approval of additional incentives for strategic investors;
- (b) to approve national investment development plans and strategies in accordance with national priorities;
- (c) to ensure that there is a conducive environment for investment in the private sector and investment projects in the private sector are developed and maintained;
- (d) to supervise major projects with significant national impact based on size, capital, technological benefits, and employment; and

(e) to approve the establishment and management of strategic investment areas.

(4) For purposes of facilitating the functions of the National Investment Development Committee, there shall be a Technical Committee composed of members from Government institutions responsible for investment.

(5) The Minister, after consultation with the Board, shall make regulations specifying the structure and procedure for appointing members of the Technical Committee and for the implementation of the functions of the National Investment Development Committee and the Technical Committee.

Board of
Authority

8.-(1) There shall be a Board of the Authority which shall be responsible for overseeing the affairs of the Authority.

(2) The Board shall consist of nine members as follows:

(a) a Chairman who shall be appointed by the President; and

(b) eight other members who shall be appointed by the Minister as follows:

(i) a member from the Ministry responsible for investment;

(ii) a member from the Ministry responsible for finance;

(iii) a member from the Ministry responsible for lands;

(iv) a member from the Office of the Attorney General;

(v) a member from Tanzania Revenue Authority; and

(vi) three other members from private sector with qualifications, expertise and experience in investment and business related matters.

(3) The Director General of the Authority shall be the Secretary to the Board.

(4) The procedure and other matters relating to the Board of the Authority shall be as set out in the Schedule.

Functions and powers of Board

9.-(1) The Board shall have the following functions and powers:

- (a) to prepare internal policies and provide strategic guidelines on the implementation of projects, plans, programs and strategies of the Authority;
- (b) to approve the plans, reports, accounts and budget of the Authority;
- (c) to ensure that the implementation and operations of the Authority's activities comply with laws, regulations, procedures and guidelines;
- (d) to determine and oversee the implementation of the Authority's priorities in alignment with various national, regional and international plans, strategies and programs;
- (e) to monitor performance and ensure efficient and effective use of the Authority's resources;
- (f) to oversee the implementation of Ministry priorities within the Authority;
- (g) to approve financial regulations, human resources regulations, institutional structures, and employees' incentives frameworks before submission to the approving authorities;
- (h) to confirm the criteria for appointment and terms of services for employees of the Authority;
- (i) to set operational objectives and evaluate leadership performance and take appropriate measures;
- (j) to be the disciplinary authority for members of the management of the Authority in accordance with the laws and regulations;
- (k) to approve the code of conduct for employees of the Authority; and

(1) to perform any other functions as may be deemed appropriate for the promotion of and facilitate the implementation of the objectives of the Authority.

(2) Without prejudice to subsection (1), the Board may delegate the performance of its functions to the Director General of the Authority.

Director General

10.-(1) There shall be a Director General of the Authority who shall be appointed by the President.

(2) The Director General shall be the accounting officer and shall be responsible for the day-to-day management of the Authority.

(3) The Director General shall hold office for a term of five years and may be reappointed for one additional term.

Staff of Authority

11.-(1) Subject to the provisions of the laws governing the public service, the Board shall employ such number and cadres of staff as may be necessary for the effective implementation of the Authority's functions.

(2) Without prejudice to the powers of the Board, the Director General shall supervise the discipline of the staff of the Authority in accordance with the laws and regulations of the public service.

PART III INVESTMENT FACILITATION

One-Stop
Facilitation
Centre

12.-(1) For the purpose of enabling the Authority to operate as a One-Stop Facilitation Centre, all government institutions shall fully cooperate with the Authority in the performance of its functions under this Act.

(2) The Minister, after consultation with the Board, may request any sectoral Minister to second within the offices of the Authority any officers specified in such request, for the purpose of ensuring efficiency in the operations of the One-Stop Facilitation Centre.

(3) A public officer serving investors at the One-Stop Facilitation Centre shall-

- (a) provide services promptly and in accordance with the laws and procedures governing their functions; and
- (b) where the application is being handled by another officer not stationed at the Centre, that officer shall be responsible to carry out follow up to ensure that the institution they represent delivers the required service in a timely manner.

(4) In addition to the One-Stop Facilitation Centre, the Authority may establish zonal offices to expand the scope of services to investors across the country.

Services provided outside One-stop Facilitation Centre.

13.-(1) Where the service required by the investor is not available at the One-Stop Facilitation Centre, the Authority shall communicate in writing with the relevant institution to ensure that the investor receives the required service.

(2) The institution receiving the request under subsection (1) shall provide the required service or respond in writing regarding the status of the request within seven working days from the date of receipt.

(3) Where the Authority does not receive feedback on the request within the specified period under subsection (2), or where the request is denied, the Authority shall escalate the matter to the Minister responsible for the requested service.

Electronic integrated system

14.-(1) There shall be an electronic integrated system for facilitating and promoting investment, which shall be managed and coordinated by the Authority.

(2) The integrated system to be established under this section shall integrate all relevant authorities involved in the issuance of licenses, permits, approvals, and consents required by the investor.

(3) Unless otherwise specified in the law governing the relevant authority, all authorities providing

services to investors shall ensure that their services are integrated and can be provided through the electronic integrated system.

Registration of investors

15.-(1) Every investor intending to make any investment in Tanzania shall be registered with the Authority before commencing investment activities.

(2) The procedure for registration under this section shall be prescribed in the regulations.

(3) After registration by the Authority, the investor shall comply with the conditions and procedures governing the intended investment activity.

Application for certificate or licence

16.-(1) An investor may apply to the Authority for the issuance of-

(a) certificate of investment for investment activities in an area outside a special economic zone; or

(b) an investment license for investment activities in a special economic zone.

(2) The certificate or license may be issued for a new investment, rehabilitation, or expansion.

(3) The application procedure, qualifications, and criteria for obtaining a certificate or license shall be prescribed in the regulations.

Certificate or licence

17.-(1) An investor shall not transfer or amend the certificate or license without the approval of the Authority.

(2) The Authority may revoke a certificate or license issued under this Act if it is satisfied that-

(a) the certificate or license was obtained through fraud or by providing false information;

(b) the certificate or license has been amended or transferred to another person or investment without consent of the Authority;

(c) the investor has failed to fulfill the obligations specified under this Act;

(d) the investor has not commenced the project within twelve months from the date of

issuance of the certificate or license without valid reason; or

- (e) the investor has not submitted reports on the implementation and progress of the investment project for twenty-four consecutive months.

Changing or ceasing investment

18.-(1) Where the investor ceases to make the investment specified in the certificate or license, he shall notify the Authority in writing and shall be entitled to all rights and remain bound by the obligations under this Act in respect of the investment until the date he ceases to make the investment.

(2) An investor holding a certificate or license shall notify the Authority in writing where-

- (a) another person has succeeded to the investment;
- (b) the name or business details have changed; or
- (c) the investment has expanded or undergone substantial change.

(3) Any person affected by the changes or has an interest in the changes made to the investment may notify the Authority where the investor fails to do so within six months.

Investment incentives
Cap. 332, 147,
and 148

19.-(1) An investor holding a certificate may receive tax and non-tax investment incentives provided under the Income Tax Act, the Excise (Management and Tariff) Act, the Value Added Tax Act, or any other applicable law at the time.

(2) An investor holding a license in a special economic zone may receive the following incentives as specified in the relevant laws:

- (a) exemption from customs duties, value-added tax, and any other tax imposed on raw materials and capital goods used in production;
- (b) exemption from corporate income tax for the first ten years;

- (c) exemption from withholding tax on rent, dividends and interest for the first ten years;
- (d) exemption from withholding tax on interest from foreign loans;
- (e) exemption from taxes, fees and charges imposed by local government authorities on goods produced in special economic zones for the first ten years;
- (f) exemption from customs duties, value-added tax, and other tax that payable during the importation of one vehicle for administrative services, ambulances, fire trucks, and up to two buses for employee's transportation to and from special economic zones;
- (g) business visa for entry into the country for workers for a period not exceeding two months;
- (h) products imported into the country for special economic zones shall be given the same status as products transshipped to other countries through Tanzania;
- (i) exemption from value-added tax on services for water, electricity, gas, and telecommunications;
- (j) exemption from port charges;
- (k) exemption from stamp duty on any documents related to the transfer, leasing, or mortgaging of movable or immovable property within a special economic zone;
- (l) exemption from value-added tax on construction materials and construction services.

(3) The criteria for accessing incentives shall be specified in the regulations subject to the type of licence held within a special economic zone.

(4) For the avoidance of doubt, the incentives referred to under this section shall be granted in accordance with the conditions and procedures specified in the laws governing the incentives.

(5) The Authority, in collaboration with other Government institutions, shall design non-tax incentives to improve the investment environment in the country.

List of investment incentives

20.-(1) For purposes of facilitating access to information for investors, the Authority shall prepare a list of incentives available to investors under various laws.

(2) The Authority shall publish the list of incentives prepared under subsection (1) in the *Government Gazette* and through any other means that will enable information relating to respective incentives to be accessible to investors.

Strategic investor

21.-(1) An investor may be granted the status of a strategic investor where-

(a) the minimum investment capital-

(i) is not less than Tanzanian shillings equivalent of twenty million United States dollars (US\$ 20,000,000) for a domestic investor;

(ii) is not less than Tanzanian shillings equivalent of fifty million United States dollars (US\$ 50,000,000) for a foreign investor;

(b) the investor fulfills other criteria to be prescribed in the regulations.

(2) In addition to the incentives that may be granted to the investor under the relevant laws, a strategic investor may be granted additional incentives as recommended by the National Investment Development Committee.

(3) After recommendation of additional incentives by the National Investment Development Committee under subsection (2), the Minister shall submit such proposals to the Cabinet for approval.

Opportunities for domestic investor

22. The Minister in consultation with the Minister responsible for finance, may designate specific areas

where domestic investors may be granted incentives subject to the relevant laws.

Land bank

23.-(1) There shall be a land bank under the management of the Authority.

(2) The land bank shall be a database that stores information about land available for investment.

(3) The land bank shall consist of land sourced from-

(a) areas designated by the relevant authorities for investment purposes;

(b) areas to be acquired by the Authority for investment activities; and

(c) areas owned by private individuals.

(4) For purposes of implementing this section, the Authority shall make arrangements to acquire suitable land for investment in various areas of the country.

(5) In determining land suitable for inclusion in the land bank, the Authority shall consider location of the land, size, acquisition costs, and potential investment activities that can be undertaken based on the characteristics of the area.

(6) Before inclusion of the land owned by an individual into the land bank, the Authority shall verify the ownership of the land and determine its suitability for investment.

(7) A person whose land is included in the land bank shall be responsible for informing the Authority of any changes in ownership or other factors that may affect the ownership of that land.

(8) The provisions of this section shall not be construed to prevent an investor from undertaking investment activities on land that is not part of the land bank:

Provided that, a foreign investor intending to undertake investment activities on land that is not included in the land bank shall communicate with the Authority of such intention.

(9) The Authority shall coordinate the acquisition of land referred to under subsection (8) for use by foreign

investors in accordance with the provisions of the relevant laws.

Cap. 113

(10) Subject to the provisions of the Land Act, the Authority may lease land to an investor for a specified period or may grant ownership under a derivative right.

Management of land for investment

24.-(1) The Authority shall be responsible for managing land used for investment activities.

(2) The Authority may revoke derivative right if it determines that the investor has abandoned the project for a period of twelve months or more.

(3) The Minister, in collaboration with the Minister responsible for land, shall make regulations to establish a procedure for management of land for investment purposes.

PART IV SPECIAL ECONOMIC ZONES

Establishment of special economic zones

25.-(1) Special economic zones may be established in different geographical areas to attract investment in prioritized economic activities.

(2) The objectives for establishment of special economic zones are to enhance investment productivity, competitiveness, economic growth, promotion of exports and creation of employment opportunities for Tanzanians.

(3) Special economic zones may include the following areas:

- (a) industrial parks;
- (b) export processing zones;
- (c) free trade zones;
- (d) free ports zones;
- (e) tourist parks;
- (f) agricultural zones;
- (g) science and technology parks; or
- (h) any other areas as may be prescribed by the Authority.

(4) A special economic zone established under this section may be an area-

- (a) developed or undeveloped;
- (b) used solely for export production or for mixed use; and
- (c) for a single or multiple factories.

Procedure for establishment of special economic zones

26.-(1) The Authority shall identify suitable land for the purpose of establishing special economic zones and submit recommendations to the Minister.

(2) For the purpose of implementation of subsection (1), the Authority may identify suitable land-

- (a) from land allocated by the relevant authority for investment; or
- (b) upon receipt of application from a private person who owns the land.

(3) The Minister, after consultation with the Minister responsible for land and other relevant authorities, shall, by notice published in the Government Gazette, declare the identified land as a special economic zone.

(4) A notice issued under subsection (3) shall prescribe the following matters:

- (a) the boundaries of the special economic zone;
- (b) the type of area in accordance with section 25(3);
- (c) the types of activities to be promoted in the area concerned; and
- (d) any other information as may be necessary.

Customs matters in special economic zone

27.-(1) For customs purposes, once any area is declared to be a special economic zone, such area shall be placed under the control and supervision of the customs authority in accordance with the applicable customs laws in the country.

(2) The Commissioner General of the Tanzania Revenue Authority may prescribe specific procedures for tax administration in special economic zones, including procedures for submission and hearing of tax objections by investors.

Import, delivery of services and goods in special economic zones

28.-(1) Unless otherwise provided under this Act or any other law-

- (a) goods or services imported from a customs territory into a special economic zone shall be deemed to have been imported from Tanzania; and
- (b) goods or services imported from a special economic zone into a customs territory for use within the customs territory shall be regarded as having been imported into Tanzania.

(2) Goods and services intended for a special economic zone shall be subject to customs inspection in the special economic zone where such goods and services in question are destined.

(3) Subject to subsection (1), goods produced in a special economic zone for export shall not be removed from that zone except for the purpose of-

- (a) being exported outside the customs territory as export goods; and
- (b) being brought into the customs territory subject to-
 - (i) obtaining the necessary permits from the customs authority;
 - (ii) payment of all import duties, taxes and other charges and compliance with all customs procedures; and
 - (iii) the percentage of sales of such goods not exceeding twenty percent of the investor's annual production.

(4) The Board may, depending on the type of the factory or products and prevailing market conditions, permit an investor to sell into the customs territory beyond the limit specified under subsection (3).

Management of special economic zone

29.-(1) An investor shall not be authorized to carry out investment or business in a special economic zone except under a licence issued by the Authority.

(2) The Authority may issue to an investor the following licences in a special economic zone:

- (a) a licence for the development of a special economic zone;
- (b) a licence for the operation of a special economic zone;
- (c) a licence for production for export or for the domestic market.

(3) The terms and conditions for obtaining a licence, the application procedure and development procedure, operation or production within a special economic zone shall be prescribed in the regulations.

(4) For purposes of subsection (3), the terms and conditions for obtaining a licence may include-

- (a) the level of investment;
- (b) the size of the land area for investment;
- (c) employment opportunities to be created;
- (d) technology transfer;
- (e) the value chain contribution within the sector;
- (f) industrial park structure;
- (g) key performance indicators;
- (h) whether the intended products to be produced are insufficiently produced in the domestic market; and
- (i) any other terms or conditions that the Authority may determine.

(5) The Authority may issue general or specific directives regarding the development, operation or production in special economic zones and shall take appropriate measures to ensure compliance of respective directives.

Service providers
in special
economic zone

30.-(1) A person intending to provide services within a special economic zone shall apply to the Authority for a permit.

(2) In processing application for permit under this section, the Authority shall, among other matters, verify that the applicant holds a valid business licence from the competent licensing authority.

(3) The procedure for applying for a permit to provide services within a special economic zone and

processing permit applications, shall be prescribed in the regulations.

PART V
RIGHTS AND OBLIGATIONS OF THE GOVERNMENT AND
INVESTORS

Right to supervise investment

31.-(1) Without prejudice to the provisions of this Act, the Government shall have the right to supervise all investment activities for the purpose of ensuring that such investment activities in the country are conducted in accordance with the principles and objectives of this Act and in line with social, environmental and economic policy objectives.

(2) For the purpose of subsection (1), an officer of the Authority or any other authorised officer may enter premises used for investment activities for the purpose of conducting monitoring.

Obligation of investor

32. An investor shall have the following obligations:

- (a) to comply and adhere with the provisions of this Act and all other laws of the country;
- (b) to submit timely information required by institutions serving investors to perform their functions effeciently;
- (c) to undertake investment activities in a manner that protects consumers, the environment, promote gender equality and skills development to workers;
- (d) to submit to the Authority report on the implementation and progress of investment project within the specified time frame;
- (e) to use raw materials and other resources available or produced within the country;
- (f) to allow officers of the Authority or any other authorised officer to monitor progress of the project and implementation of the provisions of this Act; and

- (g) to comply with any other conditions imposed by the relevant authority.

Investment guarantees, transfer of capital, profits and dividends

33.-(1) An investor may, through any approved bank and using convertible foreign currency, transfer out of Tanzania-

- (a) net profits or dividends derived from the investment;
- (b) payments relating to the repayment of a loan obtained abroad;
- (c) proceeds from the sale or liquidation of the investment or any profit arising from the investment, after tax deduction and other payments prescribed by law; and
- (d) payments to foreign workers employed in an investment in Tanzania.

(2) Notwithstanding subsection (1), an investor shall be entitled to the rights described under this section after payment of all tax dues, fees, or government charges and other payments as prescribed by law.

Guarantee against nationalisation or expropriation

34.-(1) Subject to subsections (2) and (3)-

- (a) the investment or property of an investor shall not be nationalised or expropriated by the Government; and
- (b) A person who owns, whether wholly or in part, the capital of any investment shall not be compelled by law to surrender his interest in capital to another person.

(2) The Government shall not expropriate the investment or property of an investor unless such expropriation is in accordance with a law which provides for-

- (a) payment of fair and prompt compensation; and
- (b) the right of access to the court of law or to an arbitration tribunal for determination of the investor's interest or right and the amount of compensation to which he is entitled.

(3) Any compensation payable under this section shall be paid promptly and authorisation for its repatriation in convertible currency, where applicable, shall be issued.

Equal opportunity
to foreign investor

35.-(1) Subject to the provisions of this Act, other written laws of the country, treaties and international agreements to which Tanzania is a party, a foreign investor-

- (a) shall be entitled to the same opportunity as a domestic investor in relation to the establishment, acquisition, development, management, operation and sale or other disposal of an investment within the country; and
- (b) shall not be discriminated based on nationality, place of residence, place of incorporation or registration or country of origin of the investment.

(2) The provisions of this section shall not be construed-

- (a) to prevent the Government from taking regulatory or other measures to protect public interests, such as public morals, public health, security and environmental protection;
- (b) to prevent the Government from taking any measures to facilitate domestic investors;
- (c) to compel the Government to grant to a foreign investor and his investment any favouratism or benefits contained in-
 - (i) any free trade area, customs union, common market agreement, any international agreement or arrangement to which the country of origin of the investor is not a party; or
 - (ii) any existing or future international agreement or domestic law related to levy.

Immigrant quota

36. An investor shall be allowed to employ foreign workers subject to the number limits specified under the law governing employment of foreigners.

Access to domestic credit by foreign investors

37.-(1) A foreign investor may obtain loans from domestic banks and financial institutions for the investment up to an amount not exceeding the limit set by the Bank of Tanzania in consultation with the Authority, in accordance with the amount of foreign capital invested.

(2) A foreign investor who obtains a loan under subsection (1) shall ensure that the loan proceeds are utilized for the purposes specified in the loan application.

(3) The bank or financial institution granting a loan facility may, for purposes of this section, appoint an officer or its agent to verify the proper use of the loan facility granted under subsection (1).

PART VI COMPLAINT HANDLING AND DISPUTE SETTLEMENT

Complaint handling procedure

38.-(1) Where an investor is aggrieved by an investment-related conduct, action or decision of a government institution, may submit a complaint to the Authority.

(2) The Authority shall investigate and assess the complaint and take appropriate measures acceptable to all parties to resolve the relevant complaint.

(3) Complaint handling procedure will adhere to the principles of fairness, transparency and compliance with the law, and all relevant institutions shall be required to cooperate with the Authority in seeking a mutually resolution acceptable for all parties.

(4) The Authority shall resolve the complaint within thirty days from the date of receipt of the complaint.

(5) Information and documents received by the Authority during complaint handling procedure shall be treated as confidential.

(6) The procedure for handling investor complaint shall be prescribed in the regulations.

Appeal

39.-(1) A person who is aggrieved by the decision made by the Authority under this Act may appeal to the Minister.

(2) The procedure for appeal under this section shall be prescribed in the regulations.

Dispute settlement

40.-(1) Where a dispute arises between an investor and the Authority or the Government, efforts shall be made to resolve the dispute through negotiations to reach an amicable settlement.

(2) Where a dispute between an investor and the Authority or the Government cannot be resolved through negotiations, the dispute may be referred to an arbitration body agreed upon by both parties or resolved through any other means specified in the agreement between the investor and the Authority or the Government.

(3) Where no agreement has been entered into or no dispute settlement mechanism has been specified in the agreement between the investor and the Authority or the Government, the respective dispute may be referred to a court of competent jurisdiction to deal with the matter.

PART VII FINANCIAL PROVISIONS

Sources of funds of Authority

41. The sources of funds for the Authority shall include-

- (a) funds appropriated by the Parliament;
- (b) fees and charges levied for services rendered by the Authority;
- (c) funds received through grants, donations and loans;
- (d) funds derived from investments made by the Authority; and

- (e) any other funds obtained for the Authority for the purpose of performing its functions under this Act.

Budget of Authority

42.-(1) Within three months before the end of each financial year, the Director General shall prepare and submit to the Board a budget for the following financial year for approval.

(2) At any time before the end of a financial year, the Director General may prepare and submit to the Board a supplementary budget estimates for the current financial year for approval.

(3) Expenditure shall not be made out of the funds of the Authority unless it has been approved by the Board in the estimates for the relevant financial year or supplementary budget for the relevant year.

(4) The annual or supplementary budget approved by the Board shall be submitted to the Minister for approval..

(5) The Minister may require the Authority to revise its budget if in his opinion the budget does not accurately and realistically reflect the Authority's estimated revenue and expenditure.

(6) With the approval of the Board and upon consent of the Treasury Registrar, the Authority may invest any surplus funds not required for immediate use as deemed appropriate.

Accounts and audit
Cap. 348

43.-(1) The Authority shall keep and maintain books of accounts and other records relating to its operations and shall prepare annual financial statements in accordance with the Public Finance Act.

(2) Within a period of three months after the end of each financial year, the Authority shall submit to the Controller and Auditor-General, the accounts of the Authority accompanied by-

- (a) a statement of financial performance for the relevant year;

(b) a statement of the financial position of the Authority as at the last day of the relevant year; and

(c) such other statements or accounts as may be necessary to fully disclose the assets, liabilities, profits, losses and operations of the Authority

(3) The accounts of the Authority as certified by the Controller and Auditor-General or any other person appointed on his behalf, together with the audit report, shall be submitted to the Minister annually.

(4) The Minister shall lay before Parliament the accounts and audit report received under subsection (3) within three months after receiving the report or during the next sitting of Parliament, whichever comes first.

Annual report

44.-(1) Within three months after the end of the financial year, the Authority shall prepare an annual report on its performance and submit it to the Minister who shall in turn lay it before Parliament.

(2) The annual report shall include-

(a) a detailed account of the performance of the Authority for the relevant year;

(b) a copy of the audited financial statements of the Authority together with the report of the Controller and Auditor-General; and

(c) any other information that the Authority considers necessary or that the Minister may direct

PART VIII GENERAL PROVISIONS

Offences and penalties

45.-(1) An officer of the Authority or any other authorized person who, in the course of carrying out duties under this Act, obtains any document or information under this Act and transmits such document or information to any person not authorized by any law or by the Board, commits an offence and on conviction shall be liable to a fine of not less than one million

shillings and not exceeding five million shillings or imprisonment for a term of not less than six months and not exceeding one year.

(2) An employee of the Authority who has a duty to perform under this Act and fails to perform such duty or performs it negligently shall be subjected to disciplinary action as the Board or the appropriate disciplinary authority may determine.

(3) A person who-

- (a) knowingly or recklessly gives false or misleading information;
- (b) refuses or neglects to provide any information which the Authority may require for the purposes of implementing this Act;
- (c) without reasonable cause refuses to allow an authorized officer to enter his business premises or otherwise obstructs any inspection carried out by an authorised officer in the exercise of his monitoring duties;
- (d) uses the incentives provided for purposes other than those intended;
- (e) in the case of a foreign investor, carries out investment activities without being registered under this Act;
- (f) carries out an investment activity other than that registered or recognized by the Authority;
- (g) fraudulently exports goods claiming that such goods were manufactured or produced in a special economic zone for the purpose of obtaining any benefits granted to the United Republic under an international or regional agreement or treaty,

commits an offence and on conviction shall be liable to a fine of not less than five million shillings and not more than fifty million shillings or to imprisonment for a term of not less than six months and not more than five years or both.

(4) Where the offence is committed by an institution, a director, shareholder, chief executive

officer or officer concerned in the institution shall also be deemed to have committed the offence.

(5) In addition to the penalties specified in this section, the Authority may take the following measures against the investor:

- (a) cancel or suspend the certificate or licence; or
- (b) recommend to the relevant authority the cancellation of some or all of the incentives.

General penalty

46. Any person who contravenes any provision of this Act where no penalty is specified commits an offence and shall be liable on conviction to a fine of not less than two million shillings and not exceeding five million shillings or imprisonment for a term of not less than six months and not exceeding two years or both.

Protection against personal liability

47. A member of the Board, Director General or officer of the Authority shall not be liable for any suit, claim or liability in his personal capacity for an act or action done or omitted in good faith in the performance of his duties under this Act.

Investment register

48. The Authority shall maintain an investment register containing information on investors served by the Authority, investment activities carried out in the country and such other information as the Board may determine.

Application of other written laws

49.-(1) For the purposes of the Urban Planning Act and the regulations relating to buildings within special economic zones, reference to local government authorities in provisions relating to planning approvals and building permits shall be construed as reference to the Authority.

(2) A licence issued to an investor shall be deemed to be a licence granted by the relevant authority under the Business Names (Registration) Act and the National Industries (Licensing and Registration) Act.

(3) For the purposes of granting licences under this Act, the Authority in consultation with the

Cap. 213
Cap. 46

Cap. 213
Cap. 46

authorities responsible for the implementation of the Business Registration Act and National Industries (Licensing and Registration) Act with a view of maintaining a systematic and harmonised record of individuals or companies conducting business in Tanzania.

Regulations

50. The Minister may make regulations for better implementation of the provisions of this Act.

Transitional provisions and repeal
Act No.
10 of 2022
11 of 2002
2 of 2006

51.-(1) The Tanzania Investment Act of 2022, the Export Processing Zones Act of 2002 and the Special Economic zone Act of 2006 are hereby repealed.

(2) Notwithstanding the repeals of the laws specified under subsection (1)

(a) the certificate of incentives or licence issued under any of the repealed Acts shall remain valid in accordance with its terms and conditions of issuance until the expiry of the period during which the beneficiary was entitled to any benefits, incentives or any immunity; and

(b) an agreement entered into under any of the repealed Acts shall continue to be valid in accordance with its terms and conditions of issue until the expiry of the period during which the beneficiary was entitled to benefit from any benefit, incentive or any immunity, and after the expiration of the specified period, the provisions of this Act shall come into force.

(3) Any matter pending before the Tanzania Investment Centre or the Export Processing Zones Authority under the repealed laws shall be deemed to be pending before the Authority.

(4) After the commencement of this Act, any regulations, guidelines or any other subsidiary legislations relating to the investment, development or operation of the special economic zones that were in force prior to the commencement of this Act shall remain in force as if they were made under this Act, to the extent

that they are not inconsistent with the provisions of this Act, until amended or repealed.

(5) Where an investment that was being implemented before the commencement of this Act has duly complied with any minimum investment capital requirements specified under the repealed Act, such investment shall be deemed lawful notwithstanding any contrary provision in this Act.

PART IX
CONSEQUENTIAL AMENDMENTS
52-69 [Omitted].

SCHEDULE

(Made under section 8(4))

**PROCEDURES AND MATTERS RELATING TO THE BOARD OF THE
AUTHORITY**

Tenure in office

1.-(1) The Chairman or a member of the Board, unless his appointment is revoked or he ceases to be a member in any other way, shall hold office for a period of three years and may be reappointed for one further term.

(2) Notwithstanding subsection (1), a member of the Board shall cease to be a member where-

- (a) his term of membership expires;
- (b) he resigns by giving notice in writing to the appointing authority;
- (c) he fails to attend three Board meetings without the permission of the Chairman;
- (d) he is sentenced to imprisonment for a term exceeding six months;
- (e) he is declared bankrupt by a court; and
- (f) it is proven that he is unable to perform his functions due to physical or mental illness.

Appointment of temporary member

2. Where any Board member, due to absence from the country, illness, or any other valid reason, is unable to perform his duties as a member for a period of six months, the appointing authority may appoint a temporary member to fill his position and the temporary member will hold office until the substantive member

resumes his duties or until the substantive member's term expires, whichever comes first.

Conflict of interest

3.-(1) A Board member shall be considered to have a conflict of interest for purposes of this Act if he has a financial or other interest that conflicts or is likely to conflict with the effective performance of his duties or powers as a member of the Board.

(2) Where a Board member has a conflict of interest in relation to-

- (a) any matter before the Authority for discussion or decision; or
- (b) any matter that the Authority might reasonably expect to come before it for discussion or decision,

the member shall disclose, as soon as possible, the interest to the other members or the Secretary, and shall not participate or withdraw from the discussion or decision on that respective matter.

Meetings of Board

4.-(1) The Board shall meet ordinarily at least once every quarter to conduct its business.

(2) The Chairman may convene an extraordinary meeting at any time when there is an urgent matter requiring a decision by the Board, or when there are requests from not less than four members.

(3) The Chairman shall preside over all Board meetings.

(4) Where at any meeting of the Board the Chairman is absent, the members present shall appoint one among them to preside over that meeting.

(5) The Board may invite any person who is not a member to attend and participate in discussions at any meeting of the Board, provided that such person shall not have the right to vote.

Quorum

5. The quorum at any meeting of the Board shall be at least five members.

Decision of Board

6.-(1) Subject to subsection (2), matters proposed at a Board meeting shall be decided by a majority of the votes of the members present and voting, and in the case of equality of the votes, the Chairman or the member presiding over the meeting shall have a casting vote in addition to his original vote.

(2) The Board may make decisions without convening a meeting by circulating relevant documents among the members and the members' submissions in writing shall constitute decision of the Board, unless any member requests that the decision be deferred and the matter be discussed at the next Board meeting.

Committees

7.-(1) The Board may establish and appoint committees from among its members to perform the functions of the Board under this Act.

(2) A Board committee may invite any person to attend and discuss a specific matter as the committee may decide, provided that such person shall not have the right to vote.

(3) A Board committee shall perform its functions in accordance with the directives of the Board.

Minutes of meetings

8. The minutes of each Board meeting shall be written in proper form and approved or corrected and shall be approved by the Board at the next Board meeting and signed by the member who presided that meeting and the Secretary.

Vacancy not to invalidate proceedings

9. Any act or proceedings of the Board shall not be invalidated by the vacancy of any position or any defect in the appointment of a member.

Fees and allowances

10. Board members shall be paid such fees and allowances as approved by the relevant authority.

Board to regulate its own proceedings

11. Subject to the provisions of this Schedule, the Board may determine its own procedure for conducting its business.

